2nd Grand Bargain Meeting

18 March, 2016 – Brussels – Hosted by ECHO

**Summary Report**

European Commission Senior Advisor Claus Sørensen and Panel member Danny Sriskandarajah opened the meeting by drawing attention to the opportunity presented by the World Humanitarian Summit (WHS), calling for participants to commit to serious and ambitious change. Claus Sørensen stressed the importance of strengthening humanitarian aid modalities, getting ahead of the curve on efficiency and financing to meet the challenges of tomorrow. He urged all participants to do their best and to work between now and the next Sherpa meeting, to be held in Washington, D.C. in mid-April, in order to come to specific commitments.

Danny Sriskandarajah recalled the Panel report title – *“Too Important to Fail”* – reminding participants of the high-stakes for those in need, the high-expectations from civil society for the Grand Bargain (GB) process, and urged participants to make this historic opportunity count. Speaking also for Panel members not present, he highlighted how incredibly important and reassuring it is for them to have this meeting. He highlighted that the Panel had thought long and hard as to how to title the report. He encouraged participants to consider the road ahead, and how progress could be monitored beyond the Summit, seeking ideas for a truly multi-stakeholder follow-up process. Panel co-chair Kristalina Georgieva encouraged participants to aim high and to be specific.

Following the Opening, participants then split into five breakout groups in order to discuss: 1) Reducing Management Costs and Functional Reviews; 2) Joint Needs Assessments; 3) Participation Revolution; 4) Harmonized Reporting; and 5) Humanitarian/Development Divide. As this was the first time each of these teams had met, the conversation provided a valuable starting point for further work before the next Sherpa meeting in Washington, D.C. scheduled for 15 April.

Reporting back to the plenary by the co-champions on the discussions held within the various breakout groups in the morning, each presentation stressed the strong linkages between the 10 topics of the GB.

UNHCR and Japan highlighted observations that were made during the group discussion on **reducing management costs and functional reviews**. Overall, they noted the linkages between their workstream and the other topics of the GB and the need for differentiation in recommendations based on the category of humanitarian organization in question. Specifically, the co-champions pointed out common grounds in the following areas: reducing duplication through improved efficiencies by looking closely at procurement processes; harmonizing partnership agreements with NGOs recognizing specific needs; considering a normative framework for beneficiary data with respect to privacy (reference was made to the UNHCR/WFP model); enhancing the use of technology to quantify efficiency gains; moving towards joint regular functional performance reviews with donors; efforts to share best practices on performance and results-based management; and the importance to accelerate the move towards more transparent/harmonized cost structures allowing comparison amongst different agencies. Regarding the latter point, the USA clarified that the issue is not overhead costs per se, but underlined the need for transparency. In the same line, Germany pointed out that management structures still needed to be sufficiently robust to enable effective humanitarian assistance.

On **joint needs assessment** ECHO highlighted the need of a model that allows all stakeholders, donors, UN, member of UN country teams and others to share needs assessments that are comprehensive, transparent, based on set of reliable data, subject to quality check, rapidly available and regularly updated. These needs assessments should be context sensitive and also include development needs. They need to be designed in a way so that they could feed into prioritization process when preparing funding appeals. ECHO requested greater efforts to draw out the linkages between the 10 workstreams of the GB, and attempt to explain the net effect of the changes proposed if all are implemented. OCHA pointed to deficit of confidence regarding data although improvements are being made. Multiple participants also linked the quality of needs assessment and a credible prioritization process that would follow it.

In response to the observation from ECHO that questions of quality governance connect or underpin all the dots of the GB, the World Bank suggested that participants should study models from the development community to create effective, accountable, and independent governance structures. Panel co-chair Kristalina Georgieva later requested the World Bank to prepare a presentation or paper to help participants look at best practice in governance (review from an independent entity) from the development community. Germany stressed the need to protect humanitarian principles in any attempt for closer coordination in needs assessments and that complementarity in planning should not only consider development activities but also activities of stabilization, peace building and climate change adaptation actors. With regard to collective outcomes and the link to more comprehensive needs assessment, UNDP, UNICEF and others noted the importance of building upon existing processes and tools. IOM called for an examination of the efficiency of those processes, noting that inter-agency multi-sector assessments have been slow and at times hinder rapid humanitarian response. WFP questioned whether separating the functions of needs assessment and delivery of assistance would actually result in improvement of the former. ICRC sounded a note of caution, reminding participants that while a move towards greater coherence is certainly desirable and welcome, we are not part of one system, and we need to consider how to leverage our diversity to ensure the right decisions are taken at the strategic level.

