

**Executive Committee of the  
High Commissioner's Programme**

3 September 2021  
English  
Original: English and French

**Standing Committee  
82<sup>nd</sup> meeting**

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**Progress toward implementing the grand bargain  
commitments**

*Summary*

This conference room paper summarizes by workstream the progress made in implementing UNHCR's commitments under the grand bargain since the update to the seventy-ninth meeting of the Standing Committee in September 2020. Given the five-year mark since the launch of the grand bargain at the World Humanitarian Summit in mid-2016, this report highlights consolidated achievements made through mid-2021 and anticipates the follow-up framework – “grand bargain 2.0” – for 2021 to 2023. Financial figures in the report are updated as of the closure of the 2020 accounts.

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## I. Greater transparency

*UNHCR's commitment: publish open data allowing traceability of donors' funding throughout the transaction chain.*

1. When the grand bargain was launched, UNHCR was publishing data on donor funding on its Global Focus webpage as well as on the Financial Tracking Service managed by the Office of the United Nations Office for the Coordination of Humanitarian Affairs (OCHA). In support of the commitment above, UNHCR began publishing data in accordance with the International Aid Transparency Initiative (IATI) standard in September 2018 and automated the process in March 2019. UNHCR continues to report on funding through the Financial Tracking Service, and the Global Focus website which contain data elements that go beyond what is covered by the IATI standard. To assist with the increased demand in financial data entry for the COVID-19 response, UNHCR provided OCHA with a staff member from May to December 2020.

## II. More support and funding tools for local and national responders

*UNHCR's commitment: transfer at least 25 per cent of programme expenditures to local and national responders by the end of 2020.*

2. The amount allocated to local and national responders has steadily increased since 2016. In 2020, UNHCR allocated \$1.4 billion to 1,147 partners, which included governments, national non-governmental organizations (NGOs) and international NGOs, and United Nations entities. Of this, \$797 million was allocated to national and local responders, NGOs and governments combined, including \$622 million to 728 national NGOs. This is in comparison with UNHCR's baseline at the time of the World Humanitarian Summit, which stood at \$430 million. UNHCR first met its target of 25 per cent in 2019 and continued to meet it in 2020 by transferring 28 per cent of its annual programme expenditure to national and local responders.

*UNHCR's commitment: expand investment in institutional capacity-building for national partners to support effective emergency preparedness.*

3. As of June 2019, all of UNHCR's local NGO partners receive 4 per cent of their contract amounts as their indirect support cost, which in the past had only been allocated to international NGOs at 7 per cent. Partners have flexibility in utilizing support costs.

4. In 2020, out of 20 contingency plans updated remotely due to COVID-19 travel restrictions, 16 (80 per cent) included the participation of local authorities or government representatives, 19 (95 per cent) included local or national NGOs, 5 (25 per cent) included local and host communities, and 6 (30 per cent) included displaced populations. In 2016, a total of 23 such plans were designed or updated, though the level of local participation was tracked with less detail at the time.

5. In 2021, UNHCR formalized eligibility and standard minimum selection criteria for working with organizations led by persons of concern, including community-based organizations and refugee-led organizations (RLOs). In 2021, seven RLOs (one from each region) received an Innovation Award for their creative frontline responses to the pandemic. The application process for the Innovation Award enabled UNHCR to better map RLOs in different regions. UNHCR is currently piloting a simplified partnership arrangement with RLOs to provide small grants of up to \$4,000 per project, with no more than \$12,000 in total funding per organization per year for three separate projects.

6. Since 2020, UNHCR and the Somalia NGO Consortium have been chairing a group on localization in the Inter-Agency Standing Committee (IASC). Under this co-leadership, the group's membership expanded. Whereas it initially included United Nations entities, international NGOs and the International Federation of Red Cross and Red Crescent Societies

(IFRC), local and national NGOs from different regions are now invited to participate. The group established a Localization Repository on ReliefWeb and developed “[Guidance on strengthening participation, representation and leadership of local and national actors in IASC humanitarian coordination mechanisms](#)”. The guidance aims to promote localization by providing concrete recommendations on how to ensure the meaningful participation of local and national actors in humanitarian country teams, clusters and other IASC coordination structures and processes, as well as to establish indicators to assess progress.

