

Summary Note: Leveraging the 'Bargain' Meeting

28 March 2025, 13.00-16.00 CET

Venue: Maison de la Paix, Geneva

Objectives:

In response to the ongoing humanitarian funding crisis, the meeting had two-fold ambitions: secure agreement to leverage Grand Bargain (GB) commitments through a proposal containing concrete measures for addressing immediate efficiency concerns; and utilise the platform to have a preliminary conversation to identify parameters for long-term structural and systemic changes in the sector to align with and inform ongoing reform efforts.

Key Takeaways:

1. Towards agreeing concrete measures: Upon agreement of the general approach of the concrete measures proposed by the Ambassadors in the first session, it was agreed that a high-level caucus will negotiate and agree a joint statement, inclusive of the concrete measures. Norway, UNICEF, the Netherlands, WFP, IFRC, ICVA, and NEAR will form the caucus, working closely with the Facilitation Group. The Ambassadors will lead the process, facilitated by the GB Secretariat in the coming weeks. The objective is to agree a joint statement that will be shared for endorsement by all Signatories. The Ambassadors will share the outcome of the process by early May.

2. Leveraging the GB Platform to identify parameters for structural and systemic reforms: Beyond the short-term measures, a high-level workshop of Signatories and non-Signatories will be convened in May 2025 to collectively define the parameters for future humanitarian reform, informing and aligning with the ERC's humanitarian reset and the SG's UN@80 initiative.

Introduction

In his opening, GB Ambassador Manuel Bessler highlighted the immense challenges the sector is facing due to the recent funding cuts. In the recent months, the Ambassadors had spoken with Signatories and had listened to their concerns on how this crisis was affecting their organisations, local actors and affected populations, and how they were adapting. Since there was simply less money available, there was a need to quickly and significantly increase efficiency.

The Ambassador noted that Signatories were 'at different levels' in the current crisis: while some were focused on short-term adaptation measures, others had started to think about the broader structural and systemic changes that may be required. He also shared the Ambassadors' impressions from their consultations that there was a 'sense of a vacuum' on where some of the important conversations could take place between different constituencies. He stated that the GB platform could offer such a space, aligning with ongoing reform initiatives to reinforce, inform and complement them. In this regard he highlighted the ERC's announcement of the 'humanitarian reset' and the UN SG's UN@80 initiative.

As a result of the consultations in recent weeks, the Ambassadors presented two concrete proposals to the participants of the meeting: the first focused on leveraging existing commitments for immediate efficiency, while the second leveraged the platform to explore parameters of broader structural and systemic reforms. The meeting was structured around these two proposals.

Session 1 - Leveraging the GB Commitments: Concrete Measures for Efficiency in Response to the Current Crisis

GB Ambassador Jemilah Mahmood presented a proposal to leverage the commitments through a set of concrete measures for donors and aid organisations to (i) safeguard principled and needs-based humanitarian actions, (ii) protect core functions within the system, and (iii) preserve and empower local and national actors. The *quid pro quo* in this approach was focused on achieving these objectives, as well as the overarching objective of improving assistance for affected people. She pointed out the key elements of the proposed 'Bargain':

- **For Donors:** Increasing funding flexibility and reducing requirements.
- **For Aid Organisations:** Increasing localisation efforts and strengthening accountability to affected populations/participation.

Ambassador Mahmood emphasised that these measures were not new but anchored in existing GB commitments and in the Implementation Agenda. The proposed approach took them a step further to respond to the scale of the current crisis with progress to be assessed at the Annual Meetings in October 2025 and 2026. Before opening the floor to the Signatories, she urged them to consider the current crisis as an opportunity to deliver the 'Bargain'.

There was general consensus among donors and aid organisations regarding the proposed approach, with a preference for a focus on a selected number of actionable measures to ensure likeliness of implementation. More specifically, participants' calls coalesced around the importance for the concrete measures to align with the objectives of the ERC's 'humanitarian reset', reflect more ambitious progress on localisation, include stronger use of pooled funds for local and national actors, more flexibility within more limited resources, a discussion on the reduction of requirements/conditionalities, and applying risk sharing principles in partnerships.

Interventions by aid organisations highlighted among others the need to increase flexible modalities of existing funding as well as predictability, reducing requirements especially around current auditing and risk management practices, and the importance of stronger coordination among donors. Some proposed streamlining efforts of organisations involved in similar work, pooling services and data systems, or forming consortia to jointly approach donors. Others emphasised the importance of strengthening local actors, including investments in their capacities and funding them directly, or suggested that intermediaries would need to become leaner. In this regard, some proposed that organisations allocate at least 25% through local partners, implement practical risk-sharing mechanisms, engage LNAs at the country level more strongly in coordination and decision-making, including in the current prioritisation exercise.

