

# GRAND BARGAIN SECOND ANNUAL MEETING

## SUMMARY NOTE

*We need more political engagement in the Grand Bargain to get it on track. Making real – and swift - progress will require stronger leadership from UN agencies, NGOs and donors. The success of the Grand Bargain will inform the future of our humanitarian financing system and each of us here today has the power to contribute to its success*

*Under-Secretary-General for Humanitarian Affairs and Emergency Relief Coordinator Mark Lowcock*

*Only through collective efforts we will be able to bring about the changes that are necessary if we are to reach all those in need.*

*Grand Bargain Eminent Person Kristalina Georgieva*

### **Executive Summary**

55 Grand Bargain signatories participated in the second Grand Bargain Annual Meeting on 18 June 2018, in New York. It provided an opportunity for signatories to take stock of progress made since 2017; reach a common understanding of the way forward to collectively deliver the 51 Grand Bargain commitments by 2020, and put forth concrete actions and recommendations on how to achieve this, whilst being mindful of cohering with other ongoing global processes.

The Annual Independent Report by ODI recognized that considerable progress has been made in many areas, but progress has been spotty and uneven. The Grand Bargain process remains stymied, often due to political considerations. Therefore, participants reaffirmed their political commitment to the Grand Bargain process, through the active involvement of decision makers at an appropriately high-level. To facilitate this, it was suggested that a focus group of high-level decision makers from within the Grand Bargain community will potentially hold a high-level meeting.

Areas for further discussion and agreement by both the decision makers and the wider Grand Bargain community, in line with the recommendations of the ODI Independent Report, include potentially streamlining of the Grand Bargain work-streams; prioritizing the Grand Bargain commitments and focusing energies on delivering agreed core activities; developing baselines and indicators to better evaluate and measure success; equitably sharing fiduciary and operational risk, securing more appropriate and predictable levels of funding to resource the Grand Bargain process and mainstreaming gender and PSEA.

### **Remarks from the USG/ERC and Grand Bargain Eminent Person**

Opening the Second Grand Bargain Annual Meeting, the Under-Secretary-General for Humanitarian Affairs and Emergency Relief Coordinator, Mark Lowcock, reminded participants

that the Grand Bargain has been a catalyst for change while also being a forum for all humanitarian constituencies to meet on an equal footing. The USG/ERC stressed that the Grand Bargain is showing substantial progress in many areas, including improvement in humanitarian financing and tracking and increased cash programming. Nonetheless, progress is still to be made in other areas, such as enhanced data collection and analysis, better storytelling and advocacy to demonstrate how the Grand Bargain is making impact for change and reinforced connection and engagement with other multi-lateral humanitarian fora. In addition, Mr. Lowcock stressed that the Grand Bargain process is *'under-governed and over structured'*, therefore it is important to reaffirm the political commitment at the highest level and focus on priorities, to move those areas that are stuck. Finally, the USG/ERC stressed that the humanitarian system needs to be more responsive and anticipatory, for providing a better response to affected populations and to be more fit for purpose.

The Grand Bargain Eminent Person, Ms. Kristalina Georgieva, reinforced the message of the USG/ERC underlining the level of achievement of the Grand Bargain. In a world of protracted and repetitive crisis there has been a great deal of improvement in providing better and more dignified humanitarian assistance to people in need. The use of better humanitarian modalities, the integration of technology, enhanced feedback mechanisms from the field and the localization of aid has not only improved the delivery of humanitarian assistance, but also the affected populations' perception of the work being done. Ms. Georgieva highlighted that the humanitarian community now has a strong sense of direction and that the humanitarian and development divide is being progressively bridged. The Grand Bargain is still a light but increasingly complex process. The original rationale of the Grand Bargain to decrease bureaucracy needs to be reaffirmed.

*'The best way to respond to humanitarian crisis, is not to have crisis at all'*, the Eminent Person said, as she shared her vision on what success should look like by 2020. The Grand Bargain should contribute to developing a system that is more anticipatory, as well as a system that is more effective and efficient when a crisis occurs. To fulfil this vision, the Eminent Person proposed the following:

1. Endorsing of the ODI recommendations and rationalizing of the Grand Bargain structure to reduce complexity and bureaucracy by:
  - a) Reducing the number of Grand Bargain work-streams from 10 to 5, particularly: 'merging' work-streams (Multi-year planning and funding) and 8 (Reduced earmarked funding); improving closer coordination and better sequencing of commitments for the work-streams 1 (Transparency), 4 (Management costs) and 9 (Reporting requirements)
  - b) Prioritizing commitments that are more urgent and potentially transformative
  - c) Unblocking work-stream 5 (Needs Assessment) by offering the World Bank expertise in developing solutions

2. Establishing clear baselines in line with prioritized key commitments to explore options for cost reductions and direct more resources to affected populations
3. The outgoing and incoming Facilitation Group in close consultation with Co-convenors and Signatories, to identify indicators for work-streams to measure overall performance and demonstrate efficiency and effectiveness gains in the humanitarian system by 2020.
4. Developing data sets that can help measure progress, support effective communication and prove that the Grand Bargain is making an impact and remains relevant in a changing political and humanitarian landscape
5. Focus on defining and achieving ambitious objectives, not only concentrate on easily achievable ones.

