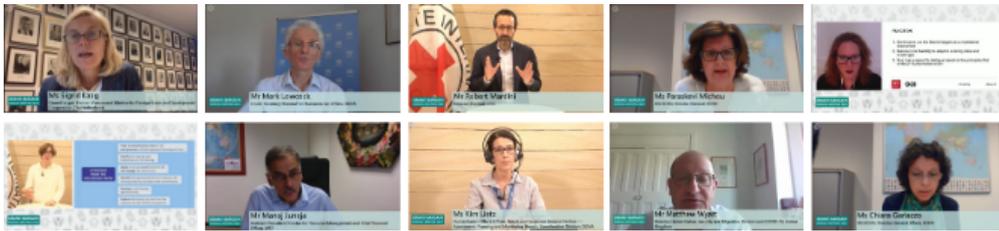


The Grand Bargain Annual Meeting 2020

Summary Note

24-25 June 2020, Online



The Grand Bargain Annual Meeting 2020 took place online on 24 and 25 June 2020, chaired by the Grand Bargain Eminent Person, Minister Sigrid Kaag. Mr. Mark Lowcock, Emergency Relief Coordinator, joined the discussion on the second day. The COVID-19 pandemic influenced the conduct and content of the meeting, as donors and humanitarian agencies have been adapting their response to this global challenge. The Annual Meeting discussions started with a session on risk-sharing, followed by the identification of efficiency and transformative priorities for the next 12 months and concluded with a conversation around the future of the Grand Bargain post 2021. The discussions were based on the Annual Independent Report 2020, dedicated research, and on lessons from the response to the pandemic. The 2020 Annual Meeting provided an important opportunity to accelerate implementation in the next 12 months along the Grand Bargain Roadmap to reach the agreed Grand Bargain targets in 2021.

Day One: Session on Risk sharing (24 June 2020, 14.00-15.00 Geneva time)

Mr Robert Mardini, Director-General at ICRC, opened the session with a strong emphasis on the value of trust, and a call to share risk, rather than transferring it. In preparation for the discussion, the Netherlands and ICRC had commissioned a discussion paper which maps out the various recent initiatives on risk and provides key suggestions on how to move forward collectively on sharing risk within the Grand Bargain. The session moderator, Ms Katie Sams, Director of Financial Resources and Logistics at ICRC, presented the report findings, including the following six suggestions for a way forward: **1)** Take a comprehensive view of risk and promote a holistic approach focusing on trust (embedding risk in a deeper dialogue on trust), **2)** clarify the meaning and implications of risk sharing (going towards achieving common terminology on risk), **3)** agree on an acceptable level of risk and engage the senior level (recognising risk in the humanitarian sector can't be entirely mitigated), **4)** identify the appropriate forum to discuss risk sharing linked to principles and commitments, **5)** develop a risk sharing agenda jointly, and **6)** capture the lessons on risk from the response to the COVID-19 pandemic (recognising the opportunity it might present to increase risk appetite).

” In order to share risk, we need a common understanding of what our tolerances are, what failures are acceptable, and how we will monitor and respond to these failures.
 – From the chatbox

” We need to address the power imbalances and create a safe environment for partners to report cases, where reporting is rewarded rather than sanctioned.
 – From the chatbox

Participants welcomed these suggestions to advance the conversation, identified that there is a sense of urgency to make progress, and agreed that the Grand Bargain as a multi-stakeholder forum could play a key role to move towards better sharing of risks, especially by ‘connecting the dots’ of different conversations and to discuss the connectedness of different risks and risk management practices. There was an acknowledgement of the risk typology proposed in the background document and a recognition that mitigation of one risk might increase the risks in other areas for partners. Several speakers called for shifting

donors' approach to risk from "zero tolerance" towards "zero tolerance for inaction". Participants also suggested to ground the discussions in concrete operational contexts and to involve local and national actors. Some participants shared their own lessons learned and it was proposed to identify further case studies, including in the COVID-19 context. In conclusion, both during interventions and in the chatbox, it was highlighted that an expert level meeting and a political level dialogue on risk and risk management were required to discuss risks holistically and to ensure programme continuity in reaching individuals in high-risk settings.

