



## INTERACTION STATEMENT GRAND BARGAIN ANNUAL MEETING 2020 JUNE 18, 2020

Humanitarian needs related to the global COVID-19 pandemic will continue to emerge in the coming months and years and intensify pressures on an already overstretched and underfunded global humanitarian system. These challenging circumstances test the humanitarian community and require all Grand Bargain signatories to calibrate their investments and focus where they can achieve greatest impact for people affected by crises.

InterAction has been a Grand Bargain signatory since 2016 and served as the NGO representative on the Facilitation Group for two years (2017-2019). We remain committed to encouraging NGOs and the broader humanitarian community to use the Grand Bargain commitments as a catalytic framework for meaningful change.

### Signatories Must Look Inward to Encourage System-wide Change

Many treat the Grand Bargain as an opportunity to advance change by other signatories on key priority areas. Yet, the greatest progress has been achieved when signatories use the Grand Bargain framework to orient internal change processes and identify a clear set of actions geared toward unlocking their own efficiency and impact. Doing so not only improves their own operations but helps create trust among other actors in the humanitarian system and a “crowding in effect” on meeting the commitments.

Signatories that have adopted this approach should be applauded. For example, last year the NGO-led [Collaborative Cash Delivery \(CCD\) Network, came together across its 15 NGO members to define priority areas of focus for global collaboration](#). These included joined up analysis for cash and voucher responses, streamlined management costs, reduced reporting burdens, and investments in transparency, accountability and trust-building. UNHCR began reorienting its culture toward stronger partnerships, a process NGOs continue to encourage and engage in, and has made significant commitments to the 8+3 reporting template and piloting [Money Where It Counts](#).

We encourage other UN agencies to adopt similar efforts to streamline partnering practices, implement simplified reporting requirements and pilot value-added initiatives. Likewise, government donors should evaluate their own practices to enable greater efficiency, flexibility and reductions of burdensome requirements. For example, the merger of USAID’s Offices of Foreign Disaster Assistance (OFDA) and Food for Peace (FFP) into the Bureau of Humanitarian Assistance (BHA) provides an opportunity to further align US practices with the commitments made in the Grand Bargain.

As signatories reflect on where their own organizations can prioritize internal change in the next year, the focus should be squarely placed on addressing critical lynchpins within four interconnected workstreams — transparency, needs assessments, management costs and quality funding. It is now widely recognized that quality funding is foundational to an effective response, but progress on increasing quantities to frontline actors is inhibited by lack of the fulfillment in these other areas.

## COVID-19 Presents Unique Opportunities

NGOs' response to the pandemic has demonstrated their ability to stay and deliver under unprecedented conditions. However, the global spread of COVID-19 underscores the urgency for streamlined partnering practices and the greater provision of quality funding if frontline actors are to maintain operational readiness and the ability to rapidly adapt and scale up programs. Flexible and unearmarked funding enables NGOs to respond to shifting needs resulting from the pandemic and does not require funders to forgo appropriate due diligence, reporting and accountability measures. We have seen some efforts from donor and UN agencies to institute more flexible and streamlined partnering practices during the COVID-19 response. We applaud them and urge all actors not only to adopt a similar approach but carry these terms forward in all non-COVID-19 humanitarian programming.

Despite laudable efforts to adapt in the face of the COVID-19 crisis, we know that funds are not moving to frontline actors as quickly as they should. Award processes have been delayed, administrative burdens have proven a distraction and greater scrutiny of needs data has stymied the response. Grand Bargain signatories that act as funders must take deliberate steps to ensure quality funding reaches frontline actors in a streamlined fashion with simplified application and reporting procedures to respond effectively to this unprecedented and dynamic global humanitarian challenge.

## Risk Sharing: Managing Risk to Reach Those in Need

In recent years, NGOs have strengthened and clarified organizational guidelines and processes as a first line of defense against preventable risks. They have resourced compliance and oversight, built out organizational policies and systems, recruited ethics leads, and stood up risk analysis efforts to improve risk awareness and responsiveness. These investments were intentional and much needed. Continued professionalization and systems strengthening in risk management remains a priority for InterAction and its members.

Yet, we must accept that no endeavor is risk free. Risk is intrinsic to and a daily reality for NGOs and local partners at the frontline of humanitarian delivery. Today's crises are more protracted and complex than a generation before, with many characterized by acute violence and insecurity directly affecting and often targeting our own staff, partners, and the communities we work alongside. However, we find resources are increasingly dedicated to internal oversight and managing upstream accountability at the expense of managing operational and security risks and ensuring sustained humanitarian delivery in the places where needs are greatest.

We must begin to question the sustainability of a compliance-driven risk management agenda. Too often, maximalist requirements are imposed by donor institutions that result in risk transfer, rather than risk sharing. This current approach has resulted in an unwieldy patchwork of overlapping controls and requirements that fail to address the root causes of risk, are difficult to automate and do not acknowledge that in many contexts, some risks cannot be fully mitigated against nor prevented. New requirements are imposed without due consultation or consideration afforded to how they will be operationalized, what resources are required to support partner compliance and whether they impose unworkable standards.

We must begin to ask uncomfortable questions. What controls and measures enable fast delivery and quality programs to those in greatest need? And what controls and measures hinder it? Can we come to terms with the concept of residual risk and understand that it must be balanced against the imperative to deliver humanitarian assistance? Decisions on risk management must be grounded in the reality of those on the frontlines and be guided

above all by the goal of enabling the delivery of humanitarian assistance in high risk environments—where an increasing number of the people who need it are found.

### The Future of the Grand Bargain

The next year of the Grand Bargain presents an inflection point during which the humanitarian community should build on gains and directly confront the more intractable challenges that have stymied progress across the commitments. Looking forward, InterAction recommends the following:

- Ensuring any future platform is informed by a metrics-based evaluation of what has been achieved thus far. As we determine our future orientation, each workstream should establish a clear narrative detailing what has been achieved and what has yet to be fully realized, supported by concrete metrics.
- Maintaining a multi-stakeholder platform. The Grand Bargain has served as the only forum where all stakeholders have participated in discussions on equal footing. Progress requires having the key actors (donors, UN agencies, NGOs, International Red Cross/Red Crescent Movement) at the table. Coordination with existing bodies, such as the IASC and the Good Humanitarian Donorship Initiative, will reinforce these conversations. Furthermore, while we pursue efforts to be inclusive, a ‘big tent’ approach should not overshadow the importance of ensuring the actors that have the greatest power to exert significant change on the humanitarian system are at the table and heavily engaged.
- Refining key commitments. Looking forward, we must refine and carry forward select commitments that offer the greatest opportunity to unlock and cascade substantive system-wide change. While each commitment is valuable, progress across all of them relies on substantive change in the areas of transparency, management costs, needs assessments, quality funding and risk sharing. We must not shy away from hard conversations and place concerted, coordinated effort toward addressing the bottlenecks that have made meaningful progress elusive.