

Grand Bargain annual self-reporting exercise:

ECHO

Contents

Work stream 1 - Transparency	3
1. Baseline (only in year 1)	3
2. Progress to date	3
3. Planned next steps	3
4. Efficiency gains (optional for year 1)	3
5. Good practices and lessons learned (optional for year 1)	3
Work stream 2 - Localization	4
1. Baseline (only in year 1)	4
2. Progress to date	4
3. Planned next steps	4
4. Efficiency gains (optional for year 1)	5
5. Good practices and lessons learned (optional for year 1)	5
Work stream 3 - Cash	6
1. Baseline (only in year 1)	6
2. Progress to date	6
3. Planned next steps	6
4. Efficiency gains (optional for year 1)	6
5. Good practices and lessons learned (optional for year 1)	6
Work stream 4 – Management costs	7
1. Baseline (only in year 1)	7
2. Progress to date	7
3. Planned next steps	7
4. Efficiency gains (optional for year 1)	7
5. Good practices and lessons learned (optional for year 1)	7
Work stream 5 – Needs Assessment	8
1. Baseline (only in year 1)	8
2. Progress to date	8
3. Planned next steps	9
4. Efficiency gains (optional for year 1)	9
5. Good practices and lessons learned (optional for year 1)	9
Work stream 6 – Participation Revolution	10
1. Baseline (only in year 1)	10
2. Progress to date	10
3. Planned next steps	10
4. Efficiency gains (optional for year 1)	10
5. Good practices and lessons learned (optional for year 1)	10
Work stream 7 - Multi-year planning and funding	11
1. Baseline (only in year 1)	11
2. Progress to date	11
3. Planned next steps	11
4. Efficiency gains (optional for year 1)	12
5. Good practices and lessons learned (optional for year 1)	12
Work stream 8 - Earmarking/flexibility	14

1. Baseline (only in year 1)	14
2. Progress to date	14
3. Planned next steps	14
4. Efficiency gains (optional for year 1)	15
5. Good practices and lessons learned (optional for year 1)	15
Work stream 9 – Reporting requirements	17
1. Baseline (only in year 1)	17
2. Progress to date	17
3. Planned next steps	18
4. Efficiency gains (optional for year 1)	18
5. Good practices and lessons learned (optional for year 1)	18
Work stream 10 – Humanitarian – Development engagement	20
1. Baseline (only in year 1)	20
2. Progress to date	20
3. Planned next steps	21
4. Efficiency gains (optional for year 1)	21
5. Good practices and lessons learned (optional for year 1)	21

Work stream 1 - Transparency

1. Baseline (only in year 1)

- ECHO publishes quality and timely data to IATI (IATI index published in 2016 – GOOD and ranked around the 15th place), usually on a weekly basis and at least once a month.
- ECHO was one of the first adopters of the humanitarian flag (IATI standard version 2.02) and has been publishing data to IATI since 2011/2012.
- IATI is publishing statistics about Timeliness, Forward looking, Comprehensiveness, Coverage and Global Partnership Transparency Indicator Proposal.
 - ECHO is currently 5th for comprehensiveness with 90% score.
 - For the GPEDC indicator proposal, ECHO cannot score high on forward looking as it is not ECHO's current practice to plan activities three years in advance.
- All data is communicated daily to OCHA FTS as soon as adopted (This is in place since 2004).

2. Progress to date

- In terms of Results (planned to be included into IATI), as of now, no decision has been taken by ECHO in terms of publishing documents, results, indicators. The development of a fully-fledged DG ECHO Results Framework is ongoing and will need to be finalized before publishing Results data can be done.

3. Planned next steps

- The development of a fully-fledged DG ECHO Results Framework is ongoing and will need to be finalized before publishing Results data can be done.
- Analyse issues of data quality/consistency in ECHO (internal project management system) HOPE (e.g. project/results level, beneficiary types) – connect to findings of ERC study on transaction chain;

4. Efficiency gains (optional for year 1)

To be determined in following years

5. Good practices and lessons learned (optional for year 1)

To be determined

Work stream 2 - Localization

1. Baseline (only in year 1)

The EU played an important role at the World Humanitarian Summit held in May 2016 and during the negotiations which led to development of the Grand Bargain (GB) and the commitment for signatories to improving aid efficiency and effectiveness. In terms of concrete action, DG ECHO undertook the following actions prior to the signing of the Grand Bargain and in the second half of 2016:

- Local capacity-building implemented through the DG ECHO Disaster Preparedness (DIPECHO) programmes;
- EU Aid Volunteers programme supports local capacity building through support of local organization capacity grants;
- DG ECHO Enhanced Response Capacity (ERC) (2016-1) funding to build up Network for Empowered Aid Response (NEAR) network of southern/local NGO's and (*pending*) funding for ICVA to connect southern NGO's to Geneva-based coordination and policy-making;
- For DG ECHO, direct funding of national or local partners would require amending Humanitarian Aid Regulation (currently only possible to fund UN/NGO's with HQ in EU MS);

2. Progress to date

Following the GB pre-meeting on localisation, which kicked started Work Stream 2 follow-up activities in August 2016, DG ECHO joined the Humanitarian Financing Task Team Working Group which has been given the responsibility of designing a localization marker to measure progress of towards the global target of at least 25% by 2020.