### Facilitation Group Achievements, Challenges and Way Forward

The Director for Humanitarian Assistance of Germany, Mr. Thomas Zahneisen, explained that the Facilitation Group, through a newly designed workplan, achieved progress for the overall Grand Bargain process in four key areas since September 2017:

1. Improved transparency and accountability through better communication tools
2. Reinforced synergies between work-streams through the organization of two Co-convenors workshops
3. Enhanced connectivity through better information flow within and among work-streams
4. Strengthened engagement with the Eminent Person

To continue the work being done, he proposed, on behalf of the Facilitation Group, the following priorities for the next months:

1. *Better communication*: Progress should be made more visible, evident and measurable. In addition, work-streams should clearly define what success looks like, including identifying means by which understanding when their commitments have been achieved
2. *Revamped political commitment*: Political and legal challenges need as much attention as the technical ones, as stressed by the Independent Report
3. *Improved governance*: The Grand Bargain should remain a democratic process whereby all Signatories are engaged. However, this increasingly representative membership should also include a tangible and simplified decision-making process, in particular through an empowered Facilitation Group with updated ToRs and a renewed engagement of Sherpas at political level

Therefore, the Facilitation Group called for:

1. Together with Co-convenors the development of achievable, broadly accepted and monitorable indicators, clearly indicating the final objective of each work-stream
2. The commitment of all signatories at appropriate political level

3. The submission of quality data and information, particularly through the self-reporting exercise by all Signatories
4. The provision of appropriate and predictable funding to the Secretariat

## Outcomes of the Second Grand Bargain Independent Report

The Independent Annual Report, presented by ODI Research Associate, Ms. Victoria Metcalfe, recognized that a lot of progress has been made in delivering the Grand Bargain commitments, such as those on cash, participation and multi-year planning and funding. Additionally, there is evidence of advancement at country level and some increased focus on gender. Nonetheless, progress has been uneven and there is room for improvement, including through the identification of a clear end goal, reformulation of the quid pro quo principle and development of instruments to measure progress. Furthermore, risk should be shared more evenly across the humanitarian community and governance structures should be improved.

The Report suggests focusing on four priority areas to improve Grand Bargain implementation, including making it:

- *More nimble*: Lightening the bureaucratic footprint and empowering the governing bodies
- *More focused*: Rationalising, prioritising and targeting efforts to where progress can be achieved
- *More pragmatic*: Identifying creative ways to achieve results and defining a practical methodology for measuring them;
- *More responsive*: Strengthening political leadership to set direction, define strategies and engage with the wider global aid system

As pointed out by the DFID Head of Conflict, Humanitarian, Security and Migration Department, Mr. Matthew Wyatt, the Grand Bargain Signatories generally expressed agreement with the findings of the Independent Report as well as an openness towards the Eminent Person's proposals. However, as pointed out by the ICRC Director-General, Mr. Yves Daccord, the format of the Annual Meeting should be refined. This would allow for collective and robust decision making, and the identification of clear action points to take recommendations forward. Therefore, while there is agreement on the 'diagnosis' of the constraints and challenges, it was suggested to discuss key issues of the Grand Bargain process, specifically the prioritization and merging of commitments as well as the definition of success indicators, at dedicated Sherpa-level meetings before the end of 2018.

## Statements from the Grand Bargain Signatories

Grand Bargain Signatories raised a number of issues for further attention, in a session moderated by UNHCR Deputy High Commissioner, Ms. Kelly Clements:

1. *Gender*: Despite some progress, the Independent Report highlights uneven attention to gender equality across and within work-streams. Signatories should increase attention to



efficiency and less bureaucracy into more resources going faster and better to the people in need?'. The ICRC Director-General also suggested to improve the format of the Annual Meeting to allow for collective and robust decision making and the identification of clear action points, rather than for general information sharing.

In her closing remarks, the Eminent Person commended the expansion of the Grand Bargain membership and its inclusivity, but cautioned that there should be an effective decision-making structure to achieve the objective of the Grand Bargain process. Ms. Georgieva noted that there is a broad consensus on expanding the mandate of the Facilitation Group, to advance the process in a more determined way.

The Eminent Person noted the Grand Bargain needs to be at the same time 'less grand' and 'grander'. 'Less grand' because energies must be focused on delivering agreed core and prioritized commitments, which also could entail the compression of work-streams. To achieve this, Ms. Georgieva called for a direct involvement of the highest ranking political decision-makers and for potentially holding a high-level meeting of decision makers on the margin of the 2018 UNGA, where a few of pre-identified issues critical to unlocking progress on the Grand Bargain can be discussed and moved forward.

At the same time, the Eminent Person challenged the Signatories to be 'grander', in particular in championing gender equality, preventing sexual exploitation and abuse (PSEA) and safeguarding victims.