Next 12 months: moving the risk sharing agenda forward

- Work with the Grand Bargain (workstreams) to drive forward conversations on risk to unlock further progress towards the Grand Bargain targets in 2021. Ensure the discussion is concrete and informed by operational realities. The discussion should be based on a holistic approach and focus on how different risks and risk-management practices affect continuity of operations. The discussions should involve all relevant stakeholders, including local actors, and consider different types of risks. The discussion should also look how for example fiduciary risks should be managed as they impact donor assessments, management costs and localisation, reputation risk, and access to funding).
- Netherlands/ICRC to help advance the collective conversation, proposing the following:
 - Engage relevant workstreams to address key elements of the risk initiative including workstream 4 on certification process and workstream 2 on involvement of local actors.
 - Initiate a discussion with the Good Humanitarian Donor (GHD) group members on "zero tolerance for non-action".
 - Liaise with the IASC Results Group 5 to identify synergies on risk initiatives and discuss harmonizing due diligence requirements.
 - Convene an expert-level meeting on risk sharing in second half of 2020 with the aim to facilitate a dialogue among key stakeholders, ensuring that the initiative is focused on practical issues, grounded in concrete operational contexts and enables participation of local actors.
 - Move towards better sharing of actual risks, illustrate risk-sharing through concrete examples, and propose a way forward by December 2020.

Day One: Session on investments for greater efficiency in COVID-19 response and beyond (24 June 2020, 15.00-16.00)

Based on the Annual Independent Report 2020 findings, and on the outcomes of the meetings with the Co-convenors, this session focused on investments needed for greater efficiency in three main areas: increasing transparency, reducing management costs, and harmonising and simplifying reporting. The Facilitation Group session moderator, Mr Manoj Juneja, Assistant Executive Director for Resource Management and Chief Financial Officer, WFP, highlighted that important progress had been made, but defining clearer priorities and greater investments would be required for faster advancement over the next 12 months.

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“ *The donor community could consider making reporting to IATI mandatory, the way some donors already did. That would of course imply the coverage of connected costs. – From the chatbox*

On **data and transparency**, some noted that in the current COVID situation and in light of a potential decrease in institutional funding, individual organisations and the system as a whole needed to understand funding and funding flows much better. Several speakers reinforced their commitment to publishing data in IATI, acknowledging that data needs to be more timely, granular, and comprehensive to be more useable.

Moreover, building on the existing pilot project to allow FTS to process IATI published data,

further strengthening of the capacity of FTS was required, particularly to increase automated ingestion of data. As several speakers emphasised, data should only be “published once – used often”.

The response to COVID-19 accelerated progress on reduced **management costs**, e.g. by sharing operational resources, using common platforms and mechanisms as some Signatories provided more flexibility in partnerships. During the past year there have been initiatives for greater collaboration and transparency of management costs that need to be aligned where possible and scaled up, including the UN Partner Portal, the UN Data Cube, and the Money Where it Counts initiative. The recommendations from the review of individual **donor assessments** undertaken by Japan and UNHCR (study by GPPI) will also provide a good basis for next steps to align and reduce assessments. Opportunities to rely on each other’s assessments should be explored to reduce the overall volume, with a view to reduce management costs and increase the funding reaching people in need.

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“ *It’s important that we are genuinely reducing costs, not simply passing unfunded responsibilities to partners, particularly local actors.*
– From the chatbox

Harmonised and simplified reporting progressed as the 8+3 narrative template has been finalised and adopted by 22 % of the Signatories. Donors, UN and INGOs should adopt the template in the next 12 months, especially for their NGO partners. NGO partner organisations should ask their contributors to start using the template. Particularly now in the COVID-19 pandemic, simplified reporting could release time for humanitarian workers to focus on operations. It was proposed to shift the conversation from convincing Signatories to use the template to instead asking why Signatories were not using it.

In relation to all three areas, Signatories need to make technical and – where required – political investments in the next 12 months to advance towards the agreed targets.

Next 12 months: investing for greater efficiency

- **Transparency:**

- Signatories reinforced their commitment to publishing data in IATI and to FTS. Going beyond the participation rate, the emphasis should be on increasing the granularity of data published in IATI with due considerations for data protection concerns, to enable better informed decision making. Signatories should assess what prevents them from publishing more granular data.
- Make IATI more inclusive by ensuring that the tool enables all organisations to publish and use data, including smaller organisations.
- In the COVID-19 response, encourage partners to publish downstream partner data in IATI to better track localisation.
- Develop a vision on how the different data platforms are linked and ensure that the Signatories only publish the data once but use it often and on different platforms. In essence, create a “one stop shop” for funding data.

- **Reduced management costs:**

- Analyse recommendations of the GPPI study on individual donor assessments and identify next steps to ensure they are translated into fewer donor and UN assessments at country level, resulting in the reduction of management costs and increase of funding reaching people in need.
- Seek greater alignment of different initiatives to increase transparency in management costs, including between the UN Data Cube and the Money Where it Counts Initiative.
- Encourage other UN partners to join the UN Partner Portal.

- **Harmonised and simplified reporting:**

- Donors and UN agencies should adopt the 8+3 template for their implementing NGO partners. Donors that have already adopted it should proactively lobby and challenge peers to rapidly adopt the template in the donor community.

