Grand Bargain in 2020:

Annual Self Report - Narrative Summary

Name of Institution: Global Affairs Canada

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Date of Submission: February 16, 2021

(NB. Please limit your answer to no more than <u>5 pages in total</u> – anything over this word limit will not be considered by ODI in their analysis. Please respond to all of the questions below.)

Grand Bargain in 2020

Question 1: Reflecting on the information you have provided in the Excel spreadsheet, please highlight the 2 or 3 key outcomes or results relating to the Grand Bargain that your institution achieved in 2020?

In 2020, Canada achieved progress in the following commitment areas of the Grand Bargain.

Enhanced Quality Funding: In 2020, Canada continued to make progress in increasing its overall provision of quality humanitarian funding. This past year, as a proportion of its traditional humanitarian funding levels, Canada continued to provide more than half of its humanitarian assistance through multi-year agreements (about 58% in 2020).

In addition, Canada increased its provision of unearmarked and softly earmarked humanitarian funding. In 2020, Canada surpassed the 30% global target for flexible humanitarian funding, providing 35.5% in unearmarked and softly earmarked funding. This represents a 10.5% increase, compared with 25% in 2019. A significant contributor to this increase is the flexible funding Canada provided through its response to COVID-19. Canada provided \$154 million to experienced humanitarian partners in response to the pandemic, of which a majority was provided as fully flexible global-level support to multilateral partners.

Localization: Canada's feminist approach to humanitarian assistance entails recognizing and supporting local capacities; strengthening women's leadership in humanitarian action; and influencing the humanitarian system at every level to systematically ensure the participation, leadership and empowerment of women and girl. This was reflected in the 2021-2025 Call to Action Road Map, which under Canada's leadership, now includes Key Action Areas on localization, paving the way for partners to make strong commitments in this area. Canada has also been steadily expanding its support to the UN Country-Based Pooled Funds (CBPFs), in recognition of the critical role they play in providing funding direct to local actors. In 2020, Canada contributed CAD \$50.15 million to 17 UN CBPFs. This represents a 2.5-time increase from Canada's 2019 contributions.

Question 2: How has your institution contributed to the advancement of gender equality and women's empowerment ¹ in humanitarian settings through its implementation of the Grand Bargain? What results/outcomes have been achieved in this regard? (please outline specific initiatives or changes in practice and their outcomes/results). Please refer to the Guidelines for definitions of Gender Equality and Women's Empowerment, which are included in this self-report template package.

Through the implementation of its Grand Bargain commitments, Canada has contributed to the advancement of gender equality and women's empowerment in humanitarian settings. The majority of our funding in any given year is provided to multilateral partners either as fully unearmarked, softly earmarked, or earmarked at the country level but with full flexibility given to partners to allocate according to needs. With this flexibility, we expect that our partners use these funds to address gender equality along with the other priority areas.

In addition to this flexible funding, Canada provides specific multi-year commitments to strengthen gender capacity and bring about lasting, systemic change on gender and gender-based violence (GBV). For example, Canada supports UNFPA's efforts to

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¹ Refer to the IASC definitions of gender equality and women empowerment, available here.

strengthen GBV response in the Middle East. This model of consistent, predictable support provides a number of benefits, including: the elimination of gaps in staffing that hinder sensitive gender-related work; ensuring staff are able to build contextual understanding for effectiveness in coordination and referral systems; and creates space for innovation, such as through cash or voucher programs. Notably, Canada was the global lead of the Call to Action on Protection from Gender-Based Violence in Emergencies (2019-2020). In this role, Canada launched the 2021-2025 Call to Action on Protection from Gender-Based Violence in Emergencies Roadmap that will strategically shape collective action to prevent, mitigate and response to GBV through all phases of an emergency. Through Canada's efforts, this Roadmap has an increased focus on local organizations, particularly women-led organizations, the humanitarian-development-peace nexus, and gender equality in humanitarian action.

