WE ARE THE INTERNATIONAL RED CROSS AND RED CRESCENT MOVEMENT

We are a global humanitarian network which helps people prepare for, deal with and recover from crisis. Whether you are facing natural or man-made disasters, armed conflict or health and social care issues, Red Cross and Red Crescent volunteers and staff are there to help, without adverse discrimination. Guided by our Fundamental Principles, we mobilize the power of humanity to save lives and relieve suffering.

FUNDAMENTAL PRINCIPLES OF THE MOVEMENT

- Humanity
- Impartiality
- Neutrality
- Independence
- Voluntary Service
- Unity
- Universality
INTRODUCTION

Humanitarian organizations are responding to more needs than ever. Future investment in humanitarian action must close the gap between growing demands and the resources available to meet them. The United Nations (UN) Secretary General convened a High Level Panel (HLP) on Humanitarian Financing, whose report was released in January 2016. Among the proposed recommendations is a “Grand Bargain” between major donors and humanitarian organizations that seeks greater efficiency and improved incentives in financing humanitarian action.

The International Red Cross and Red Crescent Movement (the Movement) welcomes the Grand Bargain and is determined to constructively engage in discussions with donors and other humanitarian organizations. The Movement believes that it is critical to focus the Grand Bargain on changes that demonstrably lead to improved services and support for vulnerable communities and people. Many of the recommendations of the HLP report are useful in this regard.

The following pages lay out the Movement’s offer and ask in the Grand Bargain, while providing examples and insights based on its collective experience over the past 150 years. Section 1 of this document outlines the Movement’s commitments to the Grand Bargain, Section 2 provides examples of these commitments in action, Section 3 highlights areas of concern for the Movement, and Section 4 expands upon what we consider to be the key donor commitments that will provide the necessary humanitarian gains.

In order to examine how the Movement can contribute to the Grand Bargain and its implementation, it is equally important to recognize its unique status and history. The Movement is the world’s largest humanitarian network, made up of the International Committee of the Red Cross (ICRC), the International Federation of Red Cross and Red Crescent Societies (IFRC) and 190 Red Cross and Red Crescent National Societies. The Movement, with its unique combination of local, national and international roles and capacities, is well placed to champion and apply many of the recommendations in the HLP report and those coming out of the ongoing Grand Bargain discussions.
SECTION 1
THE MOVEMENT’S COMMITMENTS

For the Movement, four elements of the Grand Bargain stand out as obvious priorities for concrete commitments to deliver clear humanitarian gains:

- reducing duplication and management costs
- joining the participation revolution
- providing greater support to local and national responders
- scaling up the use of cash-transfer programmes where appropriate

We are confident that improving our work in these areas will lead to a significant increase in the cost-efficiency of the Movement’s operations, and enhance the quality of the support we provide to the affected people and communities. These benefits are equally relevant to other humanitarian actors. We have already undertaken work in a number of these areas that convince us that there are important savings and improvements to be made by adopting these practices more widely. We commit in the Grand Bargain to:

1. Mainstream proven practices that reduce duplication of efforts and management costs, as we work towards acting as “one Movement” wherever possible and appropriate. We will report on progress towards implementing this commitment, including to:
   * improve the Movement’s collective preparedness for and coordination in responding to crises, and adopt a “one Movement” approach in communications and resource mobilization for large scale emergencies;
   * identify and act upon cases in which sharing resources, tools and assets with actors in the broader humanitarian sector will result in overall financial gains.

2. Join the “participation revolution” and further enhance our engagement with the people and communities we serve and ensure they participate in decisions that affect them and guide the Movement’s actions. The Movement is committed to improve the quality and quantity of timely, accurate, life-saving and actionable information for communities; promote greater dialogue and two-way communication approaches with local communities; and support an environment of greater trust and accountability. Where this is not already the case, the Movement wants to invest more expertise in developing, with National Societies, locally relevant and flexible multi-platform engagement strategies that combine low- and high-tech channels.

3. Work together, and with donors, to scale up our investment in the operational and functional capacity of National Societies as local and national responders to support their delivery of relevant services in their respective countries and facilitate their access to diverse sources of funding, including at the international level. We will also enhance the transparency of our own support to National Societies.

4. Significantly increase the use of cash-based programmes by 2020, when and where the context allows, including in recovery and resilience-building or rehabilitation programmes. We will develop standard tools and advanced training and experience sharing for best practices, and engage in operational and strategic coordination with other humanitarian agencies for coordinated response, information sharing, and accountability to affected communities and to donors.
SECTION 2
COMMITMENTS IN ACTION

REDUCING DUPLICATION AND MANAGEMENT COSTS

The following examples illustrate situations where the Movement has already started to develop more efficient and cost-saving practices and which we commit to take further. They highlight humanitarian gains in quality or savings that can be achieved through some of the Grand Bargain recommendations.