Day Two: Changes for greater effectiveness and transformation (25 June 2020, 14.00-15.30)

” COVID-19 has enabled progress on quality funding, and we have seen an increase in unearmarked funding from donors, which has allowed for flexibility to quickly adapt responses and prioritise interventions where the needs are highest and most under-financed. – From the chatbox

The first discussion of the second day focused on actions that could lead to transformational change in better providing assistance to people in need. The main areas were accelerating localisation, increase and cascading of flexible, multi-year financing, and investment in the humanitarian cycle to advance on needs assessments, participation revolution and cash-coordination. There was a strong call to be ambitious and to go beyond incremental progress.

In a session moderated by Ms Paraskevi Michou, Director-General, DG ECHO, participants agreed that increased investments in capacities of **local actors** is key and that progress would need to be made in the next 12 months. Investments in capacities should be based on the priorities set by local actors themselves, include better sharing of risks, coordinated with development actors, and by making adequate overhead funding available for local actors. Localisation goes hand in hand with the **participation revolution** and **accountability to affected populations**. There was a call for more equity in the humanitarian system, greater acceptance of local organisations as equal partners, and making the ‘participation revolution’ part of the DNA of organisations. Quality funding and its cascading through the system was highlighted as one of the key enablers. In addition, some local actors encouraged the donor community to consider the existing country based pooled funds to increase their support to local actors.

” Localisation is not only about the amount of funding passed down to local NGOs, but also how required support (skill transfer) is provided to local NGOs by international NGOs or UN agencies. – From the chatbox

As Ms Michou pointed out, the COVID-19 pandemic “has proved the central importance of **needs assessments and analysis**, not only for funding purposes, but as a necessary step for coordination, planning, and programming.” The potential of coordinated needs assessments and analysis must be further unlocked, and Signatories should work together to share the data and apply it to Joint Intersectoral Analysis Framework in the current Humanitarian Programme Cycle. Several Signatories called for increased coordination of **cash assistance**. There is a need to move towards enhanced and predictable cash

” COVID-19 has proven the imperative need to prioritise financial resources and the only way our community can do so is through more comprehensive and more accurate joint inter-sectoral needs and response analyses, also between humanitarian and development actors, across multiple sectors, at national and sub-national levels. – From the chatbox

” This is the right time to further the use of cash, but it has to be in a way that reinforces national social protection systems. – From the chatbox

coordination based on inter-sectoral response analysis also with the objective to scale-up cash assistance where possible. Others noted that expanded collaboration in the use of cash assistance is also important. At the same time, the technical progress on implementation delivered through the Grand Bargain should be maintained.

On **quality funding**, the Co-convenors advanced the agenda in the last 12 months. Research and evidence have been completed, proving the linkage between quality funding and better programming. However, longer term gains are needed in the next 12 months, including by encouraging Signatories to increase

”” *The discussion on quality funding cannot disregard the nexus approach. A more ambitious and strategic approach to humanitarian and development funding would help overcome the current siloed structure. – From the chatbox*

flexibility in funding agreements, ensure a critical mass in quality funding, and cascade quality funding to implementing partners. The speed in quality funding reaching frontline responders is essential. As one speaker pointed out “we need to ensure that the advancements made during the COVID-19 pandemic become the new norm”. There was a call for higher political dialogue to help advance this conversation.

”” *As a donor that provides multi-year flexible funding to agencies, we really want to see a step up change in seeing this flow through to local organisations. – From the chatbox*

Next 12 months: changes for greater effectiveness and transformation

- **Localisation and participation revolution:**
 - Increase investments in capacities of local actors, based on their priorities. And seek ways to pass on overhead costs.
 - Ensure funding for local actors through pooled funding.
 - Strengthen engagement between the participation and localisation workstreams, ensuring political support for greater accountability to affected populations.
- **Joint needs assessments and cash coordination:**
 - Agree on a commitment to improve cash coordination, based on inter-sector response analysis, facilitating a scale-up in the use of cash assistance and more efficient, effective and accountability aid. Strong engagement at political level is necessary, including from IASC.
 - Continue efforts to ensuring consistent analysis of gender and gender-based violence concerns within needs assessments and analysis, including with cash partners, building upon the significant advancements seen over the past few years.
 - Reconfirm commitment towards people-centered needs assessment; continue investment, work and efforts to further develop and apply the Joint Inter-sectoral Analysis Framework in field locations in the current Humanitarian Programme Cycle, including protection considerations; and, for donors, ensure funding decisions are aligned with needs assessments and analysis results. Scale up the Joint Intersectoral Analysis Framework.
- **Quality funding:**
 - Continue to call on major donors to provide quality funding as per the commitments.
 - Focus on modalities to make quality funding available in a timely fashion and step-up efforts to reach the critical mass needed to facilitate pass-through to frontline responders, including local actors.
 - Convene a series of structured dialogues, both at technical and political level, to (1) clarify donors’ accountability and visibility requirements; (2) identify and agree on how to apply an expanded concept of quality funding; (3) scale-up good practices; and (4) address barriers to cascading quality funding to front-line responders and develop related targets.

