Grand Bargain annual independent report 2018

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HPG
Humanitarian
Policy Group

ODI

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Acknowledgments

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Acronyms

ACAPS	Assessment Capacities Project
ADRRN	Asian Disaster Reduction and Response Network
AFD	Agence Française de Développement
CAFOD	Catholic International Development Charity
CaLP	Cash Learning Partnership
CAR	Central African Republic
CBPF	Country Based Pooled Fund
CCEI	Communication and Community Engagement Initiative
CDAC Network	Communication with Disaster-affected Communities Network
CDMAT	Cash Delivery Mechanism Assessment Tool
CERF	Central Emergency Response Fund
CERN	University of Geneva
CFE	Contingency Fund for Emergencies
CHS	Core Humanitarian Standard
COHAFA	EU Working Party on Humanitarian Aid and Food Aid
CRRF	Comprehensive Refugee Response Framework
CSO	civil society organisation
DARES	Delivering Accelerated Results Effectively and Sustainably
DEEP	Data Entry and Exploration Platform
DFID	Department for International Development (UK)
DINA	Drought Impact and Needs Assessment Somalia
DRC	Democratic Republic of Congo
DREF	Disaster Relief Emergency Fund
DTM	Displacement Tracking Matrix
ECHO	Directorate General for European Civil Protection and Humanitarian Aid Operations
ECOSOC	UN Economic and Social Council
ERC	Enhanced Response Capacity funds
EU	European Union
FAO	Food and Agriculture Organisation
FDFA	Switzerland Federal Department of Foreign Affairs
FFO	German Federal Foreign Office
FPA	Framework Partnership Agreement
FTS	Financial Tracking Service
GAHI	Global Alliance for Humanitarian Innovation

GCCG	Global Cluster Coordinator's Group
GCSI	Global Crisis Severity Index
GHD	Good Humanitarian Donorship initiative
GHL	Global Humanitarian Lab
GPPi	Global Public Policy Institute
GSMA	Global System for Mobile Communications
GTS	Ground Truth Solutions
HAP	Humanitarian Analysis Programme
HCT	Humanitarian Country Team
HDL	Humanitarian Exchange Language
HDPI	Humanitarian Development Peace Initiative
HDX	Humanitarian Data Exchange
HNO	Humanitarian Needs Overview
HQAI	Humanitarian Quality Assurance Initiative
HRP	Humanitarian Response Plan
IASC	Inter-Agency Standing Committee
IATI	International Aid Transparency Initiative
IASC HFTT	Inter-Agency Standing Committee Humanitarian Financing Task Team
ICCG	Inter-Cluster Coordination Group
ICRC	International Committee of the Red Cross
ICVA	International Council of Voluntary Agencies
IDA	International Development Association
IDMC	Internal Displacement Monitoring Centre
IFRC	International Federation of Red Cross and Red Crescent Societies
ILO	International Labour Organisation
INCAF	International Network on Conflict and Fragility
INGO	international non-governmental organisation
IOM	International Organisation for Migration
IRC	International Rescue Committee
ISPA	Inter-Agency Social Protection Assessments
JIAG	Joint Inter-sectoral Analysis Group
JIPS	Joint IDP Profiling Service
MDB	Multilateral Development Bank
MIRAC	Migration Resource Allocation Committee
MOPAN	Multilateral Organizational Performance Assessment Network
MYHRP	Multi-year Humanitarian Response Plan
NEAR	Network for Empowered Aid Response
NGO	non-governmental organisation
NRC	Norwegian Refugee Council

NSIA	National Society Investment Alliance
NUSAF III	Northern Uganda Social Action Fund
NWoW	New Way of Working
OCHA	UN Office for the Coordination of Humanitarian Affairs
ODI	Overseas Development Institute
OECD-DAC	Organisation for Economic Cooperation and Development Development Assistance Committee
OHCHR	Office of the High Commissioner for Human Rights
PwC	Price Waterhouse Coopers
RCPCA	National Development and Peacebuilding Plan
RSA	Resilience Systems Analysis
SCHR	Steering Committee for Humanitarian Response
SIDA	Swedish International Development Cooperation Agency
SPIAC-B	Social Protection Inter-agency Cooperation Board
TCP	Technical Cooperation Programme
UNCT	UN Country Team
UNDAC	UN Disaster Assessment and Coordination
UNDAF	UN Development Assistance Framework
UNDP	UN Development Programme
UNDG	UN Development Group
UNDSG	UN Deputy Secretary-General
UNFPA	UN Population Fund
UNHCR	UN High Commissioner for Refugees
UNICEF	UN Children's Emergency Fund
UNRWA	UN Relief and Works Agency for Palestine Refugees in the Near East
UNSG	UN Secretary-General
UN JIU	UN Joint Inspection Unit
UN SWAP	UN Action Plan on Gender Equality and the Empowerment of Women
UN Women	UN Entity for Gender Equality and the Empowerment of Women
USAID	US Agency for International Development
USG/ERC	Under-Secretary General for Humanitarian Affairs/Emergency Relief Coordinator
VOICE	Voluntary Organisations in Cooperation in Emergencies
WASH	Water, Sanitation and Hygiene
WFP	World Food Programme
WHO	World Health Organisation
WHS PACT	World Humanitarian Summit Platform for Action, Commitments and Transformation
WVI	World Vision International

Executive summary

In May 2016, 18 donor countries and 16 aid organisations (including UN entities, INGOs and the Red Cross Movement) signed a 'Grand Bargain' outlining 51 mutual commitments across ten thematic workstreams – all aimed at improving the overall efficiency and effectiveness of humanitarian aid.

Signatories to the Grand Bargain agreed to undertake an annual independent review of progress made against the commitments. Issued in June 2017, the first annual independent report noted that, on average, signatories reported action against 40% of the commitments, with more focus and progress in some workstreams than others; that the Grand Bargain had a light bureaucratic footprint; and that its design – a unique collaboration between donors, the UN, INGOs and the International Committee of the Red Cross (ICRC) and the International Federation of Red Cross and Red Crescent Societies (IFRC) Secretariat – had strengthened buy-in from stakeholders. The report also highlighted decreasing political momentum and growing frustration at a perceived lack of impact and action at country level.

The Overseas Development Institute (ODI) was commissioned by the UK Department for International Development (DFID) on behalf of the Facilitation Group to produce the second annual independent report. ODI was tasked to provide an impartial overview of collective progress made during the period January–December 2017, based on an assessment of actions and activities undertaken by the then 56 signatories. Building on and consistent with the methodology developed for the first annual report, ODI analysed actions taken by signatories and the challenges they faced in moving towards the achievement of all the commitments across all ten workstreams, both in respect of HQ-level actions and actions at country level. ODI also assessed the extent to which gender has been considered by Grand Bargain workstreams. Analysis was based primarily on the 46 self-reports submitted by and interviews with signatories, as well as a review of other available documentation and consultations with external stakeholders.

Key areas of progress

The quantitative and qualitative research collated indicates that there was important progress in 2017 in a number of workstreams, against specific commitments, and some progress in integrating gender as a cross-cutting issue. The majority of signatories reported actions against a broad spread of commitments – signatories reported actions at an average rate of 52% across the commitments.[1]Three of the workstreams made substantive progress overall – workstreams 3 (cash programming), 6 (participation revolution) and 7 (multi-year planning and financing). Workstream 3 made particularly good progress, including in respect of the joint commitment to increase collaboration, including sharing capacities, knowledge, guidance and standards on cash programming, and through high levels of individual actions: 89% of signatories reported increased routine use of cash (commitment 3.1) for example – the highest rate of reporting against any individual commitment. Overall, this workstream illustrates how the Grand Bargain can bring the three groups of actors together to tackle technical and political differences, and make tangible progress towards more efficient and effective aid responses.

In workstream 7 (multi-year planning and financing), aid organisations have fulfilled their role under commitment 7.2 with the development of multi-year plans in seven countries in 2017. The majority of donors (58%) reported an increase in their provision of multi-year funding, which, together with actions taken by a smaller number of donors to reduce earmarking, reflects important progress towards achieving the systemic shift in humanitarian financing that has long been called for. In workstream 6 (participation revolution), actions taken by signatories against joint commitments indicated good progress, including on improving coordination of and common standards for approaches to community engagement and participation (commitment 6.2).

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1   Due to an overlap in reporting periods for the first and second annual reports, this figure is not directly comparable.

Analysis of the three better-performing workstreams indicates several common enabling factors: the commitments under these workstreams are generally clear and actionable; there are fewer pre-existing policy differences between signatories in these areas; the workstreams, through co-conveners and participating signatories, have agreed priorities and/ or a common approach or strategy; the workstreams have forged strategic links with pre-existing or new processes outside the Grand Bargain; there has been good collaboration between and investment from the co-convening organisations; and, critically, there has been relatively strong political investment from the different signatory groups (donors, UN agencies, NGOs, Red Cross and Red Crescent Movement).

Actions have also been taken at country level in line with specific commitments. More HCTs now include national NGOs; multi-year plans, based on risk and vulnerability analysis conducted jointly with development actors, and which outline collective outcomes, have been developed in a number of countries; and several workstreams are planning or undertaking pilots or engagement at country level, including the harmonised donor reporting pilot being rolled out by workstream 9. Many signatories reported specific examples of how their implementation of the commitments is translating into improved country-level operations. Country- and regionally-based NGO consortia, such as Sphere India, are also starting to use the Grand Bargain framework to hold donors and international aid organisations to account.

For the 2017 annual report process, the Facilitation Group requested signatories detail any efforts to integrate gender in their implementation of the commitments. A majority of signatories (31 out of 46) reported some effort in this regard. Most made reference to basic actions, such as disaggregating data based on gender, but several signatories – including Canada, the UK, the World Food Programme (WFP), the ICRC, Care International and UN Women – outlined a strategic approach that aimed to embed gender throughout the full scope of their commitments. Actions taken by the workstreams also varied significantly. Both workstreams 6 (participation revolution) and 9 (harmonised reporting) reported specific actions to integrate gender in their activities, but the remaining workstreams paid little or no attention to gender in their work in 2017. Affording gender greater prominence at the political level would likely encourage signatories to increase their efforts

to integrate it in their actions against commitments, and to report on these efforts in a more consistent and measurable way.

Crucially, the research indicates that there remains strong consensus among signatories, and to some degree external stakeholders, that the Grand Bargain is acting as a catalyst for institutional and system-wide change. Signatories reported that the Grand Bargain had generated momentum internally to push for changes in policy and operational practice, particularly greater use of cash programming, more transparent reporting and increased support for local actors. In most cases these priorities already existed at institutional level, but the Grand Bargain has provided a vehicle to galvanise institution-wide efforts to take, or speed up, action.

Remaining challenges and their impact on collective progress

Progress against individual commitments and across and within the workstreams remained uneven throughout 2017. To a degree, uneven progress is inevitable given the breadth of commitments and the broad range of signatories. But it is also related to a number of underlying practical and political challenges, as illustrated most starkly in respect of workstreams 5 (needs assessments) and 10 (the humanitarian–development nexus). Addressing these challenges will be critical to ensuring that the signatories can make speedier and more consistent progress across the full set of commitments.

Key challenges or factors inhibiting progress in 2017 included the lack of a clear, common understanding of the end goal that the signatories are collectively working towards, both in terms of the Grand Bargain overall and in some workstreams; the sheer breadth and scope of the 51 commitments; tensions between some commitments and a lack of guidance on how to mitigate these; differing views on how the Grand Bargain should relate to country-level operations; a lack of consistent and practical methodologies for measuring progress; an increasingly complex and heavy bureaucracy; a lack of clarity on how the Grand Bargain relates to or could complement other multilateral processes; and, related to all of these, a lack of adequately visible leadership and engagement at the political level.

There is currently no consistent or common under-standing of what changes the Grand Bargain aims to bring about, or what actions are necessary to deliver them. The desired end-state and the target date for achieving it are also both unclear. As the number of signatories has increased, so differences in expectations, interpretations and understanding of both specific commitments and the Grand Bargain's overall goals have grown, as evidenced in the significant inconsistencies in information presented in the self-reports, and the differing opinions expressed during interviews for this report.

In 2017, signatories continued to struggle with the sheer breadth and scope of the 51 commitments. Many are vaguely worded, with little clarity on what actions signatories are expected to take. As work to clarify language, objectives and actions progressed in 2017, the tensions, overlaps and synergies between commitments have become more obvious. But there is as yet no overarching strategy on how to mitigate the tensions, consolidate the overlaps and fully exploit the synergies. While actions are being taken at country level, there remains no clear or common vision of how the Grand Bargain should relate to country-level operations. Some signatories pointed out that it was intended as and should thus remain an HQ-focused policy change process that will eventually result in more efficient and effective country-level operations. Others (particularly international NGOs) felt that it should be rolled out as quickly as possible at country level, with the language of the Grand Bargain clearly evident in common plans, strategies and tools.

Current approaches to measuring progress are inconsistent and complex. Some commitments include quantitative targets or specific target dates for achievement, but it is not clear how these figures were set, or how data that some workstreams have requested from signatories can be used to measure progress against aggregate targets. The annual report process was designed as the principal means for measuring collective progress, but the significant inconsistencies in the information reported and the lateness of submissions indicate that this is not currently an adequate tool for monitoring and measuring collective progress. More broadly, the signatories need to find a way to assess their collective progress (against both individual commitments and the whole set) without instituting a heavy process of monitoring and evaluation.

The Grand Bargain brought together a number of long-standing commitments made through other processes or fora into one consolidated mechanism. However, it is unclear how the Grand Bargain relates to pre-existing mechanisms working on very similar themes. It is also perceived as exclusive, with non-OECD-DAC governments considering it a Western initiative that has no real relevance for them. There is still no clear vision on whether or how to expand membership.

Widening the group to include non-DAC donor states and national or local aid organisations may help to increase the donor base, ensure that actions are grounded in needs at regional or country level and lead to a more coherent and holistic aid system.

But as the group of signatories, and in consequence the 'democratic' nature of the Grand Bargain, grows, so does the likelihood of differing interpretations, priorities and actions undermining or stalling collective progress.

The research for this report indicates that the Grand Bargain has become both under-governed and over-structured. Its bureaucratic footprint can no longer be considered particularly 'light'. With ten workstreams and multiple sub-working groups, even the largest signatories highlighted during interviews that they struggled to follow what was going on in all of these fora in any meaningful way. The high number of late submissions and the varying quality of information presented in this year's self-reports may also suggest, as noted by some signatories during interviews, that the annual reporting process is more burdensome than intended. In terms of governance, signatories indicated that a lack of authoritative leadership at working level, including a lack of empowerment by signatories of the Facilitation Group, has meant that some of the key policy differences that are stalling progress in and between workstreams remain unresolved. There were clear calls for more visible high-level political leadership from the group of Sherpas and the Eminent Person, as well as from the wider group of signatories themselves. The governance arrangements of the Grand Bargain should reflect the fact that the signatories are voluntarily committing themselves to a set of actions, but should also be robust enough to hold them to account for these commitments and to take the decisions necessary to resolve differences and clarify what should be achieved and by when.

Implementing the 'quid pro quo'

The Grand Bargain was predicated on a 'quid pro quo' arrangement in which the constituent groups would each deliver on a set of actions that, taken together, would bring about substantial gains in efficiency and effectiveness across the humanitarian system.

Evidence gathered for this report indicates that there remains positive collaboration between constituent groups, but that signatories are concerned that the quid pro quo arrangement is not working effectively. While the evidence available bears these concerns out, this view is also in part related to differing expectations and interpretations of what exactly was meant by the concept, and how it should work in practice. There is limited understanding between the constituent groups of the progress each is making, the challenges and risks they face and the limits to what each can reasonably achieve. The idealistic approach to the commitments that some signatories have adopted fails to take account of the very real political, legal and practical constraints that others face in trying to implement the commitments as they are currently worded. The research for this report shows that, where the signatories are able to come together to understand and share risks, they can achieve important progress. But they are still failing to fully exploit the opportunity that this forum presents.

Recommendations

To stay on track to achieve its commitments, the authors suggest that the Grand Bargain needs to become more nimble, more focused, more pragmatic and more responsive to the wider aid environment in which it is operating. In achieving this, the signatories should empower the Eminent Person, the group of Sherpas and, crucially, the Facilitation Group to undertake the series of actions listed below.

1. Rationalise, prioritise and target efforts towards those commitments where reasonable progress can be achieved:

ACTION: Based on the findings of this report, the Facilitation Group should commission an independent body to conduct a light 'audit' of the existing commitments to identify (where feasible) which have been achieved in whole or in part, which may be or are being addressed more effectively by

mechanisms outside the Grand Bargain, and which could be realistically achieved if signatories were able to sequence and target their efforts accordingly. The audit should not consider amending or deleting the original commitments, but instead should help signatories identify where they should prioritise and refocus their efforts in order to make more substantial collective progress across the breadth of commitments. Adapting the approach taken by some workstreams, including workstreams 1 (transparency) and 9 (harmonised reporting), and recognising the importance of sequencing, other workstreams should also identify those commitments against which they should prioritise collective efforts.

ACTION: The co-conveners of workstream 10 (humanitarian–development nexus), with engagement from participating signatories and with the support and guidance of the Facilitation Group, should undertake a similar or linked process of auditing to determine where and exactly how enhanced engagement between humanitarian and development actors should be integrated in the actions and strategies adopted under other workstreams. Given the critical nature of this workstream to the overall Grand Bargain framework, this exercise should be undertaken with some urgency.

2. Lighten the bureaucratic burden on signatories in order to better support institutional-level implementation:

ACTION: The Facilitation Group, in consultation with the co-conveners, should propose (and signatories should endorse) a rationalisation of the workstream structure with a view to consolidating efforts and eliminating duplication. Based on the findings of this report, this may include merging workstreams 7 (multi-year planning and financing) and 8 (reduce earmarking) given the substantive overlap between them around more predictable and flexible funding, and amalgamating commitments that are duplicative, such as commitments 7.3 and 10.4, which both require joint assessments of risk and vulnerabilities; 7.1.a and 10.4, which both require joint multi-year planning; and 2.3 and 10.3, which both require investment in the capacities of local and national coordination structures.

ACTION: With the assistance of the co-conveners, the informal friends of gender group and the Secretariat, the Facilitation Group should revise the self-reporting

template and process to reflect a rationalised and prioritised approach to the commitments (based on the audit recommended above), and develop more detailed guidance on the level and quality of information that should be included (including in relation to integration of gender-responsive actions), thereby reducing the administrative burden and developing more consistent information to assess progress through the annual report. Providing examples of the information required (collated from previous years' self-reports) may also assist some signatories (particularly those with less capacity) to understand what is required.

ACTION: The capacity of the Secretariat should be increased to better support the work of the Facilitation Group and co-conveners. This could include collating and presenting illustrative examples of actions required or taken by signatories; elaborating (under the guidance of the Facilitation Group and in collaboration with the co-conveners) a body of practical guidance on how to embed the commitments at institutional level; increasing communication across the workstreams and helping the Facilitation Group to trouble-shoot problems; ensuring greater sharing of information among the signatories and between them and governance and leadership structures; and facilitating increased communication and outreach with non-signatory stakeholders through updating the existing website, including ensuring timely uploading of workstream documents and updated points of contact.

3. Find pragmatic and creative ways to achieve desired outcomes:

ACTION: Based on an increased understanding of the political and technical limitations to achieving some specific commitments, the workstreams should, with support from the Facilitation Group, define creative and pragmatic ways to achieve the same intended outcomes. For example, recognising the limitations that many donors face in providing funding directly to local organisations, it may be more useful to focus on 1) reducing overheads among intermediary organisations and mechanisms, including pooled funds, to ensure that a larger proportion of funding reaches local organisations; and 2) strengthening the capacities of local organisations to enable them to absorb this increased funding. Where donors cannot provide softly earmarked funding at the global level, they could explore pragmatic alternatives, such as supporting flexible funding to country programmes.

4. Define a practical and consistent methodology for making a reasonable assessment of progress:

ACTION: Notwithstanding the importance of generating rigorous evidence, signatories should identify a handful of simple and pragmatic benchmarks or indicators to enable them to reasonably assess what progress has been achieved across the Grand Bargain framework. This task should be overseen by the group of Sherpas and led by the Facilitation Group, with inputs from co-conveners. It may need to be outsourced to an independent body/consultant given limited availability/capacities within the Facilitation Group members and among co-conveners.

The OECD/GTS perception surveys could serve as benchmarks with regard to whether participatory approaches are resulting in more demand-driven programming (workstream 6), on whether cash programming is achieving better outcomes (workstream 3), and whether support to local actors is improving (workstream 2). Along with other indicators, the surveys may also be helpful in assessing the overall effectiveness of the humanitarian system. Quantitative aggregate targets for funding to local organisations and for earmarking funds should be revised to include actual figures, rather than percentage increases, as well as overall volumes of funding. In terms of the overall impact of the Grand Bargain, pursuing an iterative change process should help focus efforts on assessing progress towards the changes that the Grand Bargain has identified are needed to improve the humanitarian system. With this approach, a small set of critical questions should be agreed that outline what changes in policy and practice are intended, and a pragmatic method should be developed to help answer these questions.

5. Get the 'bargain' back on track:

ACTION: The signatories, through the Facilitation Group and co-conveners, should collectively undertake a 'light' risk management exercise to consider the commitments through a risk lens, thereby identifying how risks should best be managed. This should help clarify the risks different constituencies face in taking actions (or not taking action) towards their commitments, and how their respective risk mitigation efforts may impact – positively or negatively – on other groups. Considering the commitments through a

risk lens should build stronger arguments for increased risk tolerance and risk sharing, and reduced risk transferring. Cognisant that this should be a 'light' process, this exercise could involve co-conveners bringing forward the outcomes of discussions on risk held at the workstream level to a cross-workstream discussion led by the Facilitation Group that identifies key common or priority risks across the Grand Bargain framework and makes proposals for collective mitigation strategies. This analysis could then be shared with the group of Sherpas for senior-level discussion and decision-making.

ACTION: With the support of the Facilitation Group, a small group of the largest, or at least like-minded, signatories should come together informally to galvanise their collective efforts with a view to demonstrating (on a smaller scale) what can be achieved through the quid pro quo approach. Referencing the original 5+6 concept, and with due regard to transparency, this could encourage other signatories to take the necessary steps in their key areas of commitments.

6. Strengthened political leadership is needed to help signatories overcome political obstacles and steer them towards a clarified end goal:

ACTION: Building on her successes thus far, and with increased support from the Facilitation Group (and by extension the Secretariat), the Eminent Person should maintain her focus on high-level political engagement across the group of signatories; on maintaining appropriate political links with other multilateral mechanisms, including the UN reform process; and on addressing the high-level political challenges that are stalling greater and more consistent progress – for example the lack of political will among key signatories to make a step-change in the collective approach to needs assessments. Given her leadership role at the World Bank, the Eminent Person is also very well placed to champion forthcoming efforts by signatories to integrate the humanitarian–development nexus across the breadth of the commitments and workstreams.

ACTION: The group of Sherpas should be revitalised and more consistently engaged, working in support of the Eminent Person and in collaboration with the Facilitation Group. The nature and size of the group is best determined by the signatories themselves, but the authors recommend a small group of the most active/engaged signatories – akin to the original group

of 20 or a group of six that is aligned to the rotating institutional membership of the Facilitation Group. Crucially, the membership of this group, as well as its role and function as an interim leadership mechanism, must be endorsed by the wider group of signatories. In close collaboration with the Facilitation Group, these Sherpas should actively oversee setting of strategic priorities across workstreams, provide political guidance on integration of key cross-cutting issues, including the humanitarian–development nexus and gender-responsive approaches, and the development of a practical and pragmatic methodology for measuring collective progress. They should also act as a senior-level arbitrator for resolving challenges or disagreements arising from within or across workstreams, as referred to them by the Facilitation Group. The group should also advise the Eminent Person on where her intervention is necessary to resolve challenges or to spur collective progress.

ACTION: Building on its achievements thus far, the Facilitation Group should be reinforced through more sustained membership, with representatives appointed at least biennially rather than annually; with a clearer focus on identifying and suggesting ways to address the uneven progress across workstreams; and acting as the arbitrator at working level for resolving challenges or disagreements from within or across workstreams – raising these up to the Sherpa group as needed. In collaboration with the Sherpas, the Facilitation Group (supported by the Secretariat) should also provide advice to the Eminent Person on where her intervention is required to resolve challenges or spur progress on specific issues.

ACTION: This report identifies that strong leadership and a focus on coordinating rather than simply 'convening' are key to ensuring greater progress within workstreams. As such, the nature of the co-conveners' role should be adjusted to reflect the need for more active coordination and, with that, the provision of more sustained capacity from signatories who have taken on these roles.

ACTION: Noting the importance of the annual meeting, the signatories (through the Facilitation Group and workstream co-conveners) should undertake adequate advance preparations to make full use of this opportunity to convene substantive discussions and agree clear actions on specific issues that are currently holding back collective progress. Issues for discussion and decision in 2018 may include whether or how to

expand membership, how the Grand Bargain should relate to field-level operations, how to streamline the structure of the Grand Bargain to enable more focused efforts to achieve the commitments and, crucially, what the exact end goal should be and how signatories will measure progress against it. The signatories should utilise the present report to inform their deliberations of and decisions on these issues.

The Grand Bargain in 2017

Signatories reported actions at an average rate of 52% against the commitments...

52%
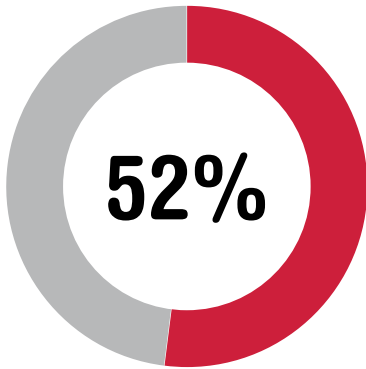
...and three workstreams are performing relatively well...

Workstream 3:
Increase the use and coordination of cash

Workstream 6:
A participation revolution

Workstream 7:
Increase collaborative humanitarian multi-year planning and funding

...but progress remains uneven

Commitment 3.1 & 3.6

89%

Commitment 5.6

4%

Membership has increased...

May 2016
34

June 2017
52

December 2017
56

June 2018
59

...but there are concerns that the quid pro quo is not functioning

NGOS

UN

DONORS

ICRC/IFRC
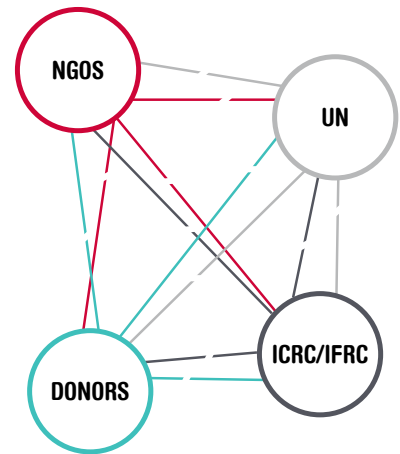
Consensus that the Grand Bargain is a catalyst for systemic change...

...but key policy questions remain unresolved

End goal?

Expanding membership?

Role at country level?
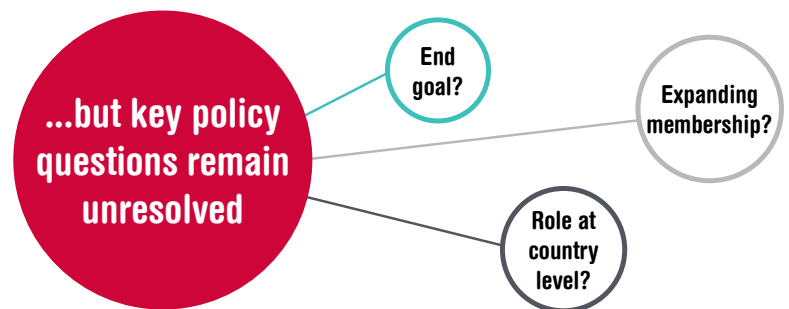
Recommendations

1. Rationalise, prioritise and target efforts to commitments

2. Lighten the bureaucratic burden on signatories

3. Find pragmatic and creative ways to achieve the same outcomes

4. Define a practical and consistent methodology for assessing progress

5. Get the 'bargain' back on track

6. Strengthen political leadership

Progress made per workstream

This table illustrates the scores assigned to each workstream against five assessment criteria. Overall assessments of each workstream can be found in section 2.

☆☆☆☆ No significant progress
★☆☆☆ Little progress
★★☆☆ Some progress
★★★☆ Good progress
★★★★ Excellent progress

Workstream	Donor activity	Aid organisation activity	Activity on joint commitments	Links to other workstreams	Links to other existing processes
Greater transparency	★★☆☆	★☆☆☆	★★★☆	★★☆☆	★★★☆
More support and funding for local and national responders	★★☆☆	★☆☆☆	★★☆☆	★☆☆☆	★★☆☆
Increase the use and coordination of cash	★★★☆	★★☆☆	★★★☆	★★☆☆	★★★★
Reduce duplication and management costs with periodic functional review	★★☆☆	★☆☆☆	★★☆☆	★☆☆☆	★★★☆
Improve joint and impartial needs assessments	★☆☆☆	★★☆☆	★★☆☆	★★☆☆	★★☆☆
A participation revolution	★★☆☆	★☆☆☆	★★★☆	★★☆☆	★★★☆
Increase collaborative humanitarian multi-year planning and funding	★★★☆	★☆☆☆	★★★☆	★★☆☆	★★★☆
Reduce the earmarking of donor contributions	★★☆☆	★☆☆☆	★★☆☆	★★☆☆	★★★☆
Harmonise and simplify reporting requirements	★★☆☆	★☆☆☆	★★☆☆	★★☆☆	★★☆☆
Enhance engagement between humanitarian and development actors	★★☆☆	★☆☆☆	★★☆☆	★★☆☆	★★☆☆

Introduction

Background

In May 2016, 18 donor countries and 16 aid organisations (including UN entities, INGOs and the Red Cross Movement) signed a 'Grand Bargain' outlining 51 mutual commitments that aimed to achieve ten goals:

1. Greater transparency.
2. More support and funding for local and national responders.
3. Increased use and coordination of cash-based assistance.
4. Reduced duplication and management costs.
5. Improved joint and impartial needs assessments.
6. Include the people receiving aid in making the decisions that affect their lives (the participation revolution).
7. Increased collaborative multi-year planning and funding.
8. Reduced earmarking of donor contributions.
9. Harmonised and simplified reporting requirements.
10. Enhanced engagement between humanitarian and development actors.