In conclusion, the Eminent Person reaffirmed her commitment to the Grand Bargain and reminded the community that we need a clear definition of where we want to be in 2020, agreeing whether the Grand Bargain should close, continue or to be reconfigured.

### **The Grand Bargain's' Relevance to Humanitarian Operations**

Moderated by InterAction's Director of Humanitarian Policy, Ms. Kate Phillips-Barrasso, this panel brought into clearer focus field realities of Grand Bargain implementation, by focusing on practice and operations in Somalia, Lebanon and the Middle East. Applying a "bottom-up" lens, panellists provided an opportunity to better understand how the commitments are being interpreted and applied across various stakeholders – donors, UN, Red Cross and NGOs – and what the enablers and challenges to achieving transformative change in the field are.

The panel discussion reaffirmed that the political level plays a fundamental role in providing the parameters of humanitarian action, which needs to be contextualized and advanced through collaboration among all actors at field level. The panellists stressed the necessity for an open and constructive conversation about understanding and sharing fiduciary and operational risk. They also called for greater impartiality, less mandate-driven analysis of information and institutional behavioural change for a more coordinated and effective humanitarian response. Finally, the discussion highlighted the need for more flexible, unearmarked and multi-year funding, as well as

for appropriate legal and structural change within donor and humanitarian agencies to appropriately utilize those types of funds to implement innovative and more efficient response.

## **Conclusions of the day by DFID Head of Conflict, Humanitarian, Security and Migration Department**

The DFID Head, Conflict, Humanitarian, Security and Migration Department, Mr. Matthew Wyatt, summarized the main points from the day:

1. The Grand Bargain has demonstrated success, although challenges remain, such as the need to establish better coordination with other global processes and mainstream the humanitarian and development nexus into relevant work-streams.
2. There is a broad agreement around the recommendations of the Independent Report, and the importance of having high level political engagement, under the leadership of the Eminent Person.
3. The suggestion of the Eminent Person to gather a focus group of high-level decision makers potentially on the margin of UNGA is embraced as necessary, to address blockages and drive progress of the Grand Bargain.
4. It is fundamental to identify, measure and communicate what success looks like for the Grand Bargain.
5. There is agreement to empower the Facilitation Group through revised ToRs. The newly empowered Facilitation Group will work hand in hand with the work-stream Co-convenors to advance their commitments.
6. The mainstreaming of gender across the Grand Bargain was a prominent theme, as central to both effectiveness and efficiency, but also an important moral imperative
7. Burden sharing of risk, as well as demonstrable field impact of the Grand Bargain is also critical.
8. The format of the Annual Meeting could be reconsidered to allow for a more open debate and discussion and provide a platform for important decisions to be taken.
9. Predictable, multi-year funding to resource the Grand Bargain, including the Secretariat, was highlighted as a priority.

In addition, the composition of the new Facilitation Group was communicated to the signatories, as follows: IFRC, InterAction, OCHA, Sweden, UNICEF and USA. This configuration not only provides a good representation of all constituencies, but also continuity.

In conclusion, Mr. Wyatt appreciated that the Annual Meeting had provided a clear way forward, recognizing that if the process does not move ahead *'the Grand Bargain will die under its own weight because it has never been about efficiency and effectiveness, rather about reducing needs and fear to deliver what people really require'*.

## Action Points and Recommendations

Based on the consensus for an empowered Facilitation Group, the following action points for the Facilitation Group have been identified:

- *Action 1*: Further reinforce communication tools, also through better information and data, to better highlight the Grand Bargain impact
- *Action 2*: Facilitate the gathering of focus group of high-level decision makers, for example on the side of 2018 UNGA, to unblock two or three pre-identified political challenges that are impeding the Grand Bargain advancement
- *Action 3*: Suggest a different format for the Grand Bargain Annual Meeting that allows for collective and robust decision making and the identification of clear action points, rather than for general information sharing

As an outcome from the Annual Meeting, the following are the recommendations for the Co-convenors and the Grand Bargain Signatories:

- *Recommendation 1*: Endorse ODI recommendation on rationalization of the Grand Bargain structure (for example by merging work-streams 7 and 8 and possibly streamlining work-streams 1, 4 and 9) and identifying priority commitments and their sequencing
- *Recommendation 2*: Establish baseline success indicators of work-streams, including for reducing administrative costs as well as agreeing on a clearer narrative for a collective goal for the Grand Bargain process
- *Recommendation 3*: Grand Bargain Signatories must commit to the process at an appropriately high political level, to ensure that decisions are taken under the leadership of the Eminent Person
- *Recommendation 4*: Grand Bargain Signatories are expected to provide data and information, particularly through the self-reporting exercise
- *Recommendation 5*: Appropriate and predictable funding should be made available to the Grand Bargain process, including for the Secretariat
- *Recommendation 6*: Improve the Grand Bargain decision making process and structures, including by allowing the Facilitation Group to act as the consensus-based governance body of the agreement
- *Recommendation 7*: Gender and PSEA should be mainstreamed across the Grand Bargain work-streams and in their implementation by the Signatories