### **III. Increase the use and coordination of cash-based programming**

*UNHCR’s commitment: double the amount of funds programmed for cash-based interventions (CBIs) in aid delivery by the end of 2020 as a proportion of its overall assistance.*

7. UNHCR’s [policy on cash-based interventions](#) and [strategy for the institutionalization of cash-based interventions 2016-2020](#) continue to guide the organization’s work in this area. UNHCR uses cash assistance for a wide range of purposes, including protection, basic needs, education, shelter, health and livelihoods. CBIs are also used to facilitate pathways to protection and financial inclusion for persons of concern. In 2015, UNHCR provided a total of \$303 million in cash to persons of concern. Against this baseline, UNHCR doubled the amount in 2019 (\$646 million) and continued to expand this type of assistance in 2020 (\$695 million). In 2015, 33 operations had included CBIs in their programmes. This number increased to over 100 in 2020. In the context of the COVID-19 response, 65 operations either swiftly scaled up or launched new CBIs to cover increased needs. In 2020, digital payment methods were used in 47 operations, an increase of 42 countries since 2015. UNHCR has solidified its policies, systems and tools to provide cash assistance, and trained more than 5,000 staff and partners. It continues to draw upon lessons learned, which will be reflected in the new upcoming policy on CBIs 2021-2026.

### **IV. Reduce duplication and management costs with periodic functional reviews**

*UNHCR’s commitment: expand the use of biometrics for refugee registration to a total of 75 country operations by 2020.*

8. In 2020, UNHCR met its commitment to use biometrics for refugee registration in 75 operations globally, against the 2016 baseline of 34 operations. More than 7 in every 10 refugees currently registered by UNHCR have a biometrically-anchored digital identity. Over 10 million individuals have been enrolled since UNHCR began using biometrics in 2002. UNHCR has successfully protected the identities of persons of concern from theft and substitution through biometric data collected during registration. The use of biometrics has also reduced duplication and management costs for UNHCR and its partners, including the World Food Programme (WFP) and International Organization for Migration (IOM), as well as for refugee-hosting States and resettlement countries.

*UNHCR’s commitments: use technology and innovation to reduce the costs of delivering assistance; reduce the costs of procurement and logistics by 10 per cent by the end of 2020 through the use of shared services with partner agencies.*

9. Taking into account the increase in the number of persons of concern leading to increased requirements, the relative procurement cost of goods and services decreased by 12 per cent in 2020 (10 per cent in 2019, 7 per cent in 2018 and 10 per cent in 2017),

compared to the 2016 baseline.<sup>1</sup> Of the total procurement amount of \$1.373 billion in 2020, \$223 million represented personal protective equipment (PPE), medicines, medical items, and other goods and services procured on a no-regrets basis for the COVID-19 pandemic.

10. As of January 2020, UNHCR reduced its indirect support cost from 7 per cent to 6.5 per cent against all voluntary earmarked financial contributions (except for the operational reserve and Junior Professional Officers).

11. Two years of work by the United Nations Business Innovation Group (BIG) (co-chaired by UNHCR and WFP from 2018 to 2020) paved the way for increased simplification and harmonization of business practices, including shared services and common back offices. The work commenced by the BIG is tracked through the Funding Compact established in the context of the reform of the United Nations development system. UNHCR's Global Mobility and Infrastructure Service (GMIS), established in July 2020, builds upon the BIG's work to improve the organization's efficiency. Working closely with other United Nations entities, the Service has contributed to the roll-out of the Business Operations Strategy in 129 locations, realizing significant cost avoidance and business process improvements. GMIS has also been instrumental in driving forward the partnership with WFP on global vehicle leasing, expected to be launched in the coming months. This initiative aims to reduce CO2 emissions, reduce costs, improve technology and standardize United Nations global fleet arrangements.