Signatories to the Grand Bargain agreed to undertake an annual review of progress made against the agreed commitments, to be conducted by an independent body. In June 2017, the first annual independent report was issued. The authors (GPPi) noted that, on average, signatories reported action against 40% of the commitments, with more focus and progress in some workstreams than others. The authors noted that the Grand Bargain had a light bureaucratic footprint, and that its design – a unique collaboration between donors, the UN, INGOs and the ICRC and IFRC Secretariat[2] – had strengthened buy-in from stakeholders. However, the authors also noted reduced political momentum and growing frustration at a perceived lack of impact and action at field level. The report outlined five key recommendations: keeping the light structure and joint leadership roles; re-engaging signatories at a political level; increasing coherence within the Grand Bargain; making a concerted effort to apply the Grand Bargain in its entirety to specific emergency operations; and expanding the Grand Bargain's reach among non-signatories.

This second annual independent report was commissioned from the Overseas Development Institute (ODI) by the UK Department for International Development (DFID) on behalf of the Facilitation Group.[3] ODI was asked to produce an independent and impartial overview of collective progress in 2017, based on an assessment of actions and activities undertaken by signatories individually and collectively; to collate and highlight good practice demonstrated in the available evidence; and to outline a series of actionable recommendations for maintaining momentum, boosting progress and impact and addressing outstanding challenges (see Annex 4 for the terms of reference).

Scope, approach and methodology

Scope

As directed by the Facilitation Group, ODI sought to maintain continuity and comparability between the first and second annual reports by ensuring a similar scope and building upon GPPi's methodological approach for assessing progress against the Grand Bargain's commitments.

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2 The ICRC and the IFRC Secretariat are signatories to the Grand Bargain. This does not bind National Red Cross or Red Crescent Societies.

3 At the first meeting of the Grand Bargain signatories, held in Bonn in September 2017, it was agreed that a Facilitation Group would be established to 'provide continued momentum to the overall Grand Bargain process'. It is tasked to 'work with the Eminent person', 'prepare for the annual Grand Bargain meeting', 'tender out the independent annual report', act as a 'problem-solving mechanism' to 'analyse issues in order to propose recommendations to the wider GB community', 'support activities across workstreams and encourage coherence' through coordination and information-sharing, and draw lessons from the first annual report to inform the second report. The Facilitation Group currently comprises representatives from Germany, the ICRC, InterAction, OCHA, UNHCR and the UK.

In scope, the present report covers the reporting period determined by the Facilitation Group, namely January to December 2017, and it includes actions undertaken by entities that had officially become signatories to the Grand Bargain by the end of this period.[4] It analyses actions taken and challenges faced in moving towards the achievement of all the commitments across all ten workstreams, both in respect of HQ-level actions and, where information was provided, actions at country level. For this year's report, ODI was also asked to 'assess the extent to which gender has been considered by Grand Bargain workstreams'.

Methodology

ODI's research was based on a series of questions set by the Facilitation Group:

1. To what degree have Grand Bargain signatories made progress in implementing the commitments?
2. Which workstreams saw the most substantial progress? What factors contribute to progress or hinder it? Which workstreams need additional attention and effort?
3. Are any workstreams 'complete', 'dormant' or would benefit from consolidation or better sequencing of commitments within workstreams or among workstreams?
4. To what extent is progress likely to improve the efficiency and effectiveness of humanitarian assistance?
5. What is the level of ambition in implementing the commitments of the workstreams? What are best practices and opportunities for synergies? What are the main barriers, and how can they be overcome?
6. To what extent is change by individual signatories or workstreams resulting in *systemic* change?

Data used to answer these questions was collated through:

- A desk review of the 46 self-reports submitted by the agreed deadline (29 March 2018) and all available literature pertaining to actions taken by signatories or by workstreams.
- Semi-structured interviews with 41 signatories that submitted self-reports.

- Semi-structured interviews with 19 of the 20 workstream co-conveners.
- Semi-structured interviews with over 70 other (primarily non-signatory) stakeholders, including national NGOs, donor governments and independent experts.
- Analysis of the Ground Truth Solutions 'Perceptions from the Field' surveys conducted in six humanitarian contexts, commissioned by the OECD and funded by the German government.

Analysis of the quantitative and qualitative data collected was conducted using the tools developed by GPPi for the first annual report. These included the following: a coding system for the self-reports, which marked when a signatory reported an action against a specific commitment and then aggregated these to reach a percentage of reported actions by signatory group and overall; and a scorecard which measured overall progress by each workstream by awarding a numerical rating between '0 – no significant progress' and '4 – excellent progress' (see Boxes 1 and 2) against five key indicators: donor activity, aid organisation activity, activity on joint commitments, links to other workstreams and links to other existing processes. This year, ODI also adapted the same scorecard to rate each action reported by individual signatories (using the same 0–4 scale). This has enabled a more nuanced judgment on the nature of the actions reported and what overall progress they may add up to. Based on available information, ODI also sought to identify those workstreams that, on balance, performed better than others in 2017 – with a view to determining what factors are driving or hindering progress in the workstreams. This analysis was based on the scoring of each workstream against the five indicators, weighted to reflect which indicators may be more relevant to a particular workstream, and combined with a subjective consideration of other factors not previously included in the scorecard, such as whether the workstream had a clear common strategy or approach.[5,6]

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4 ActionAid, NEAR and Save the Children all submitted self-reports covering 2017, but as they did not become official signatories until 2018 these were not included in the analysis.

5 For example, workstream 5 (needs assessments) commitments require more joint action, whereas the commitments under workstream 3 (cash programming) require more individual actions by aid organisations and donors. The indicators were weighted accordingly in determining which workstreams performed well, relative to the others.

6 The terms of reference required ODI to focus on 'collective progress', articulating that this meant that the 'unit of analysis is the collective workstream'. Therefore, ODI paid particular attention to whether there was a commonly agreed vision, strategy and work plan for the workstream, and what common or coordinated activities the workstream participants were engaged in.

The methodology was endorsed by the Facilitation Group and interim deadlines for various actions were agreed. A full draft of the present report was shared with the Facilitation Group and the wider group of signatories, and comments received were appropriately addressed in this final version.
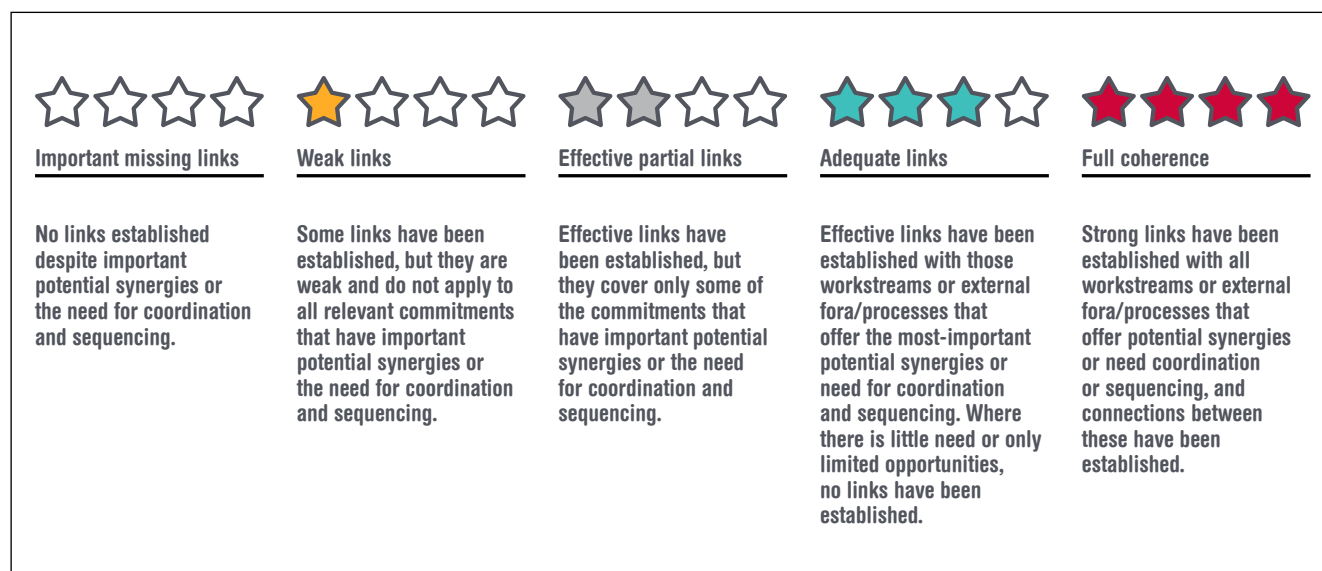
Caveats and limitations

The short timeline provided for the research, analysis and production of this report was a major challenge. Three progressive extensions to the deadline for submission of self-reports were requested by signatories, with a final hard deadline set at 29 March. Effectively, this left a period of one month to collate, synthesise and analyse the data presented in 46 reports, conduct interviews with all signatories that submitted reports and produce a first draft of the present report.

The reporting period for this second annual report was amended by the Facilitation Group, from March 2017–March 2018 to January–December 2017. This means that much of the quantitative information presented in the two annual reports is not directly comparable.

Figure 1: Scorecard to assess individual action by donors, individual action by aid organisations and collective action

No significant progress	Little progress	Some progress	Good progress	Excellent progress
No activities have been reported, or reported activities do not reflect any significant change.	Only a small number of activities have been reported, or the reported activities reflect only limited change.	An important number of activities have been reported, but major obstacles remain – for example, activities only address some (not all) crucial aspects covered by the workstream, or important stakeholders have reservations or concerns about the way forward.	Many (not all) relevant stakeholders report significant activities, addressing many (not all) aspects covered by the workstream.	All relevant stakeholders report activities, reflecting significant change and addressing all aspects covered by the workstream.

Figure 2: Scorecard to assess links to other Grand Bargain workstreams and to external fora or processes

Important missing links	Weak links	Effective partial links	Adequate links	Full coherence
No links established despite important potential synergies or the need for coordination and sequencing.	Some links have been established, but they are weak and do not apply to all relevant commitments that have important potential synergies or the need for coordination and sequencing.	Effective links have been established, but they cover only some of the commitments that have important potential synergies or the need for coordination and sequencing.	Effective links have been established with those workstreams or external fora/processes that offer the most-important potential synergies or need for coordination and sequencing. Where there is little need or only limited opportunities, no links have been established.	Strong links have been established with all workstreams or external fora/processes that offer potential synergies or need coordination or sequencing, and connections between these have been established.

The self-reports were, as requested by the Facilitation Group, used as the primary source of data and evidence for assessing progress against the commitments. These reports are inherently subjective and, while ODI sought to interview all reporting signatories with a view to interrogating and verifying the data they presented, it was difficult in the short time available to fully cross-reference the information. In keeping with the original request from signatories that reporting requirements be as light as possible, the reporting template designed by the Facilitation Group and signatories requires reporting per workstream, not against each commitment. It was consequently difficult in many cases to discern which commitments the actions reported were intended to achieve. Finally, the information presented in the self-reports varied significantly in terms of quality and level of detail, making it difficult to judge what level of progress had been made collectively, or to what extent individual actions may add up to systemic change.

This report outlines key areas of progress and remaining challenges (Section 1). It then summarises the progress made and challenges faced by each of the workstreams (Section 2) and outlines overarching conclusions and areas of action that signatories may wish to consider taking in order to scale up progress and tackle the remaining obstacles and challenges to further and more consistent progress overall (Section 3).

Section 1

Overall assessment of the progress achieved in 2017

Based on evidence available to the research team pertaining to actions taken in 2017, this section highlights key areas of progress at collective level and outlines remaining challenges. This analysis also reflects on the progress made against the five recommendations presented in the first annual independent report.

In 2017 there was important progress within a number of workstreams, against specific commitments, and some progress in integrating gender as a cross-cutting issue. The majority of signatories reported actions taken against a broad spread of commitments; three of the workstreams made 'good' progress overall; there is evidence of some progress at country level; and, crucially, there remains a high degree of consensus among signatories (and other stakeholders) that the Grand Bargain is acting as a catalyst for institutional and systemic change across the humanitarian sector.

A number of factors prevented greater and more consistent progress in 2017, including the lack of a clear, common understanding of the end goal that the signatories are collectively working towards – both in terms of the Grand Bargain overall and in some workstreams; the sheer breadth and scope of the 51 commitments, with some more clearly actionable than others; tensions between the commitments and a lack of guidance on how to mitigate these; differing views on how the Grand Bargain should relate to country-level operations; a lack of consistent and practical methodologies for measuring progress; an increasingly complex and heavy bureaucracy; a lack of clarity on how the Grand Bargain relates to or could complement other multilateral processes; and, related to all of these, a lack of adequately visible leadership and engagement at the political level.

1.1 Key areas of progress

In 2017, the number of signatories increased from 52 to 56, 46 of whom (82%) submitted self-reports by the deadline for this annual report process, similar to the first annual report (43 signatories, 82% of total submitted reports) (see Annex 1 for a full list of reports submitted). Signatories reported actions taken in 2017 at an average rate of 52% across the commitments. Eight of the commitments had a high reporting rate of over 70%, and more than 80% of signatories reported actions against commitments 1.1 (transparency), 3.1, 3.4 and 3.6 (cash programming) and 10.1 (the humanitarian–development nexus), as outlined in Figure 3, page 14.

This quantitative data only provides a partial picture, however. Combining both the quantitative and qualitative data collected, there are a number of positive trends, as set out below.

Workstreams 3 (cash programming), 6 (participation revolution) and 7 (multi-year planning and financing) made the greatest tangible progress across their respective commitments in 2017
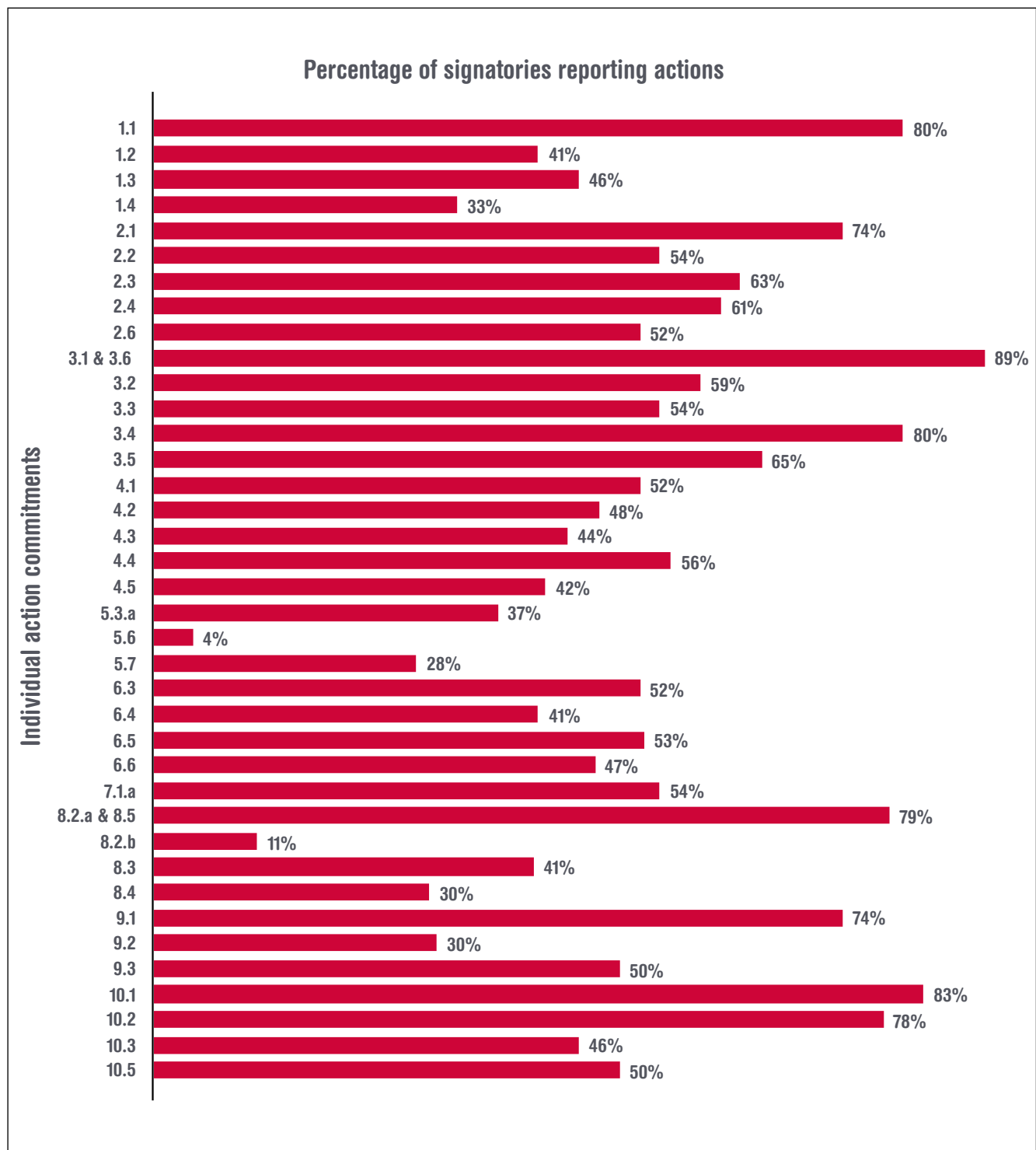
Combining the quantitative and qualitative analysis of actions taken against all commitments indicates that, notwithstanding some remaining challenges, the most progress was made by workstreams 3 (cash programming), 6 (participation revolution) and 7 (multi-year planning and financing).

Workstream 3 performed best across the breadth of its commitments in 2017. The workstream identified

six priority goals and has actively pursued them, with a clear division of labour to take agreed actions forward. Good progress has been made against the joint commitment of increasing collaboration, including sharing capacities, knowledge, guidance and standards.

There was a high level of reporting of individual actions: an average of over 69% of signatories reported some action against their individual commitments, and on average 56% of individual actions reported against individual commitments were rated by the research

Figure 3: Percentage of signatories* reporting actions per commitment (excluding commitments that required joint action)

Percentage of signatories reporting actions

Commitment	Percentage
1.1	80%
1.2	41%
1.3	46%
1.4	33%
2.1	74%
2.2	54%
2.3	63%
2.4	61%
2.6	52%
3.1 & 3.6	89%
3.2	59%
3.3	54%
3.4	80%
3.5	65%
4.1	52%
4.2	48%
4.3	44%
4.4	56%
4.5	42%
5.3.a	37%
5.6	4%
5.7	28%
6.3	52%
6.4	41%
6.5	53%
6.6	47%
7.1.a	54%
8.2.a & 8.5	79%
8.2.b	11%
8.3	41%
8.4	30%
9.1	74%
9.2	30%
9.3	50%
10.1	83%
10.2	78%
10.3	46%
10.5	50%

Individual action commitments

* Note that, in some cases, commitments are applicable to a specific sub-group of signatories, either donors or aid organisations, rather than the total signatory group. The term 'signatories' therefore refers to the specific group of signatories designated as responsible for this commitment.

team as '2 – some progress', '3 – good progress' or '4 – excellent progress'. A total of 89% of signatories reported increased routine use of cash (commitment 3.1) – the highest rate of reporting against any individual commitment. Overall, this workstream illustrates how the Grand Bargain can bring the four groups of actors together to tackle technical and political differences, and make tangible progress towards more efficient and more effective aid responses (see Section 2.3 for more details).

There was also good progress in workstream 7 (multi-year planning and financing). Commitment 7.2 can be considered partially achieved following the development of multi-year plans in seven countries in 2017, with two more in process for 2018. There has been evidence of progress in documenting the impact of multi-year financing (commitment 7.1.b) and in strengthening coordination of needs and vulnerability analysis between humanitarian and development sectors (commitment 7.3). Reporting against the individual commitment under this workstream – commitment 7.1.a (increase multi-year collaborative planning and multi-year funding) – was high, with 54% of signatories reporting actions taken. On the donor side, 58% reported an increase in the provision of multi-year funding, rated as '3 – good progress' or '4 – excellent progress'. Belgium, Canada, the Netherlands and the UK each reported that more than half of their humanitarian funding is now multi-year (including 89% of DFID's funding). These developments, together with actions taken by a smaller number of donors to decrease earmarking (see Section 2.8), reflect important progress towards achieving the systemic shift in humanitarian financing that has long been called for.

Workstream 6 (participation revolution) also performed comparatively well in 2017. Actions taken against joint commitments indicated good progress, including on improving coordination of and common standards for approaches to community engagement and participation (commitment 6.2). Work to establish common services for engagement with affected populations is in process in two countries (see Section 2 for more details). Some progress has been made in respect of joint commitment 6.7, with 11 of 18 Humanitarian Needs Overviews (HNOs) including some level of analysis of inputs from affected communities. There are good levels of individual actions reported by all signatory groups: an average of 48% of signatories reported actions against the four individual commitments, and over 39% of reported actions were rated by the research team as '2 – some progress', '3 – good progress' or '4 – excellent progress'.

These three workstreams share several common factors. The commitments under these workstreams are clear and actionable, minimising the time and effort required to clarify what is required of signatories; there are fewer political differences between the signatories participating in these workstreams, with less time spent negotiating definitions, sequencing or other issues; they have each agreed common priorities, a common approach or a common strategy; and each has established strong links with and capitalised upon pre-existing mechanisms, such as the Cash Learning Partnership (CaLP), Good Humanitarian Donorship (GHD) and the Core Humanitarian Standard (CHS). In line with recommendation 1 of the 2017 annual report, there has also been strong collaboration between co-conveners – several signatories highlighted the co-conveners of workstream 7 (Canada, UNICEF, OCHA and NRC) in this regard. Crucially, the interests and agendas of the constituent groups of these workstreams – donors, UN agencies, the ICRC and IFRC Secretariat and INGOs – converge, resulting in the political will from all groups to do their part.

Whilst they have not made good progress across the full breadth of their commitments, workstreams 1 (transparency) and 9 (harmonised reporting) have made very good progress against the commitments they prioritised for 2017, namely 1.1 (publish timely, transparent, harmonised and open high-quality data on humanitarian funding) and 9.1 (developing a common report structure). There were high levels of individual reporting against these commitments, and a clear strategy and approach from the workstream as a collective towards achieving them. The conscious decision to prioritise these commitments was based on a logic of sequencing actions and has proven effective in making progress in these two instances.

Evidence of progress at country level

The 2017 annual independent report recommended the 'application of the Grand Bargain in its entirety to specific emergency operations'. While there are no discernible plans in this regard, actions have been taken at country level in line with specific commitments. More HCTs now include national NGOs; multi-year plans, based on risk and vulnerability analysis conducted jointly with development actors, and which outline collective outcomes, have been developed in a number of countries; and several workstreams are planning or undertaking pilots or engagement at country

level. Workstream 9 (harmonised reporting) is piloting a common reporting template, the '8+3' template, in Iraq, Myanmar and Somalia, in line with commitment 9.1 (developing a common report structure). Workstream 2 (localisation) plans to conduct inter-agency missions to two 'demonstrator countries' in 2018, and workstream 3 (cash programming) undertook a joint donor mission to Jordan and Lebanon in the first quarter of 2018.

Individual signatories also reported a range of actions at country level in line with specific commitments. Under workstream 2 (localisation), CARE International reported that its role in the Philippines has evolved from delivering aid to positioning partners to prepare for and lead responses, with their staff moving from project implementation to partner accompaniment and support (commitment 2.1 and 2.3). Under workstream 6 (participation revolution), UN Women reports that, in the 2017 landslide response in Sierra Leone, it facilitated the creation of a Charter of Demands from local women's groups addressed to the humanitarian coordination mechanism, calling for their specific needs to be included in the formal strategic response planning process. Under workstream 8 (reduce earmarking), with support from the Belgian government Oxfam established a Grant Facility Mechanism, an envelope of 'non-earmarked' funding to be accessed by local actors in Tanzania, Democratic Republic of Congo (DRC) and Burundi to respond to small emergencies (commitment 8.2.b). Under workstream 10 (humanitarian–development nexus), ECHO and EU member states are piloting a new approach to durable solutions in six countries (Sudan, Uganda, Nigeria, Chad, Iraq and Myanmar) (commitment 10.2).

There is also some evidence that the Grand Bargain framework is being used as an advocacy tool by aid organisations at country level to hold signatories, including themselves, to account. Sphere India is working with its members (both international and national) to adapt commitments to their particular context and monitor themselves against them. A consortium of local NGOs, including from Pakistan, Kenya and Bangladesh, informally reported during a START Network workshop that they are using the Grand Bargain to hold international organisations and donors to account.

Strong consensus that the Grand Bargain is acting as a catalyst for institutional and system-wide change

During interviews, a large majority of signatories asserted that the Grand Bargain is still a catalyst for change. This was also highlighted in a joint position paper that the NGO consortia VOICE and ICVA submitted to ODI (VOICE and ICVA, 2018). Signatories felt that it had generated momentum internally to push for changes in policy and operational practice, particularly greater use of cash programming, more transparent reporting and increased support for local actors. In most cases these priorities already existed at institutional level, but the Grand Bargain has provided a vehicle to galvanise institution-wide efforts to take, or speed up, action. Other international stakeholders interviewed were similarly positive about the Grand Bargain's potential to drive forward change at the systemic level, though views were mixed as to what progress had been made. Several signatories asserted that the Grand Bargain commitments reflected good aid practice that they were or should have been applying already, and had brought together principles agreed to separately by the four constituent groups in other fora (e.g. the Inter-Agency Standing Committee (IASC), GHD, NGO consortia), against which, in theory at least, they were progressing collectively and as peers. The GHD, for instance, has long been concerned with themes included in the Grand Bargain, but it did not have specific targets or an effective process for monitoring and reporting on progress. With its unique shared platform, the Grand Bargain has, in the view of a number of signatories, increased the visibility of, focus on and accountability for these pre-existing commitments.

1.2 Remaining challenges and their impact on collective progress

The first annual report recommended that signatories increase coherence within the Grand Bargain. However, the quantitative and qualitative data available clearly indicates that little had been achieved in this regard, and progress against individual commitments and across and within the workstreams remained uneven through 2017.

As Figure 3 shows, the lowest level of actions reported by signatories was against commitments 5.6 (4%) – needs assessments – and 8.2.b (11%) – reduce earmarking – and on average more than half of signatories did not report any actions against 20% (11 out of 51) of the individual commitments. During interviews, signatories indicated that they do not

consider that the full scope of commitments apply to them, that they feel it is impossible to work towards all those that are applicable to them or that they have focused on those commitments which are either pre-existing institutional priorities or where there is a reasonable chance of success.

The evidence available from self-reports and interviews indicate that workstreams 5 (needs assessments) and 10 (humanitarian–development nexus) both faced particular challenges in 2017 and consequently made more limited substantive progress across the breadth of their respective commitments. The co-conveners of workstream 5 faced significant challenges in generating the requisite political will from participating aid organisations to change their operating culture and practices, and from donors to provide the necessary incentives for aid organisations to make these changes. Reflecting this lack of political investment, workstream 5 had the lowest average number of signatories reporting against individual actions (an average of 23% of signatories reported actions against the three individual commitments under this workstream). Actions reported against joint commitments related to technical modifications to existing assessment methodologies, and were limited by the lack of action taken by some participating signatories against tasks they had volunteered to lead. Several signatories pointed out that the lack of progress in this workstream was stalling progress in others, including cash-based programming and multi-year financing and earmarking (see Section 2.5).

Workstream 10 (humanitarian–development nexus) faced a different challenge. There appears to have been some confusion among signatories as to its nature and purpose. Reporting on individual actions by signatories was relatively high (an average of 64% of signatories reported some action against the individual commitments under this workstream), but no substantive collective or joint actions against the commitments were reported by the workstream in 2017, and it is difficult therefore to discern what collective progress has been made within or by this workstream. Citing earlier agreements among Sherpas on the cross-cutting nature of the humanitarian–development nexus, the co-conveners submitted a letter to the Eminent Person in March 2018 asserting that the workstream should be closed down and the nexus should be integrated throughout the remaining workstreams. While some signatories sympathised with this position, the majority expressed concern that

efforts to integrate the nexus should be conducted as quickly as possible so as to avoid losing the political momentum that the Grand Bargain had brought to this critical issue.

To a degree, uneven progress should be expected given the broad scope of the commitments and the range of signatories involved. But the research indicates that it is also related to a number of underlying practical and political challenges, outlined below. Addressing these will be critical to ensure that signatories make progress against the full package of the Grand Bargain commitments.

There is no consistent or common understanding of what changes the Grand Bargain aims to bring about or what actions are necessary to deliver them

As the number of signatories has increased, so differences in expectations, interpretations and understanding of the overall goals have grown, as evidenced in the significant inconsistencies in information presented in the self-reports and differing opinions expressed during interviews. Little seems to have been done to clarify the required balance of effort between seeking enhanced effectiveness (which many aid organisations consider to be the main goal of the Grand Bargain) and increased efficiencies (which many donors consider to be the main goal of the Grand Bargain), with many interviewees noting that these goals are not necessarily mutually supportive. During interviews, signatories and co-conveners repeatedly pointed to a lack of clarity on the 'end date' and on what the 'end-state' of the Grand Bargain should be, and the actions needed to achieve it.

