

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

Name of Institution: UNHCR

Point of Contact: Rekha Menon, menon@unhcr.org

Date of Submission: 16 February 2022

(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?

UNHCR has continued to institutionalise the use of cash-based programming. UNHCR cash assistance now exceeds in-kind assistance, enabling recipients to spend this support as most suited to their needs.

UNHCR has steadily increased its support for national and local responders over the years - local and national responders now comprise 82% of all UNHCR's partners.

UNHCR piloted [a simplified small-grant partnership arrangement](#) for organisations led by refugees, IDPs or stateless in 2021. The grant agreement allows beneficiaries to design their own programmes and activities and can be used by all UNHCR operations in 2022.

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](#).)

In 2021, UNHCR introduced a multi-year approach to results-based management. The approach will be rolled out progressively to facilitate integration with national programme cycles, UN Sustainable Development Country Frameworks, and humanitarian response plans. The entire organization will have moved to a multi-year programming cycle by 2024. At the end of 2021, there were 26 multi-year partnership agreements in place. This number is expected to grow, however challenges arise from the overall lack of multi-year, unearmarked contributions to UNHCR. UNHCR's annual report continues to ensure visibility for donors who provide flexible funding. In 2021, UNHCR enhanced visibility on IATI by publishing the earmarking level of all donor contributions.

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.

An [internal Task Team](#) has been established for coherent and strengthened engagement with organisations led by persons of concern (PoC). The pilot agreement referenced above has been one achievement of this Task Team. Through this and the [NGO innovation award](#), UNHCR is one of few UN agency with grant agreements directly funding organisations led by beneficiaries without going through intermediaries. As the co-chair of the IASC sub-group on localization, in 2021 UNHCR also supported the establishment of a [Localization Repository](#) and [Guidance on strengthening participation, representation and leadership of local and national actors in IASC humanitarian coordination mechanisms](#).

Participation is at the heart of UNHCR's work, and in line with our Age, Gender and Diversity Policy. UNHCR engages refugee/community outreach volunteers and committees in a range of contexts – Lebanon, Turkey and Syria, to name just three - who offer a critical link with displaced communities to share and receive information, conduct outreach activities, as well as refer individuals at particular risk. UNHCR also continued to co-chair the IASC Results Group 2 on Accountability and Inclusion in 2021. Further detailed information on UNHCR AAP work is available in the [Age, Gender and Diversity Accountability report 2020](#) and the [UNHCR microsite on Age, Gender and Diversity](#).

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). Please refer to the Guidelines for definitions of Gender Equality and Women's Empowerment, which are included in this self-report template package.

Under the new strategic planning approach adopted in 2021 "Empowering communities and achieving gender equality" is one of four global impact areas for UNHCR. Two outcome areas "Gender-based violence" and "Community

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

engagement and women's empowerment" align with SDG5, and link directly to achieving gender equality and the empowerment of women. The new system has also introduced an organizational marker on gender equality which enables outputs contributing to gender equality to be tracked.

UNHCR's global public health strategy 2021 - 2025 includes gender responsive policies as a result, with consistent reference to gender inequality and considerations to ensure access to health and health care.

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.

UNHCR collaboration with the World Bank has continued to bring additional funding to refugee hosting countries. Between mid-2017 and mid-2022, some USD 2.46 million will have been allocated for 45 projects in 14 low-income countries through the World Bank's International Development Association. A further USD 380 million will have been made available through concessional grants for 18 projects, leveraging USD 1.96 billion in loans to 4 middle-income countries. UNHCR provides the WB with regular protection assessments, including comprehensive and publicly available refugee policy reviews for countries eligible for support. Engagement with regional multilateral development banks was also strengthened in 2021. An MoU concluded with the Inter-American Development Bank and an exchange of letters with the Asian Development Bank will promote the inclusion of forcibly displaced within the banks policies and programmes. Cooperation with the African Development Bank has resulted in projects benefitting displaced persons in Zimbabwe, the East and Horn of Africa and the Great Lakes region, and the Sahel.

In the last quarter of 2021, UNHCR adhered to the OECD DAC recommendation on the HDP nexus. UNHCR made efforts to align with UN development system reform. To inform staff about the UNDS reform, Internal guidance was issued to inform staff about the commitments under the UN Management and Accountability Framework and a series of webinars were held to guide staff to work with the empowered Resident Coordinator system and advocate for inclusion of refugees in development plans at country level. In 2021, [an analysis conducted jointly by OHCA, DCO and UNHCR](#) showed that 86% of UN Sustainable Development Cooperation Frameworks in refugee hosting countries mentioned refugees in their outcome statements.

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

In 2021 UNHCR developed a 5-year risk management strategy, which aims to shift UNHCR's risk maturity from the current 'established' to an 'advanced' level by 2025 (based on a UN-wide risk maturity model). The Strategy requires that risk management is taken forward consistently, consciously and collectively, and involving all partners.

Regular dialogues and briefings on risk management have been organized with Member States, donors, UN agencies and partners on the ground. The latter has been enhanced through a network of field-based risk management professionals, reaching almost 800 participants through training and dialogue in 2021. UNHCR has shared a summary of its strategic risks with its Member States for some years already. In 2021, UNHCR developed risk appetite statements to create dialogue internally and externally on existing risks and the levels and types of risks that UNHCR and partners are willing to accept.

In 2021, UNHCR participated in the UN High Level Committee on Management Risk Forum, a network of 30+ agencies and international organisations, sharing approaches and methodologies for best practices in risk management.

UNHCR has also revised its standard partnership agreement templates to align, to the extent possible, with requirements that Member States place on UNHCR. The UN Partner Portal, through its functionality to reflect assessments of partner capacity/internal controls will help to align how UN Agencies determine risk-based controls in their partnership agreements. UNHCR assesses the internal control of partner organizations through Internal Control Questionnaires completed by external audit firms. The questionnaires have been aligned with the micro-assessments used by HACT Agencies and we are currently exploring how they can be made more compatible with similar assessments conducted by other actors. Monitoring and reporting requirements for project implementation are based on risk assessments conducted in collaboration with partners. UNHCR has developed training materials for partners relating to mitigating the risk of fraud (and provided training to partner staff worldwide) and how to investigate allegations of sexual exploitation and abuse.

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.

