Grand Bargain in 2020:

Annual Self Report - Narrative Summary

Name of Institution:

NEAR (Network for Empowered Aid Response)

Point of Contact (please provide a name, title and email to enable the consultants to contact you for an interview):

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(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?

NEAR's Influencing and Advocacy Work: This has resulted in increased Global South representation in international bodies, such as the IASC and the Global Protection Cluster, as well as the Grand Bargain workstreams. When ten additional seats opened to LNNGOs in Workstream 2, three of these seats were filled by NEAR members. Moreover, five NEAR members applied to lead the Grand Bargain country level dialogues (of which two were ultimately selected).

NEAR's Innovative Finance Work: NEAR is currently operationalizing two localized funds, one in Somalia, and another in West Africa. The two mechanisms will also be the subject of a learning report, in order to scale up innovative finance solutions that ensure funding is more directly and efficiently reaching LNNGOs, and with less restrictions.

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.

This is not applicable to NEAR.

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.

NEAR's membership and other global south organizations uniquely represent the "Nexus" or the triple bottom line. All of our members' work in more than one sector. More than two-thirds of our members focus on a combination of either humanitarian assistance and development, humanitarian assistance and peacebuilding, or development and peace-building. One third of our members work across all three: humanitarian assistance, development, and peace-building.

Grand Bargain 2016-2020: Overall achievements and remaining gaps

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

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.

- 1. NEAR's Influencing and Advocacy Work: This has resulted in increased Global South representation in international bodies, such as the IASC and the Global Protection Cluster, as well as the Grand Bargain workstreams. When ten additional seats opened to LNNGOs in Workstream 2, three of these seats were filled by NEAR members. Moreover, five NEAR members applied to lead the Grand Bargain country level dialogues (of which two were ultimately selected). It is difficult to quantify exactly what this steady presence and voice from the Global South in global processes has achieved, mainly because it is too early and we are still not at critical mass of participation. However, it is clear that LNNGOs have a stronger voice than they had in 2016 in decision-making processes on localisation. Through their inclusion in these processes, they are feeling more confident and empowered to advocate for localisation targets. At the country level for the Protection Cluster, LLNGOs are raising their voices and defining the road blocks to them participating in the cluster system. (NEAR is a member of the Global Protection Cluster and is the Advocacy Team co-chair.)
- 2. NEAR's Localization Measurement Work: NEAR's Localization Performance Measurement Framework (LPMF) was developed with support from 75 diverse actors including academia, multi-lateral institutions, the international humanitarian community, and global south local and national actors. The LPMF is a free tool for LNNGOs and any other organizations (e.g. international NGOs; donors) willing to use it. Its purpose is to promote and support progress on localization, and at the same time, to understand bottlenecks and challenges to localization. NEAR has partnered with various stakeholders to pilot the tool - including Action Against Hunger, Oxfam, the Somalia NGO Consortium, ADPC in six countries across Asia, and NAHAB in Bangladesh. This use of the tool has led to action planning and evidence-based communications to achieve localization targets. It has also inspired important partnerships, for example with the IRC, with whom NEAR is developing a collaborative design guidance note to be a public document and widely disseminated. Finally, the LPMF is slotted to be further adopted, expanded and contextualized to specific contexts in the coming year.
- 3. NEAR's Innovative Financing Work: NEAR developed an innovative financing strategy in 2017, which is now used sector wide with development practitioners referencing it. NEAR acts as a facilitator, advisor, and convener in innovative financing. For example, in terms of convening work, NEAR is organizing and communicating across different models and approaches to localized funding, such as activist funds, women's funds, funds in the Global North (such as the Radical Flexibility Fund), and funds in Global South (such as the Afghan National Fund). NEAR

is also directly operationalizing two funds with support from Save the Children Denmark: one fund will be created in Somalia, and another will work with existing community philanthropy and grant-making organizations in West Africa. The two mechanisms will also be the subject of a learning report, in order to scale up innovative finance solutions that ensure funding is more directly and efficiently reaching LNNGOs, and with less restrictions.

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 cross-cutting issues or workstreams where you think most progress has been made collectively by signatories.

The Grand Bargain is the only place where we can have political and technical conversations, if we look across all the global bodies. Both policy and technical conversations are happening, with a mix of stakeholders, from donors, to international NGOs, to the IFRC, World Bank, UN, and a small presence of LNNGOS. Donors are part of every conversation, which is not seen in any other body or process. Whether it is yielding systems change is not yet clear, but the conversation is taking place which is a promise.

The challenges laying behind the 25% direct funding (or as direct as possible) show the complexity of a process such as the Grand Bargain and why it needs more time, more transparency and more actors engaged in the process. While the 25% was connected to localization, we know now that this is a broad question touching on equity in partnership, partnership development, changes in internal finance systems, trust-building, but also understanding who the local responders are and how they can be part of such a complex process. Progress has happened as we see with UNHCR, but much more need to be done.

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

After a lot of investment putting the Grand Bargain in place, we still weren't able to achieve very basic commitments made (such as 25% direct funding to LNNGOs, capacity strengthening agreements amongst organizations). In particular, not achieving the 25% commitment was a real disappointment to NEAR, who lobbied very hard to include this as part of the Grand Bargain. It took until 2018 to develop clear indicators across all workstreams. Measurement against the 25% is still not clear or transparent. This is an issue that needs to continue to be discussed as we were very far from meeting the target.

Ultimately, benefactors of the Grand Bargain process have been global institutions, not communities or local actors. Even on the localization front, donors put a lot of money toward country-based pooled funds as a solution to innovative funding, which was very UN centric and not necessarily linked to localized responses. Moreover, international organizations have not met their commitments on the 25%, as it has been a challenge for them to change their financial systems.

In addition, the structure can be too big, rigid, and bureaucratic, with limited transparency and power not de-centralized. How things were decided and who decided them has not been clear. This perpetuates what's wrong with the aid system at the country level. Moreover, in five years, despite commitments, the conversation has remained largely at the global level and has not been diffused at a country level in the Global South. Given that it is primarily a political commitment, the Grand Bargain is the perfect setting to decentralize the system, yet it has failed to do so.

Overall, the rate of change has been slow. LNNGOs still aren't sufficiently represented. The power imbalance will continue as long as Global South actors don't have seats at decision-making tables. The focus on localization *should have led to local action*, but instead it has largely remained merely a debate around localization.

While NEAR views the Grand Bargain's intent as both a technical and political process as a great achievement, practically it has not yielded enough on either side to be a success. As NEAR, we have a very narrow view. The process is so huge and it requires resources we don't have. Yet, until 2020, we were the only Global South voice.

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?

While NEAR has not been directly affected, our members have been. From a policy and influencing level, NEAR focuses more on trust versus risk, but regardless, what we see is that commitments such as the 25% direct funding to LNNGOs are not honoured because donors have reduced risk appetite due to the assumption of reputational risk on their part and corruption and financial / operational risk on the LNNGO side.

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

This is not applicable to NEAR.