Progress within some workstreams has been stalled by a lack of consensus among or tensions between signatories with regard to definitions, objectives and priorities. In workstream 2 (localisation), for example, prolonged debates around definitions of 'local actors' and funding provided 'as directly as possible' diverted efforts to achieve progress across the full set of commitments for much of 2017. In workstream 5 (needs assessments), there are significant tensions between the principal joint commitment under this workstream and the long-standing position of aid organisations, as well as a lack of prioritisation of effort by some participating signatories. Although some workstreams have made a collective decision to prioritise specific commitments (such as the focus by workstream 1 (transparency)

on commitment 1.1. and the focus in workstream 9 (harmonised reporting) on commitment 9.1), others did not appear to have established priorities or sought to sequence efforts in 2017. Progress in workstream 4 (reducing management costs and duplication) on reducing individual donor reviews and assessments (commitment 4.5) has been stalled by inadequate political commitment from across the donor group.

How actionable the commitments are varies considerably

Signatories continued to struggle with the breadth and scope of the 51 commitments. Many are vaguely worded and many signatories reported during interviews that it is difficult to understand what action they are expected to take. Commitment 10.2 requires signatories to 'invest in durable solutions', but does not say exactly what they should be doing differently, or what improvements they should be making to strategies or programmes in this area. Commitment 5.5 requires signatories to 'prioritise humanitarian response across sectors based on evidence established by the analysis', but again does not explain how current practice needs to be improved to achieve this. Consequently, reporting under both of these commitment was – with a few exceptions – vague or non-existent.

There are tensions and overlap between some workstreams and a lack of sequencing of actions between others

There is strong consensus among signatories on the interdependent nature of many of the workstreams and commitments. As work to clarify language, objectives and actions progressed in 2017, the tensions, overlaps and synergies have become more obvious, but there is as yet no overarching strategy on how to mitigate the tensions, consolidate the overlaps and fully exploit the synergies. In terms of tensions, during interviews signatories highlighted concerns that both the spirit and the actions under workstream 2 (localisation) were being undermined by limited engagement with and outreach to local actors across the Grand Bargain framework;[7] that 'softly earmarked contributions' of the kind discussed in workstream 8 (reduce

earmarking) will be disproportionately channelled to large UN agencies or INGOs (see also Poole and Mowjee, 2017); and that increased investment in cash-based programming may mean less funding for local organisations. Several signatories also noted that the push for increased use of cash-based programming (workstream 3) may contradict the call for more unearmarked funding (workstream 8) since it implies earmarking for such programmes.

There are also synergies between specific commitments. For example, the call for more effective and efficient humanitarian financing has long been understood as including both more predictable *and* more flexible funding, and certainly some of the unearmarked or softly earmarked funding currently available is multi-year. But there was no reported effort to coordinate or consolidate workstreams 7 (multi-year planning and financing) and 8 (reduce earmarking) in 2017.[8] There is overlap between increased use of 'collaborative' multi-year planning (commitment 7.1) and multi-year planning with humanitarian and development actors (commitment 10.4); between 'strengthening coordination efforts to share analysis of needs and risks between humanitarian and development actors' (commitment 7.3) and conducting 'joint multi-hazard risk and vulnerability analysis' (commitment 10.4); and between 'supporting national coordination mechanisms' (commitment 2.3) and 'strengthening national and local systems' (10.3). But again, there is limited evidence of efforts to consolidate or coordinate actions on these commitments between the workstreams.

The 2017 report recommended close coordination and 'sequencing' of commitments, particularly relating to accountability (workstreams 1 (transparency), 4 (reduce management costs) and 9 (harmonised reporting)), and this issue was further highlighted during the 2017 annual meeting of signatories. Related to this, the Netherlands convened a workshop in September 2017 aimed at exploring the synergies between workstreams and where and how they could actively collaborate. However, discussions during the co-conveners' technical workshop in January 2018 indicated that only limited efforts had been made to address this by the end of the year (Grand Bargain Secretariat, 2018). Workstream 3 (cash programming), for example, highlighted the need for progress by workstream 5

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7   NEAR – the only local signatory – joined in 2018. At the end of 2017, and in advance of its work plan for 2018, workstream 2 co-conveners sought suggestions from participating signatories for 10 'local actors' to join the workstreams teleconferences. A number of agencies responded and consideration was carried over to 2018.

8   Workstream 8 has indicated that coordination with workstream 7 is a priority for 2018.

(needs assessments) before progress can be made on their commitments (UK and WFP, 2017).

There is no clear position or consensus on how the Grand Bargain should be reflected in country-level operations

The 2017 annual report recommended applying the Grand Bargain 'in its entirety' in country-specific situations, and that signatories should 'shift as much as possible' their attention to 'implementing the Grand Bargain in the field', but there has been no clear response to this recommendation from the governing bodies or signatories in general. Some signatories pointed out that the Grand Bargain was intended as and should thus remain an HQ-focused policy change process that will eventually result in more efficient and effective country-level operations. Others (particularly INGOs) felt that it should be rolled out as quickly as possible at country level, with the language of the Grand Bargain clearly evident in common plans, strategies and tools.

In 2017 and into 2018 there have been efforts to pilot initiatives and engage colleagues at country level, but there is no apparent strategic thinking or coordination among these initiatives, which risks overloading colleagues and partners at country level. For example, Somalia is listed as a country example for workstream 7 (multi-year planning) and workstream 10 (humanitarian–development nexus), as well as a pilot country for workstream 9 (harmonised reporting), but it is unclear whether this is part of a coordinated effort, or to what extent signatories will monitor or evaluate what impact or what outcomes the Grand Bargain is achieving in that context.

Approaches to measuring progress are inconsistent and complex

Some workstreams are developing methodologies for measuring progress, and there has been much discussion about the importance of determining baselines within some workstreams. The issue was also raised during the co-conveners' technical workshop in January 2018. Some commitments include quantitative targets, such as the target for 25% of global humanitarian funding to local and national responders (commitment 2.4) and the 30% global target for unearmarked or softly earmarked funding (commitment 8.2.a and 8.5). But it is not clear how these figures were set, or how progress will be measured against these aggregate targets. Some

specific commitments have defined 'end dates', but these were generally considered by signatories to have been too optimistic, having failed to take into account that technical changes often need to run through several programme cycles before being fully embedded or that effecting major shifts in operating cultures need a much longer lead time.

Some workstreams added supplementary questions to the signatory self-reports in 2017 in an effort to establish baseline evidence.[9] However, reporting was limited, and data collection questions are framed in a way that does not enable aggregation or assessment of collective progress, despite the fact that the commitments they are designed to measure are collective. In addition, many signatories reported during interviews that they do not have access to the level of institutional data being proposed as baselines for some commitments (such as data required for International Aid Transparency Initiative (IATI) reporting, on the volume of cash-based programming and on funding for local organisations); that retrieving this data would take time; and that the investment required may not be proportionate to the potential usefulness of the data. Workstream 1 has developed a dashboard for assessing progress in data transparency, but some workstream members do not agree with the methodology and the dashboard has not been officially endorsed. Most self-reports and interviews did not reference the theories of change developed by GPPi in 2017, in consultation with the workstreams, and it is not clear how or whether these will be used to measure progress in the long term. The 2017 annual report also recommended continued monitoring through the self-reporting process. The significant inconsistencies in information reported and the lateness of submissions for this year's annual report process indicate that this is not currently an

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9   Workstream 2 included the optional question: 'What percentage of your humanitarian funding in 2017 was provided to local and national responders (a) directly (b) through pooled funds, or (c) through a single intermediary?' and provided a link to additional guidance on how to collate this baseline information. Workstream 4 included the optional question: 'What steps have you taken to reduce the number of individual assessments (if a donor) or partner assessments (if an agency) you conduct on humanitarian partners'. Workstream 7 included the optional question: 'Please report the percentage and total value of multi-year agreements you have provided (as a donor) or received and provided to humanitarian partners (as an agency) in 2017, and any earmarking conditions'. Workstream 8 included the question: 'Please specify if possible the percentages of 2017 vs. 2016 of: Unearmarked contributions (given/received); Softly earmarked contributions (given/received); Country earmarked contributions (given/ received); Tightly earmarked contributions (given/received)'.

Box 1: Perception surveys by Ground Truth Solutions – measuring progress and prioritising collective efforts

Funded by Germany, Ground Truth Solutions undertook a series of surveys on behalf of the OECD across six crisis contexts in 2017 with a view to obtaining and analysing the perceptions of affected populations, field staff and local partners. The surveys were conducted in Afghanistan, Haiti, Iraq, Lebanon, Somalia and Uganda, and included questions pertaining to the nature of aid received, the influence of affected populations in the design and implementation of aid programmes, the nature of partnerships between international and local aid actors, complaints mechanisms, reporting and the use of cash-based programming.

The findings of these surveys offer an important baseline for measuring progress against some of the key areas of the Grand Bargain – particularly workstreams 2 (localisation) and 6 (participation revolution), and in regard to the general goal of more effective and efficient humanitarian responses. Notable findings in this first tranche of surveys include:

• Affected populations consistently felt that they were treated with respect by aid providers.

• However, they also felt that humanitarian programmes had fallen short in meeting their needs and expectations; that they had little influence in the way that aid is designed and delivered to them; and awareness of complaints mechanisms was consistently low.
• Field staff were consistently more positive about the aid they provide and how participatory their approaches were than affected populations.
• Local organisations generally felt that they were treated with respect by international actors and that international actors generally had a good understanding of the context, but they were less positive about the actual support they received in relation to capacity-building (Ground Truth Solutions, 2018).

Noting the breadth of crisis contexts that were included in the research and the significant sample sizes, the findings of these surveys offer a useful indication, along with research from the present annual independent report, as to where signatories may wish to consider focusing their collective efforts with respect to increasing the effectiveness of humanitarian response.

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adequate tool for monitoring and measuring collective progress. More thinking is required on how to enhance the self-reporting process and make it more useful in this regard. More broadly, the signatories clearly face a challenge in terms of being able to assess collective progress (against both individual commitments and the whole set) without instituting a heavy process of monitoring and evaluation.

It is unclear how the Grand Bargain should complement or relate to other multilateral mechanisms

The humanitarian aid sector is extraordinarily complex, with a vast array of coordination mechanisms, initiatives and agreements between and among donor states, the UN system, the ICRC and IFRC Secretariat and NGOs. The Grand Bargain brought together a number of long-standing commitments into one consolidated mechanism that uniquely includes donor governments, the UN system, INGOs and the ICRC and

IFRC Secretariat. However, it is unclear how the Grand Bargain relates to pre-existing mechanisms working on very similar themes – as evidenced in the challenges faced by workstream 10 (humanitarian–development nexus). Reporting by aid organisations includes many references to work or actions already planned and taken by the IASC and its subsidiary bodies, without clarifying the role the Grand Bargain has played in this regard. There are some exceptions. The IASC Humanitarian Financing Task Team (IASC HFTT) is linked to the Grand Bargain through a common chair/co-conveners (ICVA and OCHA), has conducted a mapping exercise of overlaps and complementarities and reportedly has sought to capitalise upon these links to enable dialogue between donors and IASC members on key financing issues. With respect to donors, several workstream co-conveners provide functional links across the Grand Bargain and GHD.

Since the Grand Bargain was created, several high-level multilateral initiatives have been agreed which

deal with similar issues. The UN reform programme spearheaded by UN Secretary-General Antonio Guterres aims to increase efficiencies within the UN system and to secure corresponding support from member states, including more flexible and predictable financing (see for example UNSG, 2017 and UNDSG, 2018). The New York Declaration for Refugees and Migrants, which includes a Comprehensive Refugee Response Framework (CRRF) and calls for the adoption of a Global Compact on Refugees, is a similarly high-level and inclusive initiative that addresses key Grand Bargain themes, including linking humanitarian and development efforts, reaching out to 'new' actors and securing more predictable funding. Although the exact language of the commitments in both the Global Compact and UN reform is not yet finalised, it is evident that there will be overlap with the Grand Bargain. However, there is as yet no clarity from Grand Bargain signatories, and little evidence of discussions on, how the Grand Bargain will link to and complement these two major multilateral initiatives.

The Grand Bargain continues to be perceived as exclusive and there is no clear vision on expanding membership

The 2017 report recommended that the Grand Bargain's reach be expanded among non-signatories through increased communication and outreach to non-signatory governments, and through the inclusion of discussions on the Grand Bargain at the ECOSOC Humanitarian Affairs Segment and in related resolutions. Progress has however been limited.

A number of UN agencies highlighted during interviews that non-OECD-DAC states had negative views of the Grand Bargain, perceiving it as a Western initiative that has little relevance given that they have already committed to similar principles through other fora (e.g. ECOSOC). Some local actors consulted indicated that they were becoming increasingly disenchanted with the Grand Bargain, which they felt had made little headway, for instance in 'localising' humanitarian responses. Both local organisations and other non-signatory actors reported that, should they wish to, engaging with the Grand Bargain and its workstreams was difficult, with entry-points unclear and a lack of accessible information. Some governmental stakeholders outside the Grand Bargain also indicated during interviews that the initiative had little resonance at country level, and where progress had been made it was difficult to attribute this specifically to the Grand Bargain.

There appeared to be no consensus in 2017 on whether the group of signatories should be expanded, and there are clearly both benefits and risks in doing so. Widening the group to include non-DAC donor states and national or local aid organisations may help to increase the donor base, ensure that actions are grounded in needs at regional or country level and lead to a more coherent and holistic aid system. However, as the group of signatories, and in consequence the 'democratic' nature of the Grand Bargain, grows, so too does the likelihood of differing interpretations, priorities and actions undermining or stalling collective progress. The group of signatories has grown incrementally, but without a clear strategy setting out who should be included or how to exploit the benefits and minimise the risks involved.

Current governance and implementation structures do not support greater progress

The 2017 annual report recommended keeping the light bureaucratic footprint that had been articulated at the Bonn meeting of signatories in 2016 and to re-engage signatories at the highest political level. The authors' call for the appointment of an Eminent Person was quickly answered with the reappointment of Kristalina Georgieva following the annual meeting in June 2017. However, there has been little progress elsewhere.

The bureaucratic footprint of the Grand Bargain can no longer be considered particularly light. With ten workstreams and multiple sub-working groups, even the largest signatories highlighted during interviews that they struggled to follow what was going on in all of these fora in any meaningful way (see also VOICE and ICVA, 2018).[10] Many aid organisations highlighted during interviews that they felt the self-reporting process was more of a burden than a useful strategic exercise, with some indicating that they submitted their report largely because their donors expected them to. Few had read any of last year's reports other than their own, and so had not used them in any kind of peer review or learning process. Several donors also highlighted that the self-reporting process was not as light as it could be, and pointed to the lack of sequencing and the overlap with other reports they are required to produce for other mechanisms (e.g. the WHS PACT reports). The high number of late submissions and varying quality of information presented in this year's self-reports may also

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10 Sub-working groups or other small groups have been formed to take forward specific actions in most of the workstreams, including workstream 5 (five sub-groups) and workstream 9 (sub-group on the reporting pilot).

Figure 4: Current governance structure
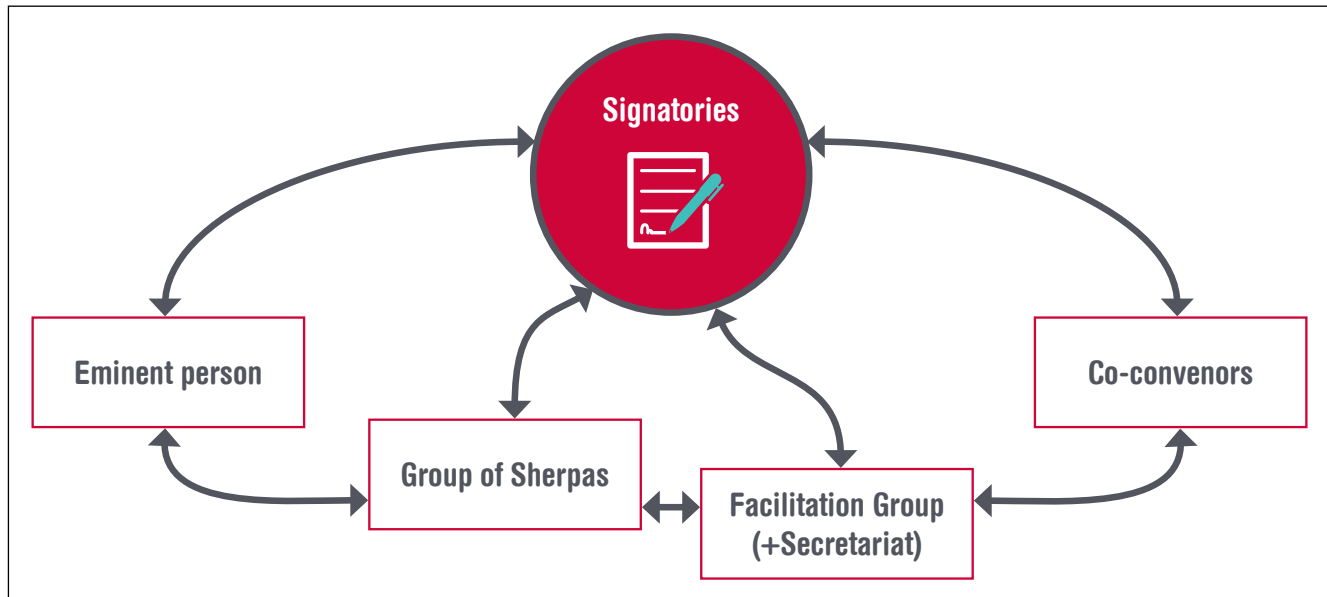
suggest, as noted by some signatories during interviews, that the process is more burdensome than intended.

Views on the leadership of the workstreams were generally positive, though there were concerns about the lack of consistent capacity provided by some nominated co-conveners in 2017. The creation of the Secretariat as an administrative support body to the Facilitation Group was welcomed and considered by signatories as having increased communication between them and the Facilitation Group. Many signatories also called for more capacity for the Secretariat to increase the support they currently provide. Views on the Facilitation Group were mixed. Some signatories expressed no particular opinion on it, while others – from across constituent groups – indicated that it had yet to fulfil its potential in terms of actually 'facilitating' communication within and across signatories, and that there had been instances of a lack of transparency on some discussions and decisions taken. Several signatories complained that there had not been wide consultation on the proposal to close workstream 10 (humanitarian–development nexus) in March 2018 (see Section 2.10 below).

Concerns were consistently raised by the staff of signatories interviewed around the lack of engagement of signatories at the highest political level. They particularly pointed to a lack of evident activity by the group of Sherpas throughout 2017, and although there was overwhelming support for the role the Eminent Person had and could play in leading this high-level

political engagement, the majority of signatories called for more visible efforts in this regard.

1.3 Implementation of the quid pro quo

The Grand Bargain was predicated on a quid pro quo arrangement in which the constituent groups would each deliver on a set of actions that, taken together, would bring about substantial gains in efficiency and effectiveness across the humanitarian system. The first annual report also made recommendations to enhance the quid pro quo specifically to facilitate information-sharing on the core commitments to enable signatories to leverage the 'bargain'. Evidence gathered for this report indicates that there is continuing positive collaboration between constituent groups, but that signatories are concerned that the quid pro quo arrangement is not working effectively. While the evidence available bears these concerns out, this view is also in part related to differing expectations and interpretations of what exactly was meant by the concept, and how it should work in practice. There is also limited understanding between the constituent groups of the progress each is making, the challenges and risks they face and the limitations on what each can reasonably achieve.

1.3.1 Clarifying the quid pro quo concept

During research interviews and other consultations it became clear that not all signatories interpret the

quid pro quo concept in the same way. Some consider it to mean a clear transactional agreement whereby one set of actors will take action that will then enable others to take action in their turn – for example, aid organisations will produce multi-year plans that donors will then respond to with more multi-year funding. Others understand it as a looser arrangement in which each group of actors commits to playing their part in achieving greater efficiency and effectiveness across the system. While concerns were raised regarding the implementation of the quid pro quo at the annual meeting in 2017, and some discussion was held at the co-conveners technical workshop in January 2018, interviews for this report indicate that there is still a lack of common understanding on the concept and how it should be implemented.

1.3.2 Progress, challenges and limitations within the constituent groups

During interviews, members of each of the constituent groups expressed concerns that, while they had made progress within their respective group, these efforts were not mirrored or reciprocated by the others. For example, the majority of UN agencies reported during interviews that they felt they had made good progress – individually and as a group – in a number of areas, including transparency (specifically on commitment 1.1 to publish data to the IATI standard), on multi-year planning and in strengthening coordination with development actors, but that donors had not reciprocated by lowering their reporting and assessment requirements, reducing earmarking of funding and providing more multi-year funding agreements. INGOs and the ICRC and IFRC Secretariat likewise pointed to their progress in transparency (noting the difficulties they had encountered in this area), but complained that they were not seeing any significant increase in the volume of predictable and unearmarked funding from donors. All three groups of aid organisations felt that in fact donors were reneging on their commitments, with more earmarking and more reporting requirements than previously. Notably, however, the latter point is not consistent with the findings of the OECD/Ground Truth Solutions' surveys, with field staff reporting that the time they spent on reporting was 'mostly adequate' (OECD and GTS 2018, in press). NGOs also raised the question as to why donors felt that their trust in NGOs needed to be strengthened (see VOICE and ICVA, 2018). For their part, donors raised concerns about inadequate progress by aid organisations

on improved reporting and increased visibility of unearmarked funding; that unearmarked and multi-year funding is not being passed on to smaller partners; and that reporting by aid organisations to IATI is uneven. In reality, each group has made progress in some areas and continues to face very real challenges in others. There are limitations on the extent to which each group can realistically fulfill all of the commitments for which they are responsible.

Donors generally reported a broad array of actions, with 13 out of 19 (68%) reporting actions under all ten workstreams. Many donors reported important progress on issues that had long been on the GHD or their own institutional agendas, including supporting cash programming (workstream 3), providing funding more directly to local actors (workstream 2 – localisation) and more predictable and flexible funding to traditional partners (workstream 7 – multi-year planning and financing and workstream 8 – reduce earmarking). A number of donors have made significant legislative, policy and procedural changes to enhance their humanitarian aid practice: Belgium modified its Royal Decree on humanitarian aid in July 2017 to permit funding of unconditional cash programming, and Spain revised its agreements with regional authorities to enable funding of local and national actors. Some donors, including Norway and the Netherlands, reported that they had revised or were in the process of reviewing aid policies to take into account their commitments under the Grand Bargain. Several donors outlined where they could directly attribute institutional progress to the Grand Bargain: Canada asserted that it would not have made the substantial progress it has in providing multi-year funding or in issuing its first grant to a local NGO without the political push provided by the Grand Bargain framework, and similarly Germany asserted that it would not have made the same progress in supporting cash-based programing, simplified reporting or publishing to the IATI standard without the political momentum generated through the Grand Bargain.

Donors face a range of challenges and limitations to their implementation of the commitments. They vary hugely in terms of size, capacity and policies, and in consequence the burden of implementing the commitments is not being shared equally across the group of donors. If a handful of very large donors do not follow through with their commitments, this limits the effect of actions taken by smaller donors. For example, if the US and ECHO are unable to

provide more flexible, unearmarked funding, smaller donors would have to provide a very high proportion of their funding in this way in order to reach the 30% collective target. If these same larger donors do not adopt the harmonised reporting framework, the potential efficiency gains of this exercise will be substantially reduced. Conversely, actions by these larger donors can bring about major progress: ECHO's commitment to provide 15–20% of its funding as multi-year in 2018 could have a significant impact on the overall volume of funding provided in this way.

Individually, donors also face practical, political and legal limitations on what they can achieve. Although the endorsement of the Grand Bargain was effectively a show of high-level political commitment by signatories in 2016, donors' technical staff must navigate the institutional priorities set by their political leadership. In this respect there has been an evident lean to the political right in many donor governments, and this changing political environment has had a direct impact on the extent to which technical staff are able to take the actions required to implement the commitments. Their job is made more difficult if the evidence for taking such action is not adequately robust, and if the political investment from other signatories, including the Sherpas and Eminent Person, is not sustained or visible. Most donors need to make changes or amendments to existing domestic legislation or require the endorsement of their parliamentary bodies to enable certain actions – such as funding for local organisations or moving to multi-year funding. Whilst some have been successful in this regard, others indicated that it is simply not possible, at least in the short term. As evidenced in the self-reports submitted, many of the smaller donors simply do not have the budgets or technical staff to pursue the full array of commitments that apply to them, and are thus effectively compelled to focus on a handful of easy or quick wins. There are also practical limitations, such as the need to balance increases in multi-year, predictable funding with the need to retain some contingency funds to enable donors to respond to new sudden-onset crises.

Like donors, INGO signatories vary widely in size, capacity and breadth of programming areas. Self-reporting from INGOs was less comprehensive, with only four (28%) reporting actions under all ten workstreams. Considering them as a collective, however, they have made some good progress, particularly in workstreams 3 (cash programming) and 10 (humanitarian–development nexus). Under

workstream 3, nine of the ten operational INGOs reported an increase in their use of cash-based programming, with NRC provisionally reporting a 50% increase over previous years (preliminary figures). Eight of the ten operational INGOs outlined actions taken under workstream 10, with many highlighting their focus on building resilience through humanitarian programmes, such as World Vision International (WVI)'s Graduation Approach pilot in the Lake Chad basin and Mercy Corps' Advancing Reconciliation and Promoting Peace programme in northern Mali. INGOs have also played an important role in developing a stronger evidence base on key issues: NRC, for example, has published research and position papers on cash-based programming and harmonised cost classification and reporting.

The three NGO consortia have been very engaged with the Grand Bargain framework overall, and in particular workstreams: InterAction represents NGOs on the Facilitation Group and both ICVA and SCHR are workstream co-conveners (workstreams 9 and 6 respectively). Both ICVA and InterAction have also made efforts to communicate within and beyond their membership on the Grand Bargain framework, including through studies and research on key issues around localisation (workstream 2).

INGO signatories also face a range of challenges. They were not invited to the initial negotiation process for the Grand Bargain and had to argue for their inclusion as signatories, limiting the degree to which they – as a group – could influence the language in the commitments. This may (at least in part) be why many INGOs indicated during research interviews for this report that the Grand Bargain was not a major priority for them. Capacity is also a major challenge. The majority also noted during interviews that they do not have the institutional capacity to follow more than one or two of the workstreams, and several INGOs and one consortium asserted that they required additional resources in order to engage more substantively, including to achieve some specific commitments (e.g. publishing to the IATI standard – commitment 1.1.). The limited investment made by INGOs is reflected in both the partial information most submitted for the annual report and the limited INGO engagement in a number of workstreams, including workstream 5 (needs assessments). However, it is hoped that this will be addressed to some degree by the recent establishment of 'co-champions', an initiative led by InterAction, in which individual INGOs have volunteered to act

as advocates within each workstream to facilitate increased engagement and information-sharing.

As a group, UN agencies provided comprehensive reporting, with seven out of 12 (58%) reporting actions under all workstreams. Together with other available evidence, these reports outline important progress made as a collective, particularly in workstreams 2, 3, 4, 6, 7 and 10. Under workstream 2 (localisation), at least three agencies (ILO, UNICEF and WFP) reported that they passed on more than 25% of their funding to local and national organisations; OCHA-managed Country Based Pooled Funds (CBPFs) allocated 24% of their funding to national organisations in 2017, and UNICEF, UNHCR and WFP have finalised arrangements for the development of an online UN partner portal to share information and provide easier access for partners to UN agency funding opportunities. Under workstream 3, 83% of UN agencies reported 'some' or 'good' progress in increasing their use of cash programming (commitment 3.1 and 3.6), and 11% of grants from the Central Emergency Response Fund (CERF) included cash transfer programming in 2017. Under workstream 4, UNHCR and UNICEF have harmonised their terms of reference for audits of implementing partners.

The research for this report indicates that UN agencies also face a range of political and practical challenges. Instituting change management processes within these entities is to a significant degree dependent on their governing bodies, many member states of which are not signatories to, or particularly positive about, the Grand Bargain. Even within states that support the Grand Bargain, there are often differences in prioritisation and approach between representatives on UN agency governing bodies and technical staff in donor agencies (see Metcalfe-Hough et al., 2018). Without a critical mass of member states supporting institutional change, including in financial reporting, administrative systems and strategic priorities, it is difficult for some agencies to move ahead. Long-standing donor trends in funding allocation and reporting that have contributed to competition between and discouraged collaboration among UN agencies have not substantially changed: funding provided to IOM and UNDP, for example, is still almost entirely targeted by donors for specific countries, programmes and projects, and much of it is in the form of annual grants. In the absence of consistent support from member states and strong internal leadership, some agencies will be slow to improve their financial and administrative systems to enable better tracking

and reporting on financial flows. The current UN reform process is forcing UN agencies to take specific actions on some of these long-standing issues (such as harmonised cost structures), but many are unclear how requirements under that process relate to the institutional commitments under the Grand Bargain, as indicated in interviews for this report.