Discussion then ensued around the **participation revolution** workstream. UNICEF briefed participants, highlighting the decision to reframe the topic, acknowledging the need for a paradigm shift to ensure greater accountability to affected people. UNICEF then presented the main areas of systemic change needed – at the leadership, programmatic, and funding decision-making processes. Sweden supplemented the presentation, stressing that the humanitarian system cannot be led by force, and needs to be guided instead by the voices of affected communities to salvage credibility. While this workstream does not have a donor co-champion, Sweden volunteered to prepare a paper on the topic.

ICVA and Germany presented on the **harmonized reporting** discussion, noting the group agreement to focus on what is needed in terms of reporting and to convene a group meeting in mid-April in order to take stock of existing best practice, better understand what information is really needed, and to chart a way forward to promote more coherence and potential specific commitments. ICVA noted that while the workstream participants plan to present analysis on the most burdensome parts of reporting, and ambitious ideas to simplify and harmonize, they agreed that a collective commitment to a process and a timetable for achieving these changes was just as important. The group also discussed the need to point out that humanitarian assistance and contexts are different than development contexts and thus have different reporting requirements. Thus far, the group identified three main principles – proportionality, simplification and harmonization (to best practice) – on which potential commitments could be built.

Claus Sørensen stressed the importance of ensuring that any effort to harmonize should still allow for greater detail to be available for parliaments and others upon demand. Sweden reminded that parliaments are part of a political process, and this process and the Summit are opportunities to make political change. It should allow for us to change the discourse to focus more on accountability to affected people, greater efficiency, and other priorities in exchange for less reporting. The USA reiterated how seriously they were taking the GB process, and their willingness to consider proposals coming out of it. VOICE offered to support ECHO and other donors to approach parliaments together in order to make any necessary legislative changes. UNRWA drew attention to the considerable progress it was making with a number of donors on developing a harmonized results framework and considered this a good approach to meet donor and agency needs. The Netherlands and Germany echoed the calls to ensure reporting is fit-for-purpose, and no more than the minimum needed to support humanitarian decision-making and parliamentary oversight. Norway welcomed the ongoing efforts and looked forward to sharing its experiences with simplified and streamlined reporting requirements during the April expert meeting.

Denmark and UNDP presented on the **humanitarian development divide**. Workstream participants agreed that the WHS is a window of opportunity to define how donors and aid organizations will work over the next 15 years to bridge the divide. They considered that the topic is cross-cutting to the GB discussion. Participants aimed to unpack the many interwoven topics of the development-humanitarian nexus. They agreed to develop concrete commitments to really achieve a paradigm shift to transcend the humanitarian development gap. They also noted the links to the multi-year planning and funding workstream. They stressed the need to agree on a results-based framework. This should not just be about the humanitarian actors reforming towards incorporating development assistance, but also the development actors opening up towards the humanitarian space. Finally, noting the participants of this workstream are mostly humanitarian, they suggested it is important to involve the multilateral development banks, possibly in a teleconference before next Sherpa meeting.

In considering the presentation and the links to the SG report’s call to move towards more joint outcomes, ICRC highlighted the dilemma that could potentially emerge between a strictly neutral and independent humanitarian approach and the shared political vision and common goals and outcomes. Germany reiterated the call to think more broadly in linking response, stating there are four communities, not two, if one considers climate change and stabilization as another two that are hugely linked to development and humanitarian action. Germany called for much more detail and specificity around what we want to achieve, who we want to work with, and why in order to guarantee success in this workstream. Turkey called on participants to prepare a matrix capturing all relevant entities’ capacities. UNDP reminded participants there were 30 or so specific recommendations in their draft paper that could be further grouped, refined, and form the basis of concrete action. The co-chair Claus Sørensen stressed the importance of risk-informed development programming.

Participants then discussed the five topics from Amsterdam in breakout groups, and came back to the plenary to present their progress.

On **frontline responders**, IFRC pointed out that initially the group came up with a set of commitments. The group, however, ultimately chose to focus on the following overarching approach with the aim to have three commitments: 1) increase funding available for frontline responders; 2) improved access to funding mechanisms; and 3) investments in capacity strengthening. IFRC also recalled UNHCR’s commitment announced in Amsterdam to increase from 12% to 20%, the percentage of its programme costs directly transferred to national NGOs, and asked the group about establishing similar measurable targets. Switzerland refereed to the 2030 agenda and how affected communities themselves could be part of the overall process.

