ICRC Statement on the Grand Bargain Annual Meeting 2023

The ICRC welcomes the extension of the Grand Bargain (GB) for three more years. The next iteration of the process offers an opportunity to address collective and individual barriers to achieve efficiency gains across the sector. The ICRC sees value in leveraging this unique multi-stakeholder platform to **increase accountability and scale up initiatives to support sector-wide transformation**. The ICRC has been actively engaged in the GB since 2016 and continues to be committed to achieving better humanitarian outcomes for communities affected by conflict and crisis.

To enhance the relevance and impact of our responses, we need to redouble our collective efforts to place affected populations at the center of our responses, foster more equitable partnerships, support local actors and secure more quality funding for humanitarian action. The ICRC is committed to do its part:

- (1) We will continue to strengthen our engagement with affected people, enhancing our capacity to collect and use feedback from affected communities, improving our monitoring and evaluation systems and supporting sector-wide efforts to better engage affected people. Through our Inclusive Programming Policy, we will also continue our efforts to address gender on multiple fronts, including in operations, in international humanitarian law (IHL) and internally within the workplace.
- (2) We will enhance our partnership approach to better support National Societies in crisis settings, in line with our renewed commitments to strengthen collaboration and coordination within the RCRC Movement. The ICRC is and will continue to be primarily a direct frontline responder, working in proximity with affected communities, as mandated by States and outlined in the Statutes of the Movement. At the same time, local and national humanitarian action is embedded in our modus operandi through our statutory link with National Red Cross and Red Crescent Societies, our primary operational partners – and key local actors. In this respect, the Movement adopts a unique approach to partnerships that leverages the distinct mandates and comparative advantages of both its national and international components. This inherent complementarity allows for better sharing risks among partners and ensures that our operational collaboration with National Societies incorporates efforts to strengthen their capacities and develop their structures. Furthermore, the Movement has recently adopted a new agreement that recognizes the central role of National Societies in our coordination structures. In the years to come, the ICRC will continue to invest in supporting its National Society partners; scale-up its collaborative and inclusive planning in relevant contexts; and operationalize the new Movement agreement at all levels of the organization.
- (3) To meet our income growth objectives, we will pursue a variety of approaches to encourage our donors to provide flexible and multi-year funding and to better account for these contributions. Flexible funding is essential to the ICRC as it allows the organization to independently and impartially allocate funds, based on where and when the ICRC is needed the most, to act swiftly when violence erupts, and to sustain its core activities in neglected conflicts. Multi-year funding is also key for a more efficient and holistic response to the longer-term needs of affected communities in protracted crises.

Considering the increasingly complex environment and the growing financing gap, the ICRC strongly supports the suggestion to leverage the catalytic force of the GB to shrink humanitarian needs. As a community, we need to work together to further adapt our approaches to protracted crises, develop new ways of working and widen the resource base for humanitarian action. In the years to come, we will continue to contribute to these objectives and will aim to share our experiences with the GB Signatories. In our approach, we seek to complement the work of development actors by providing humanitarian and technical assistance in conflict-affected areas where they are typically not present. To enable such collaboration, the ICRC will further enhance its abilities to manage multi-year, multi-partner projects, and strengthen its strategic engagement with key development actors on operational partnerships, knowledge exchange and policy. Regarding innovative finance, building on proofs of concept and lessons learned, the ICRC is gearing up to replicate Humanitarian Blended Finance models in the water sector. This approach is built on partnerships across sectors, and the blending of grants with public finance and additional private sector participation, leveraging comparative advantages, having additional and measurable impact on millions of affected people, offering sustainable exit strategies for humanitarian organizations and donors. We will also pursue the scale-up of the ICRC's Climate and Environment Transition Fund and debt conversion for humanitarian and climate impact with a view to mobilize additional resources for the Red Cross Red Crescent Movement.

Finally, we believe that a **new approach to risk management will be critical to achieve our shared goals** of increasing the impact of humanitarian action and delivering better outcomes for affected populations. The ICRC has worked closely with the Netherlands and InterAction in past years to promote risk sharing and advance this agenda within the GB. Building on the good practices compiled in 2022 "<u>Risk Sharing in Practice</u>", we have co-led the development of a guiding, non-prescriptive <u>Framework¹</u> to enhance risk acceptance across the sector and improve the management of risks within the humanitarian aid delivery chain. Through the promotion of a set of key principles calling for a people-centered approach and more equitable partnerships, the Framework aims at laying the foundations for a sector-wide mindset shift from unilateral approaches to risk management towards collective and more equitable ones. In coming years, the ICRC will **test this new framework in operational contexts**, together with interested donors and local partners. We also commit to bringing back the learning and sharing our experiences with the broader community. We urge Signatories to join us in making risk sharing a reality and we welcome concrete steps in this direction.

¹ Shared with GB Signatories in May 2023.