The ICRC and IFRC Secretariat both reported comprehensively across the workstreams, with the exception of workstream 5 (needs assessments), which they had both derogated from in line with their long-standing position on operational independence. Both have been actively engaged within and across workstreams. The ICRC is a member of the Facilitation Group and has undertaken a series of studies and reviews of its existing capacities and practices that relate to the Grand Bargain commitments, and has augmented its technical staffing and policies accordingly. It has also contributed to the common evidence base through a joint position paper on transparency with the IFRC Secretariat and UNHCR, and is co-convener of workstream 8 (reduce earmarking). The IFRC Secretariat highlighted throughout its self-report its significant focus on supporting National Societies, including a new collaboration with WFP to strengthen their logistics, cash programming, supply chain, resilience programming and organisational development, and is co-convenor of workstream 2 (localisation).

Both highlighted a number of challenges. The IFRC Secretariat noted the challenge it faces in shifting the corporate operating culture to enable more multi-year planning and the provision of multi-year financial support to National Societies, and the difficulties it faces in obtaining funding from donors for longer-term capacity-building for National Societies. The ICRC highlighted similar issues with regard to changing operating cultures, the need for enhanced capacities in some areas (such as cash programming), and difficulties in re-orientating internal systems to enable publication of data to the revised IATI standard.

1.4 Gender and the Grand Bargain

1.4.1 'Gendering' the Grand Bargain

Gender as a specific consideration did not expressly feature in the negotiations on the Grand Bargain, with some stakeholders reportedly fearing it would

be considered an added 'burden' in the process. There is consequently only one reference to gender in the original document – in the introduction to workstream 6 (participation revolution).

Recognising this, UN Women created an informal friends of gender group on the margins of the meeting in Bonn in September 2016, with participation from UNFPA and OCHA, and later from the US, Canada, Australia, the IFRC Secretariat, Finland, Sweden and ECHO. The group produced an aide memoire on mainstreaming gender in the Grand Bargain, which outlines seven cross-cutting issues (resources, capacities, evidence and data, participation, leadership, accountability and communication) and highlights the relevance of gender in key workstreams including workstreams 2 (localisation), 3 (cash programming), 5 (needs assessments), 6 (participation revolution), 7 (multi-year planning and financing) and 10 (humanitarian–development nexus). Noting the lack of reporting on gender by signatories in the 2017 self-reporting process, the group advocated for inclusion of guidance on reporting on gender in 2018.

1.4.2 Mainstreaming gender in the Grand Bargain workstreams

Gender-related actions featured much more prominently in the 2018 self-reports compared to 2017 (during which only three signatories reported any actions on gender), and four signatories submitted specific statements on their gender efforts.[11] However, the nature of actions reported or references made by signatories varied significantly.

In total, 31 out of 46 signatories (67%) referenced some effort to integrate gender in their actions against the commitments, either relating to specific workstreams or as an additional statement in their reporting (see Annex 2 for a summary table of gender reporting). UN agencies performed best in this regard: ten out of 12 (83%) reported some gender-related actions, compared with 12 out of 19 donors (63%). Only 54% (7 out of 13) of INGOs reported actions related to gender.

Workstreams 2 (localisation), 5 (needs assessments) and 6 (participation revolution) had the most mentions of gender, with respectively 11, 14 and 14 signatories mentioning gender at least once in their reporting

under these workstreams. This has some correlation with the aide memoire's suggested prioritisation. Workstreams 4 (reduce management costs), 7 (multi-year planning and financing) and 8 (reduce earmarking) had the fewest references to gender in signatory reports, with one, three and three signatories respectively mentioning gender at least once. The majority of signatories referencing gender did so in a very limited way, or reported basic actions such as updating institutional policies, including guidance on disaggregating gender in needs assessments or funding for gender-related programmes such as prevention and responses to gender-based violence.

Several signatories have taken a more strategic approach, aiming to embed gender throughout the full scope of their commitments. From the donor group, Canada reported on an array of gender-responsive actions across all workstreams, in line with its Feminist International Assistance Policy. Its guidance on partners' cash assistance programmes now includes a requirement for a gender analysis (workstream 3 – cash programming). Canada is also developing policy guidance on the role of innovation in financing and delivery of gender-responsive humanitarian action (workstream 4 – reduce management costs), and is seeking engagement with partners on enhancing the quality of reporting on gender-responsive outcomes (workstream 9 – harmonised reporting). The UK (which represents the informal group of friends of gender on the Facilitation Group) reported a range of activities to integrate gender equality across the commitments, including requiring all UK-funded international organisations to place protection at the centre of their work, comply with the UK's International Development (Gender Equality) Act 2014 and apply the IASC Guidelines for Integrating Gender-Based Violence Interventions in Humanitarian Action (workstream 6 – participation revolution). From the UN group, WFP's 2017–21 strategic plan commits the agency to strategic investments in the capacities of national and local NGOs, including in relation to their gender competencies (workstream 2 – localisation), and its new country portfolio structure incorporates gender-responsive budgeting (workstream 1 – transparency). From the INGOs, CARE International reports gender-related actions under six workstreams, including research on women's leadership in humanitarian action (workstream 2 – localisation – and workstream 6 – participation revolution), and in Ethiopia a focus on challenging and transforming gender and social norms (workstream 10 – humanitarian–development

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11 The ICRC, the Netherlands, Norway and the UK.

nexus). The ICRC reports on its corporate commitment and approach to gender diversity, including in relation to accountability to affected populations, understanding and responding to specific vulnerabilities and strengthening resilience through community-based protection programmes. Action taken by the workstreams also varied significantly.

Workstream 6 (participation revolution) has focused significant attention to integrating gender in its work, in part due to the engagement of UN Women, and workstream 9 (harmonised reporting) has included requests for gender-disaggregated data in the pilot reporting template. The remaining workstreams reported little or no attention to gender in their work in 2017.

The level of reporting on gender-related actions and the extent of strategic discussion on integrating gender at workstream level is perhaps disappointing given that all signatories have committed themselves to integrating gender in their work through other multilateral and institutional mechanisms and initiatives, in particular the Sustainable Development Goals (SDG 5), the OECD-DAC gender equality policy marker and the IASC Gender Marker. It may also be that, as a newer discussion in the Grand Bargain, some signatories that are less engaged in the process were not entirely cognisant of the request to include gender-related actions in their reports. Some signatories indicated that more guidance would be helpful to clarify what kind of gender-related actions they should be taking. Looking ahead, affording gender greater prominence at the political level would likely encourage signatories to increase their efforts to integrate gender in their actions against commitments and to report on these efforts in a more consistent and measurable way.

Section 2

Analysis of progress made at workstream level

2.1 Workstream 1 – greater transparency

2.1.1. Workstream summary

Evidence available for 2017 indicates that there has been very good progress against commitment 1.1, which the workstream consciously decided to focus on at an early stage. But there remain some differences of opinion on the IATI standard and there has been less progress on the political or policy issues that are required to drive systemic change.

Within the workstream there is reported consensus on the importance of transparency in increasing the accessibility and quality of data to enable more informed decisions and enhance accountability. There has been a conscious decision to focus on publishing data on humanitarian funding, and at the technical level extensive consultations were held on revising the IATI standard to ensure it is a better fit for humanitarian aid: IATI v.2.03, agreed in November, allows for the tracking of unearmarked funding, pledges and cash transfers, and whether funds are channelled via local and national responders. Efforts to encourage and support signatories to publish their data to this standard have continued, resulting in increased numbers of signatories reporting to the standard and improvements in the quality of data being published. Development Initiatives (DI) has developed a monitoring methodology and transparency dashboard on behalf of the workstream. Although yet to be endorsed by all signatories, these tools will help to track progress by the workstream,

and potentially – depending on what information is reported to IATI – by other workstreams as well.

Other key developments at the workstream level include the creation of a Humanitarian Data Centre in The Hague, by OCHA and the Netherlands, to provide data services to humanitarian actors, including supporting the adoption of standards such as IATI. OCHA's Financial Tracking Service (FTS) has incorporated a number of important revisions including tracing pass-through funding flows through multiple levels of implementing partners; tagging of cash transfer programming; tracking multi-year funding; and new data visualisations. A joint work plan has been developed between the Centre, FTS, Development Initiatives and the IATI Secretariat to pilot the automatic import of IATI data into FTS and ensure complementarity between the two systems, reducing gaps in information reported to FTS and lowering the reporting burden on donors and aid organisations. It is hoped that the initiative will also provide efficiency savings for FTS, which can reallocate resources to focus on data analysis (1.2), triangulation and curation, rather than data collection (DI and OCHA, 2017).

While there is consensus among signatories that transparency in general is desirable to facilitate accountability, what the Grand Bargain expects to achieve through greater transparency with respect to driving specific efficiency and effectiveness gains, and consequently what tools and investments are necessary and appropriate, is far less clear. Interviews with signatories and information in the reports they submitted indicate that, although the use of IATI is

stipulated in the language of commitment 1.1, the debate on whether IATI is in fact an appropriate tool for reporting humanitarian financial information has not been fully resolved among the signatories. The majority of aid organisations asserted that they had reservations or concerns about using the IATI standard, with a number of them explaining that they are using it because it was expected by donors in general, and actually required by some large donors. But many said they were concerned about the resources they needed to invest in it or were yet to be convinced as to its added value over FTS on its own. Several donors raised similar concerns around whether the costs involved in reporting to IATI were worth the expected gains, particularly given that they already publish data in multiple formats on multiple platforms. Crucially, it is still unclear whether the majority of donors will accept IATI data instead of bilateral reporting. More broadly, the key question appears to be whether the benefits of standardisation in general outweigh the costs. Many of the signatories are both data providers and data users, but have not started accruing the benefits of the use of data yet because the process of standardisation is still nascent and better-quality data is contingent on all relevant signatories adopting a standardised approach.

In keeping with the sequential focus of the workstream on improving reporting of data, the majority of signatories focused their actions on publishing data to the IATI standard, with significant progress being reported against this commitment. A small number of signatories reported on other actions to increase the transparency and quality of data: the OECD has started to modernise its statistical data on humanitarian aid, including revising the humanitarian purpose codes on the Creditor Reporting System, which will enable analysis of funding patterns in relation to Grand Bargain commitments, for instance with regard to tracking funding for cash programming and funding to local branches of the Red Cross and Red Crescent Movement. Christian Aid reported on its Helicopter data system, which has been designed to integrate transparency and accountability into a wider approach to good data

use within the organisation. The CERF issued its first results report in 2017, including the number of people who received CERF-funded assistance at the global, regional and allocation levels; the flow of CERF funds from donors, through CERF and down to agencies implementing life-saving projects across 13 sectors in 45 countries; and an overview of RC/HC analysis of the CERF's added value for country operations. CBPFs' annual reports for 2017 also included disaggregated data on targeted and reached populations. The ICRC reported on how it made its annual audit more accessible by sharing its auditors' Management Letter with its donor support group, through a targeted presentation conducted alongside its auditors.

Functional links have been forged with other workstreams. Development Initiatives, contracted by the Netherlands, has engaged with other workstreams to integrate key reporting fields within v2.03 of the IATI standard, and plans have been agreed with workstream 9 (harmonised reporting) to review how IATI could support the '8+3' harmonised narrative reporting pilot. However, the continuing lack of clarity on the purpose of and gains to be expected from increased financial transparency and how to achieve it indicates a need for discussion across all workstreams. The workstream has instituted links with the IASC Humanitarian Financing Task Team and FTS in relation to enhancing the IATI standard and its interoperability with FTS.

While the co-conveners noted that gender is an important component of increased transparency, no specific actions have been taken or are planned to integrate gender considerations into this workstream. Six signatories reported gender-related actions under this workstream. For example, UNRWA reported that it had launched a gender marker tool, a requirement under the UN System-wide Action Plan on Gender Equality and the Empowerment of Women (UN-SWAP), to track and report on allocations and expenditures for gender mainstreaming. According to the gender marker analysis, just over 64% of UNRWA's programme budget contributes significantly to gender mainstreaming.

2.1.2 Progress reported against each commitment

Key
● Activities reported ● Activities planned ● No activities reported
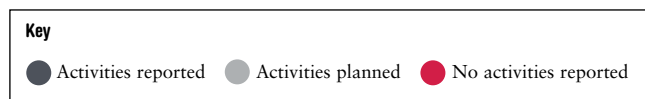
Commitment 1.1: Signatories publish timely, transparent, harmonised and open high-quality data on humanitarian funding within two years of the World Humanitarian Summit, with IATI serving as the basis for a common standard.

All signatories – Individual action – Deadline: 2018

80%
11%
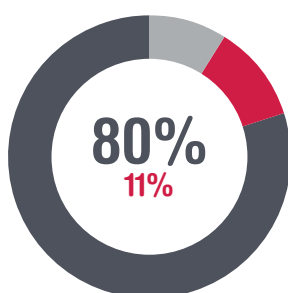
80% of the 46 signatories reported actions, with 46% of signatories registering 'good' or 'excellent' progress. A further 11% who did not report activities this year reported that they had activities planned in 2018.

Good progress has been made since DI published its baseline assessment in June (DI, 2017): by the end of 2017, 45% of signatories were members of IATI and 76% were publishing open data to the IATI standard. Of these, 86% were publishing data on their humanitarian activities. Some improvements in the quality of data were also noted, with 11% of signatories publishing more granular data, including information on UN appeals, Humanitarian Response Plans and cluster information, which can be aligned with other reporting systems, including FTS.[12]

The transparency dashboard indicates that four signatories (WFP, SIDA, IRC and ECHO) are graded as having 'met' this commitment, and a further 21 as 'fair', having made good progress towards this commitment.

Commitment 1.2: Signatories make use of appropriate data analysis, explaining the distinctiveness of activities, organisations, environments and circumstances.

All signatories – Individual action – No target/deadline

41%
54%
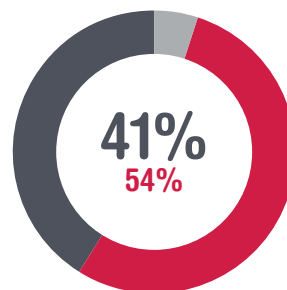
54% of signatories did not report activities against this commitment. Of the 41% reporting progress, 37% reported activities graded as only 'little' or 'some' progress. This may be related to the sequencing agreed within this workstream, including prioritising actions to improve reporting.

Commitment 1.3: Signatories improve the digital platform and engage with the open-data community.

All signatories – Joint action – No target/deadline

46%
46%
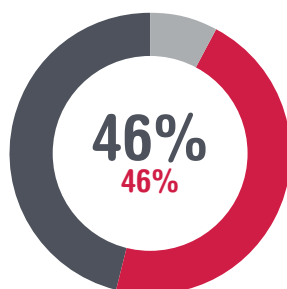
Just under half (46%) of signatories reported activities, with a further 9% planning activities in 2018. Of those reporting activities in 2017, 37% were graded as 'little' or 'some' progress. 46% of signatories reported no activities in 2017.

OCHA's Humanitarian Data Exchange (HDX) and Humanitarian Exchange Language (HDL) services enable responders to share and access information at country level on a single platform, covering around 250 locations globally, and a number of signatories including IOM and UNHCR reported on their engagement with these new services (see workstream 5 – needs assessments).

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12 Analysis provided by Development Initiatives – see http://dashboard.iatistandard.org/humanitarian.html.

Commitment 1.4: Signatories support the capacity of all partners to access and publish data.

All signatories – Individual action – No target/deadline

33%
59%
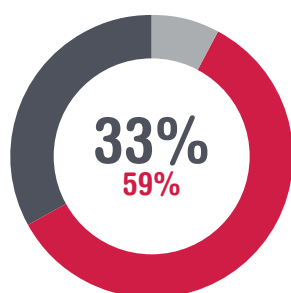
More than half of reporting signatories (59%) registered no activities in 2017. A third (33%) reported some activities, with 24% graded as 'little' or 'some' progress.

A background paper was developed by the workstream to support signatories in understanding the IATI tool, bespoke technical support has been provided by the IATI Secretariat and UNDP has continued to provide peer support to other agencies in its role as coordinator of the IATI secretariat.

Several donors and aid organisations raised concerns regarding the capacity of their partners, particularly local partners, to publish data to the IATI standard, and noted that they were struggling to do so themselves. Increasing links with workstream 2 is outlined as a priority for 2018 in the workstream action plan.

2.1.3 Workstream scorecard

DONOR ACTIVITY: Score 2
Donors consistently reported actions against commitment 1.1, with an increased number reporting through IATI. Reporting of actions under commitments 1.2, 1.3 and 1.4 was more limited.

AID ORGANISATION ACTIVITY: Score 2
There was consistent reporting of actions against commitment 1.1 by aid organisations and increased numbers reporting to the IATI standard. There remains limited reporting under other commitments in this workstream.

ACTIVITY ON JOINT COMMITMENTS: Score 3
Good substantive progress has been made on joint commitments or joint actions against the commitments, including with the development of a monitoring methodology and dashboard, enhancements to the IATI standard agreed and a joint work plan to ensure appropriate synergies between IATI and FTS.

LINKS TO OTHER WORKSTREAMS: Score 2
The workstream has acknowledged the importance of coordination and Development Initiatives took steps to engage other workstreams on the enhancements to the IATI standard.

LINKS TO OTHER EXISTING PROCESSES: Score 3
The workstream has instituted strategic and technical links with the IASC Humanitarian Financing Task Team and the FTS in relation to enhancing the IATI standard and improving interoperability with FTS.

2.2 Workstream 2 – more support and funding for local and national responders

2.2.1. Workstream summary

Many signatories, particularly aid organisations, asserted that the localisation commitments are a high-level policy priority and important progress was made in some areas. However, negotiations on key definitions were prolonged and there is limited evidence of what collective progress the individually reported actions add up to. There is also a general sense among signatories that the desired end goal of 'localisation' is unclear.

Much effort in 2017 focused on reaching agreement on definitions of local and national actors, which was pursued with assistance from the IASC Humanitarian Financing Task Teams' Localization Marker Working Group. Despite sometimes tense negotiations, a set of definitions including on 'as direct as possible' was agreed in November 2017. With regard to the joint commitments, following exploration of the feasibility of a localisation marker the signatories agreed to focus instead on tracking funding flows through FTS, with an interim baseline reporting exercise integrated into the annual signatory reports (commitment 2.5) (Poole, 2017). In relation to commitment 2.3 (local actors in international coordination fora), there has been an increase in the number of national actors formally included in international coordination mechanisms at country level.

Workstream discussions in 2017 highlighted a number of important areas that were not addressed in the original commitments, such as the downward transfer of risk towards local and national actors

and support costs, and inclusion of and engagement with local organisations across the Grand Bargain. Several signatories noted that discussions on localising responses have taken place largely without the direct engagement of local actors themselves. The workstream plans to address this to an extent through concerted engagement with ten local organisations prioritised in its 2018 work plan.

Over 89% of signatories reported actions under this workstream, but the actions taken against individual commitments varied, and overall collective progress by signatories is difficult to determine. The majority of participating signatories felt that the focus on definitions and on the 25% 'as directly as possible' target resulted in a lack of collective focus on other commitments.

The challenge in assessing collective progress in this workstream also stems in part from the fact that aid organisations are starting from different baselines; some, such as the IFRC Secretariat, Christian Aid, CAFOD and ILO, have traditionally worked through and with partners as their main or default approach. Others, such as NRC, have traditionally engaged in more direct project implementation. Many individual actions reported by aid organisations were ad hoc, often referencing country-specific examples with less information on how corporate-level strategies and approaches were being adapted to fulfil these commitments. This is also reflected in the OECD/GTS perception surveys, which found mixed responses from local partners on their relationships with international organisations: most respondents across the six countries felt they were treated with respect by international organisations and that their concerns were listened and responded to, but views as to whether financial and capacity-building support was appropriate varied across and within the six countries (OECD and GTS, 2018 in press). Reporting against the 25% target outlined in commitment 2.4 suggested some positive progress, but the method used to calculate individual figures was unclear to many signatories interviewed for this report (i.e. whether in-kind goods or support should be included).[13] Many aid organisations also explained that they are unable to track funds to local organisations at this stage.

Donors highlighted the legislative and political constraints on their ability to provide funding more directly to local and national actors. Consequently, some have sought to prioritise efforts to enhance the quality of partnerships between international aid organisations or mechanisms and local actors. For example, ECHO, which is unable to fund local and national NGOs directly, described a series of strategic investments in 'system-transforming initiatives, which are driving the localisation process'. These include projects led by CAFOD to support capacity strengthening and financing of the NEAR network and projects led by the IFRC Secretariat and Christian Aid to promote system-level reform. Good progress was also made by donors in relation to increased contributions to the CERF and CBPFs, which many considered a pragmatic way of getting more money to local organisations more directly.

The workstream identified the need for specific engagement with other workstreams including better tracking of funding to local organisations (workstream 1); the need for multi-year funding to support multi-year capacity strengthening (workstream 7); and crossover with investments in local and national response capacities and the humanitarian–development nexus (workstream 10). But there was no reported action in 2017 in this regard. There has also been some effort by the workstream to reach out to actors outside of the Grand Bargain. In February, Switzerland and the IFRC Secretariat co-hosted a workshop on localisation in Geneva with roughly 30% of participants representing local and national organisations from the Americas, Middle East, Africa and Asia-Pacific. In June, the IFRC Secretariat, the Humanitarian Leadership Academy and ECHO supported a conference at Wilton Park with many local actors as well as international agencies and donors to facilitate dialogue and share practical examples on implementing the commitments among workstream participants (Wilton Park, 2017), and the co-conveners initiated a series of workshops, webinars and an information-sharing repository to help coordinate and disseminate research on the theme of localisation.

Eleven signatories reported activities by the workstream in relation to integrating gender in their work, compared with no specific actions reported during 2017. UN Women worked with 206 local women's organisations in 28 countries in 2017, providing funding, fundraising and advocacy support, capacity development and training and facilitating

13 The co-conveners have developed and shared guidance on this: see https://interagencystandingcommittee.org/grand-bargain-hosted-iasc/documents/categories-tracking-funding-flows

access to UN-led national coordination mechanisms. The IFRC Secretariat helped 54 National Societies integrate gender and diversity approaches in their emergency response activities through the practical application of the Minimum Standard Commitments to Gender and Diversity in Emergency Programming (which includes training of staff and volunteers and ensuring procedures, policies and contingency and preparedness plans are inclusive, protective and gender-sensitive).

2.2.2 Progress reported against each commitment

Key
- ⬤ Activities reported
- ⬤ Activities planned
- ⬤ No activities reported
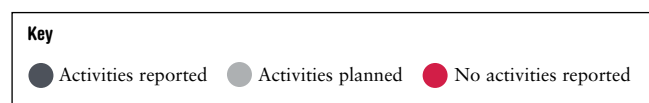
Commitment 2.1: Increase and support multi-year investments in the institutional capacities of local and national responders, including preparedness, response and coordination.

All signatories – Individual action – No target/deadline

74%
26%
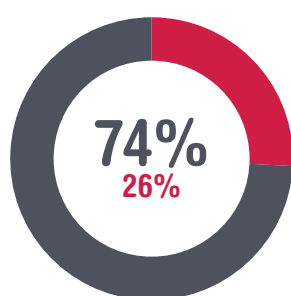
74% of signatories reported activities in 2017, with 26% reporting 'good' progress. Both donors and aid organisations reported investing in programmes to strengthen capacity.

A wide range of actions was reported. WVI has piloted Partner Capacity Assessments and a Partnership Health Check tool in the Philippines and DRC. Christian Aid reported that work began in late 2017 on the DFID- and START-DEPP-funded Linking Preparedness Response and Resilience (LPRR) consortium, to support (financially and in capacity development) ten local NGOs in Kenya and Myanmar to develop and pilot methodologies for supporting community-led responses to humanitarian crises. Norway reported on a pilot project through the NRC-managed NORCAP to strengthen the capacity of local civil society organisations in Chad and Niger. There was also some normative development in 2017: recommendation 205 adopted by the International Labour Conference in 2017 stresses the role of local actors and the importance of increasing their capacities to respond to crises.

In terms of multi-year support to local partners, the IFRC Secretariat and ICRC, with support from Switzerland and the US, have created a new National Society Investment Alliance (NSIA) aimed at providing multi-year funding and support for capacity strengthening and organisational development by National Societies. WFP reported on its collaboration with the IFRC Secretariat on a multi-year capacity strengthening initiative for National Societies. Launched in 2017, the initiative is context-specific and aims to strengthen overall organisational capacities not only programme capacities. It is being piloted in Burundi, the Dominican Republic, Pakistan and Sudan. Few other aid organisations mentioned multi-year support for local organisations, with several explaining that they receive little multi-year funding themselves (see workstream 7).

Commitment 2.2: Understand better and work to remove or reduce barriers that prevent organisations and donors from partnering with local and national responders in order to lessen their administrative burden.

All signatories – Individual action – No target/deadline


54%
37%
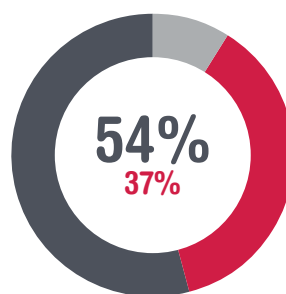
Over half of signatories (54%) reported activities, with 22% scoring 'good' progress and a further 9% planning activities against this commitment in the next two years.

A number of donors have taken steps to reduce barriers to funding. Italy revised its procedures to allow local civil society organisations that have previously had a funding relationship with Italian civil society organisations (CSOs) to submit funding applications directly to AICS in 2016: in 2017 three local NGOs moved to a direct funding relationship with the Italian government.

Germany supported the Humanitarian Quality Assurance Initiative (HQAI)'s Subsidy Fund, which provides financial support to local organisations that wish to participate in the HQAI certification process.

Commitment 2.3: Support and complement national coordination mechanisms where they exist and include local and national responders in international coordination mechanisms as appropriate and in keeping with humanitarian principles.

*Aid organisations – Joint action – No target/deadline*
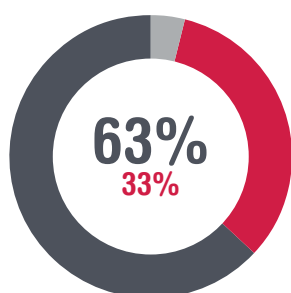
63% of aid organisations reported activities against this commitment in 2017, with 23% graded as 'good' or 'excellent' progress. A third of aid organisations (33%) did not report any activities.

OCHA reports that over 76% of HCTs (20 out of 26) have at least one national NGO member (an increase over 2016, when it was 73%), and just over half of clusters were co-led with a government partner at national level. In Turkey, for example, Syrian NGOs now co-lead the Nutrition, Health and WASH clusters. Additionally, all 18 CBPFs have at least one national NGO representative on their Advisory Boards, enabling them to participate in decisions regarding allocation of these pooled funds.

Support to national coordination capacities included Australia's investments in strengthening national leadership and decision-making capacity in Pacific Island countries under its Pacific Humanitarian Strategy, and ICVA and ADRRN's 'Localisation in Action in Asia' workshop, at which 70% were national NGOs.

Commitment 2.4: Achieve by 2020 a global, aggregated target of at least 25% of humanitarian funding to local and national responders as directly as possible to improve outcomes for affected people and reduce transaction costs.

All signatories – Individual action – Target: 25% by 2020 'as directly as possible'
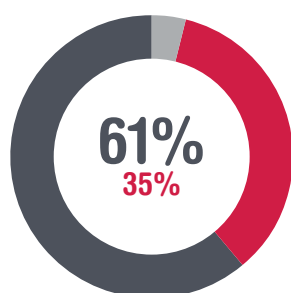
61% of signatories reported activities against this commitment in 2017, with 15% graded as 'good' and 9% 'excellent' progress. For example, Christian Aid, the IFRC Secretariat, UNICEF, WFP and ILO reported reaching or exceeding the 25% target. Canada reported that it had provided direct funding to a national NGO for the first time, funding BRAC to support both displaced Rohingya and the host population in Cox's Bazar in Bangladesh.

Based on the definitions and categories of measurement agreed by the workstream, 'as directly as possible' was, at least for the current report, to be measured by support for pooled funds and funding that passed through a single intermediary. While general activities were described, in the absence of consistent reporting by signatories against the target it is difficult to determine whether this represents a significant change.

Commitment 2.5: Develop, with the Inter-Agency Standing Committee (IASC), and apply a localisation marker to measure direct and indirect funding to local and national responders.

All signatories – Joint action – No target/deadline

In 2017, a feasibility study commissioned by the IASC HFTT Working Group on the Grand Bargain Localization Marker concluded that a marker was not an appropriate tool for tracking progress and proposed instead reporting through FTS using the newly agreed definitions, with an interim manual baseline data collection exercise. The approach was agreed and a request for baseline data included in the 2018 signatory self-reporting template. Only seven signatories provided relatively full data in their self-reports submitted by 29 March 2018.[14]

Commitment 2.6: Make greater use of funding tools that increase and improve assistance delivered by local and national responders, such as UN-led CBPFs, the IFRC Secretariat's Disaster Relief Emergency Fund (DREF) and NGO-led and other pooled funds.

All signatories – Individual action – No target/deadline
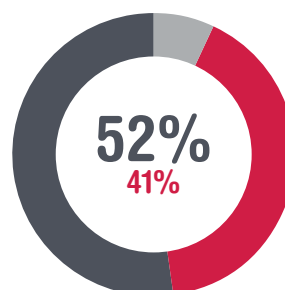
52% of signatories reported activities against this commitment in 2017, with 22% graded as 'good' progress; 41% did not report any activities.

14 Seven other signatories provided partial data. Data provided by signatories was presented as a mixture of percentage and volume figures and none clearly disaggregated the value of in-kind components. A number of signatories noted that their accounts were not yet finalised and therefore figures were either provisional or not yet available. Eight signatories noted challenges in their internal tracking systems, which makes collecting this data problematic.

