



## **Reflecting on the Grand Bargain after six years and on the way forward**

*March 2023*

NEAR was launched on the fringes of the World Humanitarian Summit 2016 and has been a consistent partner, advocate, critic, and ultimately signatory to one of the central outcomes of this historic moment. Our founding members were instrumental in crafting the Grand Bargain commitments and remain committed to driving change in the humanitarian aid system.

Despite some positive advancements, the transformation promised in 2016 has yet to materialise, and local and national NGOs continue to struggle to see the return on their investment in these processes. Important but disparate efforts by actors have not added up to systemic change.

We have seen tremendous growth within our network over the past seven years, with deeper engagement from the Global South within the Grand Bargain processes and more volunteer leadership from southern leaders. Conversations and policies are evolving, but there is still much work to be done. And for this work to be done, we need to give ourselves more time to work individually and collectively to deliver on these commitments.

Through honest conversations, NEAR consulted as a Secretariat, with its Leadership Council and our members using the following questions as a guide:

Is the Grand Bargain worth our time? Will we see any change, improved trust, better quality funding and more sustainability if we remain engaged? And if so, then when?

When talking about the Grand Bargain after 2023, we need honest reflection and must ask the critical questions that are needed to make an informed decision and be able to hold on to it in the coming years.

As we consider our path forward, it is important to take a reflective and honest look at the strengths and weaknesses of the Grand Bargain for local and national NGOs. We offer a comprehensive view of these issues, as they will be key factors in our assessment of any potential evolution or future of the Grand Bargain.

Please note that this discussion of different aspects of the Grand Bargain does not reflect the issues in any order of importance.

### ***The value of the Grand Bargain for local and national NGOs***

#### **1. A Unique Space**

In the humanitarian sector, there is no other process that brings together as many stakeholders as the Grand Bargain. Local and National NGOs have secured their place at the table through their successful contributions to these forums. But the system was not designed to include them, and still does not include them.

We have demonstrated that engaging with LNNGOs and their networks brings value and leads to better policies and decision-making processes.

## **2. More collective access and visibility for LNNGOs**

Being part of the Grand Bargain also provides direct access to international actors at the global level. It provides LNNGOs with knowledge about and exposure to donors, INGOs and UN agencies, their positioning, how they are evolving and what their limitations are.

## **3. New policies and practices among international actors**

The Grand Bargain has provided more support to practical initiatives, like the 8+3 reporting template and better cash coordination, that will lead to positive shifts for local and national NGOs in the long run. We also want to acknowledge the work done around joint needs analyses.

The Caucus on the role of intermediaries' outcome document proposes a useful way forward in specific commitments to transparency, accountability, and equity in partnership, as well as a new level of commitment to ensuring overheads for local NGOs. In the Quality Funding caucus outcome document, we noted the important specific commitments to ensure the benefits of multi-year funding were passed on to local NGOs. We hope that these caucus outcomes support practice shifts in international organisations and provide constructive guidance for donors and their localisation policies.

We are excited to see the continuing work around risk, although once again the impact is yet to be felt by local and national actors.

## **4. An inclusive way of working**

The Grand Bargain provides a platform to share impact, experiences, innovation, and ways of working, as well space to look at the challenges and limitations faced by local and national NGOs. It is a great space for learning and exposure and allows different networking opportunities, synergies, and new initiatives to see the light.

# ***The Challenges of the Grand Bargain for local and national NGOs***

## **1. Reframing the process to deliver better Aid**

At the national and local level, the role and needs of organisations are determined based on the needs of the communities they serve, rather than being dictated by the narrow, siloed perspective of the global aid system. To truly support actors in the delivery of effective and efficient aid, the Grand Bargain must strive to align itself with broader global processes, such as the Sustainable Development Goals or the Sendai Framework, and work towards a more intentional, needs-based approach to humanitarian aid.

Localisation is important in bridging the gaps between humanitarian, development, and peacebuilding efforts; by prioritising the leadership of local actors and providing them with adequate resources, localisation aims to make the abstract concept of 'nexus', a tangible reality.

## **2. A process not leading to impact on local actors and communities**

Despite some notable progress of policy and practice, such as joint assessments and localisation policies for some donors, seven years on LNNGOs and the communities they serve are yet to feel the full impact of these changes. There is a lack of harmonisation in the implementation of new global policies and practices at the country level, and several international organisations lack internal policies entirely. As a result, there is a significant difference in how commitments are interpreted and addressed, not just between different international organisations, but also across different country offices. This inconsistency creates significant barriers for local actors, who do not have the power to challenge the varying interpretations.

It is also worth noting that direct funding to local actors has declined since 2017, both in volume and percent share of total international humanitarian assistance.<sup>1</sup> This is not encouraging.

Donors and international actors have committed to change, the question remains when these changes will be felt by the local first responders?

