

## **“Transformation has to start with ourselves”**

### **Summary Note of the virtual meeting between Grand Bargain Ambassadors, Facilitation Group Sherpas and Signatories**

17 November 2023

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**The virtual meeting convened Grand Bargain Ambassadors, Facilitation Groups Sherpas, and Signatories, providing an opportunity to present the upcoming plans and transformative actions toward commitment implementation. The Signatories overwhelmingly welcomed the exchange, creating an atmosphere brimming with energy for action-oriented discussions.**

The meeting was opened by **Grand Bargain Ambassador Michael Köhler** who emphasised that business as usual is no longer an option and that Signatories must play a role in delivering tangible change. *“We as Ambassadors are here to give direction, create opportunities, but it is the actions of the Signatories that will truly make a difference – we need you to go from commitments to actions. There is a lot to transform in all focus areas, it is an in-depth exercise of change management,”* he noted. He also presented his concrete plans for the coming year to champion the new focus area on catalysing transformation in the sector (see visual on page 2). **Grand Bargain Ambassador Bessler** echoed the need for unified effort among Grand Bargain Signatories, recognising the legitimate concerns regarding the lack of progress on localisation, and at the same time underlining the importance of using this platform for honest discussions to move forward. Ambassador Bessler presented his concrete plans to champion localisation, and quality funding, a joint area of responsibility with Ambassador Köhler (see visual on page 2).

**Grand Bargain Ambassador Jemilah Mahmood** concluded this introduction by calling on the Signatories to be transformative. *“We cannot continue business as usual – the stakes are too high for the people in need. So please be radical, be transformative in your interventions,”* she noted. Ambassador Mahmood also emphasised the need to engage more non-traditional actors who are equally key in transforming our aid system. It is crucial to broaden our listening scope beyond the usual suspects, inviting new ideas and diversifying perspectives for transformative change. Ambassador Mahmood presented the plans to engage at COP28 in December 2023, and plans to champion participation of affected people in the year to come.

A key pillar of the Ambassadors’ engagement is ensuring **accountability**. As agreed by the Signatories in the GB Framework 2023-2026, the Ambassadors presented plans for an exercise that will deliver a revised self-reporting mechanism by spring 2024. This process will begin very soon and will involve consultations with Signatories. *“The time for the exercise is tight, but we want to make sure we do it right: the outcome must be more transparency, more accurate and more comparable data,”* they noted.

## GRAND BARGAIN AMBASSADORS – PLANS 2023/2024

	Q4 2023 (September-December)	Q1 2024 (January-March)	Q2 2024 (April-June)	Q3 2023 (July-September)
MANUEL BESSLER Localisation	Collect good practices on donors incentivising <b>localisation</b> , and discuss them together with local and national responders.			
		Oversee an informal space for learning on the implementation of the outcomes of the <b>caucus on funding for localisation</b> .	Building on caucus on <b>funding for localisation</b> , focus on ensuring commitments to pass through of quality funding to local and national actors.	
MICHAEL KÖHLER Anticipatory Action Innovative Financing Nexus		Support the high-level launch of a <b>caucus on anticipatory action</b> , based on the work that the Grand Bargain interest group has been doing, with the support of Anticipation Hub.  Convene a group of stakeholders to exchange good practices on <b>innovative financing</b> and discuss how to scale them up.	Convene key stakeholders to discuss potential new approaches to overcoming the barriers to the <b>nexus</b> , and ensuring a coherent approach to investments in the nexus, and responses in fragile contexts.	
MICHAEL KÖHLER/MANUEL BESSLER Quality funding			Convene key stakeholders to look at real barriers to scaling up <b>quality funding</b> .	
JEMILAH MAHMOOD Participation		Achieve agreement on an ambitious target for participation.	Look into existing good practices on participation revolution, including on the donor side to encourage participatory approaches; and convene a group of Signatories to champion a new way of doing things.	
Collective actions	Engage at <b>COP28</b> to explore the role of efficient and effective aid in addressing humanitarian impacts of climate crises, and to raise awareness of the commitments among the non-Signatories as well, particularly non-traditional donors and climate and development actors.		With the support of the Grand Bargain Secretariat, <b>revise the self-report</b> to make it more focused and concrete against the commitments.	
	Ensure outreach and convene meetings to enforce <b>accountability on the implementation of agreed caucus outcomes such as role of intermediaries, quality funding, and funding for localisation</b> .			