On **transparency**, rapporteur SCHR noted common platforms, shared standards, clear mapping of transaction chains, adequate information for the public to hold organizations to account, and enough data for rapid decision making as priorities for consideration. Participants identified the importance of agreeing a standard format for data sharing before Istanbul as one key target. IATI could be the standard format. To make this work, all actors involved need solid information on how to use IATI ensuring that the drive for transparency lessens the workload, also for national first responders; some may need capacity support. Participants also agreed that a focused discussion is necessary on the comparative advantage of FTS and IATI and ideally clear ideas whether and how to link the two up need to be presented at the next Sherpa meeting in Washington, D.C. Co-chairs agreed to contact IATI and FTS to allow for an informed decision on what to recommend or where to invest. Duplications of reporting needs to be avoided. Participants also noted risks and limitations to transparency, especially when it comes to protection. The discussion on transparency should adhere to principles of confidentiality and ‘do no harm’.

The USA and FAO presented on **multi-year planning and funding**, noting it is mostly a tool linked to better needs assessment/prioritization, humanitarian development divide, and transparency. They noted that clear definitions are needed regarding what constitutes multi-year funding. The group agreed to hold further discussions via teleconference in order to have commitments ready by the next Sherpa meeting in Washington DC.

Sweden and ICRC presented on **earmarking**, noting it is at the heart of the question of whether to finance results or collective outcomes. Sweden reiterated the suggestion of a minimum of 30% in unearmarked humanitarian funding by all donors by 2020. Participants noted the importance of recognizing progress, and of incentivizing this move with greater recognition for donors providing such funding. They once again reiterated the links to success in this workstream and confidence from actions taken in other workstreams.

On **cash,** the UK reported back noting a remarkable degree of consensus in the group discussions. Participants praised the preparatory work done by the co-champions, and the effort to build on existing work in this area. In brief, UK noted agreement in five areas: general scaling up of the use of cash; continued trialing/piloting to take best practices to scale; monitoring/reporting/tracking effectiveness of cash programming; results and impact at outcome level; and explore collective risk management and ownership.

In wrapping up and closing the meeting, Panel co-chair Kristalina Georgieva asked participants to share their inputs and suggested language for the GB document with the HLP Secretariat by 1st of April. Furthermore, she requested the World Bank to produce a paper or presentation by the next meeting on leadership and governance models in the development financing world that could be relevant to this group. She also welcomed inputs from the group regarding potential follow-up mechanisms pertaining to the agreed upon GB commitments, i.e. whether the Sherpa group, a subset of this group or champions should continue to meet after the WHS twice a year.

Finally she circulated a table with workstreams of the Panel beyond the GB, and encouraged those who are interested to get engaged in them (see annex 3). She invited those who will be in Washington, D.C. for the next Sherpa meeting to a European Union/World Bank event, to be held on Thursday, 14 April from 10:30–12:00, focusing on budget and results. Claus Sørensen encouraged participants to connect the dots, and to rebuild the bargain approach in the final Istanbul document, drawing out the links between the various GB parts. Co-chair Kristalina Georgieva also encouraged participants to think about how a signing ceremony at the Summit might look like, and to offer suggestions on the choreography at or before the next Sherpa meeting on 15 April.

**Annex 1**

Agenda

2nd Grand Bargain Meeting

**0815 – 0900** Registration / coffee

**0900 – 0915** Opening by Claus Sorensen (European Commission, Senior Advisor) and Danny Sriskandarajah (HLP member)

**0915 – 0930** Process explanation by the Secretariat

**0930 – 1130** Group Discussion – the 5 new topics. Champions agencies and donors as below facilitating discussions.

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| --- | --- | --- | --- | --- |
| Reduce management costs, functional reviews | Joint Needs Assessment | Participation Revolution | Harmonized Reporting | Humanitarian Dev Divide |
| UNHCR (2) | OCHA (2) | UNICEF (2) | Germany (2) | UNDP (2) |
| Japan | ECHO (2) | SCHR | ICVA (2) | Denmark (2) |
| Canada | USA | Switzerland | Belgium | Belgium |
| UNRWA | Australia | Sweden | Switzerland | UK |
| WFP | Netherlands | UAE | Netherlands | Norway |
| InterAction/VOICE | Sweden | Australia | UK | Turkey |
| IFRC | Canada | IFRC | IOM | InterAction/VOICE |
|  | ICRC |  | ICRC | IOM |
|  | WFP |  |  | WB |
|  | WHO |  |  | FAO |
|  | WB |  |  | USA |
|  | FAO |  |  |  |

**1130 – 1145** Coffee break

**1145 – 1320** Plenary discussion facilitated by Claus Sorensen and Danny Sriskandarajah on feedback from morning sessions.