---

<sup>1</sup> Development Initiatives. Global Humanitarian Assistance Report 2022. <https://devinit.org/bb589b#section-4-4>

### **3. Little to No Accountability of Signatories**

Based on a “quid pro quo”, the process of Grand Bargain has set itself a very loose, voluntary reporting system. It is based on declarations and affirmations by signatories who are not required to provide any evidence to support their declarations.

The process was set up in a way that there is no clear way for any signatory to be held accountable against failure to make progress. The current approach of relying solely on peer pressure to drive change is not sufficient.

The result of such practice is that while signatories regularly celebrate change, there is no counterbalance or way for any humanitarian actor to hold signatories to account.

### **4. A costly engagement of Global South LNNGOs**

After seven years of a growing engagement, it is time to reflect on the return on investment of this engagement and these commitments. We can see that the resources and contribution required from local actors to participate, is increasing as their engagement is now acknowledged as important and valuable but no reflection has happened on the burden it imposes on such organisations.

The Global South has been able to engage in two main ways from a resource perspective:

- Engagement through global projects led by INGOs focusing on localisation: While positive and constructive projects, the GS and its representation are defined through project parameters not designed by GS actors and representatives are often limited to the role of partners of the project.
- Engagement through INGOs and UN partnerships: in most cases, representation is designed and decided by budget holders, and not by local actors themselves.
- The in-kind contribution – their time, which is the main resource – that local and national actors are spending on contributing to meetings, community discussions, focus group discussions, KIIs, development of documents and consultations is not compensated. Few to no local actors or their networks have dedicated resources for such international engagement.
- In-person participation at all levels is either fundraised for by networks – like NEAR – or depends on the contribution of an international actor or the Grand Bargain secretariat.

For example, NEAR has not received any support from any signatory regarding its engagement and contributions towards the Grand Bargain, except for some of its participation in the regional meetings of Workstream 2 in 2019. All annual meetings, NEAR’s engagement with the Facilitation Group and our mobilisation of the Global South constituencies has been funded by NEAR.

We have designed engagement this way to ensure our independence and engagement. But this is exceptional, not a norm for Global South actors.

### **5. A process skewed towards the power of international intermediaries.**

The Grand Bargain is based on voluntary, quid pro quo system, which while providing flexibility to find the best compromise, also provides ground for unequal progress among signatories. It also means those with the resources and power generally design where, how, and on what the Grand Bargain processes focus.

Within GB processes, intermediaries significantly outnumber both donors and local actors, giving them a significant degree of influence and control over the work being done, the evidence produced, and the policies and briefs generated. As a result, they have come to play a leading role in shaping the discourse and direction of the Grand Bargain.

Although we acknowledge and appreciate the leadership, effort and resources put in such processes, this dynamic has not necessarily led to equity and balance of power in discussions and decision-making.

Over the last six years, the Grand Bargain has shown that it is difficult for those currently holding power in the humanitarian architecture to challenge their business models and change their ways of working; this includes exploring their role as intermediaries.

## ***Proposals for the way forward***

In 2022 NEAR committed to a continuation of the Grand Bargain as it is the only global policy initiative that offers more equitable participation of Global South actors<sup>2</sup>. However, we recognise that the process needs to be fit for purpose to ensure its relevance and effectiveness as a meaningful space for engagement.

To achieve real impact, we believe that a minimum commitment of five years is necessary for any option or way forward to be successful. Short-term processes often result in time spent setting up and reflecting on next steps, as we have learned over the past seven years. In contrast, a five-year timeframe allows all stakeholders to establish new processes, implement them, reflect on lessons learned and challenges faced, and make informed decisions on next steps. An alignment with the SDGs timeline will allow the Grand Bargain to create synergies and complementarities, especially at national level.

We have proposed options that are complementary and not mutually exclusive. This approach allows for a more flexible and collaborative strategy. Each option allows to focus and address specific weaknesses and build on strengths. By exploring complementary - or even phasing - options, stakeholders can work together to create more effective and impactful change that benefits all while being more intentional in terms of investing their resources.

### **Option 1: From global commitments to national action**

#### *What does it look like?*

- This option emphasises action at the national level under the leadership of National Reference Groups (NRGs). At the time of writing, NRGs are being set up in almost 10 countries<sup>3</sup>, with the ambition to be a space for constituencies to engage, have dialogue and find solutions that are contextualised and serve local actors and their communities.
- Continuing the evolution of the GB process which puts localisation and crisis-affected communities' participation at the core, this model will organise and centre Grand Bargain at the national level. Building from the positive and constructive global policy process, NRG will bring together GB signatories and other relevant stakeholders to test and review new policies and commitments against operational realities, identify further collective solutions, and drive impact.
- This shift in focus requires a corresponding shift within the GB Secretariat, broadening its remit to support NRGs and build learning between countries.
- In this model, self-reporting would be analysed at the national level and broadened to include evidence-based research on the impact of NRG action on communities. Annual Meetings would offer a critical opportunity for cross-country learning and exchange on best practice, as well an opportunity to assess actions against commitments.