**After the introduction by Grand Bargain Ambassadors, the Facilitation Group Sherpas were asked to share the one practice they are implementing / planning to implement, that could be transformative:**

**EU/DG ECHO** presented funding tools, designed to offer predictable and flexible support for unforeseen crises and disasters. These tools form part of an emergency toolbox characterised by two main features: non-geographically earmarked funding and rapid fund disbursement. As an example, the emergency toolbox was deployed in response to earthquakes in Turkey and Afghanistan. The emergency toolbox includes 4 specific tools: 1) the Acute Large Emergency Response Tool (ALERT) which allocates funds in response to a large-scale emergency's onset (where over 100,000 people or over 50% of the population are affected); 2) the Small-scale Tool, used to assist a limited number of people (below 100,000) affected by a natural or human-induced disaster; 3) the Epidemics Tool, used to respond to and prevent epidemic outbreaks; 4) the contribution to the IFRC Disaster Response Emergency Fund (DREF).

**Germany** highlighted the immense potential of anticipatory action as part of the focus area for shrinking humanitarian needs. Germany currently co-leads the working group on anticipatory action within the Grand Bargain and is prepared to champion a respective caucus. Collaborating closely with the co-lead WFP and other members of the core group, and with support of the Anticipation Hub, they aim to identify and define challenges that will be reflected in a problem statement for such a caucus. Germany emphasised the importance of using caucuses as platforms to collectively agree on how to operationalise commitments at a larger scale. Germany also called to all Signatories to ensure implementation of the existing caucus outcomes.

**UNICEF** is planning events around localisation at the upcoming European Humanitarian Forum in March 2024, emphasising also the importance of innovative financing for local and national actors. The organisation also adopted the application of 7% overhead cost to local Civil-Society Organisations as part of its commitment towards localisation, cascading quality funding and capacity strengthening. UNICEF is working with ICVA to see what can be done to advance this issue collectively.

**OCHA** revised the CBPF Global Guidelines which recognise localisation as a specific objective of the CBPFs and by promoting quality funding, engaging local entities in governance, bolstering capacity, and ensuring visibility for local actors and international partners, the CBPFs play a crucial role in empowering local and national NGOs. In 2022, the CBPFs directly allocated funding to 342 local and national organisations, representing 37% of all CBPF recipients during the year. These organisations directly received 29% of the total amount allocated, exceeding the 25% World Humanitarian Summit benchmark. So far in 2023 we are currently at 43%, an interim figure which may go up or down by the end of the year. Furthermore, CERF is continuously aiming to strengthen its efforts to promote localisation. In recent UFE allocation rounds, the ERC has encouraged UN country teams to organise consultations with national and local partners on the design of CERF allocations and strengthen their engagement in the implementation of CERF funding. RC/HCs have also been encouraged to set ambitious targets for CERF funding to be sub-granted to national and local organisations. As a result, recent underfunded emergencies rounds have seen about a quarter

of funding being sub-granted to national and local partners instead of the former average around 15%. Lessons from these "innovations" will inform future CERF approaches to enhancing localisation. For example, in Sudan and Niger, engaged with frontline responders to find new ways of operating. OCHA also emphasises the importance of a common risk sharing framework.

**IFRC** reiterated that championing the localisation agenda remains at the forefront of their mission. For instance, through the creation of an insurance mechanism for the Disaster Relief Emergency Fund (DREF) IFRC is mobilising blended private and public funding in support of National Red Cross/Crescent Societies. Through this innovative financial instrument they are able to reinforce their capacity to lead, coordinate, and implement effective responses tailored to the unique needs of their communities.

**InterAction** is newly seated on the Facilitation Group as the INGO representative. As a non-operational membership organization, InterAction is uniquely positioned to leverage the collective experience of international NGOs and determine key bottlenecks in the humanitarian system that, when addressed, will facilitate more effective and efficient humanitarian response that meets the needs of affected populations. We are committed to working in tandem with our LNGO Facilitation Group representative, NEAR, in this endeavor and have already begun a tandem determination process to establish the priorities of the NGO community under the focus areas and sub-objectives of the Grand Bargain's third iteration. We do anticipate some divergent priorities between international and national/local NGOs; however, collaboration with NEAR in this endeavor enables us to maximize convergent priority areas of the collective NGO community, to ensure that we are appropriately addressing the most urgent areas of concern. We expect to be able to provide more information and clarification by late January 2024 and will be able to more clearly articulate areas of collective engagement at that time.