In this context, DG ECHO has provided technical support for the establishment of the marker on the basis of its own experience with the design of the Gender/Age and Resilience markers. DG ECHO has also significantly contributed the discussions on the definition of the parameters to be taken into account when tracking funding flows of local and national responders.

In addition to well-seated local capacity-building implemented through the DG ECHO Disaster Preparedness programmes, DG ECHO used its Enhanced Response Capacity instrument in 2016 to fund a number of pilot initiatives aimed reducing barriers to direct funding, promoting partnerships and facilitating the inclusion of local and national actors in the humanitarian system. The NEAR network project which addresses part of these issues and the DEMAC (Diaspora Emergency Action & Coordination) project which seeks to enhance collaboration and complementarities between diasporas engaged in humanitarian response and conventional humanitarian institutions are good illustrations of ECHO's efforts.

3. Planned next steps

DG ECHO is still facing regulatory barriers to funding directly local and national actors. That said, the organisation has initiated an internal process to identify steps and initiatives to move forward with the localization agenda within the limits of its current legal environment.

DG ECHO has been actively involved in discussions with various FPA partners to reflect and lay the groundwork for an integrated approach towards which could provide a common vision towards localisation. These discussions have evidenced the need to for a framework to address key challenges (capacity investment, partnerships, coordination, inclusiveness, etc.) which call for a common

understanding and coherent approach in order to achieve the needed change in the system and to goal of making humanitarian aid as local as possible and as international as necessary.

DG ECHO will explore ways of keeping the momentum and pushing for a collective fulfilment of the objectives.

4. Efficiency gains (optional for year 1)

To be determined in following years

5. Good practices and lessons learned (optional for year 1)

As a general observation, discussions in the localisation marker (HFTT) Working Group show that there is still a long way to integrate a participatory approach in the process. Despite calls for broader participation and consultation (including online consultations), local and national actors are still very under-represented in a process which is critical for the success of localisation. This shows that more efforts still need to be made to bring change in mind-set within the humanitarian system.

Definitions need to be formulated in way that will avoid a status quo.

Work stream 3 - Cash

1. Baseline (only in year 1)

Baseline information on cash was partial when the Grand Bargain was signed. It mainly covered the food assistance and nutrition sectors according to a methodology which did not differentiate modalities of assistance. On the basis of this information, it was estimated that approximately 35% of DG ECHO's assistance was being delivered in the form of cash.

2. Progress to date

DG ECHO has improved its ability to gather data according to delivery modality. Since the second half of 2016, proposals need to differentiate by delivery modality and identify the amount of the transfer reaching the beneficiary. In practical terms, the results of this revision will only become apparent once all proposals in response to the 2017 HIPs (Humanitarian Implementation Plans) will have been approved and encoded. This should be the case by March 2017.

DG ECHO continues to advocate with partners to consider a cash response in all cases and to provide suitable justification for the choice of delivery modality.

3. Planned next steps

DG ECHO's improved ability to track assistance by delivery modality will ensure that cash-based assistance, whether linked to a specific sector or multi-purpose in nature will be more accurately recorded across the board. This will enable us to monitor progress in scaling up this form of assistance.

4. Efficiency gains (optional for year 1)

DG ECHO issued a guidance note to partners in January 2017 to harness efficiencies for medium and large scale cash operations, by separating the delivery of cash from all other related components. By doing this ECHO expects a favourable ratio to be achieved between the costs of delivery and the transfer to beneficiaries.

5. Good practices and lessons learned (optional for year 1)

DG ECHO has cooperated closely with other donors, in particular the UK and Germany, on making its operations in Lebanon more streamlined. DG ECHO has encouraged its partners to submit financing proposals that are better coordinated than in the past, relying on a single delivery mechanism for all cash transfers.

DG ECHO will continue to take every opportunity to scale up the use of cash. However ECHO favours an integrated, basic needs approach, which is about more than just delivery. It is about putting in place a well-coordinated response, or set of responses, which seek to deliver all of its components – cash, in-kind, services and the accompanying technical support – in a joined-up way, taking every opportunity to do so in the form of cash, where this is possible, right for the context, efficient and in the best interests of beneficiaries.

