

**JOINT INTERNATIONAL RESCUE COMMITTEE / NORWEGIAN REFUGEE COUNCIL STATEMENT**  
**14 JULY 2020**

The International Rescue Committee (IRC) and the Norwegian Refugee Council (NRC) wish to thank the Grand Bargain Eminent Person, Minister for Foreign Trade and Development Cooperation of the Netherlands Sigrid Kaag, and Emergency Relief Coordinator Mark Lowcock, for co-chairing a productive Grand Bargain annual meeting on 25 June. We particularly appreciated the frank discussion on the changes needed for greater aid effectiveness and transformation towards enhanced quality financing. With this joint statement we wish to underline our steadfast support for the [actions recommended by the Co-Convenors of Workstream 7&8 to reach critical mass](#) and propose concrete ways forward on the specific issue of cascading quality (multi-year and unearmarked) funding to frontline responders.

**The evidence is clear**

IRC and NRC have made several contributions to the technical work on cascading quality funding undertaken by Work Stream 7&8. We have proactively engaged in technical discussions on pass-through mechanisms with UNICEF colleagues. We have produced a body of research including [NRC's catalogue of quality funding practices](#) and [IRC's report on the positive implications of multi-year flexible funding](#) on aid efficiency and effectiveness (both of these in collaboration with Development Initiatives). Our findings support a growing body of evidence, which has consistently demonstrated how flexibility and predictability combined help ensure lasting outcomes for the people we assist and notable efficiency gains for donors and aid agencies alike.

**The time for technical discussions is over**

The COVID-19 pandemic has only exacerbated a systemic challenge we face in any major emergency: the need for additional, long-term and flexible funding to reach frontline implementers quickly so that we can respond to the crisis at the scale it requires. Despite the increasing supporting evidence, however, **quality funding is still not reaching frontline responders**, including local and national responders and women's organizations, in any meaningful amount. While we recognise the progress made within Work Stream 7&8 and the IASC Results Group 5, we now need to move forward – and faster. To do so, we propose a two-step approach:

**1. Convene a political dialogue on barriers to cascading quality funding and agree to set a target for cascading it to frontline implementers.**

The first step is to establish a political dialogue at Heads of Agency/CEO-level with key signatories to address the barriers to cascading quality funding to frontline responders. Building on the important work already done to increase aid flexibility and simplify processes in response to COVID-19, it is important to further clarify the expectations and challenges of passing on quality funding, as well as the impediments along the transaction chain. While technical discussions are already taking place within Work Stream 7&8 and IASC, **a political dialogue at the highest decision-making level is urgently needed to secure the buy-in necessary for transformative change to happen.** The high-level

meeting must lead to **an agreement to set a time-bound target for cascading quality (multi-year and unearmarked) funding to frontline responders.**

2. **Develop an action plan by 2021 with clear metrics and a time-bound target for cascading quality funding to frontline implementers** The second step is to follow up on the political agreement with an action plan leading to the five-year anniversary meeting of the Grand Bargain in 2021. In line with the ongoing work, co-conveners of Work stream 7&8 would lead the **development of clear metrics and a time-bound target to track and measure quality funding cascaded to local, national and international field responders, including women's organizations.** To that end, and as already indicated in the work stream's statement ahead of the Grand Bargain annual meeting, the group would reach out to the Localization Work stream and the Friends of Gender Group to explore joint actions in the short to medium term.

### **Time to realise the promise of the Grand Bargain**

Without a political agreement to cascade quality funding by donors and UN Agencies, backed by time-bound targets, we will not be able to move from rhetoric to action and miss the opportunity to attract fast-fading political attention to the COVID-19 humanitarian response. The two-step approach proposed here will allow the Grand Bargain to reach the end of its original mandate with a tangible achievement: **an agreed percentage target of long-term and flexible funding going to frontline implementers in a timely fashion.** Ensuring that quality funding reaches where it is most needed at the right time is a top priority as we enter the fifth year of implementation of the Grand Bargain and respond to the most complex crisis faced by the humanitarian community. In the face of the long-term repercussions of the COVID-19 pandemic, it is now more urgent than ever to realise the promise of the Grand Bargain of more efficient and more effective humanitarian aid.