**NEAR** is prioritising three transformative practices, namely locally led funding mechanisms (for example, supporting Yemen and Nepal locally-led funding mechanisms through the Change Fund 2.0, applying lessons learnt from the first iteration and scaling it up with more donors); facilitating a learning event on the caucus on funding for localisation in early 2024; and supporting National Reference Groups.

**Following the Facilitation Group Sherpas, the Signatories were also asked to share their transformative practices and interest to join collective efforts. Due to time constraints, not all Signatories were able to speak during the meeting, but shared their contributions afterwards with the Grand Bargain Secretariat. The summary note includes contributions shared at the meeting, in the chatbox, and via email, ordered alphabetically.**

**A4EP** is collecting experiences of equitable partnership from the perspectives of local actors. This will start with Regional Humanitarian Partnership Week in December where they will host a session and a panel on pooled funds. An A4EP member is piloting a country-based tracking mechanism. A4EP will create a coalition for equitable partnership with local and international organisation that will create a pilot of equitable partnership right from the start and share the experiences.

**ActionAid** has initiated a revised data collection process on humanitarian reporting with countries with disaggregated data on the amounts shared, the type of partner – women-led, young people led and includes the percentage of funding supporting capacity strengthening and institutional strengthening components.

**Belgium** continues to prioritise quality funding – both multiannual and flexible. For Belgium, quality funding represents at least 60 % of humanitarian funding. Developing practical guidance on the nexus is high on the agenda. Belgium stands ready to share its experience with Signatories. Together with DG ECHO Belgium as president of the EU Council is the co-host of the European Humanitarian Forum. The two main topics of the forum are: addressing the funding gap and forgotten crises.

**CAFOD** supported a network of local actors in Ukraine to convene a national localisation conference back in February, and there's a plan to follow up on this with similar convening which is due to happen sometime between now and next Grand Bargain Annual Meeting. CAFOD also suggested Grand Bargain meetings should take place in a limited number of contexts next year ahead of the Annual Meeting in October 2024.

**Canada** continues to make progress, including on quality funding through the exploration of programmatic responses to NGO partners. In 2023, Canada is exploring flexible programmatic responses with NGO partners to ensure they are well placed to respond to humanitarian needs. This will provide multi-year, multi-country funding to partners, providing them with the flexibility to respond where they are needed most. They also continue their efforts to enable their NGO partners to count local overhead costs as a direct project cost, as a critical first step towards equitable partnerships

**CARE International** called on the Ambassadors to outline their plans to ensure that gender is well considered in their work. In particular, CARE International would like to reiterate their encouragement for one of the Ambassadors to take the lead on this topic which, although cross-cutting, requires dedicated attention for sufficient progress to be achieved.

**Denmark's** localisation efforts will be based on the outcomes of the conference they hosted in Copenhagen in October together with IFRC and USAID. In relation to Denmark's efforts on the nexus, a Finance Act (still pending parliamentary approval) now has budget lines that are structured in ways that would contribute to better nexus approaches, including in relation to humanitarian - climate action. Denmark would be keen to share their experience on quality funding through the Grand Bargain platform.

**DRC** has "Go Local" Strategy, and recently adopted a new global policy statement which reads: *"By 2030, DRC's main modality of implementation is one where DRC systematically supports, facilitates and strengthens local actors and systems in their lead role in crisis response and in the advancement of durable solutions for people affected by conflict and displacement. DRC is able to implement directly when relevant analysis shows that it is necessary and adds value in a given context and situation"*. This completely changes the organisation's narrative or DNA over the past years as strong direct implementers. A number of concrete actions are ongoing to support this firm commitment and to quote just one, DRC from January 2023 will roll out its brand-new policy on overheads cost to all its partners that will now apply to both international as

well as local and national partners, which is quite a historical change for DRC and one that was long overdue. Since 2023 DRC tracks the amount of humanitarian funding channeled through partners and while they are currently at 5%, far from the GB 25% target, they will be working in 2024 towards setting a realistic but ambitious target that takes into account where they stand now and their commitments under the Grand Bargain. DRC would also be keen to contribute to quality funding, localisation, and anticipatory action.

**ICVA** is focusing on promoting equitable partnerships with NGOs, including with national and local NGOs, through various events and discussions related to Grand Bargain commitments and initiatives. ICVA continues to facilitate local NGO participation in various platforms including through the planned launch of a Resource Facility to support local and national NGO participation in CBPF governance structures, thanks to contributions from Switzerland, Norway, Luxembourg, Ireland, and Jersey. Early next year we will start working with NGOs on improving financial data transparency. We hope all NGO signatories will participate and contribute.

