

Swedish statement at the Grand Bargain Annual Meeting 2022

Mr Fredrick Lee-Ohlsson, Director for Humanitarian Affairs, Swedish Ministry for Foreign Affairs

Dear colleagues,

First of all, I would like to express our appreciation to Mr. Jan Egeland for leading the Grand Bargain 2.0 as Eminent Person over this past year, bringing much energy and experience to take the new iteration forward.

As noted in the annual Independent Review of Grand Bargain for 2021, there has only been incremental progress since last year and there is need for urgent action in order to achieve substantive progress before the current phase of the new Grand Bargain is scheduled to end in one year.

That said, we need to also celebrate significant achievements. Sweden welcomes the agreement on coordination of multi-purpose cash, which was highly impressive and important. This model will provide accountable, predictable and timely coordination of cash. We hope the use of cash can be fully implemented in the humanitarian response globally and coordination between different organisations is of great importance.

In light of the enormous challenges that the humanitarian system is facing with a rapidly growing gap between needs and resources and a looming global food crisis. Hence, Grand Bargain is more important than ever. In this regard, I want to reiterate Sweden's full commitment to the Grand Bargain and enhancing the efficiency and effectiveness in the humanitarian system. Let me focus on the two enabling priorities, where more progress must happen.

With regard to localisation, we welcome the work that has been done by the caucus on intermediaries, led by the International Federation of the Red Cross (IFRC) and Switzerland.

OCHA's Country-Based Pool Funds (CPBF) is one of the main vehicles to increase funding to locally-led organisations and we welcome the target of reaching 30 percent. With the CPBF as a key tool of advancing the localisation agenda, we hope that the donor base can be broadened as currently five donors provide over 60 percent of the funding. We also recognise the important role of the IFRC in supporting localisation through its National Societies. Sweden remains committed to financially support both the CPBF and the IFRC being one of the top donors to both.

Finally, we must also recognise that localisation is not only about funding, as important as it may be, but also about representation and participation in decision-making, where more work needs to be done.

Sweden has continued to be active to advance the issue of quality funding as part of the new caucus set up by IRC and DG ECHO.

Sweden takes great pride in continuing to provide a large part of its humanitarian assistance in terms of quality funding, both multi-year and flexible. In 2022, 48 percent of Sweden's humanitarian funding is multi-year and 63 percent is flexible, of which 39 percent is unearmarked.

Last year, the Swedish Ministry for Foreign Affairs (MFA) entered new multi-year agreements with seven UN agencies with humanitarian operations as well as the ICRC for 2022-2025. With these agreements, 98 percent of all humanitarian funding is now provided by the MFA is multi-year.

The Swedish International Development Agency (Sida) also increased its humanitarian funding that is multi-year from 5 percent to 10 percent.

Since the Grand Bargain was launched in 2017, Sweden's humanitarian funding has consistently been between 60 and 65 percent flexible, i.e. unearmarked or softly earmarked.

We believe that it is critical to keep up the pressure on increasing quality funding. This will help organisations to respond efficiently and effectively, both in upcoming and protracted crises.

While we welcome the current focus on multi-year funding in the caucus on quality funding, we believe that the increase of flexible funding must not be forgotten. We are all aware that the Grand Bargain is based on quid pro quo, which means that in order to make progress, agencies and NGOs need to improve reporting and visibility and donors need to reduce earmarking. To reach the change needed, we must not let perfect be the enemy of the good and accept pragmatism and realism. Sweden remains committed to take this agenda forward together with partners.

Finally, Sweden will host the EU Presidency in the first half of 2023 and thus also the second edition of the European Humanitarian Forum. We look forward to integrating the Grand Bargain agenda in the preparations.

2022 may be the year that breaks the humanitarian system as we have built it with skyrocketing needs and limited resources. Grand Bargain is our collective recipe against such a development.

We need an effective humanitarian system and achieving the objectives of Grand Bargain is absolutely essential.

Thank you.