



INTERACTION STATEMENT GRAND BARGAIN ANNUAL MEETING 2023 JUNE 19-20, 2023

InterAction thanks Jan Egeland for his strong leadership as Eminent Person and welcomes Manuel Bessler, Michael Köhler, and Jemilah Mahmood to the Ambassador roles. We also thank the Grand Bargain Secretariat for their ongoing support to this important process. As a Grand Bargain signatory since 2016, and a former (2017-2019) and upcoming (2023-2025) representative on the Facilitation Group, InterAction looks forward to helping the Ambassadors, Facilitation Group, and Secretariat build on the Grand Bargain's strong foundation and advance it in a dynamic direction.

Over the past seven years, we have deeply valued the Grand Bargain as a platform for bringing together major actors in the humanitarian system to explore ways to better serve people in need of humanitarian assistance. We have been encouraged by the collaborative, targeted efforts and investments of Grand Bargain signatories, whether through workstreams or, more recently, the caucus system. We cannot, however, let our progress distract us from the work that remains. We must continue striving to ensure the equitable participation of affected communities and to seek to advance efficiency and effectiveness in order to achieve the greatest possible impact.

InterAction remains committed to encouraging NGOs and the broader humanitarian community to use the Grand Bargain commitments as a catalyst for meaningful change. We urge all signatories to meaningfully engage in the Grand Bargain in order to maximize effectiveness and accountability by establishing concrete commitments and measurable milestones to achieve the strategic objective. We support the new Grand Bargain 3.0 framework, as the focus areas and cross-cutting issues are critical for progress in humanitarian responses.

Sector-wide advancement on risk sharing, partnership practices, and quality humanitarian financing are heavily contingent upon humanitarians' willingness to address the underlying issues that have limited progress to date. As InterAction rejoins the Facilitation Group in the coming months, we are well-positioned to champion these issues on behalf of the NGO constituency to work towards a more efficient and effective humanitarian system.

Maximizing InterAction's Facilitation Group Seat to Advance Grand Bargain 3.0

InterAction endorsed the new framework of Grand Bargain 3.0, which provides a useful structure to make progress on areas such as localization, participation, and quality funding. We trust that the adjustments to the framework have been guided by the lessons the humanitarian community has learned over the past seven years of Grand Bargain discussions and implementation.

However, we are concerned with the lack of specificity and designated targets in the framework, particularly with regards to accountability measures, outcomes, and success metrics. This is especially apparent in the framework's Accountability section, where annual reporting is the sole measure of achievement and is meant to be accomplished

with a reduction in the number of questions asked and data requested. Clearly defined targets, metrics, and standards are essential to orienting Signatories around common goals and ensuring adequate progress is made and measured.

Furthermore, clear roles within and management of Grand Bargain initiatives, such as the caucuses and the National Reference Groups, are essential for their successful uptake and contextualization. A seismic shift in the challenges facing the humanitarian community is much needed and requires widespread understanding by all stakeholders of the function and management of these initiatives. The Eminent Person has thus played an important role in advocating with these actors, and InterAction urges the Signatories to determine clearly defined roles and distinct focus areas for each Ambassador to maximize success on a broad scale and across a range of challenges.

InterAction therefore advocates that more effort be invested after the Annual Meeting to refine the 3.0 structure to determine specific targets and activities to measure success, facilitate accountability, and prevent open interpretation of the stated outcomes.

Risk Sharing: Managing Risk to Reach Those in Need

As an evidence-based leader on risk sharing, InterAction strongly agrees with including risk sharing as a cross-cutting issue in the new framework. Risk is inevitable and random, and affects each organization at multiple points in time and in multiple ways. Therefore, we must take collective and deliberate steps to understand it, to promote a risk-aware and risk-sharing culture, and to ensure actions taken to address risk are guided by the primary goal of ensuring life-saving humanitarian action.

Too often, humanitarian actors design approaches to protect organizations rather than the people we aim to serve, creating complex and burdensome requirements that delay our ability to reach people in need. This presents risk as imposed by partners upon donors. In reality, risk is a responsibility shared by all humanitarian stakeholders. We call on funders to assess how their controls and requirements may create risks for partners and compromise timely and quality assistance to affected people.

To better understand and address risk, InterAction, along with the Netherlands and ICRC, created the Risk-Sharing Framework to promote a people-centered approach to risk management and generate a mindset shift towards greater risk acceptance. This strategy presents a guiding, non-prescriptive framework to better serve affected populations by sharing the burden of preventative risk measures and responsibility for risks that materialize. The benefits are manifold: enabling greater risk acceptance across the sector, improving service delivery, and establishing a foundation for more equitable partnerships. InterAction encourages Signatories to review the Framework and assess how they might implement it within their own organizations.