Work stream 4 – Management costs

1. Baseline (only in year 1)

Where did your organisation stand on the work stream and its commitments when the Grand Bargain was signed?

2. Progress to date

Which concrete actions have you taken (both internally and in cooperation with other signatories) to implement the commitments of the work stream?

3. Planned next steps

What are the specific next steps which you plan to undertake to implement the commitments (with a focus on the next 2 years)?

4. Efficiency gains (optional for year 1)

Please indicate, qualitatively, efficiency gains associated with implementation of GB commitments and how they have benefitted your organisation and beneficiaries.

To be determined in following years – see also references in cash work stream.

5. Good practices and lessons learned (optional for year 1)

Which concrete action(s) have had the most success (both internally and in cooperation with other signatories) to implement the commitments of the work stream? And why?

To be determined in following years – see also references in cash work stream.

Work stream 5 – Needs Assessment

1. Baseline (only in year 1)

- Thanks to its strong field network, ECHO tends to have a quite strong knowledge of crisis situations. This understanding feeds into the allocation of funding (i.e. level 1 of assessments according to above concept) the formulation of the HIPs (level 2) and is used to assess project proposals (level 3).
- That being said, ECHO is strictly speaking not conducting needs assessments. Rather, ECHO experts review existing assessments and data from various sources including own observation to develop a good understanding of the situation.
- ECHO's main tool summarizing its understanding of needs in a given crisis is the annual Integrated Analysis Framework (IAF). This internal tool is mainly used to develop country strategies (which are spelled out subsequently in the HIPs) and are a basis for the definition of funding allocations per country/crisis.
- The Single Form guidelines state that "ECHO will check whether the proposed Action is coherent with DG ECHO's own evaluation of needs". The partners' needs assessment (be it a joint/coordinated assessment or an agency specific assessment) is contrasted against ECHO's own assessment.
- ECHO doesn't provide explicit guidance to its staff and its partners on what is expected in terms of needs assessment regarding coordination, methodology, timeliness or evidence base. For instance, it does not specify if partners are expected to participate in and use coordinated needs assessments (multi-sector or sector specific). ECHO staff isn't instructed to get involved (or not) in coordinated needs assessments and there is not any defined policy on when and under which circumstances ECHO should fund needs assessments conducted by its partners (OCHA, clusters, other coordination bodies).
- The involvement of ECHO field staff in coordination and needs assessment varies across countries and crises. Generally, a proactive, vocal involvement is seen as beneficial both for ECHO and for the assessments. ECHO is able to obtain information and better understand the dynamics which influence the assessment process. The presence of an important and knowledgeable donor strengthens the needs assessment both in terms of authority and of impartiality and objectivity.
- In some cases, namely in the context of ECHO funded Emergency Response Mechanisms (ERM), assessment methodologies, tools and working arrangements have been developed which over time have been adopted by the wider humanitarian community. These examples demonstrate that collective practice and expectations are as, if not more, important than normative frameworks, mandates and predefined tools.

2. Progress to date

DG ECHO has undertaken the following actions, with the aim to explore how needs assessment can be improved in line with Grand Bargain commitments;

INTERNAL

1. One meeting DG ECHO Grand Bargain working group (DG ECHO HQ operational, financial, legal and policy desks, and DG ECHO field colleagues) on needs assessments;
2. (2x) Dedicated session on needs assessments during DG ECHO Expert's seminar (HQ and field);
3. Dedicated panel discussion during DG ECHO Partner's Conference on Grand Bargain quid pro quo, including needs assessments;
4. Developed needs assessments position paper for DG ECHO management review and next steps for 2018 DG ECHO programming cycle;

EXTERNAL

1. Several meetings with OCHA-CASS to establish next steps (following Bonn 2-pager);

2. Organized a two-day technical workshop (28/02 – 01/03 in Brussels) with all relevant agencies, donors and specialised actors (36 senior experts);
 - a. Action plan being developed, in which each stakeholder indicates to which solution to overcome a priority issue (keeping from achieving Grand Bargain commitments on needs assessment) they will contribute / take the lead;
3. Requested DG ECHO partners to submit proposal under Enhanced Response Capacity budget line to improve needs assessments, in line with Grand Bargain commitments;

3. Planned next steps

1. Continue overall strategic engagement with OCHA/CASS on work stream
2. GB Needs assessment Action Plan:
 - a. Ensure all actors sign up to specific solution areas and select sections relevant to ECHO;
 - b. Continue engagement with donors on which sections of Action Plan need extra funding and/or advocacy for implementation
 - c. Monitor progress – if needed organize meetings to follow-up on actions;
3. Allocate funding to DG ECHO partners under Enhanced Response Capacity budget line to improve needs assessments, in line with Grand Bargain commitments;

4. Efficiency gains (optional for year 1)

Please indicate, qualitatively, efficiency gains associated with implementation of GB commitments and how they have benefitted your organisation and beneficiaries.

