

Grand Bargain in 2020:
Annual Self Report – Narrative Summary

Name of Institution: U.S. Government

Point of Contact (please provide a name, title and email to enable the consultants to contact you for an interview): Elizabeth Bellardo, USAID/BHA, Team Lead, International Systems and Humanitarian Leadership, ebellardo@usaid.gov; and Beth Bailey, State/PRM, Deputy Director, Office of Multilateral Coordination and External Relations, BaileyEM@state.gov

Date of Submission:

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?

The U.S. Government (USG) provided strategic and financial support to advance workstream efforts, such as efforts under workstream 5 to increase joint needs assessments to improve the quality of appeals and prioritization of scarce resources. The USG continued to support impartial joint assessments, including through funding to the UN Office for the Coordination of Humanitarian Affairs (OCHA) and non-governmental organizations (NGOs), such as REACH.

In line with commitments under workstream 9 to reduce the reporting burden on partners, the USG continued to streamline reporting requirements. USAID's Bureau for Humanitarian Assistance (USAID/BHA) and the U.S. Department of State Bureau of Population, Refugees, and Migration (State/PRM) adopted harmonized reporting templates based on the 8+3 template and USAID/BHA shifted from quarterly to semi-annual reports for non-governmental organizations (NGOs).

In Fiscal Year (FY) 2020, the USG provided more than \$727 million in multiyear humanitarian funding to supplement the USG's commitment to quality funding. Aligned with commitments under workstream 4, the USG invested time and institutional lead support to the Multilateral Organization Performance Assessment Network (MOPAN), a critical vehicle to reduce independent donor assessments while ensuring organizations examine and improve their effectiveness and efficiency.

Question 2: How has your institution contributed to the advancement of gender equality and women's empowerment 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).

The USG remains committed to advancing gender equality and addressing gender-based violence (GBV), a pervasive barrier to equality and women's empowerment that is significantly amplified in disasters. Since the 2013 launch of Safe from the Start, an initiative aiming to improve GBV prevention and response from the onset of emergencies, USG funding for GBV programs around the world has steadily increased. In 2020, the USG provided \$95 million—a nearly \$10 million increase from the previous year. Funding supported life-saving assistance, GBV response coordination, gender mainstreaming, and programming to prevent and mitigate the risk of GBV.

The USG supported seven global innovation and research projects to expand and improve how the humanitarian community approaches GBV prevention and response. For example, one project seeks to develop mechanisms to understand and address sexual exploitation and abuse in humanitarian settings, and supported more than 30 local organizations in four pilot locations—Democratic Republic of Congo (DRC), Indonesia, the Philippines, and Haiti. A second project completed the development of a joint Child Protection/GBV Case Management Supervision and Coaching Training for child and adolescent survivors.

The USG has one of the most comprehensive sets of protection, gender, and inclusion requirements for partner humanitarian organizations. The USG requires all partners to conduct a gender analysis, demonstrate meaningful involvement of women and girls in programs, and explain how activities are designed to reduce existing inequalities and avoid creating new inequalities.

Question 3: How has the humanitarian-development nexus been strategically mainstreamed in your institutional implementation of the Grand Bargain commitments?

The USG has continued to strengthen policies to support humanitarian and development coherence to address the development needs of and promote resilience among humanitarian populations of concern. In 2020, USAID/BHA developed an Early Recovery, Risk Reduction, and Resilience (ER4) framework, which harnesses the bureau's efforts to ensure that vulnerable people—from household to country level—have improved capacity to manage risk; to anticipate, withstand, recover from, and adapt to shocks and stresses; and to engage in positive, transformative change. In FY 2020, State/PRM supported the new UNHCR-World Bank Joint Data Center on Forced Displacement to enhance the ability of humanitarian and development stakeholders to make timely and evidence-informed decisions to improve the lives of forcibly displaced people.