**1320 – 1420** Lunch

**1420 – 1500** Plenary discussion on morning topics continued, facilitated by Claus Sorensen.

**1500 – 1545** 5 topics/groups from Amsterdam continue discussions.

By the end of the session, each group to have suggested language [not final] for concrete commitments for Istanbul. The grouping from Amsterdam to be kept, with slight modifications, to ensure it builds on previous discussions/progress.

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| Front-line responders | Transparency | Multi-year funding | Earmarking | Cash-based assistance |
| Australia (2) | Japan | US (2) | EC | UK (2) |
| Turkey (2) | Netherlands (2) | Belgium | Sweden (2) | Germany |
| Switzerland | Denmark | Norway | UAE | Canada |
| ICVA | World Bank | FAO (2) | ICRC (2) | UNHCR |
| IFRC | SCHR | InterAction | OCHA | WFP (2) |
| WHO | IOM | UNDP | UNRWA | UNICEF |
| Belgium |  |  |  |  |

**1545 – 1645** Plenary discussion on afternoon session and the way forward with Panel co-chair Kristalina Georgieva and Claus Sorensen.

**1645 – 1715** Wrap-up

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|  | **Annex 2**  **Attendance List** | | | | | | | |
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|  | **Org.** | **Name** | **Title** | **Plus 1** | **Org.** | **Name** | **Title** | **Plus 1** |
| **1** | **USA** | Anita L. Menghetti | Sr. Humanitarian Assistance Advisor | Lev Turner | **WFP** | Gordana JERGER |  | James HARVEY |
| **2** | **European Union** | Jean-Louis De Brouwer | Director (Operations), Directorate-General Humanitarian Aid and Civil Protection (ECHO), European Commission | Henrike Trautmann, Head of Unit (Specific Thematic Policies) | **UNHCR** | Daniel ENDRES | Director, External Relations | Dona Tarpey, Director Donor Relations and Resource Mobilisation |
| **3** | **United Kingdom** | Ruth Andreyeva | Deputy Director, CHASE | Dylan Winder | **UNICEF** | Afshan Khan | Director, Emergency Programmes | Sibi Lawson-Marriott |
| **4** | **Germany** | Eltje Aderhold | Head of the Humanitarian Division in the Federal Foreign Office | Bjoern, Hofmann | **ICRC** | Helen Alderson | Director of Financial Resources and Logistics | Clare Dalton, Diplomatic Adviser |
| **5** | **Japan** | Tsukasa HIROTA | Director of Humanitarian Assistance and Emergency Relief Division,  MOFA |  | **UNRWA** | Richard Wright | Director, Representative Office NY |  |
| **6** | **Sweden** | Per Orneus | Swedish Ambassador for Humanitarian Affairs | Sofia CALLTORP | **IOM** | Peter VAN DER AUWERAERT |  | Jordan MENKVELD |
| **7** | **Canada** | Christina Buchan | Director, Humanitarian Organizations and Food Assistance | Joshua Tabah | **OCHA** | John Ging | Director, Operations | Hansjoerg Strohmeyer and Karuna Hermann |
| **8** | **Netherlands** | Joost Andriessen | Former Director Department of Stabilization and Humanitarian Aid | Jaap VAN DIGGELE | **FAO** | Sandra Aviles | Senior Advisor | Patrick JACQUESON |
| **9** | **Switzerland** | Arno Wicki | Head of Multilateral Humanitarian Affairs Division | Adrienne Schnyder | **WHO** | Rudi Coninx |  |  |
| **10** | **Norway** | Reidun Otterøy | Senior Advisor, Section for Humanitarian Affairs Norwegian MOFA |  | **UNDP** | Izumi Nakamitsu | Assistant Administrator, Crisis Response Unit | Tija Kontinen-Sharp |
| **11** | **Australia** | Stephen Scott |  | Tristen Slade | **IFRC** | Dr. Jemilah Mahmood | Under Secretary General - Partnerships | Ivana Mrdja Nikolic |
| **12** | **Denmark** | Stephan Schønemann | Head of the Department for Humanitarian Affairs, Civil Society and Migration | Jette Michelsen | **WB** | Colin Bruce | Senior Adviser, the Office of the President of the World Bank Group | Maria Dimitriadou |
| **13** | **United Arab Emirates** | Sultan Al Shamsi | Assistant Undersecretary for International Development |  | **ICVA** | Nan Buzzard | Board President | Melissa Pitotti, Senior Policy Officer |
| **14** | **Belgium** | Peter van Acker | Head of Humanitarian Aid | Sandrine Vanhamme | **InterAction/VOICE** | Kathrin SCHICK |  | Magali MOURLON |
| **15** | **Turkey** | Ambassador Hasan Ulusoy | Director General of Humanitarian Affairs, Ministry of Foreign Affairs | Gökçe Gül Yılmaz, Ministry of Foreign Affairs | **SCHR** | Kate Halff | Executive Secretary |  |
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|  | **Panel Co-Chair** | Kristalina Georgieva | Vice President of the European Commision and HLP co-chair | Daniel Giorev, Member of Cabinet | **Secretariat** | Hiroko Araki | Head of Secretariat |  |
|  | **Panel Member** | Danny Sriskandarajah | Secretary General, CIVICUS |  | **Secretariat** | Tensai Asfaw | Secretariat Team Member |  |
|  | **Hosts, ECHO** | Sorensen Claus | Senior Advisor, European Commission |  | **Secretariat** | Nishani Jayamaha | WHS Secretariat supporting HLP |  |
|  | **Hosts, ECHO** | Florika Fink-Hooijer |  | Joachime Nason | **Secretariat** | Heiko Knoch | Secretariat Team Member |  |