12. The COVID-19 response accelerated simplification of UNHCR's NGO partnership arrangements. Examples of adjustments include increased flexibility for NGOs to make greater discretionary budget reallocations and the acceptance of electronic signatures. The United Nations Partner Portal launched in November 2018 by UNHCR, the United Nations Children's Fund (UNICEF) and WFP, was expanded in 2019, with the participation of the United Nations Population Fund (UNFPA) and French and Spanish environments added. By mid-2021, some 17,000 partners had been registered, an increase from 12,000 the previous year. The United Nations Secretariat, IOM and the United Nations Development Programme (UNDP) are in the process of joining the Portal.

13. Since 2020, the Portal provides a link to the [IASC learning package on protection from sexual misconduct for United Nations partner organizations](#). The mandatory capacity assessment of partner NGOs on implementing measures to protect from sexual exploitation and abuse, which was rolled out during 2021 and is currently done offline, will be incorporated in the Portal by the end of 2021. This will allow all participating United Nations entities to conduct and share the capacity assessment results of the partners through the Portal.

14. An independent study commissioned to review individual donor assessments was finalized in late 2020. Using data from the International Committee of the Red Cross (ICRC), OCHA, UNHCR, UNICEF and WFP, the review found that the number of assessments doubled between 2016 and 2020, with the vast majority conducted by individual donor governments and taking place at the field level. Follow-up to the study will take place under the grand bargain 2.0 initiative with support from the new Eminent Person.

## V. Improve joint and impartial needs assessments

*UNHCR's commitment: undertake coordinated joint needs assessments and continue sharing evidence-based needs assessment data.*

15. Since the launch of the grand bargain, UNHCR strengthened its needs assessment tools by issuing a [needs assessment handbook](#); launching a joint needs assessment e-learning programme; introducing software to facilitate qualitative analysis; and contributing to grand

<sup>1</sup> The calculation excludes the value of goods and services procured in 2020 for the COVID-19 response, in order to make comparison for the unit cost of most commonly used core relief items and services.

bargain principles for collaborative needs assessment ethos and inter-agency bilateral data sharing agreements that enable joint needs assessments. In addition to addressing gaps existing in 2016, UNHCR now has a global level monitoring methodology for joint needs assessments and produces an annual detailed public report on grand bargain commitments in this area.

16. As part of UNHCR's transformation, UNHCR had established regional data hubs in all seven regional bureaux by the end of 2020, increasing the number of data staff who are able to support country operations engaged in joint needs assessments.

17. COVID-19 posed challenges for data collection related to access. Despite this, through the use of technology, UNHCR increased participation in joint needs assessments from 105 in 2019 to 129 in 2020. UNHCR also maximized its use of secondary data and phone surveys, and developed blogs and webinars to share good practices with others on modalities for remote assessments.

18. In terms of data sharing, in 2020 UNHCR launched a new [refugee statistics](#) platform, which can be used as a public resource to inform assessments. The [UNHCR-WFP Joint Programme Excellence and Targeting Hub](#) was established in 2020. It supports country operations to implement joint needs assessments and, where relevant, corresponding joint targeting strategies, in line with global commitments on assessment and targeting. The UNHCR- UNICEF Blueprint for Joint Action launched in 2020 also involves joint monitoring and sharing of data, with the aim of improving the well-being of refugee children.

## VI. A participation revolution

*UNHCR's commitment: ensure equal (50 per cent) and meaningful participation of women and adolescent girls in all decision-making processes and structures in forced displacement contexts by 2020.*

19. In 2020, the COVID-19 pandemic reversed important gains in gender equality, contributed to an increase in gender-based violence and jeopardized women's meaningful participation in decision-making and leadership. Despite lockdowns and physical distancing, further hindering the direct participation of women and girls, UNHCR remained committed to advancing efforts in this area, in both emergency and protracted displacement situations. In the Central African Republic and Pakistan, for example, outreach using telecommunications and virtual tools supported leadership skills and self-management. In a several operations, UNHCR supported women and girls to lead on the COVID-19 response and to enhance gender equality. In Malaysia, UNHCR partnered with refugee women and NGOs on a social media project to facilitate virtual safe spaces, support women's well-being, promote positive coping strategies and enhance responses to gender-based violence.