To be determined in following years

5. Lessons learned (optional for year 1)

BENEFITS/OPPORTUNITIES

Improvements of the current needs assessment practice is expected to contribute to:

- ✓ Reduction of costs related to assessments due to reduced duplication;
- ✓ Less survey fatigue among affected populations;
- ✓ Better prioritization and targeting of people in need thanks to better and more timely evidence;
- ✓ A more coordinated response with less overlap and gaps thanks to a shared understanding of the needs, the vulnerability of different groups and the humanitarian risks.

Work stream 6 – Participation Revolution

1. Baseline (only in year 1)

Where did your organisation stand on the work stream and its commitments when the Grand Bargain was signed?

2. Progress to date

Which concrete actions have you taken (both internally and in cooperation with other signatories) to implement the commitments of the work stream?

3. Planned next steps

What are the specific next steps which you plan to undertake to implement the commitments (with a focus on the next 2 years)?

4. Efficiency gains (optional for year 1)

Please indicate, qualitatively, efficiency gains associated with implementation of GB commitments and how they have benefitted your organisation and beneficiaries.

To be determined in following years

5. Good practices and lessons learned (optional for year 1)

Which concrete action(s) have had the most success (both internally and in cooperation with other signatories) to implement the commitments of the work stream? And why?

Work stream 7 - Multi-year planning and funding

1. Baseline (only in year 1)

The majority of DG ECHO's projects are operated on an annual basis, however due to different types of extensions they typically run for more than one year. Projects with a duration of longer than one year have been implemented under the Disaster Preparedness budget lines, for resilience building projects, under the Enhanced Response Capacity and the Children of Peace.

De facto, in some contexts funding is recurrent; year after year the same or very similar activities are funded with the same partner(s). Only in a few cases, mainly through external assigned revenues from DFID (for the Sahel) and AFD (for Ivory Coast), actions are explicitly guided by a strategy that covers two or three years, although funding is provided on an annual basis.

From a legal point of view, projects of up to 24 months are already possible under World Wide Decision (WWD). The 2017 WWD extends this maximum duration to 48 months.

DG ECHO's HIPs cover only one calendar year. However, DG ECHO and partners usually have a longer term vision which isn't reflected explicitly in the project documentation.

2. Progress to date

DG ECHO has undertaken the following actions, with the aim to implement multi-year funding and planning more broadly than done previous to the signing of the Grand Bargain;

1. Desk review of multi-year planning and funding in humanitarian aid studies (mostly DFID programs);
2. Discussions with DG ECHO operational colleagues on scope for multi-year funding and planning in different crisis types
3. Two meetings DG ECHO Grand Bargain working group (DG ECHO HQ operational, financial, legal and policy desks, and DG ECHO field colleagues) on MYPF;
4. (2x) Dedicated session on multi-year planning and funding during DG ECHO Expert's seminar (HQ and field);
5. Option-mapping on how DG ECHO budget can accommodate multi-year commitments to partners (as it receives its own budget on an annual basis)
6. Dedicated panel discussion during DG ECHO Partner's Conference on Grand Bargain quid pro quo, including multi-year planning and funding;
7. Developed multi-year funding and planning position paper for DG ECHO management review and next steps for implementation in 2018 DG ECHO programming cycle;
8. DG ECHO is co-leading the work stream on MYPF together with Canada in the Good Humanitarian Donorship group (2017-2019);
9. Engagement with work stream co-conveners (CA/FAO)

3. Planned next steps

2. DG ECHO Management to consider target for multi-year planning and funding to be achieved in 2018 programming cycle (15-20% of funding), which is gradually increased – harnessing the strength of ECHO's emergency donor capacity and adjusting funding practices where appropriate to increasing longevity of crises;
 - a. DG ECHO would need to adjust HIP timelines or sections of the HIP where multi-year planning and funding is envisaged;
 - i. DG ECHO partners would need to include multi-year strategies into their project proposals (where not done so already);
 - b. DG ECHO would need to develop budgetary options on how to accommodate multi-year planning and funding, as it receives its own budget on an annual basis;

- c. DG ECHO's engagement in multi-year planning and funding would need to be met with actions by partners in terms of:
 - i. Efficiency – including reduced staff costs (better staff management and less time spent on procuring funding/report writing), better procurement;
 - ii. Effectiveness – including more strategic planning, adopt innovative approaches, build relationship with and capacity of local partners and local authorities, contribute to resilience, collaboration with development actors;
- 3. In the context of GHD, assess and reflect on lessons learned of other donors (e.g. DFID) engaging in multi-annual strategies and programming (especially on how to retain flexibility and where cost savings can be generated) through, amongst others, the Global Humanitarian Donorship (GHD) forum;

4. Efficiency gains (optional for year 1)

Please indicate, qualitatively, efficiency gains associated with implementation of GB commitments and how they have benefitted your organisation and beneficiaries.

