

**Grand Bargain in 2020:
Annual Self Report – Narrative Summary**

Name of Institution: Norwegian Refugee Council

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(NB. Please limit your answer to no more than **5 pages in total** – anything over this word limit will not be considered by ODI in their analysis. Please respond to all of the questions below.)

Grand Bargain in 2020

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 2020?

Quality funding and beyond:

As co-conveners of the workstream 7+8 and through our active engagement in related fora such as the IASC result group on humanitarian financing, we contributed to the advancement of the quality funding agenda by highlighting the numerous options to increase its provision in the [“Catalogue of quality funding”](#) created in collaboration with DI and FAO. We further promoted and facilitated the discussion across constituencies both bilaterally and through existing networks, for example in the formal exchange between the IASC and the Good Humanitarian Donorship group, and participated in specific initiatives led by the IASC on increasing the flexibility in response to the Covid-19 pandemic.

Our work as co-chair of the OCHA-NGO Dialogue Platform on Country-based Pooled Funds has allowed us to achieve progress on the concrete recommendations made in the joint NRC-OCHA study [CBPF: The NGO Perspective](#). In 2020, OCHA released a management response plan to address the recommendations, providing a boost to multiple Grand Bargain commitments including localisation, simplification, and flexibility of funding. Moreover, the Covid-19 flexibility guidelines released by OCHA in Q2 2020 were largely taking onboard the recommendations of the study.

As a co-convenor, NRC contributed to the stand-alone workstream 7 and 8 self-report.

Reducing management costs:

The purpose of the NRC-led Money Where It Counts (MWiC) initiative is to identify and introduce sector-wide improvements and harmonisation in cost classification and charging, as well as financial budgeting and reporting, in order to return these resources to direct humanitarian action. The MWiC received high level endorsement by the Eminent Person and was recognized as a key enabling activity of the Grand Bargain. Despite this, buy-in remained limited beyond the NGO constituency, with the notable exception of UNHCR, that adopted the cost classification methodology in its 2021 grant agreements. UNHCR approach proves that change is possible, and that the technical solution proposed by the Money Where it Counts protocol is valid. Despite this very positive development, the initiative – like many in the Grand Bargain – requires going to scale in order to bring about transformative change.

Hosting:

NRC expert roster NORCAP continues to support to the Grand Bargain through the provision of two experts to the Secretariat.

Question 2: 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.

As an organization working in countries of conflict, we are committed to achieving gender equality in all aspects of humanitarian assistance.

Our Programme Policy states that we will integrate a gender perspective into all programmes. This entails recognising and addressing the specific roles, needs, risks, vulnerabilities, capacities and opportunities that women, men, girls and boys face in displacement situations.

While all conflict-affected populations are at risk, displaced women and girls are often exposed to greater risk and may have additional protection and assistance needs. We aim to identify these needs and address them through its programmes and advocacy activities.

Also through our Gender Policy we are committed to mainstreaming gender into projects, ensuring that NRC's assistance is based on a gender analysis of contexts, needs and priorities of people affected by crisis.

The gender policy recognizes that NRC's beneficiaries are a diverse group of people who have been affected differently by crisis and therefore have different exposure to risks, different needs and different priorities.

Question 3: 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.

To stimulate reflections at policy level, NRC is working on a research with DI and FAO to explore how to operationalise the 'triple nexus' of humanitarian-development-peace action across five key areas: 1) partnerships and strategy, 2) coordination and joined-up planning, 3) programming, 4) financing and 5) organisational issues. A fundamental challenge to operationalising the nexus is that humanitarian, development and peace actors each speak their own language and do not understand one another. This report represents an initial effort to

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

scope out how development actors approach and operate in protracted humanitarian crises as a way to identify both the differences and the areas of synergy, and to move towards a common understanding among HDP actors.

Grand Bargain 2016-2020: Overall achievements and remaining gaps

Question 4: What are the 2-3 key achievements/areas of most progress by your institution since 2016? Please report on your institutional progress for the period 2016-2020, **even** if your institution did not become a signatory until after 2016.

Mirroring the outcomes for 2020, quality funding policy advancement and the reduction of management costs initiative have been the focus of the proactive Grand Bargain drive at NRC, with a clear focus on the activities formerly part of the “Less paper more aid” initiative. Beside these macro areas of focus, we also recorded a notable increase in the use of cash and vouchers in our operations, and have made noteworthy contributions to the localisation agenda at global policy level (through our work as co-chairs of the OCHA-NGO Dialogue Platform on Country-based Pooled Funds) as well as within country of operations, mostly through the contribution of our NORCAP programmes in delivering training, mentoring, and contributing to the creation of civil society platforms.

With regards to digital and technological innovations adopted between 2016 and 2020, NRC has made important investments that contribute to realising GB commitments. Some of these investments are already mature whilst others are creating the necessary foundations for NRC to further contribute to GB goals as follows:

Transparency

The Grand Bargain adopted the International Aid Transparency Initiative (IATI) data-model as the preferred open data standard for making humanitarian and development information transparent and public.