Some donors underscored the importance of creating incentive systems that promote cooperation over competition among donors and aid organisations alike. In this regard, several participants highlighted that pledging conferences incentivized more earmarked funding while donors could direct more funding towards pooled mechanisms to increase flexibility and allow allocation decisions to be closer to humanitarian emergencies. Generally, the use of flexible funding needed to be transparent to demonstrate that priority needs would be addressed. The participants also called for stronger coordination among donors, for more cash assistance, improved risk sharing, investment in capacity strengthening and institutional development of local actors, and due diligence passporting. Most donors welcomed the proposed concrete measures, including on flexible funding, while stressing the need to anchor them in operational and political realities, and with a suggestion to more clearly outline their desired impact.

Finally, some donors and aid organisations called for stronger engagement with national governments; that investments in the nexus and anticipatory action needed to continue now to increase efficiency; and that the sector urgently needed to diversify its funding base and engage the private sector including through innovative financing instruments.

Concluding the session, Ambassador Mahmood identified that there was a broad consensus around the general proposal from the Ambassadors, but that more work was required to finalise and agree the proposed concrete measures. She announced that a light, focused and time bound high-level caucus would be established to finalise and work towards a joint statement that would be shared with the Signatories for their endorsement. Norway, UNICEF, Netherlands, WFP, IFRC, ICVA and NEAR would form the caucus. The Ambassadors would work with the group in the coming weeks, and the GB Secretariat would support the process. The Ambassadors would share the outcome of the process by early May.

Finally, there was a recognition that while the GB Ambassadors had a role to play in linking with other reform processes, those Signatories sitting in multiple fora needed to make the links between the GB and other initiatives as well to avoid duplication.

Session 2 - Leveraging the GB Platform: Parameters for Broader Structural and Systemic Reforms

Ambassador Michael Kohler chaired the session, emphasising the need to envision the future of the humanitarian sector and leverage the GB as an inclusive platform to inform and align with ongoing reform efforts, including the ERC's humanitarian reset and the SG's UN@80 initiative. He presented the proposal from the Ambassadors to initiate the conversation in this session, to be continued in a high-level workshop in May with representatives from diverse GB constituencies and influential non-Signatories. Participants were invited to share if they agreed with the proposal and to reflect on the characteristics and parameters of the future humanitarian system and key questions for defining structural and systemic reforms.

Overall, participants agreed that the GB's unique composition could be leveraged to bring together diverse perspectives, follow and connect ongoing discussions, and inform as well as reinforce broader reform discussions such as the initiatives of the ERC and the UNSG.

Regarding possible **parameters of an emerging future system**, some suggested the need for a 'back to basics' approach, while others cautioned that this would go against many of the lessons learned in recent years. In response, the concept of "smart basics" was highlighted with streamlined processes and services and returning to core humanitarian principles while smartly integrating innovation and contextual agility.

In addition, participants mentioned the following potential parameters: greater clarity on the vision that the sector aimed to achieve, greater distribution of power, being less donor dependent, greater collaboration with private sector, bigger role of national governments, having a wider donor base, more locally-led, while centering affected populations in decision-making processes and ensuring their priorities drive reforms. In this context, the role of regional actors was also recognised as key in those discussions. Questions were raised about the effectiveness of the current cluster system, with some advocating for a transition towards area-based coordination models.

Some underscored the need for coordination structures which empower local actors more strongly, which foster greater interoperability between actors, and which are more aligned with country-specific needs.

With respect to the **key questions that could be discussed at a high-level workshop**, some participants emphasised that the focus of the discussions should be on systemic issues/blockages preventing a transformative impact of the GB commitments. This would involve prioritising a list of key aspects that could be strategically advanced by the Signatories independently of broader intergovernmental processes or UN General Assembly discussions. Beyond systemic reforms, the need for shift in behavioural approaches across organisations and stakeholders was also seen as crucial. Some Signatories noted the weakening societal consensus around international solidarity, emphasising the need to combat misinformation collectively, reinforce humanitarian principles, and address the global narrative on humanitarian aid. Moreover, the importance of being more strategic in utilising upcoming high-level meetings to communicate key messages was emphasised.

The session concluded with a **general consensus that the Ambassadors would hold a high-level workshop in May** with a select group of Signatories and non-Signatories to identify and collectively define parameters for systemic and structural changes that the sector required, to inform and align with ongoing reform efforts.