A number of donors have significantly increased their contributions to pooled funds as a means of achieving this commitment, and commitment 2.4. Germany more than tripled its contributions to OCHA-managed CBPFs in 2017, from €162 million to €179 million, and Sweden increased its funding from SEK 665 in 2016 to SEK 857 in 2017. It also supported the IFRC Secretariat Disaster Relief Emergency Fund (SEK 0.5 million).

OCHA-managed CBPFs have continued to increase the share of their funds allocated to local and national actors, and in 2017 allocated $163.5 million (24% of the total $647 million) to national NGOs, surpassing the net and percentage amount recorded in the previous two years (CBPF allocations to national NGOs in 2015 totalled $74.06 million, and in 2016 $133.34 million). ZOA reported on its efforts to prepare joint applications to CBPFs together with local partners, with the objective of them eventually being able to apply directly themselves.

The ACT Alliance's Rapid Response Fund is now only available to Southern ACT members, and in 2017 UN Women's Women, Peace and Humanitarian Fund (formerly the Global Acceleration Instrument) allocated $2 million to women's organisations in Jordan and a Pacific multi-country allocation.

2.2.3 Workstream scorecard

DONOR ACTIVITY: Score 2
Donors have struggled to make significant progress against the localisation commitments. Some have focused on enabling programmes, increased contributions to pooled funds and engaging with partners on strengthening the quality of partnerships. Several donors called for a more nuanced discussion on localisation focused on ensuring that responses are 'as local as possible and international as necessary'.

AID ORGANISATION ACTIVITY: Score 2
Although a declared priority, actions reported varied significantly, and with few exceptions there was limited information on what changes had been made to corporate approaches to local partnerships.

ACTIVITY ON JOINT COMMITMENTS: Score 2
Commitment 2.5 (develop and apply a localisation marker) has been partially addressed. There has also been an increase in the number of national actors formally engaged in international coordination mechanisms at country level, and many signatories reported specific actions under commitment 2.3. But

there is no apparent strategic vision or joint approach from the workstream in this regard.

LINKS TO OTHER WORKSTREAMS: Score 1
Some connections with other workstreams have been identified but no specific actions were reported.

LINKS TO OTHER EXISTING PROCESSES: Score 2
At the workstream level, efforts have been made to consolidate and coordinate research on localisation with non-signatories, but there are few other mechanisms with which the workstream can engage on this theme.

2.3 Workstream 3 – increase the use and coordination of cash

2.3.1 Workstream summary

There has been important progress under this workstream, with reported increases in the use of cash programming, and significant efforts have been made by the co-conveners and participating signatories to capitalise on other processes. Differences remain over how to track cash programming, and there was limited progress on operational coordination.

There is strong consensus among participating signatories of the importance of cash programming and of the gains in efficiency and effectiveness that it can bring. This was echoed in the OECD/GTS perception surveys, which found that field staff widely believed that cash programming led to better outcomes for beneficiaries (OECD and GTS, 2018 in press). NRC reported that it reached 18% more people at no extra cost in 2016 through the enhanced use of cash programming. A number of highly active groups and mechanisms on cash programming predate the Grand Bargain. Under the leadership of the co-conveners, WFP and the UK, the workstream has sought to take advantage of this, and a workshop held in May 2017 for workstream participants identified strategic priorities that build upon pre-existing knowledge and processes. The six priority actions identified were: measuring cash; donor coordination; measuring value for money, efficiency and effectiveness; clarification with IASC on cash coordination; risk; and mapping of cash.

Collective activities included sharing of standards, guidelines and expertise on cash programming and

proposals to enable better tracking by using the IATI standard, mapping of and planning for a joint donor mission to Lebanon and Jordan in 2018. Joint planning was also under way for workshops, studies and consultations on tracking cash and communicating evidence on efficiency, outcomes and gender-related issues.

While there is consensus on the main thrust of the workstream – a commitment to increasing the use of cash – there are differing views among participating signatories as to whether the focus should be on progress by individual donors and organisations in increasing the use of cash transfers, or on pursuing more collective efforts to tackle obstacles to scaling up and improving efficiency and effectiveness. Several signatories also cautioned against too great a focus on simply routinely increasing the use of cash across the breadth of humanitarian crises, and called for more consideration of the contextual factors that will determine whether cash is appropriate, and if so how exactly it could be scaled up in each case. There are also ongoing challenges in relation to the lack of global tracking, and differing interpretations as to whether the cash commitment refers specifically to cash transfers or to cash and vouchers. Overall operational coordination also remains a major challenge. GPPi was commissioned to produce a white paper on this issue following a 'strategic note' by the World Bank in collaboration with the IASC, but there are differing interpretations of this strategic note and concerns about the implications of coordination arrangements for resources and influence (Steets and Rupert, 2017; 2018; Bailey and Harvey, 2017). In November 2017, the Global Cluster Coordinator's Group (GCCG) agreed, in line with the World Bank's strategic note, to include cash at the Inter-Cluster Coordination Group (ICCG) level, and it is hoped that this will lead to improved operational coordination of cash programming.

This workstream has actively engaged with workstream 1 through Development Initiatives, FTS and IATI around measuring cash in the humanitarian system. It has also identified the importance of engagement with other workstreams, including workstream 5 (needs assessments) on the data required to design cash programmes, and workstream 10 (humanitarian–development nexus) to explore links between humanitarian cash programming and social protection mechanisms. Actual engagement has been limited in part by the lack of capacity or response from these workstreams. Links to technical discussions

taking place outside the Grand Bargain include OCHA's work on mapping, engagement with the Social Protection Inter-agency Cooperation Board (SPIAC-B) and the Inter-Agency Social Protection Assessments (ISPA), IASC work on coordination and USAID and IRC research on efficiency. Donors have also ensured a strong link to the cash workstream of the GHD.

A large number of signatories reported under this workstream, with the highest reported level of actions taken against commitments 3.1 and 3.6 to increase the routine use of cash-based programmes. Many reported an increased volume of cash programming, adjustments to institutional policies, strengthened programming capacities and increased efforts in tracking and monitoring. ICRC and the IFRC Secretariat have both increased their operational budgets and diversified their cash-based interventions, provided training and capacity-building for their staff and National Societies accordingly, standardised procedures, updated technical tools and guidance and deployed cash and market specialists to country delegations. With the largest share of cash-based programming, WFP reached over 19 million beneficiaries through $1.3 billion of expenditure, approximately half of which was unrestricted cash. UNHCR increased its reach to 8 million people in 94 countries, of which 95% was provided unrestricted, 60% as multi-purpose cash and 25% to meet specific protection objectives with a gender focus. The World Bank has supported cash programming in humanitarian crises, including financing the Northern Uganda Social Action Fund (NUSAF III), which provides cash for work for about 400,000 people in 80,000 households. Belgium has modified its Royal Decree to permit the funding of unconditional cash programming, the IRC adopted a 'cash first' approach for food and basic needs programming (CaLP, 2018) and ECHO modified its data system to distinguish between aid modalities, enabling it to determine that 35% of its funding was provided as cash transfers in 2017.

Several initiatives have been pursued by small groups of signatories to develop new modalities for delivering cash at scale (see below), but interviews indicated that there are varying appetites for change and a lack of agreement on what new models should be pursued and how. An ECHO/DFID call for proposals for a programme providing single multipurpose cash transfers (rather than multiple transfers) in Lebanon prompted divergent views among donors and aid agencies about the appropriateness of the approach (Bailey and Harvey, 2017). There was also limited

discussion in the self-reports of how cash is used alongside and in complement to other programming, or whether decisions to scale up cash programming are made based on contextual analysis, and there was limited reporting on methods for monitoring and evaluation. Overall, there appears to be limited capacity in some signatory organisations to increase or improve cash-based programming: a CaLP survey found that only 40% of respondents believed they have enough capacity to implement cash transfer programming (CaLP, 2018).

There has been no strong focus on integrating gender at workstream level. Six signatories reported gender-related actions, including UN Women, which provides gender-sensitive cash for work opportunities for Syrian women in the Za'atari refugee camp in Jordan. In 2017, some signatories also contributed to the planning of a 2018 CaLP workshop on gender and cash programming in Africa.

In general, signatories felt that, whilst CaLP and other mechanisms dealing with cash-based programming were already making good progress, the high-level political investment in the Grand Bargain has provided an additional incentive for increased institutional effort, particularly with regard to increasing the volume of cash and efforts to track cash within organisations and at a global level.

2.3.2 Progress reported against each commitment

Key

● Activities reported ● Activities planned ● No activities reported
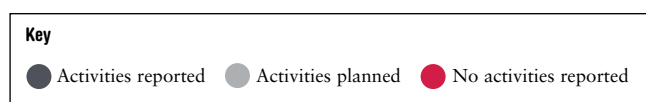
Commitments 3.1 and 3.6: Increase the routine use of cash, where appropriate, alongside other tools. Some may wish to set targets.

All signatories – Individual action – No target/deadline


89%
11%
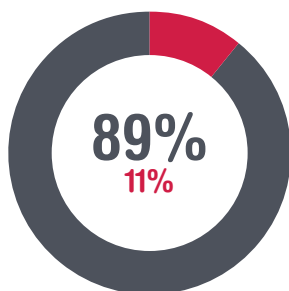
The large majority of signatories (89%) reported activities against this commitment, with 28% scoring 'good' or 'excellent' progress.

The ICRC's budget for 2018 has increased from CHF 64 million, reaching 1.38 million beneficiaries in 2017, to CHF 80 million in 2018.

In 2017, 53% of UNHCR's assistance was provided as cash ($502 million in cash, compared to $451 million in in-kind aid) and over 30% of WFP's total assistance is now delivered through cash-based programming. The Belgian Minister for Development Cooperation announced that 30% of Belgian humanitarian programme support should be cash-based by 2020.

Commitment 3.2: Invest in new delivery models that can be increased in scale while identifying best practice and mitigating risks in each context. Employ markers to track their evolution.

All signatories – Individual action – No target/deadline
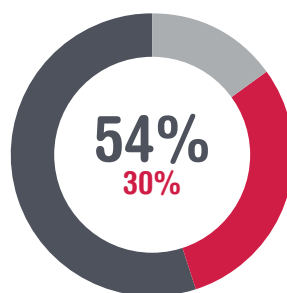

59%
30%
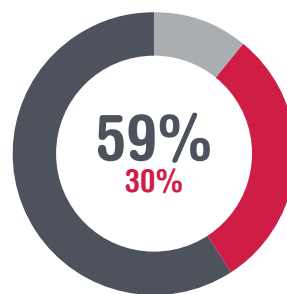
59% of signatories reported activities against this commitment in 2017, with a further 11% planning activities in the next two years.

Eight NGO signatories are members of the Collaborative Cash Delivery Platform, an evolving initiative to deliver cash at scale. In Jordan, WFP piloted the use of block chain in its programme supporting Syrian refugees.

Commitment 3.3: Build an evidence base to assess the costs, benefits, impacts and risks of cash (including on protection) relative to in-kind assistance, service delivery interventions and vouchers, and combinations thereof.

All signatories – Individual action – No target/deadline


54%
30%

54% of signatories reported activities against this commitment in 2017, with a further 15% planning activities in the next two years. 30% reported no actions in 2017.

UK-funded case studies by ODI examined humanitarian cash transfers in five countries. Multiple signatories contributed funding to the State of the World's Cash report, and preparations for the 2018 CaLP learning forum on gender and cash programming in Africa are being supported by Canada and other signatories. Planning was also under way for a USAID, CaLP and IRC workshop on the efficiency of cash.

Commitment 3.4: Collaborate, share information and develop standards and guidelines for cash programming in order to better understand its risks and benefits.

All signatories – Joint action – No target/deadline

80%
17%
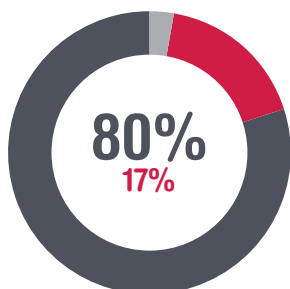
80% of signatories reported progress against this commitment in 2017, with 30% recording 'good' progress.

There are several examples of collaboration and resource development by signatories, as well as individual efforts to develop guidance. Switzerland seconded 21 cash experts to partners in order to support the development of technical capacities at the local and global levels, and NRC, with support from Norway, deployed 108 cash experts to 22 countries. CARE brought together humanitarian agencies and technology firms to discuss data management and sharing in cash assistance. ECHO's Policy Guidance Note on the delivery of large-scale cash transfers was updated in November 2017 following extensive consultation with partners. The guidance calls for separate cash delivery, monitoring and evaluation and programme delivery components to enhance transparency and accountability and improve effectiveness and efficiency. UNHCR shared its multi-sectoral cash tools, including the innovative Cash Delivery Mechanism Assessment Tool (CDMAT) and the Multi-Sectoral Market Assessment Companion Guide and Toolkit.

Commitment 3.5: Ensure that coordination, delivery and monitoring and evaluation mechanisms are put in place for cash transfers.

All signatories – Individual action – No target/deadline

65%
35%
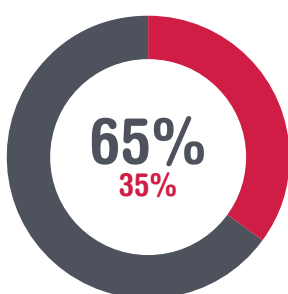
Almost two-thirds of signatories (65%) reported activities in 2017, but only 20% were rated as '3 – good'.

Many signatories reported participation in coordination mechanisms such as country-level Cash Working Groups, clusters and the GHD cash workstream. Signatory organisations also routinely established the infrastructure required to implement cash

assistance across their programming areas, although an overarching assessment on the quality of these systems is lacking. There are limited but growing examples of joint programming. In Jordan, UNHCR facilitates the Common Cash facility, a platform used by NGOs and UN agencies to deliver cash assistance, and, along with four INGOs and the IFRC Secretariat, established the Greece Cash Alliance, which has harmonised cash assistance, including the use of a single card. DFID has issued a separate contract for independent third-party monitoring for its cash programme in Lebanon.

2.3.3 Workstream scorecard

DONOR ACTIVITY: Score 3
The absolute and relative amount of humanitarian funding going to cash transfers (and vouchers) globally has increased, though many donors are unaware of the amounts of funding they are providing owing to a lack of systematic tracking. Planning of the joint donor mission to Lebanon and Jordan is an important step towards more convergent approaches.

AID ORGANISATION ACTIVITY: Score 3
Most aid organisations reported activities related to all relevant commitments, including increasing the use of cash, sharing lessons, developing guidance, commissioning research and exploring joint approaches. Several have improved internal tracking to disaggregate between modalities, enabling organisations to report on volumes of cash transfers and vouchers.

ACTIVITY ON JOINT COMMITMENTS: Score 3
Good progress has been made in collaborating and sharing information, standards and procedures. The workstream has collectively agreed priorities and is working towards them, with multiple signatories leading or co-leading in different areas. Differences remain in key policy areas, operational coordination is insufficient and measuring collective progress is still a challenge.

LINKS TO OTHER WORKSTREAMS: Score 2
There has been good engagement with workstream 1 but engagement with workstream 5 (needs assessment) and workstream 10 (humanitarian–development nexus) was limited due to their respective capacities.

LINKS TO OTHER EXISTING PROCESSES: Score 4
The workstream has considered the work of existing processes, defined its added value and continued to capitalise on strong links with these processes to deliver progress in key areas.

2.4 Workstream 4 – reduce duplication and management costs with periodic functional review

2.4.1 Workstream summary

Overall, uneven progress was reported in 2017 within this workstream, with the UN agencies making the most headway as a collective, and donors and INGOs reporting much less progress. This is reflected in the smaller number of signatories within these groups reporting under this workstream, with four donors and five INGOs reporting no actions under this workstream (compared to only one UN agency). This may in part be due to a lack of clarity within these two groups as to whether or how this set of commitments applies to them, and what the theory of change or rationale was. With respect to donors, there is an evident reluctance to move to joint performance reviews and to reduce assessments. UN agencies have capitalised on efforts agreed under the UN reform process to move forward on key issues relating to management costs.

The workstream adopted a targeted and pragmatic approach to identifying the links with and actively pursuing engagement with other processes. The co-conveners reported that this approach was adopted in part to reflect the fact that this workstream requires five quite different areas of action, from procurement to donor assessments, and as such it is difficult to work on all five areas simultaneously. The workstream identified the UN data cube and the UN procurement network as the most appropriate vehicles to take forward UN agency efforts against commitments 4.3 (provide transparency and comparable cost structures) and 4.4 (reduce duplication and management costs through efficiencies in procurement and logistics). An initiative developed by the procurement network to reduce costs is established as a corporate-level priority, and resources have been mobilised in its support (Blecken and Ingles, 2017).

While the workstream takes the view that individual signatories are taking forward commitment 4.1 (reduce costs and measure gained efficiencies of delivery with technology and innovation), including through existing networks, discussions in a workshop held in March indicated that approaches to technology and innovation to drive efficiency gains were ad hoc and uncoordinated. Signatories also expressed concern at a lack of strategic

and sustained support to bring innovation to scale, and the lack of evidence to assess the potential impact of investing in technology and innovation.

INGOs that did report under this workstream focused almost exclusively on areas where they can gain efficiencies within their institutions, including within the federated structures of CARE International and Oxfam, but there is no consensus on how they can proceed collectively to achieve greater efficiencies and reduce management costs. During interviews, some INGOs expressed concern that the purpose of providing transparent cost structures was not clear, and the amount of work potentially involved in achieving this means there has been little appetite to take forward this commitment. One exception was NRC, which is continuing its efforts to realise the recommendations of the study conducted with the Boston Consulting Group – *Money Where It Counts* – on the harmonisation of cost classifications and financial budgeting and reporting. The ICRC reported on its continued collaboration with a range of aid organisations on quality control and procurement, including joint tenders with IOM and the IFRC Secretariat.

Donor reporting was also limited, with 58% reporting no action against commitment 4.5. This commitment is acknowledged as politically challenging, and an area over which the workstream has limited influence. An impasse has been reached on collective efforts to reduce individual donor assessments, with one group of donors that already had relatively light requirements making some further improvements, and another whose requirements are more exacting, and where institutional constraints make progress difficult. Effectively, the power to make systemic progress on this commitment lies at the highest political level, not with the staff representing donor states at the workstream discussions.

There is some basis for moving forward: an exhaustive study on the growing burden of donor assessments, conducted by the UN Joint Inspection Unit (JIU) independently of the Grand Bargain, has detailed the extent and cost implications of these practices, and produced practical recommendations as a basis for discussion (Achamkulangare and Bartsiotas, 2017). The workstream has shifted to documenting the volume of donor assessment requirements as part of annual self-reports, and hopes to elevate the discussion to a more strategic and political level in 2018 with the support of the Eminent Person.

The workstream identified the need for engagement with other workstreams, notably workstream 9 on the reporting pilot, which would provide opportunities to review and potentially reduce financial reporting burdens, and with workstream 1, in order to explore opportunities to reduce monitoring and reporting. But no specific action was reported by the co-conveners in this regard.

Only one signatory – Canada – reported any specific action on integrating gender in individual efforts under this workstream, and there are no reported actions related to gender by the workstream as a collective body, with co-leads noting that the focus of activities is at the system rather than operational level.

2.4.2 Progress reported against each commitment

Key

● Activities reported   ● Activities planned   ● No activities reported
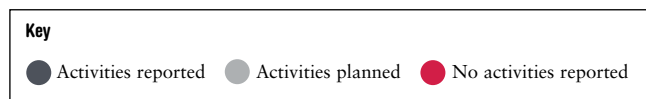
Commitment 4.1: Reduce the costs and measure the gained efficiencies of delivering assistance with technology (including green innovation).

All signatories – Individual action – No target/deadline

52%
41%
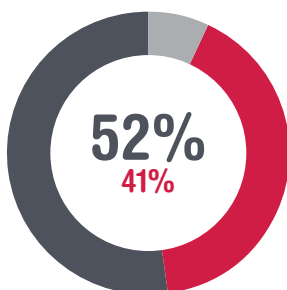
Just over half of signatories (52%) reported activities against this commitment in 2017. 41% reported no activities.

A number of mechanisms for delivering innovative approaches were reported, including UNHCR and WFP's internal innovation units, the Global Humanitarian Lab (GHL) and the Global Alliance for Humanitarian Innovation (GAHI).

With support from Switzerland, the GHL, which attempts to test and scale up innovations, has brought together organisations including UNHCR, WFP, ICRC, Terre des Hommes and Handicap, and linked them with the University of Geneva (CERN) and venture capital companies and technology start-ups. Initiatives include innovative financing methods such as block chain and impact investing.

Commitment 4.2: Harmonise partnership agreements and share partner assessment information as well as data about affected people, after data protection safeguards have been met by the end of 2017, in order to save time and avoid duplication in operations.

*All signatories – Individual action – Deadline: end of 2017*

48%
52%
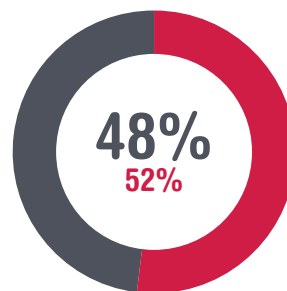
Just over half of signatories (52%) reported no activities against this commitment in 2017.

Donors reported a number of instances where they had simplified assessments of their NGO partners. Germany has simplified its capacity assessments of new partners that are already ECHO Framework Partnership Agreement (FPA) holders, and ECHO has commissioned a study on partner assessment criteria among five other donors with a view to streamlining its own partner assessment process.

ICVA undertook a study in Turkey and Somalia in December 2017, commissioned by OCHA, on improving the interoperability of partner capacity assessments, and ICVA and InterAction co-hosted a workshop bringing together UNHCR, UNICEF, WFP and OCHA and NGOs, where UN agencies briefed NGOs on their ideas for harmonising partner selection, due diligence, agreement templates, budgets, reporting and audits.

**Commitment 4.3: Provide transparent and comparable cost structures by the end of 2017.**

Aid organisations – Joint action – Deadline: end of 2017

44%
44%
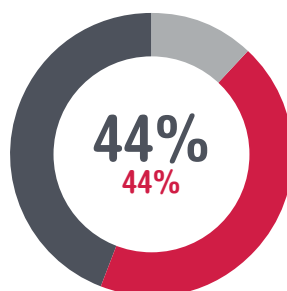
Just under half of signatories (44%) reported no activities against this commitment in 2017.

Commitment 4.4: Reduce duplication of management and other costs through maximising efficiencies in procurement and logistics for commonly required goods and services.

Aid organisations – Joint action – No target/deadline

56%
37%
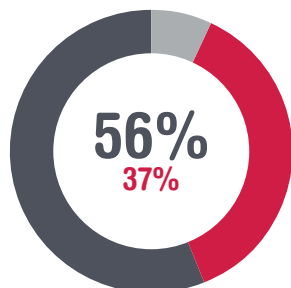
Just over half of signatories (56%) reported progress against this commitment in 2017, with 37% of signatories reporting no activities.

UN agencies have identified the UN procurement network's expected joint procurement exercise as the most appropriate vehicle for moving ahead with this commitment in 2018, but determining next steps is dependent on progress by the network itself.

Commitment 4.5: Make joint regular functional monitoring and performance reviews and reduce individual donor assessments, evaluations, verifications, risk management and oversight processes.

Donors – Joint action – No target/deadline

42%
58%
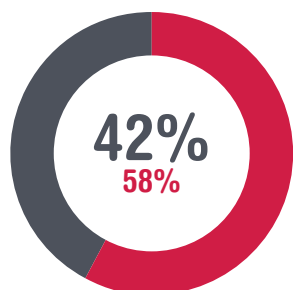
58% of signatories reported no activities against this commitment in 2017.

In 2017, UNHCR and UNICEF revised the terms of reference for audits, allowing country offices to conduct shared audits of implementing partners and therefore reduce the time and costs to UN agencies and implementing partners.

2.4.3 Workstream scorecard

DONOR ACTIVITY: Score 2
Some donors have made serious efforts to support certain commitments, notably around technology and innovation and harmonising partner assessments. Little tangible progress has been achieved with respect to one of the core areas under this workstream, namely reducing the burden of performance reviews and donor assessments.

AID ORGANISATION ACTIVITY: Score 2
UN agencies have made some progress individually and good progress as a group on commitments 4.2, 4.3 and 4.4. Although some INGOs indicated efforts to secure efficiencies internally, these were limited and there has been no substantive progress by INGOs as a group within this workstream.

ACTIVITY ON JOINT COMMITMENTS: Score 2
Action has been taken by individual and groups of signatories against the joint commitments under this workstream, but there was no evidence of a joint strategic approach by all constituent groups.

LINKS TO OTHER WORKSTREAMS: Score 1
The workstream has identified the need for links with other workstreams, but no actions were reported.

LINKS TO OTHER EXISTING PROCESSES: Score 3
The co-conveners and some individual signatories have been very active in drawing functional connections with other processes, including the ongoing work of the UN Procurement Network and other areas of the UN reform process. The co-conveners have also actively engaged MOPAN and the GHD, and have approached the EU to engage donors around commitment 4.5.

2.5 Workstream 5 – improve joint and impartial needs assessments

2.5.1. Workstream summary

There has been some important progress on technical issues and on a theory of change within this workstream. However, overall in 2017 there was limited evidence of the major political or institutional shift in culture and operating practice that is required to fulfil the joint commitments under this workstream.

Workshops for workstream participants in March and June identified priority activities and assigned voluntary lead entities and contributing partners, and OCHA presented a draft Theory of Change (which was endorsed) and a monitoring and evaluation framework. Work is moving forward in the sub-group on Commitments on Needs Assessments, led by UNHCR and IOM (see commitment 5.2 below),

ECHO is identifying a consultant and finalising terms of reference for developing a methodology to assess the quality and use of joint, impartial, multi-sector needs assessments and DFID and UNDP both developed position papers on the humanitarian–development nexus in needs assessment.

A number of actions were reported by individual signatories or groups of signatories, including in relation to greater sharing of needs assessment data (see commitment 5.3.a below) and in country-level actions. With regard to the latter, the Joint Inter-sectoral Analysis Group (JIAG)[15] provided remote and in-country assistance to the HCTs in Libya and DRC to support inter-sectoral analysis. Several UN agencies highlighted the development of the Drought Impact and Needs Assessment (DINA) in Somalia as a positive example of risk and vulnerability analysis conducted collaboratively by humanitarian and development actors.

There has been limited collective progress on the principal joint commitment under this workstream (commitment 5.1). Signatories reported that there is a tension between the wording of this commitment and the long-standing position of aid organisations. Essentially, IASC member organisations had previously agreed an approach that, whilst aspiring to a single methodology, recognises that there will be a need to ensure the methodology is appropriate for the specific context, and that a joint needs assessment is not always possible or appropriate (see for example IASC, 2012). In respect of the latter, some INGOs highlighted fears that joint needs assessments may silence dissenting voices and force them into a single narrative. Building on this long-standing position, the co-conveners have sought to focus efforts on enhancing collaboration, with a view to eliminating gaps and duplications and reaching a common understanding of needs; increasing transparency where there are differing conclusions; and finding ways to resolve these differences. However, as indicated in signatory interviews and in the workstream's work plan for 2018, there remain major concerns as to whether the participating signatories have the requisite political will or incentives to bring about the fundamental changes in culture and operating practice required to achieve this.

Several aid organisations, including INGOs, also raised concerns that additional resources were required to enhance data collection methodologies and joint analysis of data, and also noted that it was unclear whether, in practice, the majority of donors would accept a single needs assessment and analysis as the basis for proposals and programme reporting. Where agreement on priorities and tasking was reached, progress was stalled by some participating signatories failing to take action on the tasks that they had volunteered to lead. OCHA was thus obliged to make significant institutional investments, including taking on a more active coordination role and undertaking some tasks itself.

Reporting by signatories on individual actions taken under this workstream was uneven: 83% of UN agencies reported some action, compared with only 38% of INGOs.[16] The limited engagement from INGOs was highlighted as a concern during a March 2018 workshop of the workstream. While 84% of donors reported some action under this workstream, only a small number are actively engaged in the workstream itself, recognising that they have an important role to play in enabling and incentivising the actions of aid organisations. ECHO, for example, has invested time and funding in enhancing needs assessments through its Enhanced Response Capacity funds (ERC), and specifically its investment in commitment 5.6, noted above. It also, as of late 2017, invested more institutional capacity in its co-convener role. But a number of donors noted in interviews that they have limited institutional capabilities in regard to needs assessments (many have little or no field presence) and are heavily reliant on aid organisations or those donors that do have more capacity to lead or engage in discussions in this workstream. In terms of UN agencies, whilst the concept of joint needs assessments is not yet an agreed policy per se, some have sought to develop or amend existing guidance. UNHCR, for example, issued its first Needs Assessment Handbook, which articulates the importance of and explains how to undertake joint needs assessments.

The co-conveners report that engagement with other workstreams was intentionally limited so as to avoid overburdening them. Engagement included soliciting technical inputs from workstream 3 (cash

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15 The JIAG, a forum within the IASC, was created prior to the Grand Bargain. Signatories that are also members of JIAG include OCHA (chair), IOM, UNFPA, WFP, UNHCR, FAO, UNDP, UNICEF, WHO and Mercy Corps.

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16 Both the ICRC and the IFRC Secretariat have derogated from workstream 5.

programming), soliciting advice from workstream 6 (participation revolution) on inclusion of questions on communication with communities in needs assessments, and liaison with the co-conveners of workstream 10 (humanitarian–development nexus) on the overlapping commitments in the two respective workstreams. REACH, JIPS and ACAPS – all inter-agency initiatives on needs assessments that predate the creation of the Grand Bargain – all actively participate in this workstream.

