

**Grand Bargain Co-convenors meeting
May 17, 2017**

Summary note

Introduction, objectives and framing of the discussion:

Kate Halff from SCHR welcomed participants to the first, face-to-face gathering of Grand Bargain work-stream co-convenors in her capacity as Chair of the Facilitation Group. She explained the meeting's rationale: to develop a shared understanding of how the Grand Bargain is progressing, identify synergies and sequencing required across work streams, and agree on steps to be taken to ensure joined up and streamlined progress.

Manisha Thomas - who facilitated the event - informed participants that discussions would be framed within the 'quid pro quo' spirit of the Grand Bargain between donors and aid organizations, which she framed as follows:

Broadly, donors will:

- work towards giving more un-earmarked, multi – year funding;
- simplify and harmonise their reporting requirements.

Aid organisations will focus on achieving:

- transparency about how they channel the funding that they receive, how it is spent and what has been achieved;
- transparency and comparable costs structures and reduction in duplication of management costs;
- multi-year collaborative planning;
- effective, objective evidence-based needs analyses in which response plans and prioritised appeals are grounded.

And together, donors and aid organisations commit to improve the quality and efficiency of humanitarian action by focussing on:

- increase in cash – based programming,
- more support and resources to local and national responders,
- effective participation of people affected by crisis in decisions which affect them,
- collective humanitarian and development outcomes to reduce needs, risks and vulnerabilities.

Positive and challenging elements of the Grand Bargain:

An introductory tour de table invited participants to identify what they perceived as positive, as well as challenging elements of the Grand Bargain process. They identified the following as some favourable aspects of the process:

- The 'democratic nature' of the process that brings together donors, NGO's and UN agencies as mutual stakeholders in a new way of doing business, driving towards greater efficiency and effectiveness;
- The scope, ambition and diversity of the Grand Bargain commitments;
- Discussions and conversations between agencies, NGOs and donors are now more grounded in a mutual understanding of respective needs;

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- The Grand Bargain process has provided the impetus for dialogue on important issues that the humanitarian system has been trying to address for some while, such as streamlining reporting and achieving greater transparency.

The challenges identified include:

- Lack of a strategic overview of how the Grand Bargain process is unfolding and moving forward, and difficulty in understanding the horizontal synergies and complementarities between the activities of the different Grand Bargain work-streams;
- A degree of ‘push back’ from some UN Member States who have felt excluded from the process;
- A lack of clear narrative to outline the comparative advantage of the Grand Bargain work-streams compared to other, similarly themed and focused initiatives;
- Translating the potential of the Grand Bargain and converting the ‘abstract and conceptual discussions’ taking place into concrete actions;
- Somewhat antithetical to the Grand Bargain intent for it to be a light process, participants cited a considerable increase in reporting requirements. This is raising concerns that the process is becoming more, not less bureaucratic;
- The risk of lack of coherent sequencing across work streams;
- The lack of Eminent Person to advocate for the Grand Bargain.

Synergies and sequencing across Grand Bargain work-streams:

This discussion and group exercise encouraged work-stream co-convenors to articulate their achievements to date, their requirements of other work-streams to progress their commitments and challenges that they may not be able to within their work stream. The outputs of this session for each work stream are detailed in the Annex included at the end of this summary record.

Over-arching recommendations from this session include the need to:

- identify a mechanism to share information, plans and issues across work streams;
- make explicit the many “bargains” which exist within the “Grand Bargain” both within work streams and across work streams;
- find ways of engaging with other relevant processes and initiatives taking place within other frameworks (for example IASC, UNDG, EOSG, etc.);
- find ways to promote national ownership of humanitarian and development responses.