Day Two: Future of the Grand Bargain (25 June 2020, 15.30-16.30)

As the Grand Bargain enters its fifth year, the Signatories started a discussion on what should come after 2021. The Grand Bargain was set-up in 2016 to strengthen efficiency and effectiveness of the humanitarian system. The Grand Bargain and its fora are means to achieve these objectives. The Grand Bargain Signatories needed to continuously assess, whether the Bargain delivered on those desired objectives or not. Such an assessment would need to inform the future discussions. In addition, there would

need to be agreement on the focus areas of any potential future format, on links with existing formats such as the IASC and GHD, on its membership, and on the political will to continue investing in this or a similar forum. To kickstart the discussion, USG Mr Lowcock posed two challenging questions - what are the topics where we think it is important to make progress in the next phase, and why do we think the Grand Bargain is a good forum for making progress on them. He emphasised that high level political leadership is needed and we need to determine where it will come from: if we do not pre-identify the source of the political will needed to really deliver on any future process, then we will be proceeding under false pretenses.

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“ “ *The Grand Bargain is a unique forum – I agree with others who emphasised the need to tie to the Good Humanitarian Donor group and IASC in a tighter way which does not increase process and brings this regularly to political level, including on issues related to expanding resource base and shrinking needs. – From the chatbox*

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“ “ *The Grand Bargain is starting to make a difference and should continue with stronger links between global and local. We need constant reality checks from our field colleagues on how well and how fast we are moving with aid reform. – From the chatbox*

The Facilitation Group session moderator, Mr Matthew Wyatt, Director, Humanitarian, Security and Migration Division and COVID-19, UK (DFID), highlighted that the Grand Bargain gives a unique platform where all constituencies come together, and it is vital we keep looking at collective actions. We need a wide conversation and ask some difficult questions: do we need an enhanced new and different process?

Ahead of the meeting, the Facilitation Group commissioned ODI to develop a think-piece about the future of the Bargain, based on consultations with the different constituency groups. Their research demonstrated that there is strong consensus among the Signatories for the Grand Bargain to continue, but there is also agreement that this mechanism needs to adapt, evolve, and refocus in order to remain relevant to address the challenges of today’s aid environment. Ms Vicki Metcalfe-Hough, lead author and researcher of the Annual Independent Report and the think-piece, recommended that the Grand Bargain’s principal function should be as a *strategic multilateral mechanism* in which donors and aid organisations work together to identify challenges to effective and efficient humanitarian action. It should focus on three to four objectives that are strategic, inclusive, integrated, pragmatic and ambitious: **1)** an integrated approach to shrinking needs, **2)** a collaborative approach to risk management, and **3)** support wider reform efforts. The format should be changed too – according to ODI, the Grand Bargain should be elevated to a higher level of political engagement and representation, the bureaucracy reduced, and a wider set of stakeholders included.

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“ “ *“We fully support ODI recommendations on revised structure with a more targeted focus on key strategic priorities that are of common interest.”*

“We fully support a revision of overall process with the aim of distilling down workstreams and commitments (e.g. select and agree on the most fruitful workstreams and concentrate efforts only on them), and simplifying the existing reporting process.” – From the chatbox

All options for the future of the Grand Bargain remain open, although the interventions from the floor and in the chatbox were in an overwhelming agreement that the Grand Bargain should be continued post 2021 as it is a unique forum, bringing all constituencies (donors, UN, RCRC, NGOs) together, but the format should be adapted. The participants expressed support for several ODI suggestions, particularly to focus on fewer objectives and to reduce bureaucracy.

"As the Grand Bargain is currently formulated, it has given my agency a framework, and priority on reform. We report internally on our progress and have progressed in areas where we probably would not have without it."

"The Grand Bargain is the only place where all four constituencies can meet and sit together on equal footing." –
From the chatbox

Mr Wyatt highlighted the need to consider evolving risks, needs and capacities, and the importance of harnessing development finance and crisis risk management expertise to bridge the growing gap between expanding needs and shrinking resources. Following further consultation in the next few months, the **Facilitation Group will develop a proposal on the future of the Grand Bargain by December 2020.**

Further resources:

- The Annual Independent Report 2020, and the ODI think-piece: [Available here](#).
- Grand Bargain Signatory statements (submission voluntary, and statements were not read at the meeting): [Available here](#).