

Grand Bargain political caucus to scale up anticipatory action

Problem definition and caucus strategy

Final Version

Background: Introduction to anticipatory action

Anticipatory Action (AA) saves lives and livelihoods before a humanitarian disaster has occurred, helps to preserve people's dignity, provides value for money, and protects development gains. AA can contribute to the efficiency of the system, reducing humanitarian needs and thereby saving costs. AA should be a collective effort shared between humanitarian, development, and climate stakeholders.

AA takes different forms but there are common parameters:

- Actions are implemented *before* a hazard occurs, or before its most acute impacts are felt.
- The objective is to *reduce the potential humanitarian impacts* of forecastable hazard(s).
- Actions are designed based on *forecasts or predictive analyses* of when and where a hazard will occur.

Experience indicates that AA work best when triggers and activities to reduce risks are pre-agreed and decisions are made to guarantee the fast release of pre-arranged financing. Establishing these systems requires adequate front-loading of funding and time, resources and collaboration across sectors/partners to build relevant capacity aligning efforts with climate and development stakeholders. AA should be localised in order to achieve the greatest impact; leadership of local actors in all stages of AA planning and execution is essential, ensuring their expertise and capacities are at the forefront of decision-making.

Challenges to scale up: Limited funding and fragmentation

Under-funding and fragmented approaches have resulted in AA not being adopted at necessary scale. Despite some progress, funding for AA activations (“fuel money”) is very limited - it comprises just 0.2 per cent of overall humanitarian funding. Moreover, it is hard to access, especially for local stakeholders and comes primarily from only a few donors. Investments in AA system-building (“build money”) are difficult to track because relevant initiatives cut across humanitarian, development and climate sectors.

In addition, the AA space is characterized by a growing number of actors and rather small-scale AA frameworks which are not necessarily coordinated. Existing coordination structures are not yet fully leveraged. As different actors are joining the AA agenda, there is a need for greater coherence and stronger coordination, especially at the country level to ensure interventions are well aligned and complement local and national efforts.

The Grand Bargain, as the only platform that brings together donors, UN organisations, Red Cross/Red Crescent movement, international and local/national NGO, is best placed to bring about the required step-change at political level to tackle these challenges. Signatories agreed in June 2023 to prioritise scaling up of AA and to identify barriers that can be addressed within the Grand Bargain as a concrete contribution to shrinking the humanitarian needs.

Launch of a Caucus

To elaborate concrete ideas on how to tackle the challenges identified, interested Grand Bargain Signatories agreed to launch a caucus and committed to resolve together existing barriers. The work of the caucus is supported by the Anticipation Hub.

In line with challenges outlined above, the main political objectives of the Caucus are to ensure:

1. Funding commitments are secured to scale up coordinated AA.

The Caucus identifies opportunities and barriers of different donors and other actors (including from the climate and development sector) to operationalize strengthened early warning systems by providing additional fuel finance for AA with the ambition [desired outcomes] that:

- a) Existing donors commit to increase their investment in AA,
- b) New donors/actors are mobilised,
- c) Flexibility of funding is increased which allows allocations to AA,
- d) More AA funding is allocated as direct as possible to local organisations with simplified access mechanisms, and
- e) Build finance is tied to the requirement to invest in coordinated approaches.

In exchange for more AA-funding, the Caucus will recommend that humanitarian agencies can increase their readiness to implement AA, building respective capacities, in collaboration/in support of respective local and national capacities, and demonstrate the benefits of those agreements through established methodologies and independent research.

2. Caucus members agree on recommendations to improve coordination and cooperation at the international, national and local level.

The Caucus identifies barriers for inter-agency and cross-sectoral coordination and

- (a) Agrees on recommendations to improve coordination on AA system-building and activations, building on ongoing efforts by the IASC, and with a focus on country level to ensure interventions are well-aligned and complement local and national efforts.
- (b) Formulates recommendations how to better reflect AA in national strategies and capacities, ensuring national systems lead and integrate these efforts while complementing locally-led efforts.
- (c) Looks into ways to strengthen the role of local actors in AA, ensuring that AA strategies are culturally sensitive and contextually relevant, integrate local knowledge, fully recognising and valuing the expertise of local actors in identifying, forecasting, and responding to hazards.

As a baseline for the two political objectives, the caucus will need to start working on a:

3. Joint methodology is developed to allow tracking of funds for AA as well as a basis for advocacy (“common understanding”).

The Caucus reviews current methodologies for tracking AA funding (“fuel and build money”), such as the ongoing G7 work on methodology, reporting practices and challenges and

- (a) Reaffirms the definition of AA and defines what counts as “build” and what as “fuel” finance.
- (b) Proposes options how to better track funding, including whom to report and what issues are to be addressed in implementing the data collection.

The outcome of this process should be an outcome document to be presented at the GB Annual Meeting in October 2024, containing concrete [soft/hard] commitments on 2-3 action points per subset that donors and humanitarian organisations commit to take on in their collective efforts to contribute to shrinking the needs.

Caucus members:

The core group that will work in the Caucus includes EU/DG ECHO, FAO, Germany, IFRC, NEAR, OCHA, Oxfam, Save the Children, UK and WFP. An invite will be extended to climate and development partners too.

Interested Signatories were invited to join an external advisory group which will be consulted and informed of the progress as relevant.

Caucus workplan:

- 16 February 2024: Caucus launch at Principal level
- Second half of February 2024: Meeting at **working level** to start a conversation on a joint **definition and methodology**.
- March 2024: Meeting at **working level** to start a conversation on **funding** – scoping existing funding commitments, potential barriers and conditions / considerations for scale up; and to prepare the ground for a more senior-level discussion.
- By end of March 2024: Reach an agreement on definition and methodology.
- April 2024: Meeting at **working level** to identify barriers and opportunities for improved **coordination and cooperation including** a process to support the locally-led agenda
- April 2024: Meeting at **senior working level** (potentially in person) on funding, ideally led by a donor, to have an honest conversation on potential barriers and possible commitments for scale up. This could include extending the invite to other donors, not included in the caucus.
- May 2024: Meeting at **senior working level** to discuss possible recommendations to improve **coordination and cooperation**.
- By end of May 2024: Reach an agreement on recommendations to improve **coordination and cooperation**.
- June 2024: Meeting at **senior working level** to revisit discussion on **funding** – coming up with specific funding commitments, based on agreed **methodology** and recommendations for improved **coordination and cooperation**.
- July – August 2024: Putting the pieces together – drafting and finalising the caucus outcome document.
- September 2024: Principal-level closure of the caucus, endorsement of the outcome document.
- October 2024: Presentation of the outcome at the Grand Bargain Annual Meeting and Global Dialogue Platform 2024

Opportunities for external outreach and consultation:

Aim: Consult with other stakeholders (non-caucus members) and raise awareness and dialogue among humanitarian / development / climate actors on AA as a collective effort.

- 18-19 March 2024: European Humanitarian Forum
- 6-10 May 2024: Humanitarian Partnership and Network Week
- 19-21 June 2024: ECOSOC Humanitarian Affairs Segment