20. UNHCR's commitments to gender equality are reinforced in its [2018 age, gender and diversity policy](#). In 2020, UNHCR issued a [gender equality toolkit](#), documented emerging and promising practices in advancing gender equality in sub-Saharan Africa, and expanded initiatives such as gender audits of global processes around the Global Refugee Forum and the Global Compact on Refugees. These served to advocate protection and inclusion for refugee women and girls, promote gender equality in humanitarian action and propose alternative paradigms for refugee participation.

21. In 2020, women's participation in leadership and management structures increased or was maintained in 36 refugee situations and 5 situations where UNHCR is operationally involved with internally displaced persons (IDPs) (Burkina Faso, the Central African Republic, Myanmar, South Sudan and Yemen). Operations expanded and maintained strong networks with women and girls through community structures and networks, such as in Ecuador, Egypt, Iran (the Islamic Republic of) Iran and Turkey. In addition, many operations enhanced and supported the individual, collective and organizational capacities of women and girls in decision-making, management and leadership, including in El Salvador, India and Malta.

*UNHCR's commitment: continue to strengthen engagement with and accountability to the communities affected by crisis.*

22. Predating the grand bargain, UNHCR's programme design was strongly influenced by age, gender and diversity assessments, with strong emphasis on community-based protection. The 2018 updated age, gender and diversity policy further strengthened operational commitments in this area and led to the development of a framework for "accountability to affected people". This involved minimum core actions on participation and inclusion, communication and transparency, feedback and response, and organization learning and adaptation.

23. To further support operations in meeting their commitments and ensuring persons of concern were at the centre of responses, [operational guidance on accountability to affected people](#) was issued in September 2020. In addition, in early 2021, UNHCR produced [guidance on: risk communication and community engagement](#); [engaging with communities via WhatsApp trees](#) in the context of the pandemic; and [using social media in community-based protection](#).

24. In many contexts, UNHCR successfully worked with and supported refugees and IDPs to lead as frontline responders in the response to COVID-19. These volunteers were also trained on multiple issues, including disability inclusion, conflict resolution, community engagement, gender equality, leadership and interpersonal communication. Despite strict COVID-19 measures in some locations, UNHCR maintained engagement through remote means with leaders and members of various children's, youth and student groups, as well as with local authorities and other relevant stakeholders. The [age, gender and diversity accountability report 2020](#) further identifies examples of how UNHCR is meeting commitments to accountability to affected people and gender equality across the organization and areas for improvement.

## **VII. Increase collaborative humanitarian multi-year planning and funding**

*UNHCR's commitment: pursue the institutional changes needed to facilitate multi-year protection and solutions strategies, as well as programming in partnership with humanitarian and development actors.*

25. In 2016, five UNHCR operations were using multi-year planning on a pilot basis. From the 2022 planning cycle onwards, multi-year planning will become the default way of working. The new results-based management (RBM), system - COMPASS - came into effect in January 2021 and is being used for all future planning processes. The amount of multi-year funding has increased since 2016, though the ratio of multi-year funding against total income has stagnated at around 11-14 per cent. Since 2019, UNHCR operations, at the discretion of the Representatives, can enter into multi-year partnership agreements regardless of the availability of multi-year funding. At the end of 2020, there was a total of 37 multi-year agreements in place, of which 23 were signed with local NGOs.

26. UNHCR completed an internal stocktaking on internal funding allocation made under the [Solutions Capital Initiative](#). Of the five countries covered by this initiative, three (Costa Rica, Ghana and Malawi) received allocations of unearmarked funding to increase their operational capacities to advance implementation of their multi-year, multi-partner (MYMP) strategies. After two such allocations made in 2019 and 2020, these three countries were able to operate in a multi-year funding financial environment, even if the funds were allocated annually. The stocktaking revealed that the additional funds from the initiative enabled operations to pro-actively engage in additional activities and make progress towards the achievement of the results set out in their MYMP strategies. Furthermore, it provided the operations with flexibility to respond to the COVID-19 pandemic and increased political credibility vis-à-vis the authorities.

