

**Grand Bargain in 2021:
Annual Self Report – Narrative Summary**

Name of Institution:
Ministry for Foreign Affairs Sweden

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(NB. Please limit your answer to no more than **4 pages in total** – anything over this word limit will not be considered. Please respond to all of the questions below.)

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?

Sweden, through the Ministry for Foreign Affairs (MFA), has in 2021 continued to provide the great majority of its humanitarian assistance as flexible and quality funding. It is both multi-year (88 percent) and unearmarked (97 percent) funding to humanitarian UN organisations and the Red Cross Movement¹, at the same time as flexibility and predictability is sought at all stages in Sweden's humanitarian partnerships. In 2021, the MFA entered new multi-year agreements with ten UN agencies, of which seven have humanitarian operations², and the ICRC for 2022-2025. With these agreements 96 percent of humanitarian funding from the MFA is multi-year.

Sweden's firm commitment to the Grand Bargain agenda is also expressed through the humanitarian assistance channelled through Sida, as outlined in the Government's Strategy for 2021-2025. In the strategy, there is a specific focus on system-strengthening measures to increase the effectiveness and efficiency of the humanitarian system and a specific objective to support Grand Bargain.

During 2021, Sida developed its operationalisation plan for the new strategy for humanitarian assistance for the period 2021-2025. The plan clarifies Sida's priorities for supporting the implementation of the Grand Bargain agenda and specifically outlines the increased ambitions regarding the localisation agenda and flexible as well as multiyear funding (MYF). As a result, Sida increased the share of funding that is provided via PBA (Programme Based Approach) from 13 percent to 18 percent during 2021, with the aim set to increase the amount even more during the rest of the strategy's implementation period.

Since 2021 was the first year of the new strategy it opened for new possibilities to fund multi-year programmes. The share of funding to multi-year projects and programmes had declined to 4 percent in 2020 because it was the last year for the previous strategy. Thus, in 2021 Sida increased its multi-year funding slightly to almost 5 percent of the disbursed funds. Also, during the year Sida established guiding principles for multi-year humanitarian funding to share with partners to

¹ OCHA, CERF, WFP, UNHCR, UNRWA and UNICEF as well as the ICRC, IFRC and the Swedish Red Cross.

² OCHA, CERF, WFP, UNHCR, UNRWA, UNICEF and UNFPA.

increase the number of multi-year programmes for implementation between 2022 and 2024.

In 2021, Sida entered new strategic partnerships with about 17 humanitarian organisations for the implementation of approximately half of Sweden's humanitarian assistance. The objective of the partnerships is to enable predictability and flexibility for Sida's partners. In this way partners will have the ability to be flexible and adaptive to respond to new or escalating humanitarian needs.

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.

(For ease of reference, see Senior Officials Meeting recommendations [here](#).)

Sweden takes great pride in not only being one of the largest donors to the UN system, but also being able to provide unearmarked and multi-year support, which will enhance quality and flexibility within the system. The new multi-year agreements that the MFA adopted in 2021 is clear evidence of Sweden's commitment.

The increased flexible funding through PBA has allowed Sida partners to adapt their response to rapidly shifting needs and changing priorities, thus making humanitarian action more strategic and effective. The PBA provides funding earmarked only to country programme level. This means that Sida supports the delivery of a programme-based approach to humanitarian response that may include an integrated package of activities across a variety of sectors and themes. The PBA approach also intends to support the use of existing partner systems, tools, and approaches.

Sida is planning for a clear shift towards more PBA-funding in the strategic partnerships with NGO:s, and has started the dialogue with an additional set of partners to move from earmarked project support to more flexible PBA for 2022. Sida also wants to encourage other donors to embrace the PBA-methodology for funding, since it has proved to deliver a range of effectiveness and efficiency gains across the entire chain of aid recipient, implementing organisation and donor.

Sida's slight increase in multi-year funding has also contributed to the Grand Bargain 2.0 priority on quality funding. The developed format for MYF has already proven to increase the multi-year support to partners even more as from 2022, which is in line with Sida's ambitions expressed in the operationalisation of Sweden's humanitarian strategy through Sida.

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.

Sida supports and encourages its strategic partners in the investment of local partners. Through dialogue with strategic partners and provision of flexible funding there is increased awareness on strengthening institutional capacities of local and national responders as well as increased support to such initiatives. This includes investments in local and national responders' technical response capacities. This is the case notably through its support to the Country-Based Pool Funds (CBPF).