Gender was not given any specific attention in workstream discussions in 2017, but 14 individual signatories reported some actions. CARE International undertakes Rapid Gender Analyses and seeks to ensure that needs assessment, analysis and planning are 'gendered'. WFP is recommending formally that all new Country Strategic Plans include a gender assessment followed by a comprehensive gender analysis. The IASC's updated Gender in Humanitarian Action policy, endorsed by the IASC Working Group in December 2017, underlines that strategic planning should be based on a participatory needs assessment and analysis that identifies the specific needs of women, girls, men and boys, and outlines the responsibilities of the HCT, clusters and inter-cluster coordination to ensure that this happens. Related to this, UN Women led the development of the IASC Gender in Humanitarian Action Handbook which includes guidance on how to conduct participatory and inclusive needs assessments and gender analysis in a manner explicitly designed to feeds into the HNO and SRP. This approach was deliberately employed to promote consolidated, holistic needs assessments rather than parallel processes.

A majority of signatories asserted that this is one of the most important workstreams, with the potential to transform the humanitarian sector and secure significant efficiency and effectiveness gains. However, this is yet to be matched with the requisite political support and institutional engagement from the leadership of the participating signatories. Realising this potential and generating the political will required to push for collective and individual action within this workstream is likely to require much more political investment from individual signatories – both aid organisations and donors – but also significant investment from the Eminent Person and the group of Sherpas to help galvanise the signatories into more concerted action.

2.5.2 Progress reported against each commitment

Key
● Activities reported ● Activities planned ● No activities reported

Commitment 5.1: Provide a single, comprehensive, cross-sectoral, methodologically sound and impartial overall assessment of needs for each crisis to inform strategic decisions on how to respond and fund, thereby reducing the number of assessments and appeals produced by individual organisations.

All signatories – Joint action – No target/deadline

The JIAG and the Global Clusters Coordination Group (led by the global Food Security Cluster) are leading a collaborative effort to implement ECHO-funded projects to develop an integrated inter-sectoral situation and needs analysis framework to support joint response planning in protracted crises. The JIAG has undertaken a comprehensive review of existing needs analysis frameworks, developed a joint inter-sectoral analysis framework and drafted terms of reference for needs assessments. With technical support from the INFORM group, ACAPS continued work on a Global Crisis Severity Index (GCSI), collecting data on 15 countries in order to test and improve a methodology to measure the cross-crisis severity of humanitarian needs in a systematic and comparable way.

Commitment 5.2: Coordinate and streamline data collection to ensure compatibility, quality and comparability and minimise intrusion into the lives of affected people. Conduct the overall assessment in a transparent, collaborative process led by the Humanitarian Coordinator/Resident Coordinator, with the full involvement of the Humanitarian Country Team and the clusters/sectors and, in the case of sudden-onset disasters, where possible by the government. Ensure sector-specific assessments for operational planning are undertaken under the umbrella of a coordinated plan of assessments at inter-cluster/sector level.

All signatories – Joint action – No target/deadline

Actions reported under this workstream primarily related to enhancing coordination within clusters or within individual organisations. Oxfam reports that it has developed Community Engagement guidance

for field staff aimed at increasing coordination and coherence in approaches to communities within Oxfam and across sectors. UNHCR reports that it is leading the development of 'Collaborative Needs Assessment Commitments' to be endorsed by a broad range of organisations committed to 'rules of engagement' in joint needs assessment. These 'commitments' relate to expected behaviour in data-sharing, applying the 'do no harm' principle in conducting needs assessments, engaging in joint analysis and fostering a positive environment for undertaking joint assessments.

Commitment 5.3.a: Signatories share needs assessment data in a timely manner, with appropriate mitigation of protection and privacy risks.

All signatories – Individual action – No target/deadline
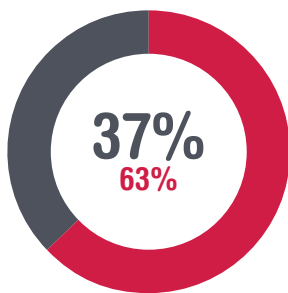
37% of signatories reported actions taken against this commitment in 2017.

The self-reports indicate that this is where signatories have expended the greatest efforts under this workstream. The Humanitarian Data Exchange (HDX) within the Humanitarian Data Centre is particularly significant (see section 2.1.1. for more details). The Netherlands also co-hosted a workshop for experts from IATI, FTS, Development Initiatives and the Centre to enhance coordination to improve data and data analysis in the humanitarian sector.

IOM has strengthened its collaboration with the HDX initiative, including by seconding a staff member to the Data Centre. This partnership between IOM and OCHA HDX intends to ensure that the entirety of data collected via IOM's Displacement Tracking Matrix (DTM) is ready available to partners on the HDX platform. In support of this, IOM has also been coordinating with the Humanitarian Exchange Language (HXL) working group to ensure standards for categorising and 'tagging' datasets are applied and enhanced as required, in order to ensure DTM data is well-integrated into the HDX platform. UNHCR's datasets are available in machine-readable formats (CSV and JSON), including extracting data from graphs and pushing data out to other portals, such as the HDX, enabling other actors to recombine UNHCR datasets for new kinds of analysis.

As members of the Governance Board of the Data Entry and Exploration Platform (DEEP), OCHA, the IFRC Secretariat and UNHCR are supporting this open-source initiative and encouraging multi-stakeholder and inter-sectoral collaboration on analysis. The platform was piloted at the end of 2017 and will be launched in 2018.[17]

Commitment 5.3.b: Signatories jointly decide on assumptions and analytical methods used for making projections and estimates.

All signatories – Joint action – No target/deadline

No specific actions were reported under this commitment.

Commitment 5.4: Dedicate resources and involve independent specialists within the clusters to strengthen data collection and analysis in a fully transparent, collaborative process, which includes a brief summary of the methodological and analytical limitations of the assessment.

All signatories – Joint action – No target/deadline

UN agencies, including cluster leads, and some INGOs reported that they have continued to make investments in data collection methodologies and analytical capacities. UNICEF, in its role as Global lead for Education and Child Protection, has partnered with IOM to enhance existing complementarities between the IOM DTM, Education and Child Protection Information tools and systems, improving the quality and timeliness of information collected, and enabling the development of joint analysis to better identify most urgent needs and gaps in services affecting children. Christian Aid reports that it has developed an inclusive programming checklist, scoring tool and guidance related to needs assessments and data collection, and internal reporting mechanisms now also specify the need to collect sex, age and disability data and gender and power analysis. ACAPS (an NRC and Save the Children collaboration) identified organisations that wish to collaborate on its Humanitarian Analysis Programme (HAP), with a view to establishing a network of experienced humanitarian analysts to drive a more robust and consistent approach to analysis within the agency and across the sector.

17 Other partners in DEEP are ACAPS, JIPS, OHCHR and the IDMC.

Commitment 5.5: Prioritise humanitarian response across sectors based on evidence established by analysis. As part of the IASC Humanitarian Response Plan process on the ground, it is the responsibility of the Humanitarian Coordinator/Resident Coordinator to ensure the development of prioritised, evidence-based response plans.

All signatories – Joint action – No target/deadline

No specific actions were reported under this commitment.

Commitment 5.6: Commission independent reviews and evaluations of the quality of needs assessment findings and their use in prioritisation to strengthen the confidence of all stakeholders in needs assessment.

*All signatories – Individual action – No target/deadline*
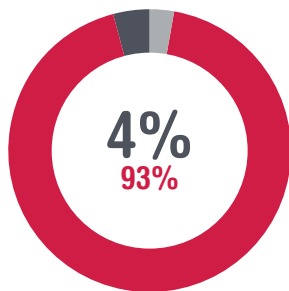
Only 4% of signatories reported any activities against this commitment in 2017.

The principal activity reported is ECHO's funding for the development of a methodology for quality reviews of needs assessments. Such reviews would enable donors and international organisations to assess the quality and validity of proposed assessments.

Commitment 5.7: Conduct risk and vulnerability analysis with development partners and local authorities, in line with humanitarian principles, to ensure the alignment of humanitarian and development programming.

All signatories – Joint action – No target/deadline
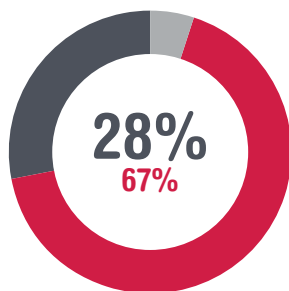
Two-thirds of signatories (67%) reported no actions taken against this commitment. This may in part be related to cross-reporting under workstream 10. Some concrete examples were presented: Ireland has

developed a mechanism for more joined-up development and humanitarian funding for NGO partners aimed at promoting joint risk and vulnerability analyses. WHO reported on its use of a joint humanitarian and development analysis with the health authorities in Libya and Ukraine, using the SARA (developmental) tool for Libya and the HERAMS (humanitarian) tool for Ukraine.

2.5.3 Workstream scorecard

DONOR ACTIVITY: Score 1
Donor activity under this workstream is being driven by ECHO (which co-leads the workstream), Switzerland, DFID and, through the Data Centre, the Netherlands. Overall donor engagement has been limited to a general acknowledgement of the importance of improving needs assessments and analyses.

AID ORGANISATION ACTIVITY: Score 2
Most activity reported under this workstream has been conducted by OCHA and other UN agencies, and most is focused on enhanced sharing of needs assessment data and technical improvements in joint analysis methodologies, institutionally and within the clusters. Aside from ACAPS, REACH and JIPS, there is little engagement from INGOs in the workstream.

ACTIVITY ON JOINT COMMITMENTS: Score 2
Important action has been taken by the JIAG and by ACAPS (including the HAP), but overall there remain serious concerns about the lack of political will and incentives to bring about the fundamental change in culture and operating practice required to achieve the joint commitments under this workstream.

LINKS TO OTHER WORKSTREAMS: Score 2
The co-conveners reported that they consciously limited engagement with select workstreams, including workstreams 3 (cash programming), 6 (participation revolution) and 10 (humanitarian–development nexus).

LINKS TO OTHER EXISTING PROCESSES: Score 2
The workstream is linked with pre-existing processes on needs assessments through the active participation of REACH, JIPS and ACAPS and discussions were held with the IASC Task Team on the Humanitarian-Development-Peace Nexus on linking efforts to integrate the nexus in needs assessments.

2.6 Workstream 6 – a participation revolution

2.6.1. Workstream summary

Many signatories, particularly aid organisations, felt that this workstream had the potential to be truly transformational in terms of ensuring more effective and efficient aid responses. Progress overall has been positive, with important collective efforts to standardise approaches, the design of common services and high numbers of signatories reporting actions under this workstream. However, it is not yet clear what outcomes these efforts are resulting in, and whether humanitarian programmes are actually becoming more 'demand-driven'.

Collectively, workstream participants have agreed a common definition of 'participation' to guide field programmes, articulated a set of recommendations for signatories on how to implement the commitments and advocated for action in this regard. UNICEF, OCHA and the IFRC Secretariat together with other stakeholders have, under the auspices of the Communication with Disaster-affected Communities (CDAC) Network, been leading a multi-agency 'Communication and Community Engagement Initiative' (CCEI) aimed at developing collective services for more timely, systematic and predictable communication and engagement across sectors and clusters, with roll-out ongoing in two countries.

Most aid organisations (77%) reported actions under this workstream. The ICRC for example reported a range of activities in 2017, including integrating 'client-/person-centric' as a core competency in staff appraisals from 2018 onwards to embed participatory approaches in programme practice. It also continued its training programme on community-based protection for country-level staff; initiated an independent evaluation of its policy and practice on accountability to affected populations and diversity inclusion in its operations; piloted a self-assessment process in six country delegations; and partnered with Ground Truth Solutions on community perception and satisfaction surveys in the Philippines and Afghanistan.

Among donors, 89% reported actions, primarily related to 'enabling' aid organisations to fulfil their commitments. Accountability to affected populations is a core consideration in the UK's UN and Red Cross and

Red Crescent Movement multi-year business case, with specific indicators of 'success'. Canada was a strong advocate for participation of refugee representatives in the thematic discussions and High Commissioner's Dialogue that informed the Global Compact on Refugees, leveraging its position on UNHCR's Executive Committee Bureau (Vice-Chair in 2015 and 2016, and then Chair in 2017). Germany has funded the OECD-DAC commission to Ground Truth Solutions to conduct perception surveys in six countries. These surveys provide useful baseline information for the workstream which, in the long term, may enable signatories to measure the extent to which affected populations are genuinely able to influence decisions about what aid they receive and when and how they receive it.

The workstream has close practical and strategic links with pre-existing mechanisms such as the Core Humanitarian Standards Alliance, the IASC Task Team on Accountability to Affected Populations and the CDAC Network. The co-conveners have said that they aim to build on these efforts by capitalising on the unique forum of donors, UN entities and INGOs that the Grand Bargain represents. There has also been coordination with other workstreams, including workstream 2 (localisation), and OCHA has worked with the IASC Task Team and REACH to ensure that community engagement questions are included in needs assessments undertaken to inform the HNO (workstream 5 – needs assessments). Signatories' self-reports also indicate actions taken at country level to increase coordination around engagement with affected communities, including through the establishment of common services (commitment 6.2, see below).

While the large majority of signatories report that they have participatory methodologies and mechanisms in place, it is unclear to what extent these are being used consistently by country-level programme staff. The perception surveys conducted by OECD/GTS in 2017 show that, in five of the six countries covered, a majority of affected people felt treated with respect by international aid providers. But in four of the five countries, the majority of people surveyed did not feel that their views were being taken into account in the aid they received, and in five of the six countries the majority of affected people surveyed did not know about existing complaints mechanisms (OECD and GTS, 2018 in press). In Lebanon, 70% of the field staff surveyed felt that refugees did not have sufficient say in how aid programmes are run (Ground Truth Solutions, 2017a: 18).

There remain concerns as to whether signatories will, individually, take the actions to bring about systemic change, and the co-conveners have no capacity to monitor the implementation of recommendations the workstream has agreed. There are also concerns that international organisations need additional resources and incentives from donors to implement more effective participatory methodologies. Finally, while the co-conveners note that participatory approaches should be integrated in other workstreams, in practice there is little evidence that this is happening – mostly due to issues of capacity and focus in other workstreams.

The importance of community and beneficiary engagement was brought into sharp relief by media reports in early 2018 of allegations of sexual exploitation and abuse by staff from international organisations (see for example Slawson, 2017). A number of signatories highlighted this issue in interviews, and noted that increased attention to sexual abuse and exploitation, including enhanced complaints and feedback mechanisms, should be prioritised in 2018, and that donor support for increased investment in this would be required.

The workstream has taken a strategic interest in gender issues, and the recommendations for action largely adopted the language proposed by UN Women. Fourteen signatories reported on the integration of gender in their participatory methodologies and other gender-related efforts. CARE International reported its ongoing efforts to ensure that affected women are able to engage in global policy debates affecting aid responses in their countries, including through supporting representation of Syrian women's organisations in the international conference on Syria held in Brussels in April.[18]

2.6.2 Progress reported against each commitment

Key		
● Activities reported	● Activities planned	● No activities reported

Commitment 6.1: Improve leadership and governance mechanisms at the level of the humanitarian country team and cluster/sector mechanisms to ensure engagement with and accountability to people and communities affected by crises.

Aid organisations – Joint action – No target/deadline

OCHA reports that a chapter on community engagement has been included in the UNDAC handbook for the first time, providing guidance on the rapid activation of community engagement activities in the coordination of sudden-onset emergencies and paving the way for coordinated feedback models. The CERF secretariat has revised the project application template to include specific questions on participatory approaches to ensure that community engagement is embedded in the full programming cycle.

OCHA also reports that its capacity for the coordination of community engagement (both training and staffing) is being strengthened in 2018 with the inclusion of community engagement modules in training; the development of new modules focused on leadership and coordination of operational engagement activities; and strengthened surge profiles. Standby Partner agencies have been engaged to increase staffing pools, deployment speeds and the capacity of existing deployments.

Commitment 6.2: Develop common standards and a coordinated approach to community engagement and participation, with the emphasis on inclusion of the most vulnerable, supported by a common platform for sharing and analysing data to strengthen decision-making, transparency and accountability and limit duplication.

All signatories – Joint action – No target/deadline

Work is under way to implement common services for community engagement (CCEI) in the Central African Republic (CAR) and Yemen, but more funding is required. Following a regional workshop on high-risk countries, a community of practice has been created in the Asia-Pacific on collective community engagement.

Commitment 6.3: Strengthen local dialogue and harness technologies to support more agile, transparent but appropriately secure feedback.

All signatories – Individual action – No target/deadline


52%
46%
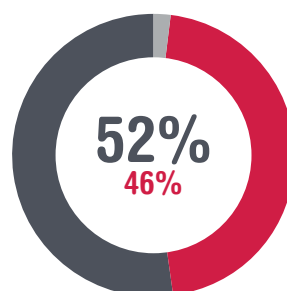
The majority (52%) of signatories reported actions against this commitment, with many aid organisations highlighting their implementation of the

Core Humanitarian Standard (CHS), specifically commitments 4 and 5.[19] ZOA notes that the CHS self-assessment process encouraged fresh learning on beneficiary accountability and participation and the development of new practices, including setting up complaints mechanisms.

Some signatories also reported using technology to enhance feedback mechanisms. As part of its partnership with the Global System for Mobile Communications (GSMA)[20] on the Humanitarian Connectivity Charter, OCHA has produced guidance on working with mobile network operators in field coordination, with a view to increasing communications access for people affected by humanitarian disasters. The ICRC produced a report on the current and potential uses of messaging apps such as Facebook Messenger, WhatsApp and Snapchat in humanitarian situations, highlighting the need for aid organisations to 'establish strategies and standards to determine where messaging apps might be appropriate, how to use them effectively and how to meet the responsible data challenges they pose' (ICRC et al., 2017: 5). The Netherlands reported on its organisation of a 'hackathon' for humanitarian aid, in cooperation with PwC and OCHA, in which data analysts, humanitarian workers, policy-makers and designers developed an innovative prototype platform that allows beneficiaries to provide feedback.

Commitment 6.4: Build systematic links between feedback and corrective action to adjust programming.

*All signatories – Individual action – No target/deadline*

41%
52%
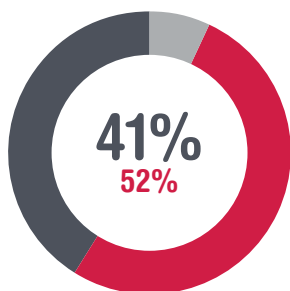
Only 41% of signatories reported actions relevant to this commitment, but 28% of those actions were rated as 'some', 'good' or 'excellent' progress. FAO reported on its Caisse de Résilience approach, through which community groups in nearly a dozen countries establish their own priorities for technical support from FAO and partners.

Commitment 6.5: Fund flexibly to facilitate programme adaptation in response to community feedback.

*Donors – Individual action – No target/deadline*

53%
42%
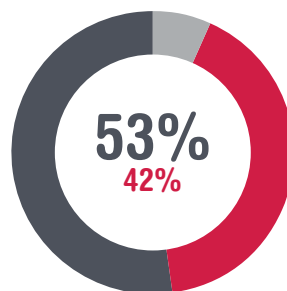
More than half of donors (53%) in 2017 reported actions against this commitment, and among those 26% scored 'good' progress. Both Canada and Sweden report that they provide core (and other types of flexible) funding for humanitarian organisations to enable them to decide their own priorities, including adjusting programmes in response to feedback from affected populations.

Commitment 6.6: Invest time and resources to fund these activities.

Donors – Individual action – No target/deadline

47%
47%
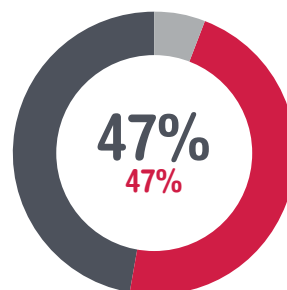
47% of donors reported actions. Several, including Canada and Germany, reported that they had provided or were planning to provide guidance to recipient organisations on participatory approaches. Italy reported that it allocated €700,000 in 2017 to a new programme in Jordan that aims to include people with disabilities in humanitarian projects, collect quantitative and qualitative data and train staff and raise awareness of the needs of people with disabilities. SIDA has funded a CHS Alliance/Ground Truth Solutions project on 'strengthening accountability to affected populations and applying the Core Humanitarian Standards' in Chad.

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19 CHS commitment 4 is 'Humanitarian response is based on communication, participation and feedback'. Commitment 5 is 'Complaints are welcomed and addressed'.

20 GSMA represents more than 800 mobile service operators and 300 other entities worldwide. 146 mobile operators have committed to the GSMA Humanitarian Connectivity Charter, an initiative funded by DFID which aims to strengthen the resilience, preparedness and response capability of connectivity systems in over 106 countries.

Commitment 6.7: Ensure that, by the end of 2017, all humanitarian response plans – and the strategic monitoring of those plans – demonstrate analysis and consideration of inputs from affected communities.

Aid organisations – Individual action – Deadline: end of 2017

Some progress has been made against this commitment: 11 out of 18 (61%) HNOs in 2017 included some analysis of accountability to affected populations and the scoring criteria for HNOs has been updated to include such analysis.[21] Additionally, 47% of Humanitarian Response Plans (HRPs) included collective plans for accountability. However, the research team was not able to assess the extent to which the quality of analysis and consideration of inputs from affected communities has improved, and no information was made available on the extent to which HNOs and HRPs have been adapted in accordance with that feedback.

2.6.3 Workstream scorecard

DONOR ACTIVITY: Score 2
A number of donors reported on their investments in enabling international organisations to enhance their participatory approaches, but this is not systematic and greater financial and political support is required to incentivise more consistent practice by aid organisations.

AID ORGANISATION ACTIVITY: Score 2
The majority of international organisations reported actions under this workstream, but there is less evidence as to how far they are consistently implementing participatory approaches at country level, and still less evidence of how they are adjusting programmes systematically in response to feedback.

ACTIVITY ON JOINT COMMITMENTS: Score 3
There has been important progress on joint commitments, including agreement on definitions and recommended actions, the establishment of common services for community engagement in a number of countries and improved integration of analysis of inputs from communities in HNOs in 2017.

LINKS TO OTHER WORKSTREAMS: Score 2
Co-conveners and participants have sought to develop coordination with other workstreams, but little

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21 In 2016, 13 of 23 (56%) Humanitarian Response Plans (HRPs) included some analysis of the views of affected populations.

progress has been made, largely due to the challenges these other workstreams are experiencing.

LINKS TO OTHER EXISTING PROCESSES: Score 3
The co-conveners and participating signatories have pursued strategic and substantive links with the CHS Alliance, the IASC Task Team and the CDAC Network.

2.7 Workstream 7 – increase collaborative humanitarian multi-year planning and funding

2.7.1 Workstream summary

Positive progress was reported in 2017, and this workstream is recognised among signatories as having strong leadership and significant buy-in to the commitments, from both donors and aid organisations. There are however differing perceptions of the progress that has been made, specifically whether the volume of multi-year funding available has increased.

There is a positive relationship between the co-conveners, Canada and UNICEF, with very active informal support from NRC and OCHA. Signatories indicated that this arrangement has enabled constructive links with other workstream areas, such as needs assessment (workstream 5) and the humanitarian– development nexus (workstream 10), through OCHA; facilitated links with key constituencies, including civil society groups, through NRC; and ensured complementarities with the wider donor group, with Canada also acting as co-lead on the GHD's workstream on multi-year planning and funding.

As a collective, the workstream has made good progress on commitment 7.1.b (documenting the impact of multi-year, collaborative and flexible planning and multi-year funding instruments). In September 2017, the leadership group hosted a workshop with HQ and country-level stakeholders to identify gaps and barriers to progress in advancing these commitments. Signatories including OCHA, NRC, FAO and World Vision International have contributed research studies (see for example FAO, OCHA and NRC, 2017; OCHA, 2017c; Taylor and Criswell, 2017). These efforts are particularly important as donors are likely to request more details and evidence of the gains of multi-year funding in order to justify providing more of it.

Excellent progress has also been made, under OCHA's leadership, in the use and refinement of collaborative multi-year plans, in place in seven countries in 2017. There is less evidence of progress on the provision of multi-year funding supporting these plans, and thus this commitment can only be considered partially achieved.

In 2017, a number of donors made significant progress in scaling up their provision of multi-year funding in general, with several providing substantial proportions of their total annual funding in multi-year agreements. The UK provided 89% of its humanitarian funding in multi-year agreements in 2017, Belgium 73%, the Netherlands 63% and Canada 55%.[22] Meanwhile, ECHO has announced a target of allocating 15–20% of its 2018 budget as multi-year agreements which, as outlined earlier, could have a significant impact on the overall volume of multi-year funding available to aid organisations.

There may be limits to how much further donors can increase multi-year funding. In practical terms, they face a tension between providing predictable funding for long-term crises and retaining the flexibility to respond to new sudden-onset crises. Those donors that have not already adopted multi-year funding face the most challenging legal, budgeting and political constraints, and are therefore unlikely to be able to shift significantly on this issue in the near future.

Aid organisations perceive progress in this regard more negatively. The majority indicated in interviews that they do not yet receive a critical mass of predictable funding sufficient to enable efficiency and effectiveness gains beyond simple administrative savings. Several pointed out that multi-year funding is also benefiting different types of actors in different ways. Multi-mandate organisations are more likely to enjoy multi-year funding than humanitarian-focused organisations, and UN agencies are more likely to benefit than NGOs. Across the board,

22 Data presented in donor self-reports includes: in 2017, 72.5% of Belgium's humanitarian aid budget was multi-year; 55% of Canada's humanitarian assistance was multi-year, an increase from 32% in 2016 and 14% in 2015; 34.6% (€607.6 million across 166 projects with a duration up to 3.5 years) of Germany's humanitarian budget was multi-year, an increase from 25.6% in 2016 and 17.1% in 2015; 63% of the Netherlands' humanitarian aid budget was multi-year, an increase from 60% in 2016; 89% (£1.25 billion across 71 projects) of the UK's humanitarian aid via DFID was multi-year; 19% of Switzerland's humanitarian aid was multi-year, the same as 2016 levels.

aid organisations report that they are also unable to pass on predictable multi-year funding to their partners. This was strongly refuted by key donors, however, who felt that more could be done by these organisations to pass on whatever they receive.
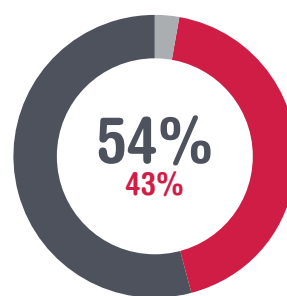
Only three signatories reported any actions related to gender in this workstream, Canada, Ireland and OCHA. For example, OCHA reports that gender analysis has been strengthened in multi-year humanitarian response plans (MYHRPs) developed in 2017, outlining how women and girls are differently affected by crises and indicating concrete actions to address their specific needs. At the workstream level, no specific discussions or actions on integrating gender were reported.

2.7.2 Progress reported against each commitment

Key		
● Activities reported	● Activities planned	● No activities reported
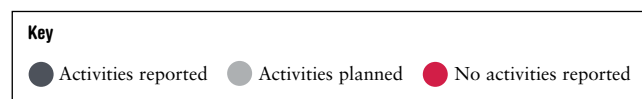
Commitment 7.1.a: Signatories increase multi-year, collaborative and flexible planning and multi-year funding. Aid organisations ensure that the same terms of multi-year funding agreements are applied with their implementing partners.

All signatories – Individual action – No target/deadline

54%
43%

More than half of signatories (54%) reported activities, with 30% scoring 'good' or 'excellent' progress. Most of the high-scoring actions were taken by donors that have increased their provision of multi-year funding.

Few aid organisations reported progress in passing on multi-year funding to partners, citing insufficient funding and internal administrative barriers. Some aid organisations described improving internal analysis, planning and programme management systems to facilitate multi-year approaches and funding. IRC reported that 75% of its proposals in 2017 used Outcome and Evidence Frameworks (OEF) to identify longer-term outcomes and theories of change.

Commitment 7.1.b: Signatories document the impacts of multi-year, collaborative and flexible planning and multi-year funding instruments on programme efficiency and effectiveness.

All signatories – Joint action – No target/deadline

FAO, OCHA, NRC and World Vision produced studies in 2017 on the impact of multi-year funding.

Commitment 7.2: Support in at least five countries by the end of 2017 multi-year collaborative planning and response plans through multi-year funding and monitor and evaluate the outcomes of these responses.

All signatories – Joint action – Deadline: end of 2017

UN-led multi-year plans are now in place in the DRC, Chad, Central African Republic, Cameroon, Somalia, Sudan and Haiti, with similar plans scheduled for development in oPt and Afghanistan in 2018. A workshop held in September by the co-conveners brought together representatives from HCTs involved in multi-year planning processes to share emerging best practices and lessons learned.

Commitment 7.3: Strengthen existing coordination efforts to share analysis of needs and risks between the humanitarian and development sectors and to better align humanitarian and development planning tools and interventions, while respecting the principles of both.

Aid organisations – Joint action – No target/deadline

Work has progressed against this commitment both at HQ and country levels. At HQ, several signatories highlighted the new Joint Steering Committee, chaired by the Deputy UNSG and vice-chaired by UNDP Administrator and the Under-Secretary General for Humanitarian Affairs/Emergency Relief Coordinator (ERC/USG), as being a significant mechanism for strengthening coordination between humanitarian and development actors at the highest levels. At country level, the Drought Impact Needs Assessment (DINA) framework in Somalia was, as reported by UNDP and OCHA, closely coordinated with, complementary to – and jointly launched with – the HRP. UNDP also highlighted that the joint assessment conducted in CAR for the National Development and Peacebuilding Plan (RCPCA) was developed with strong engagement from humanitarian partners, ensuring complementarity with the HRP. The Recovery and Peacebuilding

Assessment (RPBA) in Cameroon has been conducted jointly by humanitarian and development partners, and several UNCTs, including Sudan, have strengthened their coordination of HNOs and the Common Country Assessments which form the basis of the UNDAF.