To be determined in following years

5. Lessons learned (optional for year 1)

- **Opportunities:**

- **Strategic Planning, capacity and relationship building:** Longer term projects allow partners to plan more strategically and adopt innovative approaches where relevant. It also helps to build the relationship with and capacity of local partners and local authorities thereby contributing to resilience. Furthermore, collaboration with development actors could be improved with better aligned timelines.
- **Cost:** Multi-year funding arrangements enabled administrative and operational cost savings:
 - **Administrative:**
 - Reduced staff costs: associated with hiring of staff, interviewing, and contracting; lower wage rates for long versus short term expertise; retained institutional knowledge; decreased disruption of local relationships (leads to loss of trust of communities and local counterparts).
 - Improved currency conversion: predictability of multi-year funding could help agencies better manage the high levels of fluctuation in exchange rates.
 - Reduced proposal/reporting writing: reduced time writing proposals and contracting offsets the time needed for additional reporting;
 - **Operational:** Early procurement, pre-positioning of stocks and pooling orders decrease costs related to logistics and transport.
 - **Time:** Setting up initial multi-year agreements requires more time both on partner and donor side than annual agreements in the beginning because of the complexity of their design. However, savings can be realized in subsequent years as adjustments and normal reporting is less time consuming than final reporting and submission of new proposals.

- **Challenges:**

- **Donor Budget:** One of the main barriers is the ability of donors to commit funds for more than one year. Budgets for DG ECHO are allocated annually. Under the current practice, the budget for a multi-year project is taken from the budget of year N.
- **Adjustment and control:** Especially in protracted crisis settings, it is difficult to plan ahead and anticipate changes to the situation regarding needs, access and security. Project design and management arrangements (including procedures for amendments) need to be

sufficiently flexible to adjust to changes. Furthermore, DG ECHO staff voiced concerns that humanitarian actors/staff could be replaced by staff with more of a development background with less agility when conditions change rapidly, which has been the experience in some geographical locations in the past.

- **Substantial amounts of pre-financing**, like the current 80% standard, limit DG ECHO's ability to effectively reallocate funding in case of underperformance or fundamental changes in the situation on the ground. Pre-financing could be paid in several tranches to ensure that DG ECHO maintains control and the possibility to stop projects when justified without losing the funds.
- **Down-streaming**: The benefits of multi-year funding often remain at the level of the UN organisation or INGO and do not trickle down to local implementers. Smaller and local organisations however are the ones which are likely to benefit most from predictability of funding and longer term planning, namely in terms of building their own capacity. Large organisations have more possibilities to adjust to funding uncertainties and imbalances.

Work stream 8 - Earmarking/flexibility

1. Baseline (only in year 1)

- According to the Grand Bargain work stream on flexible funding table, ECHO's level of funding is currently considered as tightly earmarked (category I - financial contribution directed to a specific project in a specific country). ECHO funds projects which are defined both in terms of objective, sectors and results as well as geographic scope (corresponding most of the time to a country). However, ECHO earmarks regarding results (outputs and outcomes), but not regarding budget and activities.
- Despite its tight earmarking, ECHO's project arrangements are quite flexible. Partners can adjust activities and the use of funds without ECHO's agreement being required. The procedures for changes to the results (outputs and outcomes) are quite simple and thanks to the Single Form potentially quick. Yet, because of the overall complexity of the Single Form as well as lack of knowledge of ECHO FPA rules and procedures despite training opportunities, partners do not make use of this flexibility enough.
- Overall, the FAFA allows for greater flexibility in terms of information requirements demanded from the partner and is less restrictive than the FPA.
- Examples of ECHO less tightly earmarked funding:
 - DREF: IFRC managed pooled fund supporting national Red Cross societies.
 - Emergency Response Mechanisms (ERM) in different countries: A consortium of partners uses funds to cover urgent needs identified through a pre-defined set of criteria and standardised response options.
 - START Network Anticipation Window: Through ERC funding, ECHO supports the capacity for the START network to respond in anticipation to crises (based on risk assessment) in order to avoid suffering of affected people. Funds for specific preparedness and response actions are released when certain risk indicators reach a critical level and upon quick 'no regrets' decision by the network.