Over-arching issues raised included:

- the question of whether the greater transparency (1) work stream should be an over-arching commitment rather than a specific work stream;
- the scope of the humanitarian – development (10) work stream which has embraced the New Way of Working (NWOW) as its framework;
- synergies and sequencing requirements across the four work streams related to donor conditions, namely greater transparency (1), reducing duplication and management costs (4), reducing earmarking (8) and harmonised and simplified reporting (9), must be considered as a matter of some urgency, as certain decisions may be needed to progress the work of the other work streams, such as for example a costing structure, as it will inform the work of the transparency (1), un-earmarking (8) and reporting (9) streams¹
- the risks of contradiction / tensions across certain commitments such as for example localisation (2) and participation (6) on the one hand and un-earmarking (8) and reporting (9) on the other.

¹ Since the co-convenor meeting, the co-convenors of these four work streams came together virtually to start working on issues which require sequencing and collaboration.

What is, and is not solvable within the framework of the work stream?

The Grand Bargain work-stream co-convenors identified several mechanisms and actions that could make their collective efforts more effective, streamlined and potentially more efficient. These include:

- Consistent information sharing and dialogue between the work streams allowing for collaboration on the sequencing of the Grand Bargain commitments;
- Systematic cross work-stream dissemination of work plans or calendars of planned activities to preclude duplication of efforts and avoid redundancy;
- Understanding and appreciating the complementarities between work-streams and how joint efficiency gains can be delivered;
- Availing the '8+3' reporting template to other work streams to support the testing and piloting of reporting functions and harmonized structures.

Some issues were deemed as being unsolvable within the framework of the work streams. The OECD - DAC definition of 'earmarking' includes contributing resources to pooled funding mechanisms for example. Reconciling what is viewed as the different purposes and objectives of multi-year planning and funding; the many and diverse planning processes within the humanitarian system; and the multiple costing structures and financial processes were others.

Some outcomes to take to the annual Grand Bargain meeting:

Mindful of the themes and issues that re-occurred throughout the day's discussions, participants agreed on two key objectives that could contribute to a successful outcome of the annual Grand Bargain Sherpa meeting in June. The first is to communicate and 'sell' the work of the Grand Bargain in a clear and positive way; the second to ensure that the Grand Bargain Principals remain engaged and committed to advocating for, supporting and advancing the Grand Bargain process.

Action points for follow up:

To facilitate consistent information flow; and inter-action across relevant work streams:

- The GB Secretariat maintains the updated mailing list of all co-convenors;
- Co-convenors share relevant information with relevant counterparts and pro-actively seek targeted input / influence. The "cheat sheet format" will be adapted by the Secretariat for standardised exchange.

In preparation for the 20 June meeting:

- Co-convenors propose up to three priority "bargains" (related to the quid pro quo spirit of the Grand Bargain) to the Facilitation Group, which are processed into a proposal by 10 June. This proposal is then reviewed by co-convenors in a virtual meeting by 15 June, prior to finalisation by the Facilitation Group and submission to the Sherpas for decision on June 20.
- Co-convenors identify what success of the 20 June meeting would look like for them to inform preparations for the meeting.
- The FG will identify storylines and key messages that showcase results and demonstrate good Grand Bargain practice, and which can be used for external communication in support of the 20 June meeting.

ANNEX

Work streams' achievements to date, requirement of and from other work-streams and challenges that they may not be able to within their work stream

1. Greater transparency

Worked / working well:

Awareness raising

This work stream needs from other work streams:

A mechanism to enable work streams to identify synergies going forward

Asks from other work streams:

- IATI version update to fit humanitarian agencies' budget and resource allocation process.
- Thorough discussion on "transparency", what it entails, its link with costing structures and "how" in detail.
- 2 - Transparency tracks overhead, recognizes IATI challenges and tracks layers through which funding goes before reaching respondents.
- 6 - Investments made in "participation" are tracked.
- 9 - Further dialogue between the two work streams is needed.

Challenges which may not be resolved from within the work stream:

Should transparency stay a work stream or be an over-arching principle?