2.7.3 Workstream scorecard

DONOR ACTIVITY: Score 3
A number of donors made substantial progress towards increasing their provision of multi-year funding in 2017 (commitment 7.1.a), but for others progress has been much more limited due to internal institutional constraints.

AID ORGANISATION ACTIVITY: Score 2
Aid organisations have made excellent progress in developing multi-year plans at country level (commitment 7.2), but few reported having passed multi-year funding on to their partners (commitment 7.1.a).

ACTIVITY ON JOINT COMMITMENTS: Score 3
Signatories have made excellent progress on commitment 7.2 and good progress on commitment 7.1.b. More limited efforts have been expended on strengthening shared analysis of needs and risk and aligning humanitarian and development planning, but these actions are prioritised in the 2018 work plan.

LINKS TO OTHER WORKSTREAMS: Score 2
This workstream has sought engagement with other workstreams in key technical areas. In some cases this engagement has met with a limited response. Other areas of cross-workstream engagement have been identified and are included in the 2018 work plan.

LINKS TO OTHER EXISTING PROCESSES: Score 3
Important links have been made through Canada to ensure complementarity with the GHD group, and through OCHA with the New Way of Working process.

2.8 Workstream 8 – reduce the earmarking of donor contributions

2.8.1 Workstream summary

Overall, progress in this workstream has been moderate. A small group of donors has increased their

share of unearmarked or softly earmarked funding. Political and practical constraints prevent other donors from doing likewise, and few aid organisations reported efforts to enhance the quality of their reporting and the visibility given to the unearmarked funding they receive.

In 2017 important progress was made by the workstream on agreeing a baseline for measuring progress; identifying shared needs and concerns between donors and aid organisations (through a workshop hosted by the co-conveners, Sweden and ICRC, in May); and understanding different interpretations of what counts as 'flexible' funding and where it occurs in the funding chain (through a survey conducted by the co-conveners). There is also agreement among participating signatories that the target of 30% of unearmarked or softly earmarked contributions by 2020 may need further qualification (ICRC and Sweden, 2017).

Some donors reported substantial increases in the volume of unearmarked funding they provide. The Netherlands reported that 63% of its funding in 2017 was unearmarked. But a number of other donors faced major legal, administrative and political constraints at institutional level and were unable to make substantial progress. The bulk of flexible funding goes to the UN, ICRC and the IFRC Secretariat, with INGOs receiving a far smaller share, even from major donors. Sweden reported that it is trying to change its practice in this regard.

Many donors highlighted their contributions to pooled funds, including for local organisations. Many INGOs highlighted during interviews that more clarity is needed on exactly how and to what extent the flexibility inherent in pooled funds is transferred along the transaction chain – to them and to local organisations. The debate on allowing NGOs direct access to the CERF (as the largest unearmarked funding pool) is not fully resolved, with the CERF secretariat setting out the political and operational risks involved (CERF secretariat, 2017).

At the political level, there is consensus among the signatories that more flexible funding increases predictability, enables more timely needs-based responses and provides for a more equitable distribution of resources (see also Poole and Mowjee, 2017). However, it is unclear whether the 30% target will be reached by 2020, or how progress against it will be assessed since it is an aggregate figure (signatories have been asked to provide proportional figures).

Signatories felt that the lack of system-wide progress on earmarking was in large part due to a lack of trust. This, some argued, can only be tackled by increasing accountability and transparency on all sides, including better-quality reporting by aid organisations on the demonstrable impact and added value of unearmarked funding. There has been tension between donors and aid organisations around performance-based core funding requirements (DFID, 2017) to fill the evidence gap, and limited if any concrete discussion around 'risks' related to earmarking.

Some donors felt that they are taking on a disproportionate share of the burden under this workstream. The few donors that are able to provide more flexible funding felt that they were being asked to step up their efforts in part because other donors had made no progress. These donors also expressed frustration that aid organisations have, in their view, done little to improve the visibility of the unearmarked funding they receive, or to provide adequate information to demonstrate to politicians and the public the value of this kind of funding, and help justify the risks inherent in providing it. For their part, aid organisations indicated in interviews that, while the Grand Bargain has provided an opportunity to discuss with donors the need for more flexible funding, this has not yet translated into less earmarking; in fact, many perceived there to have been an increase in earmarking in recent years.

There were no reported actions by the workstream on integrating gender in its work. Rather, the workstream seems to have concluded that the focus on gender should relate to funding allocations, and there appears to have been no discussion on the extent to which promoting gender-responsive programming may require some earmarking or targeting of funds. Only three signatories (UNICEF, Switzerland and Canada) mentioned gender equality in relation to unearmarked funding, with Switzerland reporting that it applies the OECD-DAC marker on gender equality, including in core contributions to partner organisations.

2.8.2 Progress reported against each commitment

Key
● Activities reported ● Activities planned ● No activities reported
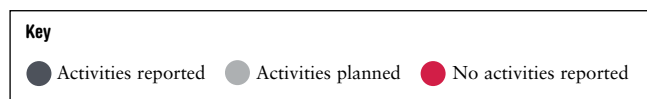
Commitment 8.1: Jointly determine, on an annual basis, the most effective and efficient way of reporting on unearmarked and softly earmarked funding, and initiate this reporting by the end of 2017.

All signatories – Joint action – Deadline: end of 2017

In 2017, donors providing core unearmarked funding agreed to accept common reporting (and are working towards making links with workstream 9), but the format has yet to be developed. Co-convener Sweden gathered information on reporting practices, highlighting key examples and areas of contention between donors and aid organisations. Further work is required to clarify definitions and degrees of earmarking to harmonise reporting.

Commitments 8.2.a and 8.5: Donors progressively reduce earmarking, aiming to achieve a global target of 30% of humanitarian contributions that is unearmarked or softly earmarked by 2020.

Donors – Individual action – Target: 30% by 2020
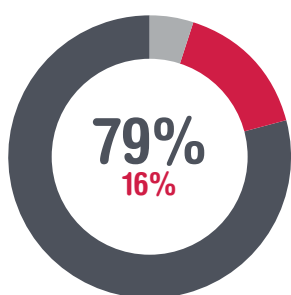
The majority of donors reporting (79%) registered actions against this commitment in 2017, with 21% scoring 'good' and 16% scoring 'excellent' progress.

The Netherlands leads the way with an increase to 63% of unearmarked funding in 2017, from 52% in 2016. Some donors also reported a shift from core/unearmarked funding towards flexible funding (country-based pooled funds).

In 2017, donor contributions to pooled funds significantly increased for the CBPFs (14.5%

more than 2016) and the CERF (a record high of $513 million). The CERF also received a first-time contribution from *zakat* charitable giving by a foundation based in Oman, marking an important step forward in diversifying the donor base.

Commitment 8.2.b: Aid organisations reduce earmarking when channelling donor funds with reduced earmarking to their partners.

Aid organisations – Individual action – No target/deadline
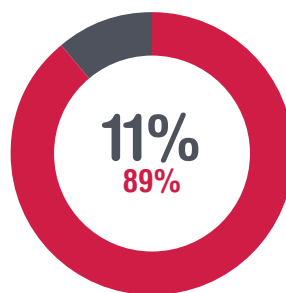
The majority of aid organisations (89%) did not report any actions under this commitment in 2017. Notwithstanding that some signatory UN agencies and INGOs implement more directly, rather than through partners, overall the 11% reporting rate suggests a lack of action by this constituent group. A survey conducted by the workstream in 2017 found that UN agencies tightly earmark funds to implementing partners. This point was reinforced in signatory interviews, with several UN agencies noting that this was in part related to the need to manage fiduciary risks.

Some aid organisations reported that they pass as much flexibility as they can down to local partners: Christian Aid, for example, highlighted its flexible funding for partners in Greece and, enabled by START DEPP funds, for partners in Myanmar, Kenya and the Philippines. IOM reported on its Migration Resource Allocation Committee (MIRAC), which is designed to allocate softly-earmarked financial contributions received by IOM to internal initiatives, based on a set of objective and transparent criteria. WHO reported that, with the support of donors, it was able to utilise its Contingency Fund for Emergencies (CFE) and release funding in less than 24 hours to deploy disease surveillance and control experts to Madagascar and Uganda.

Commitment 8.3: Be transparent and regularly share information with donors outlining the criteria for how core and unearmarked funding is allocated (for example urgent needs, emergency preparedness, forgotten contexts, improved management).

*Aid organisations – Individual action – No target/ deadline*
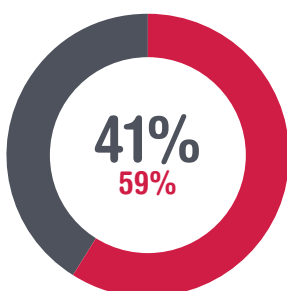
41% of aid organisations reported actions in 2017, with 33% scoring 'little' or 'some' progress in their reported actions.

Agencies report making efforts to improve transparency on the use of unearmarked funding. UNHCR continues to publish its annual report on the use of unearmarked funding and maintains information related to unearmarked funding on Global Focus, its donor reporting platform. UNICEF is driving change by revamping its Thematic Funding Guidelines to help allocate its softly earmarked Global Thematic Funding (Poole and Mowjee, 2017).

Some aid organisations also indicated that they are seeking more clarity on the criteria donors use to allocate unearmarked or softly earmarked funding (Government of Sweden, 2017).

Commitment 8.4: Increase the visibility of unearmarked and softly earmarked funding, thereby recognising the contribution made by donors.

Aid organisations – Individual action – No target/ deadline
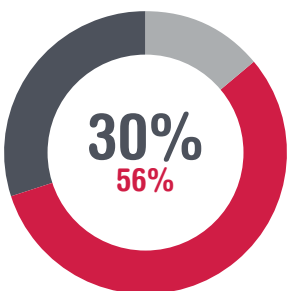
Just 30% of aid organisations reported activities against this indicator in 2017, with 19% recording 'little' or 'some' progress.

Efforts seem to be stalling on this front, with few activities reported. Some aid organisations reported on efforts to increase the visibility of unearmarked/flexible funding; WFP, for example, uses social media and other tools.

2.8.3 Workstream scorecard

DONOR ACTIVITY: Score 2
The usual 'good performers' report increased provision of unearmarked funding, with several passing the 30% target, but the majority are still falling short and there are indications of a shift towards a proportional reduction of the most flexible funding and an increase in funds that are softly earmarked.

AID ORGANISATION ACTIVITY: Score 1
Few aid organisations reported on efforts to increase the visibility of donors providing unearmarked funding and few reported passing flexible funding on to their implementing partners at country level.

ACTIVITY ON JOINT COMMITMENTS: Score 2
Some progress has been made in understanding different interpretations and terminology, and how flexibility is transferred down the chain. There has also been some progress in developing a common reporting standard or format.

LINKS TO OTHER WORKSTREAMS: Score 2
Links have been made with workstream 9 on the reporting pilot and with workstream 7, and a joint workshop has been scheduled with the latter in 2018.

LINKS TO OTHER EXISTING PROCESSES: Score 3
There are links with the GHD discussions on earmarking and coordination with the IASC HFTT on its analysis of donor conditions, with plans to capitalise on its efforts to make the case for more unearmarked funding.

2.9 Workstream 9 – harmonise and simplify reporting requirements

2.9.1 Workstream summary

Despite some challenges, good progress has been made against the priority agreed by participating signatories. There are fewer activities reported against other commitments and engagement with other workstreams and other processes has not yet been fully exploited.

Early in its programme of work, this workstream decided to sequence its efforts, prioritising action against commitment 9.1 to achieve agreement in principle on a harmonised reporting template, with

technology (9.2) and quality (9.3) to be prioritised later. Good progress has been made towards establishing a common reporting framework that meets the needs of donors and reduces the reporting burden for aid organisations in the field (Gaston, 2017).[23] A study by GPPi (funded by Germany) provided the basis for the development of a common narrative reporting template (the '8+3' template, being piloted from 2018 through to April 2019, with support from GPPi and ICVA). At the end of 2017, 30 signatories had agreed to participate in the pilot, including the CBPFs and the CERF. All participating organisations have agreed to accept the 8+3 narrative template as the sole reporting format, and will not request any ad hoc interim reports.

The co-conveners and participating signatories have established a formal division of labour on the pilot, with the German Federal Foreign Office (FFO) leading dialogue with donors and the UN (where the UN is a donor), ICVA leading on dialogue with NGOs and the UN (where the UN is a partner), and GPPi providing technical input. Developing the template has been straightforward, but securing political support for and participation in the pilot has been far more challenging: the three co-leads of this initiative have effectively leveraged their influence across a range of fora (including the GHD and COHAFA (the EU Working Party on Humanitarian Aid and Food Aid)), as well as through bilateral engagement, to build support for the initiative, but full application at country level is proving difficult. Information available for this report indicates that not all representatives of participating signatories in the pilot countries are aware of or using the template, and that some participating donors have requested additional reporting or updates.

Progress has been made on developing links with other workstreams. Questions relating to localisation and participatory approaches were included in the reporting template (the former is voluntary and the latter compulsory), but it is not clear what strategic engagement these other workstreams will have in the pilot. The co-conveners have also identified potential synergies with workstream 1 (transparency), where opportunities for results reporting via IATI are acknowledged, and workstream 4 (reducing duplication and management costs), where possibilities for

harmonising financial reporting and cost structures have been identified through the NRC-led Money Where It Counts initiative.

Many individual signatories mentioned their engagement in the reporting pilot, with few reporting on other actions under this workstream. One exception is UNRWA, which reported on how it produced its first Annual Operational Report (AOR) in 2017, providing a holistic overview of its operations across its humanitarian and human development portals (programme budget and emergency appeals). This new approach was reportedly based on a prior agreement on structure and format with donors and host government partners.

Only five signatories (Australia, Canada, Sweden, ICVA and Christian Aid) made any reference in their reports to integrating gender in harmonised reporting. At the workstream level, gender was considered alongside other potential cross-cutting reporting areas, and the reporting template includes a request for sex- and age-disaggregated data on affected populations.

2.9.2 Progress reported against each commitment

Key		
⬤ Activities reported	⬤ Activities planned	⬤ No activities reported
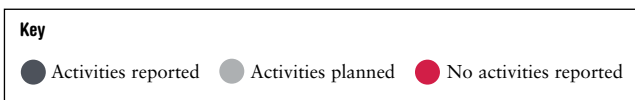
Commitment 9.1: Simplify and harmonise reporting requirements by the end of 2018 by reducing the volume of reporting, jointly deciding on common terminology, identifying core requirements and developing a common report structure.

All signatories – Individual action – Deadline: end of 2018

74%
24%
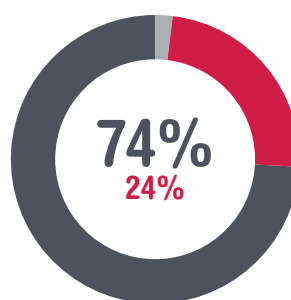
The majority of signatories (74%) reported actions under this commitment in 2017, though most was graded as 'little' (11%) or 'some' (54%) progress.

A harmonised common reporting template was developed in 2017, and seven donors, seven UN agencies and 17 INGOs agreed to participate in pilots in Iraq, Myanmar and Somalia in 2018, with a review scheduled in April 2019.

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23 Based on the 'primary objective' of the pilot described in *Workshop Summary Report: Piloting Harmonized Donor Reporting*, German FFO and ICVA, Berlin, 24 March 2017.

Additional individual actions include Belgium's revision of the Royal Decree on humanitarian aid to simplify NGO reporting, reduce the frequency of submissions and enable partners to upload reports electronically. Norway will usually accept joint reporting when projects are co-financed with other donors. SIDA piloted a programme-based reporting approach with one strategic partner in 2017, and plans to extend this to two others in 2018.
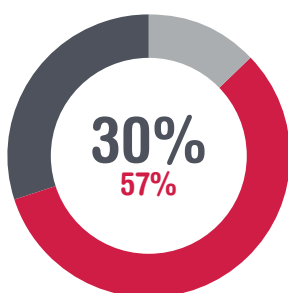
Commitment 9.2: Invest in technology and reporting systems to enable better access to information.

All signatories – Individual action – No target/deadline

30%
57%

More than half of signatories (57%) reported no actions against this commitment in 2017. Of the 30% that did report actions, 28% were classified as 'little' or 'some' progress.

Most individual actions reported by aid organisations related to revisions or upgrades to internal data management and IT systems, which are expected to improve management of and access to data, leading in turn to improved reporting to donors.

Commitment 9.3: Enhance the quality of reporting to better capture results, enable learning and increase the efficiency of reporting.

All signatories – Individual action – No target/deadline

50%
46%
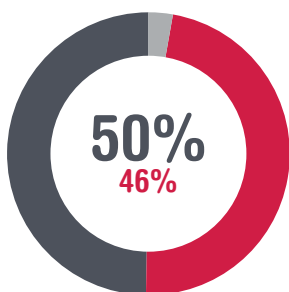
Half of signatories reported actions under this commitment (50%). All were scored as 'little' or 'some' progress. Actions reported by aid organisations were predominantly institutional and, while there are some positive examples, it is difficult to determine what impact these have collectively had against this commitment.

UNRWA established a Harmonised Reporting Working Group comprising a wide range of donor and host government partners to develop indicators against

which the agency would collect data. Specific donor and host government interests were reflected, in theory at least decreasing the need for ad hoc reporting to meet individual donor and host government requirements.

2.9.3 Workstream scorecard

DONOR ACTIVITY: Score 2
Individually, donors have taken steps to reduce the reporting burden on partners, and seven are participating in the reporting pilot. Some of the larger donors are maintaining a watching brief on the pilot before committing to harmonised reporting.

AID ORGANISATION ACTIVITY: Score 2
Aid organisations have participated actively in the development of the reporting pilot. Several aid organisations have separately streamlined their reporting to donors, but overall there is more limited reporting of actions against commitments 9.2 and 9.3.

ACTIVITY ON JOINT COMMITMENTS: Score 2
Good progress has been made in developing a technical tool to harmonise narrative reporting for donors, and agreement has been reached on piloting it. The tool, as well as the political will needed to make it a success, will be tested in 2018.

LINKS TO OTHER WORKSTREAMS: Score 2
Links have been identified with workstreams 1 and 4 and steps taken to facilitate them, notably through dialogue between ICVA and Development Initiatives (workstream 1) and, to a lesser degree, in relation to NRC's Money Where It Counts initiative (workstream 4). Full operational links and areas of joint work have yet to be established.

LINKS TO OTHER EXISTING PROCESSES: Score 2
The workstream is linked in to other fora, including the GHD and the COHAFA. There is no evidence to indicate links to other policy processes.

2.10 Workstream 10 – enhance engagement between humanitarian and development actors

2.10.1 Workstream summary

Progress was made under this workstream in 2017 at the level of individual or groups of signatories, but

actions taken as a collective body were limited. The workstream was officially closed in March 2018 at the request of the co-conveners, but many signatories raised concerns regarding how this important area of work would be continued.

At the workstream level, the co-conveners determined their priorities as being promoting the actions and outcomes of other, pre-existing mechanisms, including the CRRF, GHD, the IASC Humanitarian–Development Task Team, the OECD-DAC International Network on Conflict and Fragility (INCAF) and the New Way of Working (NWoW). They reported that there was little advantage in undertaking additional work within the Grand Bargain framework given the efforts being made on this issue elsewhere. They also asserted that the original understanding of the group of Sherpas was that the nexus was a cross-cutting issue and should be dealt with as such. However, this view was not held by all signatories, several of whom noted that most of these other processes do not offer the same unique platform for the UN, INGOs, ICRC and the IFRC Secretariat and donors, and that there is a need for a specific workstream on this issue. The different perspectives on the purpose and nature of this workstream have meant that, though there is a lot of ongoing activity, there is no common agreement or approach by signatories on how to use the Grand Bargain framework to advance the nexus.

There has been some progress by individual or groups of signatories in relation to the commitments under this workstream, though it was not always possible to determine to what extent these related to the Grand Bargain per se. The Humanitarian Development Peace Initiative (HDPI), a collaboration between the World Bank and the UN system, aims to encourage more collaborative working between humanitarian and development actors in fragile and conflict-affected situations. It was piloted in seven countries in 2017 (Cameroon, Central African Republic, Guinea Bissau, Somalia, Sudan, Pakistan and Yemen), with a view to increasing efficiency gains by facilitating a single interface with the government under a joint/shared evidence-based strategy; strengthening understanding across institutions of how each works; leveraging comparative advantages especially in generating data and evidence; and reducing duplication through improved coordination. In 2017 the OECD published guidance for its member states outlining concrete ways to increase coherence in donor approaches to better address risks and vulnerability in a given protracted crisis context and, through OECD-INCAF, was

developing guidance on the broader humanitarian-development-peace nexus (OECD, 2017).

Other individual actions reported included efforts to increase preparedness, including supporting national institutions and actors, but at least one aid organisation highlighted that it remains difficult to persuade some donors to invest in such programmes, despite evidence showing the return on investments. Reporting by individual signatories against commitment 10.2 was high (79%), but there was little evidence to indicate whether these were new or enhanced approaches to durable solutions, and few actions were reported that specifically dealt with migrants and 'other situations of recurring vulnerabilities'. One exception was the World Bank, which, with its global partners, has spearheaded two important initiatives: the International Development Association 18 (IDA18) Regional Sub-window for Refugees and Host Communities and the Global Concessional Financing Facility. The $2 billion 'refugee window' offers dedicated funding on top of host governments' normal IDA allocations to help manage the impact of refugee inflows and provide socioeconomic opportunities both for refugees and host communities. In collaboration with UNHCR, eligibility notes have been developed for eight countries, allowing them to access finance, and 15 projects worth some $1 billion are in preparation. Several donors including ECHO and DFID reported on new policies recognising or emphasising the importance of the humanitarian–development nexus.

No specific actions were reported by the workstream on integrating gender, but eight signatories did report on their own actions in this regard. Canada reported on initiatives designed to increase resilience, with explicit attention on gender equality and conflict sensitivity. France has established a gender marker for its food aid programmes. Switzerland reported on the new FDFA strategy on gender equality and women's rights, which requires measurement of gender equality in development and humanitarian programmes through specific indicators.

The co-conveners (UNDP and Denmark) submitted a letter to the Eminent Person in March 2018 recommending that workstream 10 be closed and its work integrated into other workstreams. This recommendation was based on the co-conveners' understanding that the nexus had originally been considered by the group of Sherpas as a cross-cutting

issue (WHS, 2016; Denmark and UNDP, 2017; ICVA, 2017). During interviews, many signatories complained that they had not been consulted on the decision to close the workstream, but they sympathised with or accepted the rationale, perceiving workstream 10 as being duplicative of other mechanisms. However, many also raised concerns about how to retain focus on this important area of work, and how exactly 'mainstreaming' the nexus through other workstreams would be done (see also VOICE and ICVA, 2018). A number of signatories, including one large donor, raised serious concerns at the closure of this workstream, asserting that there was a real risk that the political momentum across the groups of constituents that had been generated by the Grand Bargain on this critical issue would now be lost. Some signatories also expressed frustration that this issue had been framed as an HQ-based conceptual problem, when the Grand Bargain should focus on how the nexus can be operationalised at country level. Given the ongoing differences of opinion or interpretation around how the nexus should be advanced by or within the Grand Bargain, greater engagement from the Facilitation Group, the group of Sherpas and the Eminent Person is now required to ensure that the initial momentum and interest in this important issue are not lost.

2.10.2 Progress reported against each commitment

> **Key**
> ● Activities reported ● Activities planned ● No activities reported
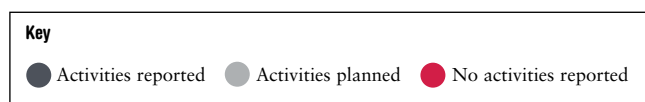
Commitment 10.1: Use existing resources and capabilities better to shrink humanitarian needs over the long term, with a view to contributing to the outcomes of the Sustainable Development Goals. Significantly increase prevention, mitigation and preparedness for early action to anticipate and secure resources for recovery.

*All signatories – Individual action – No target/deadline*

83%
11%
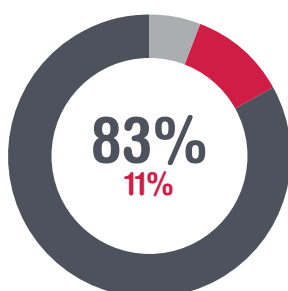
The large majority of signatories (83%) reported activities under this commitment, with 26% graded as 'good' progress. The high level of activity reporting seems to demonstrate an interest in this theme,

but interviews also indicate that the Grand Bargain has given added momentum to many pre-existing or pre-planned initiatives.

France has created a post-conflict stabilisation unit within its Foreign Ministry and a crisis and post-conflict unit within the French development agency AFD, and established a Peace and Resilience Fund/Vulnerability Facility to set up multi-year programmes focusing on protracted crises. The IFRC Secretariat, with support from Germany, reported that, in December 2017, it established the FbF Window to its Disaster Relief Emergency Fund (DREF) to provide National Societies with funding for predefined early action based on forecasts. As communities in Bangladesh braced themselves for Cyclone Mora, the Bangladesh Red Crescent activated its FbF mechanism, allocating grants to nearly 2,300 households to meet immediate needs when the cyclone hit. DFID reported on the launch of its £15 million research project on shock responsive essential services, and set up the Centre for Global Disaster Protection in 2017 with the World Bank and Germany to help other countries strengthen their disaster planning and improve access to disaster risk financing. In addition, the IASC and UNDG Steering Committee on Famine Response and Prevention was established to coordinate the four famine response and prevention efforts in north-east Nigeria, Somalia, South Sudan and Yemen. This included reinforcement of country-level leaderships on implementing the NWoW.

Commitment 10.2: Invest in durable solutions for refugees and internally displaced people and sustainable support to migrants, returnees and host/receiving communities, as well as for other situations of recurring vulnerabilities.

All signatories – Individual action – No target/deadline

78%
22%
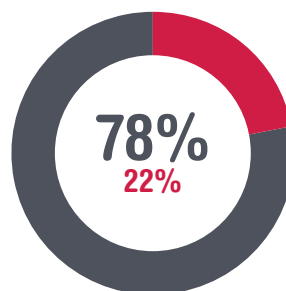
More than three-quarters of signatories (78%) reported activities mostly focused on support for durable solutions for IDPs and refugees, 28% of which were graded as 'good progress'. ILO for example reported on its collaboration (through its International Training Centre) with UNHCR to build the capacities of UNHCR and other humanitarian organisations to conduct assessments and develop livelihood promotion strategies. However, in

general it was difficult to determine to what extent many of the activities reported under this commitment represented new or increased efforts.

Some signatories reported having contributed to the CRRF and the Global Compact on Refugees through research and dissemination of best practices. The IRC developed a brief on the CRRF in East Africa, highlighting challenges and progress towards bridging the humanitarian–development divide in protracted refugee crises, and disseminated findings from a study group co-led with the Center for Global Development on best practices for refugee compacts, including recommendations for multi-stakeholder approaches, collective outcomes and joint planning. UNDP has facilitated stronger development approaches within the CRRF through the provision of specialist capacity on the humanitarian–development nexus, both at headquarter and country levels. ILO and UNHCR developed a joint work plan (agreed in March 2017) to support implementation of the CRRF including through joint assessments, research, training and capacity-building and advocacy promoting inclusive approaches to integration in labour markets, access to livelihood opportunities and social protection mechanisms.

Commitment 10.3: Increase social protection programmes and strengthen national and local systems and coping mechanisms in order to build resilience in fragile contexts.

All signatories – Individual action – No target/deadline
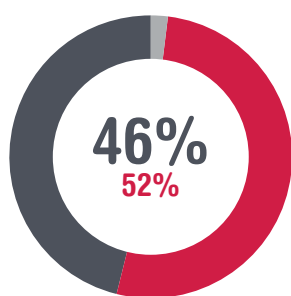
46% of signatories reported activities against this commitment, but only 13% were rated as '3 – good progress'. Many actions reported had limited engagement with national and local systems.

DFID has invested £140 million (including £30 million for a 21-month extension) in a programme to build resilience and adaptation to climate extremes (BRACED) in 13 countries. The World Bank reports significant progress in adaptive social protection systems, with cash-based programming ongoing in 26 fragile and conflict-affected situations. ILO and UNHCR have developed a Technical Cooperation Programme (TCP) to scale up integration of refugees,

asylum-seekers, internally displaced and stateless people into national health insurance and service provision schemes.

World Vision International reports on its work combining cash-based programming with livelihoods, child protection, WASH and health activities in Somalia, West Nile, Nepal and the Lake Chad basin.

Commitment 10.4: Perform joint multi-hazard risk and vulnerability analysis, and multi-year planning where feasible and relevant, with national, regional and local coordination in order to achieve a shared vision for outcomes. Such a shared vision for outcomes will be developed on the basis of shared risk analysis between humanitarian, development, stabilisation and peacebuilding communities.

All signatories – Joint action – No target/deadline

Reporting from the workstream against this commitment is limited, but individual signatories indicated a range of actions taken by themselves or by small groups of signatories in relation to this and commitment 7.3. In terms of collective actions, OCHA and UNDP highlighted the DINA Framework in Somalia and a High-Level Humanitarian–Development Forum in Chad, which aims to strengthen synergies and coherence between humanitarian and development assistance through joint operational priorities and six collective outcomes to be achieved by 2019. OCHA reported on its support to HCTs with multi-year HRPs, and the co-conveners referred to progress in developing collective outcomes through the CRRF.