Question 3: How has the humanitarian-development nexus been strategically mainstreamed in your institutional implementation of the Grand Bargain commitments? Please explain how your institution has linked commitments 10.1 - 10.5 with other commitments from other workstreams.

As an adherent to the OECD-DAC Recommendation on the Triple Nexus (2019), Canada is in the process of examining its internal policies and procedures to increase alignment and break down silos between its humanitarian, development, and peace programming. To date, Canada has pursued a nexus approach through its Middle East Strategy, as well as part of its holistic responses to the <u>Venezuela</u> and <u>Rohingva</u> forced-displacement crises. Canada's education programming in Jordan successfully leveraged Canadian humanitarian and development support to address the needs of Syrian refugees and vulnerable children from host communities in a sustainable and integrated manner. In Bangladesh, Canada's development assistance supports efforts to address the health and basic education needs of Rohingya refugees through an <u>innovative financing mechanism</u> with the World Bank. Funding helps increase refugees' access to nutrition, sexual and reproductive health services, learning opportunities and psychosocial support, while simultaneously enhancing the Government of Bangladesh's service delivery systems to benefit host communities affected by the crisis. In Venezuela, Canada has launched a new development program (in 2020), which builds on existing humanitarian and peace and stabilization efforts in a complementary manner. In early 2021, Canada launched the "Together for Learning" Campaign, which aims to promote quality education and lifelong learning for refugee, other forcibly displaced, and host community children and youth. This will further demonstrate Canada's commitment to working across the humanitarian-development nexus and more holistically support more comprehensive refugee responses.

Grand Bargain 2016-2020: Overall achievements and remaining gaps

Question 4: What are the 2-3 key achievements/areas of most progress by your institution since 2016? Please report on your institutional progress for the period 2016-2020, even if your institution did not become a signatory until after 2016.

Since the launch of the Grand Bargain at the World Humanitarian Summit in 2016, Canada has been a strong supporter of this initiative and continued to advance progress against the commitments through its gender-responsive approach to humanitarian action. The areas in which Canada achieved has the most progress on since 2016 are the following.

Enhanced Quality Funding: Over the last five years, Canada has significantly increased its provision of multi-year, as well as unearmarked and softly earmarked humanitarian funding. In 2020, Canada provided 58% of its funding through multi-year agreements, an

increase of 30% from 2016 levels (28%). In 2020, Canada also provided 35.5% of its humanitarian funding as unearmarked and softly earmarked funding, an increase of 16% since 2016 (19.07%). This is the first time since the inception of this initiative that Canada has surpassed the Grand Bargain's 30% target for unearmarked and softly earmarked funding.

Localization: Since the launch of the Grand Bargain in 2016, Canada continued to place an ever-growing importance on localization. Canada continues to work towards better supporting local humanitarian actors, systems, and structures, as outlined in its humanitarian sub-policy, including women-led organizations. Under our leadership of the Call to Action, Canada helped shape the 2021-2025 Call to Action Road Map to include measurable commitments on localization. Over the last five years, Canada has been steadily expanding its support to the UN Country-Based Pooled Funds (CBPFs). Canada's funding to the CBPFs has increased from \$6.5 M in 2016 to a total of \$50.15 M in 2020. We have also continued to support initiatives that support the capacity building of local and national responders, including two initiatives aimed at strengthening the capacity of targeted Red Cross Societies in the Americas and Africa, as well as supporting the National Society Investment Alliance.

Question 5: What, in your institutional view, have been the main achievements of the Grand Bargain signatories, as a collective, since 2016? Please indicate specific commitments, thematic or crosscutting issues or workstreams where you think most progress has been made collectively by signatories.