## VIII. Reduce the earmarking of donor contributions

*UNHCR's commitment: increase the visibility of unearmarked and softly earmarked funding, recognizing the contributions made by donors.*

27. Since the definition of “earmarking” was collectively agreed to through the grand bargain process, UNHCR has adjusted its presentation of earmarking information accordingly. In addition, it began systematically tracking the amount of multi-year funding received, using the OECD definition that such funds need to be pledged for 24 months or longer. While UNHCR was publishing reports on the use of unearmarked funding prior to the grand bargain, in 2017 it began reporting on the use of “softly earmarked funding”. Since 2019, UNHCR’s annual reports on the use of flexible funding also contain information on multi-year funding.

28. Reporting on flexible funding in [UNHCR’s Global Reports](#) has greatly increased since 2016 and now clearly shows the major donors of flexible funding. Supplementing this, weekly funding updates published by UNHCR were enhanced in 2018 to show the allocation of flexible funding. They now include an indicative allocation of these funds so that the true level of funds available to each UNHCR operation is regularly reported.

29. Over the years, the amount of unearmarked funding has stagnated, while the ratio of unearmarked funding against overall income has steadily declined. Voluntary contributions to UNHCR have more than doubled between 2012 and 2020, with the main increase being from earmarked funding. During the period of 2016-2020, unearmarked funding represented an annual average of 15 per cent of contributions. In 2020, UNHCR received \$661.2 million in unearmarked funding. Government donors remain the main contributors, though private sector growth has been observed. In 2020, private donors contributed 37 per cent of UNHCR’s unearmarked funding, a 6 per cent increase from 2019.

30. While the level of unearmarked funding is stable, timeliness has also been helpful. Over half of UNHCR’s unearmarked funding is received very early in the year, thus maximizing its usefulness and efficiency.

31. Concerted efforts are underway to enhance visibility for donors that provide flexible funding through the use of social media. A dedicated Visibility Officer position was created in 2018, assisting operations in providing donor visibility through various media such as social media, video and visibility signs. In March 2021, UNHCR updated its donor visibility guidelines for field use, which is now available in French.

## IX. Harmonize and simplify reporting requirements

*UNHCR's commitment: harmonize and simplify reporting requirements by the end of 2018.*

32. UNHCR is one of the six organizations that has fully adopted the 8+3 narrative reporting template for downstream partners. To provide the most current funding data in a transparent manner, UNHCR’s main reporting and transparency portal, Global Focus, includes: dashboards offering information on budget and income, as well as a dedicated dashboard on of flexible funding; donor profiles showing the quantity and quality of contributions, as well as where contributions were allocated; and, operational and situational reporting tools. The functionality of Global Focus is constantly enhanced to provide the most up-to-date operational information as well as financial data.

## X. Enhance engagement between humanitarian and development actors

*UNHCR's commitments: cooperate with multilateral development banks (MDBs) to facilitate their active engagement in situations of forced displacement where their technical and financial comparative advantages can contribute to improved socio-economic outcomes for refugees, IDPs and affected host communities; support efforts that enable economic participation of forcibly displaced persons and access to finance, in collaboration with partners.*

33. The UNHCR-World Bank Group partnership has continued to thrive over the years. By 30 June 2021, 14 eligible low-income countries in Africa and Asia<sup>2</sup> had received \$1.85 billion from the World Bank's International Development Association (IDA)18 refugee sub-window. Under IDA19, beginning on 1 July 2020, the World Bank made another financial allocation of \$2.2 billion under the window for host communities and refugees. As part of the IDA19 policies for fragility, conflict, and violence, the World Bank committed to apply a comprehensive refugee policy review framework. UNHCR continues to provide regular protection assessments for projects under the window for host communities and refugees to confirm the continued adequacy of the refugee policy review framework. Over the last 12 months, UNHCR produced analyses of the refugee policy environments in the aforementioned 14 countries. In response to the COVID-19 crisis, the World Bank Group committed to provide eligible countries up to \$1 billion from the window for host communities and refugees, in 100 per cent grant terms for a one-year duration from 1 July 2020, as an exceptional measure to encourage them to include host and refugee communities in their pandemic responses. In addition, where applicable, refugees were included as vulnerable groups across all World Bank-financed COVID-response projects.