Furthermore, InterAction calls for continued efforts to harmonize understandings of risk, prioritize appropriate resourcing, and engage in candid conversations to help us better share risk. It is of paramount importance that risk owners and decision makers, the very staff that grapple with impossible challenges and tradeoffs every day, are involved at all levels of these conversations.

Supporting Intermediaries to Form Equitable Partnerships

InterAction emphasizes the importance of equitable partnership practices to achieve localization gains and greater participation of affected populations in humanitarian responses. Although NGOs are direct implementers and play a

critical role in the humanitarian architecture, NGOs—especially local and national organizations—are often left out of decision-making processes.

InterAction is dedicated to advocating on behalf of NGOs to improve equitability and encourage UN agencies and donor governments to include NGOs from the beginning when creating or implementing partnership policies and practices. We have been encouraged by steps taken by agencies such as UNHCR and WFP to communicate transparently and include NGO partners in decisions that will affect them. InterAction also applauds donor governments' efforts to show their commitment to meaningful engagement of NGO partners.

However, we must continue to strive for the meaningful inclusion of NGOs, particularly local and national NGOs, and commit to becoming better intermediaries in order to truly catalyze sector-wide transformation through the Grand Bargain. To date, concrete action has been taken in several areas—including standardizing cascading overheads, increasing direct funding, and overall commitment to localization—but thus far, these commitments have been largely ad hoc. We urge UN agencies to evaluate how their policies and practices affect implementing partners and determine ways to be more equitable partners, such as by conducting annual partnership surveys or communicating policy changes as far in advance as possible. We encourage donor governments to reflect on their own practices and expectations of intermediaries, with an eye to improving their ability to be good intermediaries. We urge NGOs to investigate their own organizational practices and attitudes toward downstream and local partners to maximize equality and improve effectiveness in their intermediary role.

InterAction commits to working more closely with local network counterparts, such as fellow Facilitation Group member the NEAR Network, to determine positioning on areas of significance to the NGO community. We pledge to advocate for the importance of actionable steps that the INGO community and other stakeholders can take to be better intermediaries and enable improved involvement of national and local organizations in the global humanitarian system.

Advancing the Quality Funding Agenda

Grand Bargain Signatories have previously agreed to centralize the issue of quality funding to meet the needs of vulnerable populations as efficiently as possible. InterAction remains committed to achieving this, and commends those who have implemented simplification and harmonization mechanisms such as NRC's [Money Where It Counts initiative](#) and the [8+3 Reporting Template](#). While these initiatives and others, such as last year's [Quality Funding caucus](#), have made progress, more remains to be done.

We encourage UN agencies to streamline partnering practices by using and strengthening tools such as the UN Partner Portal and simplifying reporting requirements. Likewise, donor governments should evaluate their own standards to reduce burdensome requirements and enable greater program flexibility to meet shifting needs in challenging contexts. Signatories that act as funders must take deliberate steps to ensure quality funding reaches frontline actors quickly, with simplified application and reporting procedures. We must not see these changes as short-term adaptations in sudden-onset crises, but as institutional shifts to make the humanitarian system more efficient overall. We strongly encourage funding flexibility be taken forward in all humanitarian programming and that all stakeholders self-reflect to root out inefficiencies and determine key areas for compromise.

As an incoming member of the Facilitation Group, InterAction commits to championing quality funding discussions on behalf of the NGO constituency. Understanding that each stakeholder is beholden to their own constituencies and laws, we look forward to working with other Signatories to consider creative solutions and actionable measures

to facilitate a system-wide movement towards harmonization, simplification, flexibility, and predictability of humanitarian financing practices.

The Future of the Grand Bargain

The past seven years have demonstrated that the Grand Bargain is a unique platform that enables multilateral engagement on critical issues. It is the only space where all humanitarian stakeholders can address global issues of concern such as localization, participation, and quality funding. This is important, given the urgent need for streamlined partnering practices and improved quality funding to rapidly adapt to shifting needs.

InterAction is pleased to see the Grand Bargain continue for an additional three years. Having just completed a two-year iteration, we are conscious of the amount of time and effort required to outline a new structure, implement new and untested mechanisms, and determine and action a new strategy within a limited timeframe. We therefore encourage Signatories to capitalize on the momentum of the Annual Meeting to clearly define action steps, timelines, and success metrics to reach our collective goals.

As funding decreases, climate challenges grow, and humanitarian needs abound, the necessity of a multilateral humanitarian platform for discussion is increasingly apparent. As we return to the Facilitation Group, InterAction looks forward to collaborating with the Ambassadors, Grand Bargain Secretariat, other Facilitation Group members, and other Signatories to push for progress in our sector.