2. Progress to date

DG ECHO has undertaken the following actions, with the aim to explore how flexibility of funding can be applied more broadly than done previous to the signing of the Grand Bargain;

1. Desk review of flexibility and earmarking practices in humanitarian aid;
2. Discussions with DG ECHO operational colleagues on scope for flexibility of funding/decrease of earmarking in different crisis types
3. Two meetings DG ECHO Grand Bargain working group (DG ECHO HQ operational, financial, legal and policy desks, and DG ECHO field colleagues) on flexibility of funding;
4. (2x) Dedicated session on flexibility of funding during DG ECHO Expert's seminar (HQ and field);
5. Dedicated panel discussion during DG ECHO Partner's Conference on Grand Bargain quid pro quo, including flexibility of funding;
6. Developed flexibility and earmarking position paper for DG ECHO management review and next steps for 2018 DG ECHO programming cycle;
7. Engagement with work stream co-conveners, including completion of SE/ICRC work stream questionnaire;

3. Planned next steps

- Identify options to speed up the process of modification requests to increase the efficiency gains of flexible funding;
- Reduce the reporting requirements on sections which are flexible anyway (activities etc.), reinforce and simplify reporting on results;

- Define clear conditions, including performance standards in terms of timeliness, flexibility, transparency and quality, which would have to be met for ECHO to contribute to (country-based) pooled funds.
- Consider actively expanding the option of External Assigned revenues towards crisis responses managed by DG ECHO.
- Consolidate the experience with Emergency Response Mechanisms (ERM), evaluate their effectiveness and develop models to facilitate replication of successful ERM approaches elsewhere.

4. Efficiency gains (optional for year 1)

To be determined in following years

5. Lessons learned (optional for year 1)

BENEFITS/OPPORTUNITIES

Reducing earmarking and increasing flexibility should contribute to make humanitarian action more efficient by:

- ✓ Improve timeliness of response by accessing money already received in order to respond to sudden-onset crises, as well changing contexts in protracted crises;
- ✓ Permit balance of distribution of resources in order to fund forgotten crisis that are less in the scope of the media;
- ✓ Reduce resources (time and money) used on grant-specific administration (increased economies of scale in procurement and reporting, as well as removing decision-making layers);
- ✓ Facilitate achievement of collective outcomes;

LIMITATIONS

- Challenge to ensure quality, transparency and accountability: Un-earmarked funding reduces a donor's leverage to control and insist on quality programming. Currently, the added value of ECHO's field presence is closely linked to the earmarked, detailed, project-based funding which allows for technical dialogue on the ground. Less earmarking constitutes a challenge in terms of transparency on what funding is used for. If adequate reporting formats are not established than accountability is seriously limited. In that vein, un-earmarked funding could reduce ECHO's ability to act as a leading donor.

One of the most discussed options put forward as a way to reduce earmarking are country based pool funds (CBPF) managed by OCHA. DG ECHO staff expressed strong objections against the idea of ECHO contributing to existing funds (such as the Iraq CBPF) for the following reasons:

- Contracts signed with implementing partners through the pooled fund are fixed and do not allow to redirect the fund if the priorities change. ECHO's funding are flexible and enable to swift reallocations when it is necessary;
- Needs assessments and project selection is not transparent and slow. The involvement of UN Headquarters slows down the process even further.
- The management of a pool fund constitutes another layer of administrative costs without much added value.
- There is little overview and monitoring on how and on what the CBPF's money is spent;
- Reporting and evaluation of results is lacking which raises serious concerns of accountability and consequently constitutes a considerable reputational risk for donors;
- EU loses leverage, visibility and capacity to align humanitarian efforts with other EU instruments.

While some of these considerations are linked to the specific performance of a CBPF, others are of more fundamental nature. Instead of ECHO contributing to OCHA led CBPFs, it could be argued that, given its expertise and field presence, ECHO should expand its own role as pool fund manager (such as the Bekou Trust Fund, ESSN in Turkey).

Work stream 9 – Reporting requirements

1. Baseline (only in year 1)

DG ECHO's reporting template, the Single Form, is one of the most complex reporting formats. Most partners have adjusted to the format and appreciate its structure overall, especially compared to UN reporting formats. Some donors (e.g. Belgium) have adopted the Single Form for their own reporting purposes.

Unlike most other donors, DG ECHO uses the same template for proposal submission and reporting – the Single Form. Intermediary and final reports are simply updates of the initial proposal which simplifies the work of DG ECHO partners drastically and is highly appreciated (as recognized by the recent GPPi study).

