

Grand Bargain in 2021:
Annual Self Report – Narrative Summary

Name of Institution: German Federal Foreign Office

Point of Contact: Ann-Jasmin Krabatsch, Policy Officer, s08-2@diplo.de

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Grand Bargain in 2021

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 2021?

In 2021, Germany has significantly increased the flexibility of its funding. With 40.7% of its humanitarian funding being unearmarked or softly earmarked, Germany clearly surpassed the collective goal of 30%.

Germany continued its efforts to provide local and national actors with quality funding as directly as possible. As direct funding for legal and institutional reasons is less feasible, Germany generally relied on intermediaries like international NGOs, UN agencies and on Country-based Pooled Funds (CBPFs). One of the reasons for increasing funding to the CBPFs in 2021 was inter alia their strength in localization.

Furthermore cash assistance remains a steady commitment which Germany continued to strengthen on several levels. On the policy level Germany supported the Call to Action for Cash Coordination and coordinated with other donors on several policy topics.

Question 2: Briefly explain how the outcomes contribute to achieving the Grand Bargain 2.0 enabling priority 1 (quality funding).

Enabling priority 1: A critical mass of quality funding is reached that allows an effective and efficient response, ensuring visibility and accountability.

In 2021, Germany made further progress by increasing the total share of flexible funds by 3.8% from 36.9% in 2020 up to 40.7% (which includes 6.2% for COVID funding and 6.0% for Afghanistan) in 2021. The main reasons are additional funds for COVID and Afghanistan. Therefore Germany surpassed the collective goal by 10.7% and continued to allocate funds to a significant number of projects on a multi-year-basis. The total share of flexible funding can be broken down into 19.8% un-earmarked funding on the one hand (38.4% of which were core contributions and 61.6% contributions to the CERF) and 80.2% on the other hand as softly earmarked (39.4% of these funds were contributions to CBPFs).

This was achieved through Germany's efforts to allocate additional funds for humanitarian assistance in the context of the crisis in Afghanistan. Most of the funding was channelled through Country Based Pooled Funds (80m EUR) as well as through WFP and various other international organizations. Moreover 201 million Euro have been allocated for humanitarian assistance in the context of COVID-19 as flexible as possible. This is in line with Germany's overall

commitment to the Grand Bargain goals and enabled Germany's humanitarian partners to respond timely and efficiently to the rapidly evolving situation according to the priorities they identified.

Question 3: Briefly explain how the outcomes contribute to achieving the Grand Bargain 2.0 enabling priority 2 (localisation and participation).

Enabling priority 2: Greater support is provided for the leadership, delivery and capacity of local responders and the participation of affected communities in addressing humanitarian needs.

Since 2016, Germany has strengthened its localization efforts in line with the Foreign Office's Strategy for Humanitarian Assistance Abroad 2019 - 2023 and recently in the new government's coalition agreement where 'scaling up localization' is explicitly mentioned. Germany allocated about 22.5% of its humanitarian funding in 2021 to local partners 'as directly as possible' through international organisations and international NGOs. Germany worked closely with its partners to define and strengthen the role of intermediaries and to develop standard procedures for a better integration of the localization agenda into the project cycle.

Furthermore, the 'quality profile', the pre-qualification required for humanitarian actors applying for funding from the Federal Foreign Office, includes a chapter on localization and local capacity strengthening to demonstrate quality partnership, engagement and participation. The majority of project funding provided on a multi-year basis also enables planning security and flexibility for local partners. Since 2020, Germany has funded the ToGETHER ("Towards Greater Effectiveness and Timeliness in Humanitarian Emergency Response") consortium for capacity strengthening of local actors in eight countries.

Grand Bargain and cross-cutting issues

Question 4: How has your institution contributed to the advancement of gender equality and women's empowerment¹ 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).

In its humanitarian assistance, Germany contributed to women's empowerment by providing dedicated funding; by systematically asking its partners to mainstream gender considerations into all phases of the project design and

¹ Refer to the IASC definitions of gender equality and women empowerment, available [here](#).

implementation; by improving its own data collection of disaggregated data; and by promoting gender mainstreaming at an institutional level. These efforts went hand in hand with efforts to implement the Grand Bargain (GB) commitments. The elimination and prevention of sexualized and gender-based violence (SGBV) continues to be a priority for Germany.

Germany, through the introduction of a “gender, age, and disability marker”, systematically asks partners to provide disaggregated data and to provide information on gender mainstreaming in design and delivery of their projects. (also through the so-called “8+3 reporting template”), Germany had a tool at its disposal to track gender aspects in narrative reporting that keeps the reporting burden also with respect to this aspect manageable. Germany supported also processes promoting institutional change that aim at mainstreaming gender equality and women’s empowerment into the humanitarian system and, thus, into the GB implementation as a whole.

Question 5: 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.

In 2021, Germany continued its efforts to operationalize the humanitarian-development-peace (HDP) nexus. These efforts are closely linked to the implementation of its GB commitments.

In 2021 German humanitarian assistance and German development cooperation funded a number of dedicated nexus projects, particularly in Africa (Sahel, Lake Chad Region) in the Middle East (Iraq, Lebanon, Syria), Myanmar and Afghanistan. In these country contexts, humanitarian and development projects of the same NGO are linked by an overarching concept paper that defines collective outcomes that both projects contribute to. This approach allows better overall allocation of resources and greater coherence and coordination between humanitarian and development interventions in related sectors and locations. In order to effectively link humanitarian and development projects like this, the ability to provide multi-year humanitarian funding remains key (link to former Workstream 7/8 and now to the Caucus on Quality Funding).

In addition, Germany’s continued its support for forecast-based action and preparedness approaches includes a strong local component (commitment 10.3). By supporting the START Network’s Start Fund as well as of IFRC’s Disaster Relief Emergency Fund (DREF), Germany was able to provide flexible funding (Workstream 7/8) for such approaches. The Start fund can be accessed also by local NGOs (as Start Network member or through consortia) while the DREF provides funding for National RC/RC Societies. Support to these also contribute to further localization (Workstream 2).

Question 6: Has your institution taken any steps towards improving risk sharing with its partners? If so, please describe how. *(For ease of reference, please see a set of actions to enhance risk sharing as suggested in the Netherlands and the ICRC [Statement on risk sharing](#).)*²

Risk Sharing was a frequent topic when engaging with implementing partners both in bilateral consultations as well as in round table discussions. Germany encouraged its partners to openly communicate potential risks in the project implementation in order to discuss adequate risk mitigation strategies. In this context, risk sharing was also chosen as subject for the annual retreat with NGO partner organizations which took place in September 2021. Legal and compliance, fiduciary, reputational and safety and security risks were discussed both in plenary sessions as well as small working groups, enabling a better understanding about different risk perceptions.

In the field of compliance and ethical risks, Germany actively participated in multiple donor fora such as the Technical Working Group (TWG) on Safeguarding. Within the TWG, donors share best practices with regard to the protection from sexual exploitation, abuse and harassment (PSEAH) and work on common initiatives. One result is the joint donor language on sexual exploitation, abuse and harassment in bilateral funding agreements. It was agreed amongst 15 donors and aims at harmonizing processes and requirements, thereby also reducing the administrative burden for implementing partners.

Germany contributed to the strengthening of its partners' risk management systems by funding several training modules, including for instance on Security and Crisis Management in Practice.

² During the 2021 Annual meeting and in consultation leading up to this Signatories have expressed a strong interest in advancing the risk-sharing agenda. As communicated, the Netherlands, ICRC and InterAction are in the process of setting up a Risk Sharing Platform. This work will benefit greatly from an inventory of Signatories' risk-sharing practices.