**ICRC** would be eager to share experiences from major blended finance water-related projects in DRC and Mozambique, as well as a new innovative financing collaboration with IFRC and Danish Red Cross. Together with SIDA and other partners, ICRC is looking to pilot in early 2024 the sector wide risk sharing framework launched in June. ICRC also looks forward to engaging with Grand Bargain signatories to support collective efforts to scale up quality funding, including through the meeting envisaged for spring 2024.

**IOM** is working to empower national and local actors to lead displacement responses including disaster preparedness, response, and coordination. IOM continued the work of localising the Global Camp Coordination and Camp Management (CCCM) framework through 4 localisation pilot projects in Bangladesh, Costa Rica, Ethiopia, and Indonesia. In the Ukraine response they have worked with over 80 NGO partners since the start of the war and have dedicated USD 30 million for capacity development of partners and trained more than 40,000 staff members of partner organisations. IOM also works on strengthening systems (e.g. NFI common pipeline) for the benefit of partners. Internally, IOM has finalised a framework and operational guidance to institutionalise their commitments. New institutional guidance on partnerships with national and local partners strengthens their approach to equitable partnerships and integrates simplified due diligence and simplified narrative reporting as well as indirect cost coverage / overhead sharing for local partners. To strengthen participation and empower affected people they continue to invest in their community-based planning methodology to reinforce a people-centred approach to programming. IOM is applying this approach, in partnership with or through local actors and leaders, in all major displacement crises globally and will continue to advocate for this approach which can also help to bridge the AAP and participation workstreams and support participation across the nexus.

**Norway** is currently co-chair on behalf of the donors of the Pooled Fund Working Group (PFWG). Enhancing local humanitarian action is a main priority. Together with other donors, Norway is supporting the Resource Facility set up by ICVA for local partner participation at the PFWG meetings and in the Advisory Boards of the Country Based Pooled Funds at country

level. Norway is also developing an internal nexus guidance note and updating their humanitarian strategy.

**Oxfam** strongly welcomed the high-level events on innovative financing and nexus announced by the Ambassadors, and they are ready to share the highlights from previous meetings they co-lead on to feed the discussion and elaborate a joint narrative. Oxfam is collecting lessons learnt from two responses, Ukraine and Pakistan, in relation to the partnership work including funding to local and national actors, and analysing to see where there is room for improvement.

**Save the Children**, following its participation in the Grand Bargain caucus on funding for localisation, initiated an internal process to identify specific actions that the organisation will prioritise to increase the level of funding to local and national actors and developed a roadmap for funding for localisation. It includes i) setting out a common protocol for how the organisation shares overheads with local organisations, b) Updating the internal systems of the organisation to be able to disaggregate data on funding passed on to local and national actors and c) Making changes in reporting, advocacy, media and communications, so that the organisation gives more credit and visibility to local and national organisations when they wish it, and it's safe for them.

**SCHR'** members continue to work to improve further at handing power to local actors and affected people in line with the Intermediaries Caucus outcomes, in particular delivering against the charter for change/Pledge for change. This should make it easier for both donors and local actors to differentiate between intermediaries, and they hope this will inform both where funding cuts fall in the coming months, future resourcing decisions and whom local actors choose to partner with.

**Sweden's** focus on localisation goes beyond funding but works on improving participation by amplifying the influence of affected populations in conversations and humanitarian responses. Sweden aims to increase the number of civil society partners receiving funding at the country level and is revising its internal processes to better support locally led organisations.

**Switzerland** called for funding partners to make sure to allocate funds for local and national actors to participate at high level and global events. Switzerland is also working on risk insurance to mitigate the risk taken by humanitarian providers. Switzerland is considering initiating a Community of Practice to follow up on the Outcomes on the roles of Intermediaries and invited funding partners, intermediaries as well as local partners to be part of this and contact Switzerland to develop this further.

**Trócaire** has implemented a Partner Indirect Cost Recovery (IRC) policy to equitably share costs with local partners. As of January 2023, they initiated new organisational guidance on Capacity Strengthening, aiming to allocate a minimum of 5% of total partner budgets. They are piloting a [Due Diligence Passporting System](#) to reduce administrative burdens on local actors, collaborating with seven other organisations. Trócaire has advocated for a new perspective on [Capacity Sharing](#) within the localisation agenda and published two evidence based reports on [pre-positioned funding](#) and [GBV coordination](#). They collected feedback from 159 partners across 15 countries to review their Partnership and Localisation Strategy. They

have a partnership underway with the Myanmar Localization in Action Network and University of Melbourne to conduct research on a good localisation partner index to be used by local organisations to assess INGOs and UN Agencies. They continue investing in their Nairobi-based Partnership and Localisation Hub who supports these initiatives mentioned above.

