

# Grand Bargain Annual Meeting 2019: IFRC Statement

The Secretary General of the IFRC committed to the Grand Bargain at the World Humanitarian Summit in May 2015 thereby binding the IFRC Secretariat to a series of commitments. We understand that these commitments place responsibility on the Federation to continuously improve and streamline how it functions and is held accountable to its membership. The IFRC has undertaken and continues to undertake a number of important reforms in line with its Grand Bargain commitments including:

- Every ten years, the Red Cross and Red Crescent Network has a chance to stop, reflect and look forward. IFRC is embarking on the 2-year process for the development of [Strategy 2030 – The Future Red Cross and Red Crescent](#). In this way, IFRC is committing to transformative changes in order to shift power to the local level - including within the international IFRC network, within National Societies' own structures, and in the way National Societies empower the people with whom they work. Visions for the organization, including transformational considerations to gender and diversity, local representation and decision making will be presented to the IFRC Governing Board in 2019.
- We continue to put strong focus on **transparency and accountability**, backed by a strengthened and independent internal audit and investigation team and a **new policy on protection against sexual abuse and exploitation**. IFRC has a zero-tolerance policy on fraud, corruption, exploitation, abuse or misconduct and is building significantly on its existing rigorous systems for control and oversight. We must be clear however, that zero tolerance is not the same as zero risk. Zero risk can only be accomplished with zero programming. We therefore welcome a constructive dialogue with our partners on how to better share the risk that is intrinsic to working in humanitarian settings along the humanitarian supply chain. The 33rd International Conference of the Red Cross and Red Crescent will take place in December 2019 and one of its three key themes will be **trust in humanitarian action**.
- We are keenly aware that no one organization can solve problems alone, and so we use our unique place on the humanitarian landscape to convene partners—whether they be governments, non-governmental actors, private sector companies or foundations—to collaborate on both short-term and long-term solutions. In 2018 IFRC signed an MoU with the Islamic Development Bank (IsDB) to work together to develop **a new and innovative approach blending development finance, humanitarian aid and private capital** to support the Red Cross Red Crescent's work and contribute towards meeting humanitarian needs and achieving the SDGs.
- The IFRC is working towards a collective approach through our membership to deliver quality cash at scale, at speed and in an accountable manner. In 2018 the Red Cross Red Crescent Movement launched a Cash Hub to support a growing community of practice, both internal and external, for shared learning and to establish an evidence repository. 2018 saw the International Red Cross and Red Crescent Movement distribute humanitarian cash in excess of CHF840 million to over six million people making the **Movement one of the biggest cash players globally**.

In exchange for its commitment to reform however, IFRC also expects its work to benefit from improvements in key areas such as better-quality funding and reduced reporting. In 2018 unmarked contributions from partners made up only 6% of our budget and over a seven-year average, only 21% of IFRC Secretariat funding is multi-year. IFRC also produced a staggering 1,700+ donor-specific reports in 2018. A recent [NRC study](#) estimates that there is potential of ~2.3M hours in annual efficiency gains if solutions to harmonize and simplify donor reporting are implemented across the

humanitarian sector.<sup>1</sup> Despite positive changes therefore, the IFRC together with the humanitarian community at large, still has a lot to gain by supporting the Grand Bargain to deliver positive change and remain engaged in the process.

We have arrived at a critical junction with a new Eminent Person stepping up to help lead and move forward this process. It is important therefore to take stock of our successes and to honestly assess our failures and redouble our efforts to unblock blockages. IFRC is committed to supporting the new Eminent Person, Minister Kaag, in her new role and to continue to push for positive system wide change.

Both the IFRC and the ICRC are actively engaged in the Grand Bargain discussions at all levels, as signatories, as co-convenors of Workstreams 2 (Localisation) and 7 (Enhanced quality funding) respectively and also as rotating members of the Facilitation Group. A number of National Societies, albeit not signatories, are also actively engaging through the IFRC Secretariat and their own governments. This is a testament to the Movement's adherence to the Grand Bargain as well as to the spirit of constructive discussion between humanitarian donors and actors, with a *quid pro quo* spirit.

The reforms proposed through the Grand Bargain process are already generating some positive impact for the critical work of the IFRC and its members. This positive dynamic however would exponentially increase if these positive reforms could be consistently applied across all commitments and taken to scale.

Taking the Grand Bargain to scale would, for example, enable the IFRC to:

- **Further develop the capacity of local actors** by supporting National Societies through our pooled fund mechanisms such as the **National Society Investment Alliance (NSIA)** which became operational in 2018 and is a joint initiative with ICRC. The first call for proposals drew 48 applications from National Societies however due to limited funding we were only able to allocate 1.5m CHF - 50% of our original target, with several promising applications remaining unfunded. Without sustained multiyear funding to strengthen local action, localisation will remain little more than a buzz word.
- Access more multi-year regular resources which **support the work of the IFRC and the Secretariat's core functions**, without which it is unable to deliver its mandate of supporting the most vulnerable. The Secretariat uses regular resources to support the work of National Societies by providing funds, staff, training and technical expertise. This support has a direct impact on the ability of National Societies to deliver lifesaving assistance in their local communities. Furthermore, un-earmarked resources **help to spur innovation**, which helps transform the way IFRC works today and tomorrow.
- Reach its global cash target to reach CHF1bn by 2020 in cash-based programming with 50 National Societies undertaking cash preparedness activities and cash being used to deliver programme objectives in 100 countries.

The potential for systemic change is real and our opportunity is now. Let us therefore stay the course and continue to aim high while giving ourselves the time and space to focus on specific challenges that can unblock positive change at scale.

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<sup>1</sup> *Money where it counts, Harmonize, simplify and save costs*, Norwegian Refugee Council, Project Presentation, June 2017