The downside of this approach is the fact that the Single Form structure is quite complex and the reports quite lengthy (often exceeding 50 pages plus annexes). The SF consists of both narrative sections (e.g. needs assessment, response analysis) and highly structured and detailed sections (e.g. beneficiaries, visibility). The Single Form (SF) revision in 2014 represented an important step in simplifying manual entries and long narratives.

The structure of the SF at the current stage is the result of an evolutionary process with different elements modified or added on the initiative of different stakeholders within DG ECHO since the 2014 revision. In its current form, the SF covers most of the information needs of DG ECHO field staff, desks and policy officers albeit not fully and in some cases not in the best way.

The SF's structured data fields allow for automatic data extraction and analysis. Work is ongoing to make full use of these possibilities.

The complexity of the Single Form seems to have removed technical project staff from the drafting and reporting process. Consequently, according to several DG ECHO field colleagues, the information available in the SF itself is not the most interesting. Relevant technical information, put together by technical staff, is often rather found in annexes.

2. Progress to date

DG ECHO has undertaken the following actions, with the aim to explore how harmonized and simplified reporting can be applied more broadly than done previous to the signing of the Grand Bargain;

1. Desk review of harmonized and simplified reporting practices in humanitarian aid;
2. Discussions with DG ECHO operational colleagues on scope for harmonized and simplified reporting;
3. Two meetings DG ECHO Grand Bargain working group (DG ECHO HQ operational, financial, legal and policy desks, and DG ECHO field colleagues) on harmonized and simplified reporting;
4. (2x) Dedicated session on harmonized and simplified reporting during DG ECHO Expert's seminar (HQ and field);
5. Dedicated panel discussion during DG ECHO Partner's Conference on Grand Bargain quid pro quo, including harmonized and simplified reporting;

6. Developed harmonized reporting position paper for DG ECHO management review and next steps for upcoming FPA revision (2019);
7. Engagement with work stream co-conveners (ICVA/DE), taking part in November workshop and planning to take part in March workshop;

3. Planned next steps

1. Engagement with work stream co-conveners (ICVA/DE), taking part in March workshop and supporting work of ICVA/DE towards more harmonized reporting template among donors;
2. If harmonized reporting template can be agreed upon, base discussion with partners for FPA (2019) revision on this template (DG ECHO management approval required);

4. Efficiency gains (optional for year 1)

Please indicate, qualitatively, efficiency gains associated with implementation of GB commitments and how they have benefitted your organisation and beneficiaries.

To be determined in following years

5. Lessons learned (optional for year 1)

OPPORTUNITIES

Resource and time savings: Simplified and/or harmonized reporting would save NGO's money spent on reporting staff and on training to learn the specific skill sets required to navigate donor requirements and reporting. The biggest savings can be expected for reporting on co-financed projects if reporting obligations are harmonized.

(Technical) Quality of proposals and reports: Simplified and/or harmonized reporting could address at least partially the wide-spread criticism that proposals and reports are drafted by generalist staff and/or consultants with little input from technical people.

Feedback by donors: Simplified and/or harmonized reporting process could allow donor agencies to incorporate appropriate feedback that could lead to more meaningful engagement (such as identifying best practice) that can be beneficial for the overall performance of operations.

CHALLENGES

Structural/legal constraints of donor agencies: The difference between the FPA and the FAFA constitutes an obstacle in terms of harmonization. This is also related to the level of "trust" and the assessment of partners "capacity".

Need for context-specific, qualitative information: While a lot of information can be standardized and quantified, reports will always need to contain substantial amounts of qualitative and narrative information to provide a full picture of an intervention and its contexts as well as explanations for strategic and operational choices, for progress and delays etc.

Remote management: Specific/more frequent reporting will always be needed in case of remote management in order to allow for close monitoring and rapid response in case of difficulties, including aid diversion.

Additional information needs: Some information is currently missing (e.g. technical capacity of partner, GIS locations,), or not detailed enough. A detailed, standardized budget (which existed in the

previous FPA) was identified as the most important missing feature in current reporting (currently, partners can submit budgets in their own preferred format as long as it contains details up to budget level 3). A revision of the SF would thus not only be about cutting down, but also about adding or increasing detail on some elements.

Work stream 10 – Humanitarian – Development engagement

1. Baseline (only in year 1)

An EC priority for WHS was enhanced HUM-DEV cooperation. Nexus approaches to promote such synergies are (were) not new for the EC. They are encapsulated in the ECs resilience approach (2012 Resilience communication, 2013 Resilience Action plan) and prior commitments to LRRD. ECHO is systematically collaborating for better aid and humanitarian effectiveness, reducing underlying vulnerability and managing risk.