**UK/FCDO** is dedicated to advancing the shift towards inclusive, people centred, locally-led actions. As reiterated by UK/FCDO's Sherpa, "transformation has to start with ourselves". UK/FCDO's upcoming White Paper will be launched the week of 20 November 2023 and will present the commitments to this focus area of localisation, including a strategy setting out how the UK will support local leadership, drawing on the insights gained from ongoing consultations with local actors on locally-led action.

**UNFPA** is committed to continuing efforts towards meeting its ambitious target of providing 43 per cent of humanitarian funding to local and national partners by 2025. In addition, UNFPA is: (1) seeking to increase funding to Women-Led Organisations (WLO) including by increasing the amount of funding provided to WLOs through the UNFPA Humanitarian Thematic Fund, as a proportion of the total amount provided to implementing partners; (2) working to ensure strengthened, coherent and transparent internal tracking of funding provided to WLOs; (3) prioritising initiatives that support the increased participation of WLO in the humanitarian coordination system, including in leadership roles, drawing upon the experience of the GBV AoR. UNFPA also remains engaged in supporting initiatives and dialogues, including through the FoGG, to ensure that gender perspectives are prioritised and reflected in all Grand Bargain discussions and workstreams. UNFPA is committed to strengthening Anticipatory Action for women and girls and to this end is developing an internal Anticipatory Action Mechanism focusing on gender-based violence prevention, the continuation of and access to sexual and reproductive health services and rights, and cash assistance to empower women and protect their livelihoods before a risk evolves into a crisis. UNFPA remains interested in supporting collective initiatives to scale up anticipatory action and ensuring that such initiatives effectively meet the needs of women and girls.

**UN Women** will continue to be focused strongly on gender transformative localisation (e.g. through the CERF block grant 34% was passed through organisations to increase services to survivors of GBV but also increase community mobilisation, and engagement in humanitarian decision making). UN Women called on jointly finding ways to be more flexible in funding local organisations in situations where they are key frontline responders, such as Sudan.

**USAID/BHA** is finalising a policy for locally-led humanitarian assistance. This complements ongoing efforts by USAID to expand localization. USAID has published a progress report to hold itself to account for implementing a model of more inclusive, locally led development and humanitarian assistance. In this report, USAID found that in FY 2022, the Agency recorded the highest level and percent of Direct Local Funding in more than a decade. USAID also funded a larger number of local partners in FY 2022. USAID/BHA is also undertaking an effort to improve the efficiency and effectiveness of the Bureau's internal program lifecycle processes to help us better deliver on our humanitarian mission. This process has been informed by consultations with a range of USAID/BHA partners about processes that work well and areas for improvement.



**U.S PRM** remains committed to moving forward on efforts around participation of affected people. PRM recently completed an evaluation of their efforts on accountability to affected populations, which outlined some concrete steps they will be taking in the coming year.

**WFP** is conducting an in-depth review of current WFP and UN practices and lessons learned in the field and on global evidence, and they are outlining the full spectrum of WFP localisation efforts across humanitarian and development contexts (with emphasis on the former), elaborating the risks associated with localisation, including alignment with the corporate risk matrix used in Country Strategy Plans (CSP); and developing proposals (for consultation) on adopting new working models; investment in tracking; and agreed-upon corporate targets in line with WFP commitments and best practices. Moreover, WFP has made significant efforts to embed the critical components of localisation – across relevant WFP policies and pieces of guidance. WFP also plans to formulate a localisation policy, building on the key components of localisation – partnerships, capacity strengthening, funding, participation and coordination. WFP is developing a capacity-strengthening strategy for local NGO partners that will further provide options for country offices pursuing localisation and contribute to the proposed localisation framework. This strategy should be finalised in 2024. Finally, WFP would like to keep contributing to all the GB priorities and actively participate in the Anticipatory Action conversation.

**WHO** is now finalising its localisation strategy based on extensive analysis of Afghanistan, Syria, Somalia, Mali and South Sudan WHO's operations. WHO has reached out UN Agencies and some INGOs at country level to preliminary agree on basic common principles on Localisation and draft a definition of it through consultation with all Health Cluster members in those countries. WHO called on the Grand Bargain Ambassadors to advocate for organisational changes in order to be able to push forward the Grand Bargain agenda.