To all Signatories of the Grand Bargain

Oslo, 26 July 2021

Dear Grand Bargain Signatories, dear colleagues,

I hope this message finds you well.

It has been over a month since I formally took over the role as EP from Minister Kaag, and since we virtually met to take stock of progress, confirm our commitment for the Grand Bargain 2.0 and identify priorities going forward.

Let me start by sincerely thanking you for your level of engagement at the Annual Meeting and the support expressed for the Grand Bargain 2.0 with our shared reform commitments. Most importantly, we agreed that the era of words and seminars is over, and that we urgently need to translate what we achieved so far into concrete results.

The Grand Bargain 2.0 framework reflects this need to move the focus from Geneva to the operational level with and for people in need – where real transformation is required. Despite all our efforts, the gap between humanitarian needs and funding is still growing at an alarming rate. Donors and humanitarian organisations, international and local actors, must work together to offer the most effective and efficient assistance to the people who need it the most

For these reasons, the Grand Bargain 2.0 is centered around the people we are committed to serve. Concrete progress is thus needed on quality funding, quality partnerships with local actors, including women-led organisations, and on making our response mechanisms more demand-driven.

Over the past month, my team and I have worked with the Facilitation Group to identify a support structure that is both effective and efficient and that can help us achieve our common objectives, in line with the message of our Annual Meeting.

Decision-making needs to be elevated to a more political, strategic level. We have agreed to set up problem-solving "caucuses" to monitor, drive and encourage progress on specific commitments at the political level.

The call from the Signatories that the establishment of caucuses should be based on certain criteria was well heard: caucuses should be time-bound, but flexible in duration according to the topic; and they should have a clear problem statement that addresses issues that need political elevation to be unblocked. They must have collective relevance and transformational potential and be explicitly linked to the two enabling priorities. Finally, to be efficient the caucuses should be limited in participation, while ensuring the presence of the key stakeholders, and they should be transparent about their objectives, timeline, participation, and outcomes.

In consultation with the Facilitation Group and based on feedback received at the Annual Meeting and in bilateral discussions, I would like to propose that we form and support three initial caucuses to address the following issues:

- The cascading of funding through better intermediation to enable both quality funding and locally-led humanitarian action.

- Cash coordination, which will support the quality funding enabling priority.

- Concrete steps on quality funding for local and international actors while ensuring the accountability, transparency, and visibility required by donors.

I am aware that there are a number of other issues that also need to be addressed, but by focusing on a limited number of initial caucuses, we can ensure effective support and engagement by both the Grand Bargain Secretariat, the Facilitation Group members and myself and my team.

We propose to adopt a staggered approach, whereby once we have tackled these initial topics, we should strive to address other priorities before the next Annual Meeting, where we will be able to collectively assess the progress achieved.

This approach does not preclude other caucuses from being formed, as long as the criteria are respected. Signatories are welcome to create caucuses that address specific issues of interest to a constituency or a group of Signatories.

However, to ensure accountability, Signatory-initiated caucuses should have well defined objectives, a clear timeline and commit to sharing information on their progress and outcomes, also taking into account that the Facilitation Group and the Secretariat will only have capacity to monitor a limited number of caucuses.

With respect to the workstreams, the Co-convenors were asked at the beginning of the year to submit their proposed next steps. Since many discussions took place after that exercise, and since the idea of the caucuses had not yet been introduced, the Grand Bargain Secretariat has recently asked the workstream Co-conveners to re-evaluate their role to support the strategic objectives and the enabling priorities of the Grand Bargain 2.0.

Workstreams are currently working on mapping the remaining political challenges, and the technical support needed to overcome them. The outcome of this exercise will be an updated Grand Bargain 2.0 structure. Some workstreams will continue their work in support of the political objectives, others may transfer their work to other relevant fora.

Finally, I have heard the call by many to ensure we translate the larger Grand Bargain commitments and achievements to the country level, from "Geneva to Goma". As indicated in the Grand Bargain 2.0 framework, National Reference Groups will be a key tool in support of these efforts. We have asked NEAR, as the representative of local actors in the Facilitation Group, to work together with OCHA on a strategy to support and enable the national reference groups, bearing in mind context-specific situations and existing coordination structures.   It will be key to ensure that National Reference Groups are a

meaningful and inclusive tool to catalyse change at the country level, without duplicating efforts and building additional layers.

It is an honour and a privilege for me to guide this unique platform of donors, UN agencies, the Red Cross and Red Crescent Movement and international and local NGOs. Change can only be achieved when we are committed to working together.

I look forward to sharing further updates with you in the coming months.

Yours sincerely,

Jan Egeland