Over the past few years, coordination and cooperation between DG ECHO and DG DEVCO have been stepped up, for example through the AGIR (Alliance Globale Initiative Resilience) and SHARE initiatives, but also in Bangladesh, Haiti, Mali, Nepal, Zimbabwe, and Jordan. DEVCO, ECHO, EEAS and NEAR are working closely together for the implementation of the Bekou TF (CAR), the Africa TF and the Syria TF.

Such collaboration is at the centre of the EU 2016 Communication on protracted and forced displacement "Communication COM (2016) 234 "Lives in Dignity: from Aid-Dependence to Self-Reliance" calling for joint responsibility of political, developmental and humanitarian actors.

2. Progress to date

Significantly increase prevention, mitigation and preparedness for early action to anticipate and secure resources for recovery. ECHO supports preparedness for response at a number of levels, advocating for early warning and improved response systems at a policy level (Sendai, Agenda 2030, WHS), integrating contingencies into humanitarian assistance programmes and contributing to capacity building through a stand-alone disaster preparedness budget line and Enhanced Response Capacity funding. Provisions for early action are already in place, for example through a number of "Emergency Response Mechanisms" supported by DG ECHO.

The EU 2016 Sendai action plan, co-ordinated by ECHO, calls for "a disaster risk-informed approach to policy-making, offering a coherent agenda across different EU policies to strengthen resilience to risks and shocks and supporting the EU priorities of investment, competitiveness, research and innovation." DRR and resilience considerations are now systematically integrated into ECHO programmes – ECHO dedicates about 13% of its humanitarian budget to DRR activities.

Invest in durable solutions for refugees, internally displaced people: The priorities of the new EU approach to forced displacement contributed to a number of processes including the New York Declaration for Refugees and Migrants, adopted by the United Nations General Assembly (UNGA) in September 2016 and the New Urban Agenda, Quito, October 2016. It is also reflected in key EU policy documents presented in 2016. For instance, the Global Strategy for the European Union's Foreign and Security Policy, the November 2016 Commission proposal for a new Consensus on Development and the November 2016 renewed partnership with the countries of Africa, the Caribbean and the Pacific.

Commission services have begun to adapt human resources at headquarters and field level to further support the implementation of the Communication with targeted assistance to operations. These strategies are now being put into coherent programming with joint EU assessment missions under the EU Trust Fund for Africa, the Turkey Facility and the EU Regional Trust Fund in Response to the Syrian Crisis (Madad Fund). In many partner countries (e.g. Pakistan, Uganda, Syria, Jordan, Lebanon, Northern Mali, Bangladesh) services agreed on division of labour/joint frameworks for action to better address the needs of forcibly displaced and their hosts.

Increase social protection systems. In Turkey ECHO's Emergency Social Safety Net (ESSN) programme for refugees is delivered through the national social protection systems. Options are being considered elsewhere to use already existing social protection as an entry point for humanitarian assistance. Technical support and expertise on Social Protection is being strengthened within ECHO. Research is underway into shock response humanitarian social protection systems and ECHO are funding a project to develop new humanitarian operational modalities for working with existing SP systems. More generally, ECHO works with, and strengthens local systems wherever possible and with all sectors, as demanded by do no harm principles and the resilience marker that is required for all ECHO projects.

Multi-hazard risk and vulnerability analysis, and multi-year planning. The intention is for ECHO and DEVCO, as early as possible, in all emergency responses and in all countries where both operate, to consider options for collaboration towards shared objectives. To build on the momentum produced by WHS and the international processes, DEVCO and ECHO DGs have proposed closer partnership in a number of pilot countries where joint analysis and multi hazard risk assessments will provide the basis for more collective, co-ordinated and longer-term action between development and humanitarian actors and a multitude of different stakeholders. Following a strategic dialogue with the World Bank a number of priority "nexus" initiatives between WB and EU, with ECHO engagement are under development.

3. Planned next steps

These are very much related to the status points outlined above. Planned next steps are continued development, roll-out and learning from these processes. Headline initiatives include:

A new resilience communication will be prepared in support of the Global Strategy for the European Union's Foreign and Security Policy that states *"The EU will adopt a joined up approach to its development and humanitarian assistance in every possible instance to "fight poverty and inequality, widen access to public services and social security, and champion decent work opportunities, notably for women and youth."*

At a practical level DEVCO and DG ECHO will apply a resilience approach in a number of Humanitarian Development Nexus pilot countries. In each of these countries a variety of collaborate activities may be examined and more trialled, for example:

- Joint analyses and programme activities
- Introduction and use of social safety nets to avert crises and allow for early pre-emptive action.
- Developing insurance mechanisms to enable a local response and humanitarian financing.
- Multi-year programming

4. Efficiency gains (optional for year 1)

To be determined in following years

5. Good practices and lessons learned (optional for year 1)