2. Localization

Worked / working well:

- Energy within the sector
- Greater participation of local and national responders
- Increased donor support and engagement

This work stream needs from other work streams:

- Partners for field testing and pilots
- All work streams to share info and contribute to analysis
- All work streams to look into the issue of partnerships, distinguishing sub-contracting from localization

Asks from other work streams:

- 1 - Consistency with transparency is ensured.
- 6 - Participation capacity and experience is considered in capacity assessments and included in capacity development plans for national and local actors. Localization approaches are grounded in participation
- 8 - How much of the 25% should be / could be un-earmarked?
- 9 - How will tracking of funding flows link to narrative reporting and to the transparency work stream?

Challenges which may not be resolved from within the work stream:

- Bringing in new actors
- Openness about incentives and drivers
- Breadth of activities
- Diversity of contexts and actors

3. Cash

Worked / working well:

- Workshop planned for 31 May – 1 June
- Cash side event at ECOSOC HAS
- Shift in mindset around cash as a key modality
- Evidence base around cash is developing rapidly

This work stream needs from other work streams:

- Consistent / compatible markers for cash
- Needs assessments (5) look into the feasibility of cash based programming

Asks from other work streams:

2 - More analysis of synergies and contradictions as well as opportunities (block-chain) for innovative support roles between the work streams

4 - Cash and MYPF are led based on needs assessments

6 - Approaches to cash based programming are grounded in participation

9 - Reporting asks whether cash requires new reporting

Challenges which may not be resolved from within the work stream:

- Varying pace in organizational use of cash
- Differing perceptions / models on how to channel / programme cash
- Bringing cash to scale and using technology
- Public perceptions around cash assistance

4. Duplication and Management costs

Worked / working well:

- UN Procurement network is progressing in identifying cost savings via joint procurement
- Workshop agreed on self – reporting on individual donor assessments (on top of MOPAN) through GB self-reporting

Asks from other work streams:

6 - Pre-selection of partners takes their participation capacity and experience into account

9 - There is a natural synergy in both work stream working together on coordinated reporting (narrative + financial)

5. Needs assessments

Worked / working well:

- This discussion has restarted
- Moving towards right audience and agenda
- New importance and funding given to needs assessments

This work stream needs from other work streams:

- Transparent collection and use of quality data to inform needs assessments
- 1 and 8 - better needs analysis will support easier, more flexible funding

Asks from other work streams:

2 – National and local actors inform context analysis

3 – Needs assessment include an assessment of the feasibility of cash programming

6 – Affected people's voices inform and influence the analysis of needs

7 – Needs assessments inform MY strategies and plans

9 – How will needs assessments impact the reporting work stream?

10 – Needs assessments help define collective outcomes,

Challenges which may not be resolved from within the work stream:

- Follow through an agreed timeline
- Changing the understanding of needs assessment from something static to something dynamic
- What is our exit strategy?

6 Participation Revolution

Worked / working well:

- Agreed upon definition of participation (for the purpose of the work stream)
- Practically agreed recommendations for action to progress towards work stream commitments

This work stream needs from other work streams:

- 1 and 4 – Track expenditure in support of participation
- 2 – Capacity assessment and capacity development plans consider participation capacities and experience. Localization approaches should be grounded in participation.
- 3 - Approaches to cash based programming are grounded in participation
- 4 - Pre-selection of partners take their participation capacity and experience into account
- 5 – Affected people’s voices inform and influence the analysis of needs
- 7 – Affected people’s voices inform and influence MYP
- 8 – Possible tension: earmark participation expenditure
- 9 – Make it donor requirements for aid organizations to:
 - demonstrate how they are participating in a coordinated mechanism for participation when such a mechanism is being set up / established;
 - report back on how the views of affected people have or are influencing their programming

Asks from other work streams:

- 2 - Impact and applicability – maximum comparative advantage
- 3 - feedback mechanisms on cash assistance

Challenges which may not be resolved from within the work stream:

- Links to other processes, primarily those related to the HPC and HRP’s and to pooled funds.
- Prioritization of work stream outputs and concrete actions to ensure implementation and progress towards the work stream commitments
- Incentivizing participation requires going against the spirit of the Grand Bargain as it will most likely require specific reporting, transparency tracking and earmarking of funding.