**Annex 3**

**HLP Work Streams Beyond Grand Bargain**

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| **RECOMENDATIONS** | **Stakeholders** | **Champions in Panel & HLP Secretariat** | | **State of Play/Comment** |
| **GRAND BARGAIN** | 15 top donors + Turkey + 15 top agencies/IASC members | Kristalina  Danny  Margot | Hiroko  Tensai | 1st meeting of Sherpas in Amsterdam (29th February) with broad principles and champions set-up  2nd meeting in Brussels 18 March  3rd meeting in DS on 14-15 April  4th final meeting in NY in 9-12 May period |
| **GENEROSITY INDEX** | Brookings – ready to help  Netherlands – working on it  OECD – confirmed interest | Danny  Kristalina | Tensai | * Brookings and OECD ready to help * NL and Danny working on concept |
| **ISLAMIC SOCIAL FINANCE** | World Bank, Norwegian Refugee Council | HRH | Cammy | * Sukuk and Zakat pilots to be presented at WHS |
| **IDA REFORM AND REPLENISHMENT** | World Bank President, World Bank Board, IDA WB Vice-President, Member States | Kristalina  Trevor | Hiroko | * Presentation at board of WB by KG. Conversations on-going. Further push at Spring Meetings |
| **WORLD BANK BOARD HUMANITARIAN REPRESENTATION** | World Bank, OCHA | Kristalina  Trevor | Hiroko | * Need to understand how would happen. Who decides. UN SG to write to WB President? |
| **GLOBAL COMPACT HA SEGMENT** | Global Compact | Badr | Hiroko  Tensai | * SMEs4H – proposal of concept and possible event at WHS * Need to link with Global Compact |
| **INNOVATIVE FINANCIAL INSTUMENTS (e.g. Impact Bond style)** | ICRC  Belgium  EU, UK, US  UNICEF, OCHA | Kristalina  Walt | Tensai | * Invitation for KG and Panel to take part in specific session at WHS * Discussions with EU and BE to see how EU and other MS can join Impact Bond type approaches |
| **MICRO-LEVIES** | FIFA (?); FACEBOOK, SPOTIFY, TWITTER, UBER  OECD  Germany (?) | Kristalina  HRH | Tensai | * Several conversations with FIFA. Letter sent to new President. Waiting feedback * No reaction from other companies * OECD interested to help with study if needed |
| **PARTNERSHIP WITH PRIVATE SECTOR/MEDIA** | Indiegogo  DEC & Global Alliance  UK  Gordon Brown | Badr  Hadeel  Kristalina | Tensai  David | * Work on-going for a pilot between Indiegogo and Global Alliance for joint appeals. Ideally need to find donor to match appeals + media to multiply * Conversations with Gordon Brown and UK on education in emergencies platform |
| **INSURANCE AND FISCAL SPACE** | China  G20 | Linah | Hiroko | * China Presidency G20 priority. See if can deliver by WHS ; UNISDR showcase |
| **PERCENTAGE TARGET OF ODA DEDICATED TO FRAGILE COUNTRIES/SITUATIONS** | UK, EU, Norway (?), Sweden (?)  SDG Special Rep Nabarro,  The Elders | Kristalina  Hadeel  Margot | Hiroko  David | * Need to get donor commitment at WHS to dedicate X% of ODA to situations of fragility/fragile countries. |