In 2020, the USG created the U.S. Strategy to Prevent Conflict and Promote Stability to align USG efforts in addressing conflict and fragility and further advance burden-sharing partnerships. In addition, the State Department's Bureau of International Organization Affairs (State/IO) provided over \$1.5 billion, or more than 25 percent, of the UN's overall annual peacekeeping budget. State/IO works to maximize the effectiveness of peacekeeping missions mandated to protect vulnerable populations and create conditions conducive to the delivery of humanitarian and development assistance and the security of aid workers.

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?

While engaging with all workstreams and urging reform across the system, the USG continued to focus on our main priorities: widely implementing joint and impartial needs assessments and joint analysis—with transparency and accurate information—that underpin prioritized humanitarian response plans and appeals; reducing duplication and management costs while protecting oversight and accountability mechanisms; and improving work on relief-development coherence. The USG also continued to advance work under its new approach to relief initiative, which seeks to increase giving by other donors, optimize USG internal humanitarian assistance coordination, and catalyze reform at the UN and other implementing partners. The merging of USAID's offices of U.S. Foreign Disaster Assistance and Food for Peace in June 2020 into USAID/BHA further enabled USAID to deliver assistance more efficiently and effectively and advanced the U.S. effort to optimize internal humanitarian assistance coordination.

The USG has achieved major milestones in creating an enabling environment for cash and voucher assistance (CVA), establishing CVA programs, and refining its ability to measure

the efficiency and effectiveness of cash programming. Since 2016, USAID's emergency food assistance portfolio increased CVA programming from roughly \$282 million to over \$1.5 billion. The USG has also been working with partners to increase the use of cash-based assistance. For example, USAID/BHA is helping to establish cash-based distribution areas where appropriate in the DRC, and State/PRM encourages the use of CVA to achieve protection outcomes by tailored language in its Notices of Funding Opportunities.

In support of the transparency and joint needs analysis workstreams, the USG continued to rely on and support the comprehensive analysis of needs, informing prioritized appeals and providing strategic and financial support in joint assessments. USAID/BHA has added indicators to its application guidelines for applicants to measure participation in joint assessments and the sharing of critical information. The USG has also supported efforts to scale up multi-sector needs analysis in critical responses to inform response planning and appeals.

The USG has made progress in harmonizing reporting requirements, and, thus, reducing the burden on partners, particularly NGOs; continued flexible funding arrangements, such as pre-award letters, flexibility to modify programming based on changes in contexts, and increasing multi-year funding; and, critically, consistently provided timely, reliable, and substantial humanitarian funding. The USG has remained a strong advocate of increasing transparency in the way donors and aid agencies report humanitarian funding.

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

The Grand Bargain's distinct value lies in the unique platform it provides for a wide range of stakeholders to engage and implement collective changes in the humanitarian system. It is the only platform that brings together donors, UN agencies, the Red Cross and Red Crescent Movement, and NGOs to address the broad range of reform efforts and the need for increased humanitarian financing. No other international platform holistically involves all of these key actors.

While additional progress is needed, the Grand Bargain has elevated the voice of civil society organizations and opened new channels to empower affected populations. Localization is now widely viewed as a critical part of an effective humanitarian response. While a system-wide shift towards greater localization remains to be seen, the idea that local responders play an indispensable role in humanitarian action is now embedded in the humanitarian dialogue.

While the Grand Bargain has seen varying degrees of progress on normative and technical issues across the workstreams, the U.S. encourages signatories to continue efforts on key commitments. For example, continued focus on joint needs assessments, improving the Joint Intersectoral Analysis Framework, and prioritization of appeals could unlock meaningful gains towards effectiveness and efficiency in the humanitarian system.

The Grand Bargain has also notably improved the routine consideration of cash as a modality of humanitarian programming as well as improved tracking, efficiency, and outcome measurement across actors. However, more intractable barriers, such as ensuring predictable cash coordination, remain unresolved.

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?

The USG supports a Grand Bargain with a narrowed focus that accounts for the quid pro quo across all constituencies. Ultimately, for a more effective and efficient response, in addition to more clearly-prioritized appeals, further progress is needed by implementers on transparency and the elimination of duplication (and all other unnecessary costs) in both budgeting and operations while ensuring necessary accountability to donors. Through evidence, the USG expects that implementers demonstrate significant quantifiable savings compared to the status quo that existed when the Grand Bargain was launched. Accountability also requires maintaining and strengthening operational oversight.