UNDP reported on its efforts, together with other partners, to provide support to strengthen joint analysis, planning, coordination, development of collective outcomes and programming in Sudan, Lebanon, DRC, Somalia, Ethiopia, Uganda, Djibouti, Nigeria, Burkina Faso, Mali and Yemen, as well as its co-chairing of IASC discussions on the nexus and participation in the DSG steering committee on the nexus. OECD-DAC INCAF reported on its convening of a policy discussion on establishing collective outcomes. Sida has strengthened its risk-informed development planning and programming through piloting, with the OECD/DAC, a resilience systems analysis (RSA) in six contexts at various points of the programme cycle.

Commitment 10.5: Galvanise new partnerships that bring additional capabilities and resources to bear in crisis-

affected states through multilateral development banks and foster innovative partnerships with the private sector.

All signatories – Individual action – No target/deadline

50%
46%
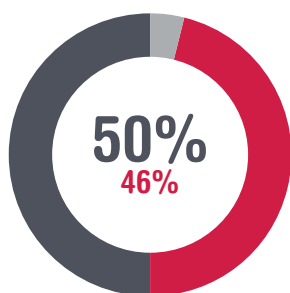
50% of signatories reported actions, with 15% rated as '3 – good progress'.

Most UN agencies reported strengthening their partnerships with the World Bank; WHO, for example, reports on piloting its Delivering Accelerated Results Effectively and Sustainably (DARES) programme in conjunction with the World Bank in Yemen. The programme focuses on re-establishing health systems in very fragile contexts.

There was limited reporting of engagement with or outreach to other MDBs or potential partners in the private sector. ZOA reported on its network of business ambassadors, and has facilitated country visits for Dutch entrepreneurs to increase their awareness and engagement, including with local businesses.

2.10.3 Workstream scorecard

DONOR ACTIVITY: Score 2
Most donors reported continued or increased investments in programmes that aim to reduce needs (DRR, peacebuilding, risk financing and post-conflict recovery), and some have revised their strategies or policies specifically to address the nexus. Given the lack of a collective approach through the workstream, however, it is difficult to determine to what extent these efforts were specifically related to the Grand Bargain.

AID ORGANISATION ACTIVITY: Score 2
High levels of activity were reported by aid organisations, including related to the NWoW and other mechanisms, and investments in increasing people's resilience. Given the lack of a collective approach through the workstream, it is difficult to determine to what extent these efforts were specifically related to the Grand Bargain.

ACTIVITY ON JOINT COMMITMENTS: Score 2
Some actions have been taken to increase joint multi-year assessments and planning with development actors and establish collective outcomes at country level – both through the HDPI and HRPs, with support from OCHA and UNDP. Activities against the joint commitment were undertaken largely by individual or small groups of signatories, not at the level of the workstream, and it is difficult therefore to discern a system-wide shift in approach.

LINKS TO OTHER WORKSTREAMS: Score 2
The co-conveners and participating signatories identified and pursued links with some other workstreams, including workstream 5 (needs assessments) and workstream 7 (multi-year planning and financing). The majority of signatories highlighted the need for quick and clear instructions on how the nexus should be integrated across all workstreams.

LINKS TO OTHER EXISTING PROCESSES: Score 2
The co-conveners have focused significant effort on other processes outside the Grand Bargain, capitalising on their work to communicate good practice in implementing the humanitarian–development nexus to workstream participants. However, it was unclear to many signatories how these efforts translated into progress within the Grand Bargain framework.

Section 3

Conclusions and recommendations

3.1 Conclusions

This second annual report covers the period January to December 2017, and therefore reflects on actions taken and progress made just 18 months after the creation of the Grand Bargain. The research team were cognisant that the commitments made by signatories in 2016 represent a significant institutional and system-wide change process that will take time to show concrete results. Bearing this in mind, the research for this report indicates a number of overarching conclusions, as set out below.

There has been progress against the commitments, but it remains uneven.

The research indicates that there has been important progress in some key areas, including the increased use of cash programming, increased volumes of multi-year funding, on collective approaches to participation and on harmonising narrative reporting. Several commitments have been partially achieved, including instituting multi-year planning at country level (commitment 7.2) and agreeing an approach for tracking allocation of funding to national and local actors (commitment 2.5). However, there is growing concern that what progress has been made is uneven, with varying levels of action taken across the workstreams, across the full range of commitments and across the different groups of signatories. The uneven attention provided to gender is symptomatic in this regard. Uneven progress is to a degree inevitable given the sheer breadth and scope of the 51 commitments and the widely varying capacities of the – now 59 – signatories. It also relates to a lack of agreement or clarity on what many of the commitments actually

mean, and a lack of practical guidance on what actions are needed to achieve them. It also reflects the fact that some of the commitments are easier to achieve, while others will require far greater political investment and risk-taking by signatories.

Signatories remain strongly committed to the Grand Bargain, but the lack of a clear end goal means that efforts are not adequately focused.

There remains a high level of sustained political interest at institutional and collective levels in bringing about the transformative changes in policy and practice that the Grand Bargain was intended to achieve. However, the large majority of signatories were unclear as to the exact nature of the end goal and there seemed even less clarity regarding by what date this should be achieved. As a result, there is no clear basis on which to prioritise and focus institutional and collective efforts, and the sense of urgency with which signatories originally came together in 2016 is starting to ebb.

The strong collaborative spirit of the Grand Bargain is tempered by the lack of appreciation for the differing risks each constituent group faces.

There remains a strong spirit of collaboration among the signatories, with the vast majority expressing sincere appreciation for the Grand Bargain as a unique platform for joint working between donors, UN agencies, the ICRC and IFRC Secretariat and INGOs. However, there is widespread concern that the quid pro quo arrangement is not working and there is still limited understanding or appreciation of the risks and institutional challenges and limitations each group faces

in trying to achieve its commitments. The idealistic approach to the commitments that some signatories have adopted also fails to take account of the very real political, legal and practical constraints that other signatories face in trying to implement the commitments as they are currently worded. The research for this report shows that, where the signatories are able to come together to understand and share risks, they can achieve important progress. But they are still failing to fully exploit the opportunity that this forum presents. Coming together to identify and assess the risks inherent in working towards a more efficient and effective humanitarian system should help the signatories reach a common understanding of how these risks relate to the different constituent groups, and how they can be more effectively managed. This process would help build trust and develop a more effective common strategy to achieve the desired efficiency and effectiveness gains.

Current approaches to measuring progress are unlikely to adequately capture the qualitative improvements that the Grand Bargain is bringing about.

While 2017 is only the second year in the Grand Bargain process, and it is too early to expect concrete impact, it is becoming increasingly important to demonstrate – to the signatories and to external stakeholders – what actual progress has been made. Measuring progress is complicated by the vague wording of some commitments, the inclusion of some seemingly arbitrary quantitative targets and by a lack of reasonable baselines or benchmarks.

The self-reporting arrangement is important for the transparency and accountability of the signatories, as well as an opportunity (not yet exploited) for sharing lessons and good, or at least illustrative, practice. However, it is an imperfect tool for measuring progress against the commitments or in terms of efficiency and effectiveness gains. This is primarily due to the differing ways that signatories interpret their responsibilities and commitments, and the widely varying quality of information presented in self-reports. At workstream level, there have been efforts to develop methodologies to measure progress, but none has as yet been finalised and endorsed by all relevant signatories, and there are disagreements over appropriateness and terminology. Applying a consistent, simple and pragmatic methodology should ensure that progress is measured in a reasonable and meaningful way, and this in turn should help build confidence among signatories and

non-signatories that the investments being made in the Grand Bargain are worthwhile. Specifically assessing the efficiency savings and effectiveness gains being achieved through implementation of the commitments requires a more robust methodology. It also requires a clearer understanding of the end goal to be achieved, as highlighted above.

The Grand Bargain's unique added value has become less visible in today's dynamic global aid environment.

This is a dynamic time in the global aid sector, with a high level of political engagement on long-standing obstacles to improving policy and practice. Large multilateral processes have been established that were either not clear or not foreseen when the Grand Bargain was created, particularly reform of the UN development system and the Global Compact on Refugees. This environment presents both opportunities and risks for the Grand Bargain signatories. Clarifying the links with these new multilateral initiatives (as well as pre-existing mechanisms and fora) and capitalising on the high level of political will they have generated across a wider spread of aid actors could help further the Grand Bargain's collective ambitions. However, a failure to recognise, communicate and make the most of the complementarities risks the Grand Bargain being sidelined by the political leadership of its own signatories.

Finally, the Grand Bargain has become both under-governed and over-structured.

In the first annual report process, many signatories praised the light governance and bureaucratic arrangements in place at the Grand Bargain's creation. However, in its second year the shortcomings of this approach have begun to outweigh the advantages. The lack of authoritative leadership at working level, specifically a lack of empowerment by signatories of the Facilitation Group, has left them unable to set direction and take substantive decisions, leaving some of the key policy differences that are stalling progress in and between workstreams unresolved. The intended focus on 'convening' rather than actively 'coordinating' or 'leading' workstreams, coupled with uneven investments in the co-convener role by assigned signatories, has impacted how much progress some workstreams have been able to make. At the higher level, staff interviewed called for more visible leadership from both the group of Sherpas and the Eminent Person, but also from the wider group of

signatories themselves. As several highlighted, the annual meeting of the Grand Bargain remains the principal mechanism for decision-making by the signatories, but much greater preparation is required to fully exploit this opportunity for substantive discussion on the fundamental political questions that are hindering further collective progress. Whilst governance of the Grand Bargain has been somewhat lacking, its structures have evolved organically and there are so many workstreams, sub-groups and initiatives that even the largest organisations are unable to follow them all in any meaningful way. The governance arrangements of the Grand Bargain should reflect the fact that the signatories are voluntarily committing themselves to a set of actions, but it should also be robust enough to hold them to account for these commitments and to take the decisions necessary to resolve differences and clarify what should be achieved and by when.

3.2 Recommendations

Looking ahead, to stay on track towards achieving its commitments the authors argue that the Grand Bargain needs to become more nimble, more focused, more pragmatic and more responsive to the wider aid environment in which it is operating. In achieving this, the signatories should empower the Eminent Person, the group of Sherpas and, crucially, the Facilitation Group, to undertake the series of actions listed below:

1. Rationalising, prioritising and targeting efforts to commitments where reasonable progress can be achieved:

ACTION: Based on the findings of this report, the Facilitation Group should commission an independent body to conduct a light 'audit' of the existing commitments to identify (where feasible) which have been achieved in whole or in part, which may be or are being addressed more effectively by mechanisms outside the Grand Bargain, and which could be realistically achieved if signatories were able to sequence and target their efforts accordingly. The audit should not consider amending or deleting the original commitments, but instead should help signatories identify where they should prioritise and refocus their efforts in order to make more substantial collective progress across the breadth of commitments. Adapting the approach taken by some workstreams, including workstreams 1 (transparency)

and 9 (harmonised reporting), and recognising the importance of sequencing, other workstreams should also identify those commitments against which they should prioritise collective efforts.

ACTION: The co-conveners of workstream 10 (humanitarian–development nexus), with engagement from participating signatories and with the support and guidance of the Facilitation Group, should undertake a similar or linked process of auditing to determine where and exactly how enhanced engagement between humanitarian and development actors should be integrated in the actions and strategies adopted under other workstreams. Given the critical nature of this workstream to the overall Grand Bargain framework, this exercise should be undertaken with some urgency.

2. Lighten the bureaucratic burden on signatories in order to better support institutional-level implementation:

ACTION: The Facilitation Group, in consultation with the co-conveners, should propose (and signatories should endorse) a rationalisation of the workstream structure with a view to consolidating efforts and eliminating duplication. Based on the findings of this report, this may include merging workstreams 7 (multi-year planning and financing) and 8 (reduce earmarking) given the substantive overlap between them around more predictable and flexible funding, and amalgamating commitments that are duplicative, such as commitments 7.3 and 10.4, which both require joint assessments of risk and vulnerabilities; 7.1.a and 10.4, which both require joint multi-year planning; and 2.3 and 10.3, which both require investment in the capacities of local and national coordination structures.

ACTION: With the assistance of the co-conveners, the informal friends of gender group and the Secretariat, the Facilitation Group should revise the self-reporting template and process to reflect a rationalised and prioritised approach to the commitments (based on the audit recommended above), and develop more detailed guidance on the level and quality of information that should be included (including in relation to integration of gender-responsive actions), thereby reducing the administrative burden and developing more consistent information to assess progress through the annual report. Providing examples of the information required (using previous years' self-reports) may also assist some

signatories (particularly those with less capacity) to understand what is required.

ACTION: The capacity of the Secretariat should be increased to better support the work of the Facilitation Group and co-conveners. This could include collating and presenting illustrative examples of actions required or taken by signatories; elaborating (under the guidance of the Facilitation Group and in collaboration with the co-conveners) a body of practical guidance on how to embed the commitments at institutional level; increasing communication across the workstreams and helping the Facilitation Group to trouble-shoot problems; ensuring greater sharing of information among the signatories and between them and governance and leadership structures; and facilitating increased communication and outreach with non-signatory stakeholders through updating the existing website, including ensuring timely uploading of workstream documents and updated points of contact.

3. Find pragmatic and creative ways to achieve the same outcomes:

ACTION: Based on an increased understanding of the political and technical limitations to achieving some specific commitments, the workstreams should, with support from the Facilitation Group, define creative and pragmatic ways to achieve the same intended outcomes. For example, recognising the limitations that many donors face in providing funding directly to local organisations, it may be more useful to focus on 1) reducing overheads among intermediary organisations and mechanisms, including pooled funds, to ensure that a larger proportion of funding reaches local organisations; and 2) strengthening the capacities of local organisations to enable them to absorb this increased funding. Where donors cannot provide softly earmarked funding at the global level, they could explore pragmatic alternatives, such as supporting flexible funding to country programmes.

4. Define a practical and consistent methodology for making a reasonable assessment of progress:

ACTION: Notwithstanding the importance of generating rigorous evidence, signatories should identify a handful of simple and pragmatic benchmarks or indicators to enable them to reasonably assess what progress has been achieved across the Grand Bargain framework. This task should be overseen by the group

of Sherpas and led by the Facilitation Group, with inputs from co-conveners. It may need to be outsourced to an independent body/consultant given limited availability/capacities within the Facilitation Group members and among co-conveners.

The OECD/GTS perception surveys could serve as benchmarks with regard to whether participatory approaches are resulting in more demand-driven programming (workstream 6), on whether cash programming is achieving better outcomes (workstream 3), and whether support to local actors is improving (workstream 2). Along with other indicators, the surveys may also be helpful in assessing the overall effectiveness of the humanitarian system. Quantitative aggregate targets for funding to local organisations and for earmarking funds should be revised to include actual figures, rather than percentage increases, as well as overall volumes of funding. In terms of the overall impact of the Grand Bargain, pursuing an iterative change process should help focus efforts on assessing progress towards the changes that the Grand Bargain has identified are needed to improve the humanitarian system. With this approach, a small set of critical questions should be agreed that outline what changes in policy and practice are intended, and a pragmatic method should be developed to help answer these questions.

5. Get the 'bargain' back on track:

ACTION: The signatories, through the Facilitation Group and co-conveners, should collectively undertake a 'light' risk management exercise to consider the commitments through a risk lens, thereby identifying how risks should best be managed. This should help clarify the risks different constituencies face in taking actions (or not taking action) towards their commitments, and how their respective risk mitigation efforts may impact – positively or negatively – on other groups. Considering the commitments through a risk lens should build stronger arguments for increased risk tolerance and risk sharing, and reduced risk transferring. Cognisant that this should be a 'light' process, this exercise could involve co-conveners bringing forward the outcomes of discussions on risk held at the workstream level to a cross-workstream discussion led by the Facilitation Group that identifies key common or priority risks across the Grand Bargain framework and makes proposals for collective mitigation strategies. This analysis could then be shared with the group of Sherpas for senior-level discussion and decision-making.

ACTION: With the support of the Facilitation Group, a small group of the largest, or at least like-minded, signatories should come together informally to galvanise their collective efforts with a view to demonstrating (on a smaller scale) what can be achieved through the quid pro quo approach. Referencing the original 5+6 concept, and with due regard to transparency, this could encourage other signatories to take the necessary steps in their key areas of commitments.

6. Strengthened political leadership is needed to help signatories overcome political obstacles and steer them towards a clarified end goal:

ACTION: Building on her successes thus far, and with increased support from the Facilitation Group (and by extension the Secretariat), the Eminent Person should maintain her focus on high-level political engagement across the group of signatories; on maintaining appropriate political links with other multilateral mechanisms, including the UN reform process; and on addressing the high-level political challenges that are stalling greater and more consistent progress – for example the lack of political will among key signatories to make a step-change in the collective approach to needs assessments. Given her leadership role at the World Bank, the Eminent Person is also very well placed to champion forthcoming efforts by signatories to integrate the humanitarian–development nexus across the breadth of the commitments and workstreams.

ACTION: The group of Sherpas should be revitalised and more consistently engaged, working in support of the Eminent Person and in collaboration with the Facilitation Group. The nature and size of the group is best determined by the signatories themselves, but the authors recommend a small group of the most active/engaged signatories – akin to the original group of 20 or a group of six that is aligned to the rotating institutional membership of the Facilitation Group. Crucially, the membership of this group, as well as its role and function as an interim leadership mechanism, must be endorsed by the wider group of signatories. In close collaboration with the Facilitation Group, these Sherpas should actively oversee setting of strategic priorities across workstreams, provide political guidance on integration of key cross-cutting issues, including the humanitarian–development nexus and gender-responsive approaches, and the development

of a practical and pragmatic methodology for measuring collective progress. They should also act as a senior-level arbitrator for resolving challenges or disagreements arising from within or across workstreams, as referred to them by the Facilitation Group. The group should also advise the Eminent Person on where her intervention is necessary to resolve challenges or to spur collective progress.

ACTION: Building on its achievements thus far, the Facilitation Group should be reinforced through more sustained membership, with representatives appointed at least biennially rather than annually; with a clearer focus on identifying and suggesting ways to address the uneven progress across workstreams; and acting as the arbitrator at working level for resolving challenges or disagreements from within or across workstreams – raising these up to the Sherpa group as needed. In collaboration with the Sherpas, the Facilitation Group (supported by the Secretariat) should also provide advice to the Eminent Person on where her intervention is required to resolve challenges or spur progress on specific issues.

ACTION: This report identifies that strong leadership and a focus on coordinating rather than simply 'convening' are key to ensuring greater progress within workstreams. As such, the nature of the co-conveners' role should be adjusted to reflect the need for more active coordination and, with that, the provision of more sustained capacity from signatories who have taken on these roles.

ACTION: Noting the importance of the annual meeting, the signatories (through the Facilitation Group and workstream co-conveners) should undertake adequate advance preparations to make full use of this opportunity to convene substantive discussions and agree clear actions on specific issues that are currently holding back collective progress. Issues for discussion and decisions in 2018 may include whether or how to expand membership, how the Grand Bargain should relate to field-level operations, how to streamline the structure of the Grand Bargain to enable more focused efforts to achieve the commitments and, crucially, what the exact end goal should be and how signatories will measure progress against it. The signatories should utilise the present report to inform their deliberations of and decisions on these issues.

Annex 1

List of signatories submitting self-reports for 2017 by 29 March 2018

Number	Signatories
Donors	
1	Australia
2	Belgium
3	Canada
4	Czech Republic
5	Estonia
6	ECHO
7	France
8	Germany
9	Ireland
10	Italy
11	Japan
12	The Netherlands
13	New Zealand
14	Norway
15	OECD
16	Spain
17	Sweden
18	Switzerland
19	United Kingdom

Number	Signatories
UN entities	
1	FAO
2	ILO
3	IOM
4	OCHA
5	UN Women
6	UNDP
7	UNHCR
8	UNICEF
9	UNRWA
10	WFP
11	World Bank
12	WHO

Number	Signatories
INGOs	
1	CAFOD
2	CARE International
3	Catholic Relief Services
4	Christian Aid
5	ICVA
6	InterAction
7	International Rescue Committee
8	MercyCorps
9	NRC
10	Oxfam International
11	SCHR
12	World Vision International
13	ZOA

Number	Signatories
Red Cross and Red Crescent Movement	
1	ICRC
2	IFRC Secretariat

Number	Signatories
New Signatories in 2018	
1	Action Aid
2	Save the Children
3	NEAR

Number	Signatories
Reports submitted after the extended deadline[24]	
1	Denmark
2	US

24 And therefore not considered in the analysis for the present report.

Annex 2

Summary of reporting on gender-related actions

	Separate statement	WS 1	WS 2	WS 3	WS 4	WS 5	WS 6	WS 7	WS 8	WS 9	WS 10
Australia										x	
Belgium											
Canada		x	x	x	x	x	x	x	x	x	x
Czech Republic											
ECHO											
Estonia											
France											x
Germany						x	x				
Ireland			x					x			
Italy							x				
Japan											
Netherlands	x						x				
New Zealand						x					
Norway	x			x							
OECD											
Spain											
Sweden						x	x			x	
Switzerland				x		x			x		x
UK	x		x			x	x				x
Donors total	**3**	**1**	**3**	**3**	**1**	**6**	**6**	**2**	**2**	**3**	**4**

	Separate statement	WS 1	WS 2	WS 3	WS 4	WS 5	WS 6	WS 7	WS 8	WS 9	WS 10
CAFOD											
CARE International		x	x	x		x	x				x
CRS											
Christian Aid			x	x		x	x			x	
ICVA										x	
InterAction											
IRC			x				x				
MercyCorps											x
NRC											
Oxfam International			x								
SCHR											
World Vision International		x									
ZOA											
INGOs total	**0**	**2**	**4**	**2**	**0**	**2**	**3**	**0**	**0**	**2**	**2**

Summary of reporting on gender-related actions

	Separate statement	WS 1	WS 2	WS 3	WS 4	WS 5	WS 6	WS 7	WS 8	WS 9	WS 10
FAO						x	x				
ILO											
IOM						x					
OCHA		x				x		x			x
UN Women			x	x		x					x
UNDP			x								
UNHCR							x				
UNICEF							x		x		
UNRWA		x									
WFP		x	x			x	x				
World Bank											
WHO						x					
UN total	**0**	**3**	**3**	**1**	**0**	**6**	**4**	**1**	**1**	**0**	**2**
ICRC	x						x				
IFRC Secretariat			x								
RCRCM total	**1**	**0**	**1**	**0**	**0**	**0**	**1**	**0**	**0**	**0**	**0**
Overall total	**4**	**6**	**11**	**6**	**1**	**14**	**14**	**3**	**3**	**5**	**8**

Annex 3

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Annex 4

1. Overview

Presented at the first UN SG's World Humanitarian Summit in May 2016, the Grand Bargain is an agreement between donors and agencies that sets out a shared understanding, opportunities, and common vision of how to improve the effectiveness and efficiency of humanitarian aid. Signatories include the main humanitarian donors, UN organisations, major NGO networks as well as the ICRC and the IFRC Secretariat.

The Grand Bargain consists of 51 voluntary commitments, made under 10 work streams. With a light overarching structure (workstream co-convenors, facilitation group, secretariat), the main mechanism to drive forward and to maintain an overview of progress towards delivering the commitments is the work stream. Each work stream is convened by two Grand Bargain signatories, one donor and one humanitarian organisation. Making the Grand Bargain become a reality requires each signatory taking necessary steps internally, as well as signatories collaborating within and across work streams and commitments.

As there is no mechanism to enforce implementation of commitments, full transparency of processes and results is key to ensure accountability towards affected people, host governments, donor governments and tax payers.

At the Grand Bargain meeting in September 2016 in Bonn, signatories agreed that an independent annual Grand Bargain report will provide a qualitative trend analysis to see whether the 'humanitarian system' is on track to deliver the Bargain in the different work stream areas.

DFID, on behalf of the Grand Bargain signatories, is seeking an organisation to undertake the 2018 Independent Grand Bargain report, to support ongoing accountability for the implementation of Grand Bargain commitments, by monitoring progress made collectively, and not by individual signatories. The annual iteration of the report holds the potential to add momentum for change.

DFID will commission this report through DFID's Expert Advisory Call-Down Service (EACDS) on Strengthening Resilience and Response to Crises, managed by DAI. The 2018 report will be released on 1 June 2018, and presented at the annual Grand Bargain meeting in the margins of ECOSOC Humanitarian Affairs Segment meeting (19–21 June 2018).

In addition to the self-reporting against each work stream by each Grand Bargain signatory, the independent, annual report is vital to understand to which degree progress has been made towards achieving the commitments. The independent report will take the information provided in the self-report as starting point for further analysis.

2. Objectives

- Assess what actions signatories have taken against each commitment based on self-reporting, noting that that not all commitments apply to all signatories equally.
- Collect 'best practice' for work streams or collective actions.
- Provide an independent and impartial overview of the collective progress made two years after the endorsement of the Grand Bargain. (That means the "unit of analysis" is the collective work stream, not the individual GB signatory).
- Assess progress made and level of ambition for each work stream and scrutinize the level of ambition in the second year. Provide an estimation of efficiency gains induced by the steps taken.
- Analyse to which degree the Grand Bargain has stimulated change in the narrative (or individual

'game changers') and thinking on humanitarian efficiency and effectiveness.

- Consider the extent to which recommendations of the 2017 Independent Annual Report have been taken up and/or remain relevant.
- Assess the 'Bargain of the Grand Bargain':
  - The state of the quid pro quo
  - To which degree is there a quid pro quo between the different work streams (e.g. between transparency and harmonized/simplified reporting, or multi-year planning and funding/reduced earmarking and reduced management costs etc.)?
  - Focusing on the main elements of the quid pro quo, do the various stakeholders (including among donors, UN organisations, Red Cross movement and NGOs) move forward at a similar pace? What are the factors enabling or constraining progress for each stakeholder?
- Suggest synergies between initiatives, identify barriers and enablers, highlight good practice and areas that require additional effort.
- Where relevant, assess the extent to which gender has been considered by Grand Bargain work streams.

3. Expected outputs

1. An inception note to articulate overall approach, methodology and data collection, building on, but consistent with, 2017 approach and theory of change.
2. An engagement plan to identify ways of working with signatories ahead of the Annual Grand Bargain meeting to best support the Independent Report's development and uptake of recommendations.
3. Report on progress of implementation of the Grand Bargain:
   a. Report, max 10000 words with 2–3 page executive summary
   b. Annexes with details on each work stream as necessary
   c. Info graphic, animated video or other communication tool for broader audience and presentation at the Grand Bargain annual meeting (outline of product to be agreed by the Facilitation Group)
   d. As an annex: Suggested ways of measuring progress on implementation of the Grand Bargain commitments, in collaboration with work stream co-conveners, and data collected against these progress measurements.

4. Support the presentation and dissemination of the report by the Grand Bargain Facilitation Group, including at the Annual Grand Bargain Meeting in New York in June 2018, presentations in Geneva and one other location [to be determined in consultation with consultants and Facilitation Group] and online platforms to ensure the report's reach and impact.

4. Methodology and questions

Study questions:

1. To what degree have Grand Bargain signatories made progress in implementing the commitments?
2. Which are the work streams with the biggest substantial progress? Which are the factors that contribute to progress and which are the factors that hinder it? Which need additional attention and effort?
3. Are any work streams 'complete', 'dormant', or would benefit from consolidation or better sequencing of commitments within work streams or among work streams??
4. To which degree are the progress made to date and the launched initiatives likely to improve the efficiency and effectiveness of humanitarian assistance?
5. What is the level of ambition in implementing the commitments of the work streams? What are best practices and opportunities for synergies? What are the main barriers and how can they be overcome?
6. To what extent is change by individual signatories or work streams resulting in systemic change?

Methodology:

The independent experts should propose a methodology that they consider suitable to the scope of work, but it is expected to include the following:

- Desk study:
  - analysis of self-reports of Grand Bargain signatories and background material
  - review of monitoring by specific stakeholder initiatives, to be suggested by work stream co-conveners (such as NEAR network regarding localization, evaluations done e.g. under commitment 6 of the needs assessment work-stream)
  - review of relevant reports, e.g. annual report on WHS initiatives (PACT), relevant OECD

reports, IATI reports, GHD reports, mapping done by ICVA/IASC Secretariat to highlight collective action to implement the Grand Bargain and where it connects to the IASC and other humanitarian transformation processes.

- In addition to the indicators explicitly defined in the Grand Bargain and by the work streams, formulate ways of measuring progress on work streams and commitments (as far as possible and in collaboration with work stream leads);
- Data collection against ways of measuring progress, comparative analysis of progress;
- Interviews with GB Eminent Person, Sherpa's and representatives of GB members on their own strategy to implement Grand Bargain;
- Interviews with technical staff of GB signatories on GB relevant initiatives;
- Interviews with non-signatory stakeholders;
- a "traffic light" or similar, simple graphic system

to highlight enabling and hindering factors to the implementation of the Grand Bargain implementation process at the work stream level;

Independence:

The annual report is drafted by independent, external experts who do not belong to any of the Grand Bargain signatory organisations and are not involved directly in any of the GB work streams (e.g. as humanitarian implementing organisations, "Humanitarian to Humanitarian" service provider or else).Expert team shares draft report with Facilitation Group and signatories for comments and fact checking. Factual errors and methodological weaknesses and unsubstantiated findings are to be corrected. The conclusions and recommendations represent the opinion of the experts who have the final editing rights.

HPG

Humanitarian Policy Group

The Humanitarian Policy Group is one of the world's leading teams of independent researchers and information professionals working on humanitarian issues. It is dedicated to improving humanitarian policy and practice through a combination of high-quality analysis, dialogue and debate.

Cover photo: Luscie and her eight children arrived at Lusenda refugee camp in Democratic Republic of Congo after fleeing Bujumbura province in Burundi during the 2015 political crisis. © UN Women/Catianne Tijerina

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