34. Concerning the Global Concessional Financing Facility (GCFF), a tool to support middle-income countries hosting significant numbers of refugees (Colombia, Ecuador, Lebanon and Jordan), UNHCR continued to work closely with host governments and the World Bank, advising on modalities and policies to ensure that GCFF loans result in tangible benefits for refugees and migrants. As of June 2021, the GCFF has approved \$658 million in concessional amounts which, due to the leveraging factor, have unlocked more than \$4.8 billion for development projects. The GCFF will be extended for five more years beyond 30 June 2021 and will strengthen its focus on achieving concrete and durable development outcomes for refugee and host communities, leveraging UNHCR's protection expertise more systematically.

35. UNHCR has been working closely with the African Development Bank (AfDB) on projects benefiting displaced persons in Zimbabwe, as well as in the East and Horn of Africa and the Great Lakes, and the Sahel. In the Sahel, for example, UNHCR has been implementing an AfDB-funded COVID-19 response project that aims to support the primary health response and community resilience of vulnerable communities, including refugees and IDPs. The two partners continue to assess opportunities for closer cooperation across Africa.

36. UNHCR has continued to engage with multilateral development banks (MDBs) through the MDB Coordination Platform on Economic Migration and Forced Displacement, including most recently on preparations for the high-level officials meeting of the Global Refugee Forum to be held from 14 to 15 December 2021. The Platform, consisting of seven MDBs,<sup>3</sup> was established in April 2018 to advance strategic dialogue and operational

<sup>2</sup> The 14 eligible countries are as follows: Bangladesh, Burkina Faso, Burundi, Cameroon, Chad, the Congo (Republic of), the Democratic Republic of the Congo, Djibouti, Ethiopia, Mauritania, Niger, Pakistan, Rwanda, and Uganda.

<sup>3</sup> These multilateral development banks consist of: the African Development Bank, the Asian Development Bank, the European Bank for Reconstruction and Development, the European Investment Bank, the Inter-American Development Bank, the Islamic Development Bank, and the World Bank.

coordination, and to maximize the impact of MDBs' growing engagement in the areas of economic migration and forced displacement.

37. The Joint Data Center on Forced Displacement (JDC), established by UNHCR and the World Bank in October 2019, aims to enhance the ability of stakeholders to make timely and evidence-informed decisions that improve the lives of forcibly displaced persons and host communities. During its first 18 months of operation, the JDC has been able to develop a solid portfolio of 51 activities at global, regional and country levels, while strengthening the partnership and collaboration between UNHCR and the World Bank, as well as with other organizations<sup>4</sup>.

38. The JDC's first publication issued in December 2020, "[Highly vulnerable yet largely invisible](#)" identified the lack of data on forcibly displaced populations in the pandemic response. The second publication "[Answering the call: Forcibly displaced during the pandemic](#)", issued in July 2021 summarized the expected socio-economic impact of the pandemic on those affected by forced displacement, highlighting the results from high-frequency phone surveys in eight countries (Bangladesh, Chad, Djibouti, Ethiopia, Iraq, Kenya, Uganda and Yemen). The paper highlighted the increase in poverty among forcibly displaced persons and host communities and deterioration of their socio-economic well-being, with displaced populations often faring worse than host community members and high vaccine receptivity among forcibly displaced persons. The JDC's work over the coming years will continue to be guided by its 2021-2023 strategy.

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<sup>4</sup> For more information, see the JDC's first annual report for 2019-2020 available from <https://www.jointdatacenter.org/jdc-annual-report-2019-2020/>.