Over the last five years, the Grand Bargain has grown into a dynamic platform. Its comparative advantage to the humanitarian system lies in its ability to bring together a number of key constituencies - international and local NGOs, UN Agencies, donors, and the Red Cross/Red Crescent Movement - to discuss ongoing issues in the humanitarian system. Through its convening capacity, the Grand Bargain has contributed to progress at the technical level on several thematic issues. On quality funding, the Grand Bargain provided an opportunity to deepen our collective understanding of predictable, timely, and flexible funding, including alternative mechanisms through which flexibility of funding can be achieved; to increase the evidence base on the value-added of quality funding; and to highlight the importance of cascading quality funding to frontline responders. Further, the Grand Bargain also provided an opportunity for signatories to engage in substantive conversations related to localization. In addition, the Grand Bargain has proven to be a useful platform for developing the Joint Intersectoral Analysis Framework, and as well as for establishing a harmonized reporting template. Considerations of gender equality and the empowerment of women and girls, while not included at the onset, were steadily mainstreamed throughout the five years of the Grand Bargain, primarily due to the efforts of the Friends of Gender Group. In the latter half of this initiative, signatories became required to report on how they contributed to the advancement of gender equality through their implementation of the Grand Bargain commitments.

Question 6: What has the Grand Bargain not been able to achieve in its five-year tenure? What outstanding obstacles, gaps, areas of weakness remain after five years, in terms of improving the efficiency and effectiveness of humanitarian action? Please indicate specific commitments, thematic or crosscutting issues or workstreams where you think there remain key gaps or obstacles.

Despite the achievements of the Grand Bargain, there are still structural and thematic challenges that continue to remain. Structurally, the scope of the Grand Bargain commitments remains broad reaching, which makes it difficult to focus on the original objective of the initiative – to demonstrate efficiency savings. The Grand Bargain also continues to remain largely at the global-level. While progress has been made in certain workstreams to engage in country-level processes, a disconnect persists between the global and country-level discussions and action. Thematically, the workstreams have remained siloed, with less formal, systematic recognition of the crosscutting links between the different humanitarian issues. Further, linkages with other policy and operational forums such as the Good Humanitarian Donorship initiative and the IASC have only been informally integrated within the Grand Bargain over the last five years. The outstanding obstacle to further advancing the Grand Bargain commitments is the need for more political ownership and accountability by signatories, in order to create further momentum and escalate the technical-level discussions to a higher decision-making level to ensure systemic change.

Risk and the Grand Bargain

Question 7a: How has risk (financial, operational, reputational, etc.) affected your institution's implementation of the core commitments since you became a signatory to the Grand Bargain?

Canada recognizes that risk is an important consideration in the successful implementation of the core Grand Bargain commitments. Risk is closely related to both accountability and trust. Implementing the Grand Bargain commitments comes with its own set of risk considerations, ranging from financial to reputational to strains on human resource capacity. In order to mitigate these risks, Canada must carefully balance the need to be accountable – towards both those affected by crises and to its domestic democratic institutions –as well as maintain trust in its humanitarian partners. In order to mitigate and manage financial, operational and reputational risks, Canada has developed a robust due diligence process, while being conscious of any undue burden this process would create on humanitarian partners. In addition to our own assessment of our humanitarian implementing partners, Canada draws on MOPAN findings, other donor assessments' of multilateral partners, as well as organizational evaluations and functional reviews. Canada works through experienced humanitarian partners who have demonstrated that they have the requisite control, accountability and risk mitigation mechanisms in place to work in complex and challenging operating environments.

Question 7b: How has your institution sought to mitigate or address these risks to enable implementation of the core commitments?

As noted above, Canada works through experienced humanitarian partners who have demonstrated that they have the requisite control, accountability and risk mitigation mechanisms in place to work in complex and challenging operating environments. In addition, and as a complement our due diligence processes, Canada is also an active member on the governing bodies of our key partners, keeps open lines of communications with our partners and other stakeholders (including through bilateral consultations), and engages in site visits - as well as joint donor monitoring missions - when it is possible to do so. Canada further encourages its partners at every possible opportunity to implement the Grand Bargain commitments through their own programming and policies.