NRC has invested significantly in enterprise-wide digital systems to improve the collection, integration and visibility of data across functions and domains. This will enable NRC to use data better for decision making (internally) and to share publicly on platforms such as IATI in an increasingly automated and consistent manner. When this happens, data reporting and sharing moves from being a compliance issue (often to respond to donor requirements) to a strategic one (that is a public good). On this NRC sees the opportunity to further align the humanitarian and development sector data around “common data models” and for donors to encourage the sharing of project data **as an alternative to lengthy text-based reports and financial spreadsheets.**

Increase the use and coordination of cash-based programming

The volume of Cash and Voucher Approaches disbursed by NRC increased by 85% between 2016 and 2020 (provisional data for 2020 – putting cash distributions at around \$70 million). This was driven not only by changed programming routines but by dramatic NRC ICT infrastructural advances across the most challenging locations where we work. NRC staff in any location can now interact seamlessly

with financial service provider systems, a much more efficient and sustainable route to scale and appropriate service provision than in-house money transfer service development. This is an approach we will continue through the evolution of NRC Digital Communities Hub (see next point) to handle payment processing as part of a relationship with the people we serve rather than as a blanket distribution.

A Participation Revolution

During 2020, the COVID-19 pandemic lockdowns across the world meant that NRC staff faced new access restrictions/challenges when local travel bans and curfews were put in place. To maintain in touch with the people we serve and provide information assistance, NRC invested in digital solutions to create multi-channel communication platforms (including SMS, Interactive Voice Response, chats, etc) – named Digital Community Hub (DCH). These solutions, now spreading throughout NRC's 30+ country operations, are the foundation for future avenues for participation and input from the people we serve into the design of the aid approaches that will affect them.

Question 5: What, in your institutional view, have been the main achievements of the Grand Bargain signatories, as a collective, since 2016?

Please indicate specific commitments, thematic or cross-cutting issues or workstreams where you think most progress has been made collectively by signatories.

Beside the progress as measured in the previous annual report, the single most important achievement of the Grand Bargain is its ability to provide a reform platform hosting different constituencies. Any bargain, to be effective and inclusive, needs to include all parties at the table.

There are virtuous examples of the use of the Grand Bargain as a platform to advance relevant themes. UNHCR provided us with an example of how political will and technical knowledge can boost the achievement of GB commitments such as the provision of multi-year funding, advancement of localisation efforts, and a general reduction of administrative burden as described above under the MWiC paragraph. However, due to the individual nature of these achievements, it is difficult to attribute them exclusively to the Grand Bargain, or to truly assess their impact in the absence of critical mass (e.g. in the case of simplification without harmonisation of grant agreements, the result is important, but the impact limited. This is the case for multiple initiatives within the GB).

Question 6: What has the Grand Bargain not been able to achieve in its five year tenure? What outstanding obstacles, gaps, areas of weakness still remain after five years, in terms of improving the efficiency and effectiveness of humanitarian action? Please indicate specific commitments, thematic or cross-cutting issues or workstreams where you think there remain key gaps or obstacles.

The Grand Bargain structure didn't allow for clarity in setting political level priorities. For instance, the Money Where it Counts was repeatedly singled out as

an initiative with the potential to bring about the transformative change the Grand Bargain is seeking to enable, and yet, no formal discussion could be had within the existing structure on how and when/where to test the MWiC. In a sense, the Grand Bargain lacks the kind of accountability system to hold signatories accountable to the commitments. Often such commitments are also too vague or only address the technical aspect, without shedding light on the political willingness needed to make the quid pro quo principle work.

Risk and the Grand Bargain

Question 7a: How has risk (financial, operational, reputational, etc) affected your institution's implementation of the core commitments since you became a signatory to the Grand Bargain?

Risk aversion and risk transfer have hampered the ability of NRC to secure additional amounts of quality funding while reducing the administrative burden. The donor-NGO risk management relationship is mostly based on the increase of administrative requirements to control such risks, rather than on trust. Often times there is no effort or incentive in place for those requirements to be simplified or harmonised with others, creating a compounding effect on recipient organisations that multiply the number of requirements without benefitting risk management.

As an example, often times an NGO happens to work with two donors (donor A and B) each requesting the NGO to fulfil a due diligence/organisation assessment different from one another. The NGO passes due diligence with donor A and B and receives funding from both. The NGO then sub-grants to NGO Y, that has already passed due diligence with donors A and B. Nevertheless, NGO X needs to conduct due diligence on NGO Y. It is still unclear at this stage what is the risk that NGO X is managing and what is concretely being mitigated.

A concrete solution would be for donor A and B to simplify and harmonise the due diligence or to mutually accept each other's. This would allow donor A and donor B to 'certify' organisations once they pass the due diligence, therefore making it possible for NGOs to avoid going through the same process when they need to become sub-grantees.

Question 7b: How has your institution sought to mitigate or address these risks to enable implementation of the core commitments?

NRC has supported the creation of an extensive body of evidence on the benefits of quality funding, and the need for a quid pro quo approach to reach critical mass. Quality funding has rightly been identified as an enabling priority of the Grand Bargain, as its successful implementation leads to a reduction of administrative burden, increase in transparency, better funding for frontline responders and therefore an improved accountability to affected population. We tend to tackle risk as a technical issue, that requires additional data, tools, methodologies, when we have witnessed – again in the case of UNHCR - how well timed political will can make use of the multitude of technical resources available to action real change.

We remain staunch supporters of the Grand Bargain, and look forward to the next chapter, hoping to see higher level engagement in the political aspect of the reforms building on the technical work done over the past several years.