We welcome progress made in the 2021 Humanitarian Program Cycle (HPC) and the incorporation of the Joint Intersectoral Analysis Framework. However, we note that there is continued progress to be made and the USG remains committed to supporting efforts to improve needs assessments with the aim of prioritized appeals that enable life-saving aid to reach those most in need. We are encouraged by progress at the country level in some contexts, such as the Central African Republic (CAR), where data-driven HPCs result in highly prioritized Humanitarian Response Plans that garner significant donor investment in what would otherwise be an acutely underfunded crisis.

As the USG has reiterated since the signing of the Grand Bargain in 2016, it will be easier to facilitate and justify decreases in earmarking when we see implementers make systemic progress in engendering transparent reporting on reduced management costs and duplication, per workstream 4. While some progress has been made, more needs to be done to systematize and report on the cost impact of efficiency gains.

Despite efforts via the Grand Bargain sub-working group on Tackling Political Blockages and efforts through the Good Humanitarian Donorship, one of the most widely identified barriers for USG is the lack of an accountable and predictable cash coordination mechanism.

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?

As a donor, the USG seeks to maintain accountability for taxpayer funds and reduce threats to implementers, while ensuring that humanitarian assistance reaches the most vulnerable populations and upholding core international standards, such as on the prevention of sexual exploitation and abuse. The USG works with partners and other stakeholders to mitigate and manage risk through the development of institutional frameworks, policies, and processes, as well as improvements to accountability and oversight mechanisms. In the UN Security Council and other fora, as violence directed against humanitarian aid personnel has increased in conflicts and complicated aid delivery, the USG has continued pressing parties to conflict to uphold their obligations under international humanitarian law and called for greater accountability for such violence. Such efforts must continue to evolve, given the increasingly complex humanitarian environment.

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

The USG continues to closely coordinate to secure licenses for partners to operate in risk areas, and we also continue to highlight humanitarian access issues across USG agencies to help alleviate access challenges. The USG continues to promote and protect humanitarian access and the safety and security of humanitarian personnel. The USG has integrated risk management into program design, monitoring, and reporting, and has developed streamlined guidance to partners. The USG is amenable to funding applicants to bolster their risk mitigation measures and reinforce monitoring approaches and mechanisms.

The USG engages with local organizations to explain pre-award requirements, including those related to risk, in an effort to reduce the barriers local organizations face. Internally, USAID/BHA has increased coordination with the Office of the Inspector General to explain risk management practices for cash programming and requirements and internal control measures to mitigate risks. Risk management is an integral part of State/PRM's approach to programming as part of an enterprise risk management approach that incorporates risk assessments, oversight of institutional partners, and requirements for NGO applications and reporting, among other provisions. USAID/BHA has also established a division focused specifically on providing support on risk management and mitigation to program teams.

State/PRM and USAID/BHA have led the USG response to protection from sexual exploitation and abuse (PSEA) in humanitarian settings, including building donor and implementing partner capacity and consensus on SEA prevention and response. For example, the Inter-Agency Standing Committee (IASC) has taken a number of steps to professionalize its PSEA work, including establishing a Technical Expert Group which supports Humanitarian Coordinators and Humanitarian Country Teams to deliver on PSEA commitments. It has also established a Global Dashboard to track progress on PSEA implementation at a country level, and issued technical notes and learning packages for partners. There has also been progress on an inter-agency scheme for disclosure of safeguarding-related misconduct in recruitment processes. Partners must submit Codes of Conduct consistent with the IASC's six core principles, train staff on their obligations, and ensure communities are aware of their rights. Partners are required to establish clear protocols for receiving and addressing credible allegations of SEA, demonstrate how their response will prioritize the needs, wishes, and dignity of the survivor, and notify the USG of incidents and response measures. These requirements are in line with reporting of any other credible allegations of corruption, fraud, waste, abuse, and mismanagement, or other violations of Federal Law.