7 MYPF

Worked / working well:

- Increased awareness that this is a tool to support Hum – Development collaboration
- More MYP and desire to do more
- Almost all donors have expanded to include or review MYF

Asks from other work streams:

- 2 – Implications, contradictions in how this work stream applies to local and national responders. Links to capacity building.
- 5 – MYP incorporate needs assessments
- 6 – Affected people’s voices inform and influence MYP
- 10 – MYP feeds into H-D nexus

Challenges which may not be resolved from within the work stream:

- Reconciling the purpose / objective of MYP
- Coordination of planning processes and appeals
- How does it fit into NWOW?

8 Reduce earmarking

Worked / working well:

- Better definition of concept (“gradual progress”)
- Understand trends beyond “figures” data

This work stream needs from other work streams:

- 2 - Core costs support for national and local actors

5 – Explore links between needs assessments and reduce earmarking

Asks from other work streams:

2 – 25 -> 30 % some of it un-earmarked. Link to capacity building

6 - Possible tension as a requirement to earmark participation expenditure may be an incentive for participation

6 – Were un-earmarked funding is provided, aid organizations need to allocate resources to participation

7 – Un-earmarking work stream to recognize MYPF may lead to country – level earmarking

9 – Tension between reporting and flexible funding / trust. We need more “info” on this tension

9 – How is this work stream moving forward on its reporting component?

Challenges which may not be resolved from within the work stream:

- How to tackle decrease in un-earmarking?

- Political will / trust:

- UN policy
- Civil society policy
- Visibility
- Tax payer perspective

9 Harmonized and simplified reporting

Worked / working well:

- Good cooperation and coordination between co-convenors
- Communication, efforts, tools
- Technical support, capacity investment
- Resources to devote to the work

This work stream needs from other work streams:

- Share work plan specifics, such as pilot activities, workshops, etc. so as to identify opportunities to engage with different work flows
- Be courageous, join the reporting pilot which is taking place in a few countries
- Don't introduce too many new reporting requirements
- Donors ensure that simplified common reporting leads to real cost efficiencies

Asks from other work streams:

1 – Ensure consistency with transparency. What is the deal in substance?

2 – Key for local and national actors: harmonization of reports, link to institutional strengthening and accountability

4 – Consider that MYPF might affect “10+3” annual harmonized reports

6 – Make it donor requirements for aid organizations to 1/ demonstrate how they are participating in a coordinated mechanism for participation when such a mechanism is being set up / established;

2/ report back on how the views of affected people have or are influencing their programming

8 – Include un-earmarked component (10 + 3). Look at a results-based framework for the core funding?

Challenges which may not be resolved from within the work stream:

No eminent person

10 Engagement btw H – D actors

Worked / working well:

- NWOW is a multi-stakeholder H – D – PB approach at country level (ex.: Sudan, CAR, DRC, Yemen, Lebanon,
- NWOW, CRRF, H-D nexus : Uganda, Tanzania, Somalia, Djibouti, Ethiopia, Northern Triangle Honduras,
- Comprehensive approach to displacement and development: EU regional and protection in ME and HoA; WB funding facility for MIC, etc.

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- Social protection packages
- EU Council adoption of conclusions on H – D coherence and roll out
- Meetings with high level political backing: Copenhagen, WB spring meeting, Istanbul

Asks from other work streams:

- Preparedness is key, link to NWOW
- Work out how to make cash assistance sustainable (H – D)

This work stream needs from other work streams:

- 2 – H – D practice in localized approach
- 5 – Collective outcomes based on collective needs assessments
- 6 – H – D ensures channels for affected people to inform and influence the response
- 7 – H – D vision in MYP (inclusion of humanitarian needs)

Challenges which may not be resolved from within the work stream:

Connecting the many hum – dev. work streams and the variety and diversity of actors involved.