MFA also supports the IFRC and its capacity strengthening of its National Societies.

Sida also provides funding to innovative methodologies to improve the influence of affected populations on the humanitarian response. For example, Sida's support to the research of Ground Truth Solutions contributes to understanding the impact of humanitarian aid and improving policies and practice, in line with opinions and views of affected populations.

Grand Bargain and cross-cutting issues

Question 4: How has your institution contributed to the advancement of gender equality and women's empowerment³ 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.

Sida's strategic partners have used disaggregated data and inclusive participatory processes to enable equal participation of girls, women, boys, and men in all activities. Partner organisations are expected to analyse and evaluate age and gender data to increase participation of girls and women. As a result, several partner organizations have achieved an equal participation of women and men, girls, and boys in their interventions.

Sida has supported several programmes focusing on prevention and protection related to gender-based violence (GBV), resulting in increased protection for survivors of GBV. Sweden participates in *the Call to Action on Prevention of Gender Based violence in Emergencies*.

Increased participation of marginalized groups is a priority within Sweden's feminist foreign policy and in Sida supported interventions. Surveys show that

³ Refer to the IASC definitions of gender equality and women empowerment, available [here](#).

all partners emphasise the need for women and girls to access AAP and complaint mechanisms. Sida has also improved its policies with regards to sexual harassment and abuse in humanitarian assistance, including through introducing clear articles and paragraphs linked to expectations of management of SEAH in partner agreements.

Sida has an ongoing dialogue with OCHA on how to strengthen gender in HNO/HRP, in needs assessments and humanitarian country teams. Partner organisations identify and respond to the specific needs of girls, women, and people in a situation of vulnerability. For partners applying for Sida funding it is mandatory to use Gender with Age Marker (GAM), for those that include projects in HRPs.

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 the MFA, there is a strategic steering group for the implementation of the HDP nexus.

As reported previous year, Sida has developed its practice with working with a nexus approach, especially from humanitarian-development interlinkages, including experiences from applying a resilience approach. Sida's humanitarian unit works in close cooperation with development cooperation colleagues to identify synergies between needs assessments, programming, and financing. Joint analysis is taking place in the humanitarian unit's annual Humanitarian Crisis Analysis (HCA) as well as through the Multi-Dimensional Poverty Analysis (MDPA) underpinning Sida's implementation of global, regional, and bilateral strategies.

In the strategy for humanitarian assistance through Sida (2021-2025) it states that cooperation within the humanitarian-development nexus should be done by seeking context-specific forms for collaboration, coherence, and complementarity between the mandates of the various actors. Nexus is also a recurring theme in the strategies for development cooperation for countries that receive both long-term development and humanitarian support.

Sida has developed a guidance note in order strengthen what the Humanitarian-Development-Peace nexus means for Sida, and to provide guidance for a nexus approach for Sida's global, regional, and bilateral strategies. The process has been specifically valuable to make sure that the responsibility of mainstreaming the nexus into Sida implementation, lies within all units working in conflict and crisis-affected countries. Sida's approach to the humanitarian-development-peace nexus (HDP-nexus) is based on the DAC Recommendation and takes the rights and needs of poor and crisis-affected people as its point of departure. The HDP-nexus approach is precisely that, an approach rather than specific or

individual contributions. Sida's contributions and programming should be a part of and support the implementation of the nexus approach.

The Sida HDP-nexus guidance note, together with the DAC recommendations, provide Sida with a strong position to bring about change and to strengthen the cooperation between humanitarian, development, and peace "pillars". The humanitarian unit has one full time Policy specialist focussing on the HDP nexus. At Swedish embassies in countries with both Swedish humanitarian assistance and development cooperation, Sida has established special Nexus experts which, together with humanitarian focal points, are responsible for realizing Nexus in practice.

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](#).)*⁴

In the strategy for humanitarian assistance through Sida (2021-2025) it is stated that Sida may need to include "a higher risk" in implementation and follow-up as part of achieving the overall goal for the strategy. Sida has therefore decided to develop a new approach to risks, risk acceptance, risk aversion and risk sharing with partners. Risk sharing will imply that Sida accepts cost not budgeted for, for different reasons. It could also imply accepting deviations from agreed guidelines, and in some cases that Sida would need to deviate from its own internal rules and regulations. The new approach has not been implemented yet, but there is a strong commitment at Sida to advance this issue as soon as possible and to build on the work done by other actors in the humanitarian community on the issue.

⁴ 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.