#### *What would it take for this option to succeed?*

- Stakeholders
  - Donors and international actors at national level, local actors and their networks
- Timeline
  - Year 1: NRGs roll out and set up – depending on context, adaptation of the reporting system.
  - Year 2 to 5: NRGs delivery and communities of practices across NRGs.  
Annual meeting.
  - Year 5: global learnings, analysis of successes and remaining gaps.
- Resources
  - More financial resources for the GB Secretariat to ensure peer to peer engagement through communities of practice and reporting.
  - Financial resources to support the NRGs and the engagement of local actors.
  - Resources to provide evidence-based research and reports where and when necessary.

---

<sup>2</sup> Grand Bargain: Sustain Momentum to Realise Longstanding Localisation Goals - NEAR's Analysis and Recommendations for the Grand Bargain | 2021-2022

<sup>3</sup> Countries are so far: Turkey, Uganda, NW Syria, Myanmar, South Sudan, Philippines, Indonesia, DRC, Yemen

## **Option 2: More accountability for greater, felt impact and re-balancing of power.**

### What would it look like?

- The emphasis in this option is on delivery of commitments made in 2016, harnessing the progress made in the last 7 years; Grand Bargain Signatories will focus on implementing the policy and practices changes discussed, debated, and agreed through the workstreams and the caucuses.
- A new, strengthened reporting mechanism would be established through a strengthened semi-autonomous Grand Bargain Secretariat. They will have the resources to design a more in-depth reporting system, where reporting includes evidence of achievements, and the capacity to interrogate reports before concluding.
- Annual reporting will be public and transparent, visualised through an online commitment tracker. This transparency will ensure stakeholders engage with signatories with even knowledge on progress and gaps towards commitments. Through such a mechanism, signatories can collect stronger evidence and more granular information to celebrate progresses and to challenge gaps.
- The role of local and national actors would be to continue to monitor and report the changes they see at the country and operational levels.
- The Annual Meeting would continue and be a key moment to explore successes, challenges, and ensure continued engagement. It should focus on genuine exchanges and learnings.

We believe this option would provide stronger accountability, increased transparency and would be critical to rebalance power among the different constituencies as information and data are transparent and accessible to all.

### What would it take for this option to succeed?

- Who are the Stakeholders involved in this option?
  - Local actors and signatories
  - Strengthened and broadened GB Secretariat, with semi-autonomous accountability portfolio
- Timeline
  - Year one: setting up the reporting mechanism and commitment tracker.
  - Year two: first year of collecting data and sharing results – analysis.
  - Year 3: second year of collecting data and sharing results – analysis.
  - Year 4 third year of collecting data and sharing results – analysis.
  - Year 5: fourth year of collecting data and sharing results – analysis & learn from the 3 years or and if there is a need for a next process.
- Resources
  - More financial resources for the GB Secretariat to redesign reporting templates and collect evidence, as well as interrogate, review and analyse annual reports.
  - More financial resources to support the work of the Facilitation Group and ensuring their availability and commitment to engage with the work and their constituencies.
  - Technical and financial resources to develop an online commitment tracker.

## **Option 3: Re-creating spaces, for local actors and donors to engage.**

### What does it look like?

- This option emphasises collaboration between local leaders and donors to set momentum for sectoral change, recognising the World Humanitarian Summit call to action “as local as possible, as international as necessary” depends on new and greater direction from local leaders, and international intermediaries stepping into supportive, followship roles.
- This would require, over the next 5 years, existing GB working structures to be re-constituted from the donor and local actor constituencies. We suggest the Facilitation Group remain reflective of the GB signatory community, while potential new agreements and policy direction are set by donors and local actors directly, both at HQ and national levels, working in regular dialogue.
- This model would also free up necessary time and space for international intermediaries to continue their internal shifts, setting up policies and practices that align with their commitments. Self-reporting would expand to include new local leaders within the GB structures to capture the progress and challenges of their efforts.

- Such dialogues offer a key opportunity in developing a stronger understanding of the realities of local and national actors, as well as the useful reforms (which work for local actors) to build and more effective and efficient humanitarian system.

What would it take for this option to succeed?

- Who are the Stakeholders involved in this option?
  - Global south actors – beyond LNNGOs, Global south networks, public and private donors
- Timeline: 5 years
  - Year 1: setting up the framing, the countries of dialogues.
  - Year 2 to Year 4: local dialogues and roadmap for action and learning
  - Year 5: global peer to peer learning and way forward
- Resources
  - Financial resources to support local and global in-person.
  - Financial resources for Global South leaders to co-convene the process.