JOINING FORCES ON APPEALS — EFFICIENCY GAIN

In April 2015, in the aftermath of the Nepal earthquake, the ICRC embedded its activities within the IFRC’s emergency appeal rather than launch its own call for funds. This approach enabled greater coordination of common activities, reduced duplication and avoided overloading the Nepal Red Cross Society. Similar efforts were also made in response to the humanitarian situation in Yemen where IFRC activities were embedded in the ICRC appeal. The ICRC and the IFRC are developing and testing this concept of Movement-coordinated emergency appeals, and are exploring the feasibility of combined “Movement appeals” for large-scale emergencies.

SHARING RESOURCES — FINANCIAL GAIN

The ICRC offers its aircraft capacity to other agencies when and where appropriate. The ICRC has entered into agreements with Médecins Sans Frontières and the World Food Programme (WFP) on sharing aircrafts, which greatly maximizes efficiency and reduces duplication. The ICRC also has a safety and quality partnership with WFP, which avoids the duplication of safety audits on the same operations.

During the Haiti earthquake, IFRC logistics, together with the Dominican Red Cross and the Dominican Republic, created a humanitarian bridge between the Dominican Republic and Haiti that was responsible for facilitating the entry of humanitarian goods from the Movement and other humanitarian organizations, particularly in the first 90 days of the emergency. This allowed the Movement and other international humanitarian organizations to respond quickly to humanitarian needs, including the arrival of hospitals that served thousands of people.

Across the Movement, National Societies benefit from joint IFRC-ICRC efforts in procurement and logistics, enabling economies of scale and better prices for products. The Movement logistics catalogue is used by Movement partners and other humanitarian organizations and is an important document for logistics coordination inside and outside the Movement. The decision to share resources is taken in light of the particular context, and takes into account concerns around the perception, access and security of components of the Movement.

DEVELOPING AND SHARING A COMMON QUALITY CONTROL TOOL — QUALITY GAIN

Quality, safety and sustainability issues in the ICRC’s logistics function are managed to ensure that goods are of the right quality to meet people’s needs. The ICRC has designed and put in place Quality Control Kits to check and monitor the stability and basic specifications of its 12 most used items, such as blankets, tarpaulins and kitchen sets. The ICRC has shared these tools with the inter-agency Quality Social and Environmental Procurement Working Group and provides support and training to the Office of the UN High Commissioner for Refugees and the International Organization for Migration on their use.

THE DISASTER RELIEF EMERGENCY FUND — EFFICIENCY GAIN

The Disaster Relief Emergency Fund (DREF) was established in 1985 and provides start-up loans, small/medium scale grants and allocations for imminent crisis. To date, DREF has made 1,600 allocations, assisted 170 National Societies, allocated over 240 million Swiss francs and reached 120 million people. It allows National Societies to immediately respond to needs in larger, sudden-onset disasters, as well as in small- to medium-scale emergencies that would not otherwise benefit from international disaster assistance. In both functions, DREF acts to channel international funds to local and national responders rapidly and with minimal transaction costs.
THE PARTICIPATION REVOLUTION AND COMMUNITY ENGAGEMENT

For the Movement, community engagement is two-fold. It is the process and commitment to provide life-saving, useful and actionable information to communities, and to use and/or establish two-way communication channels to listen to their needs, concerns, feedback and complaints, ensuring they actively participate in and guide the Movement’s actions. In contexts of armed conflict, it makes it possible for the Movement to assess, engage and access communities across political divides.

Beyond listening to and consulting with local communities, integrating their views into the Movement’s operations is essential to our work. Despite the changing environment in many emergencies around the world, the Movement has made progress in this area, but like many, faces challenges in ensuring that good practices are adopted, adapted and rolled out in a more predictable and timely manner. The IFRC and the ICRC are currently finalizing a Movement Training Module on Community Engagement for National Societies (expected for June 2016). The following examples provide concrete illustrations of the forms of community engagement already being carried out by the Movement.

CREATING PLATFORMS TO COLLECT FEEDBACK

When a water main broke in Aleppo, Syrian Arab Republic (hereafter Syria), in July 2015, the ICRC, the Syrian Arab Red Crescent and the Aleppo Water Board cleaned 56 drinking water points and set up water tanks across the city. The ICRC posted a map of these sites on Facebook and Twitter, providing information for local residents and seeking comments to help improve the service.

The IFRC is partnering with the UN Children’s Emergency Fund to scale up the use of the U-Report tool. U-report is a free tool for community participation, designed to address issues that the population cares about. Once a U-Reporter has followed @UReportGlobal on Twitter, polls and alerts are sent via Direct Message and real-time responses are collected and mapped on this site. Results and ideas are shared back with the community. Issues polled include, for example, health, education, water, sanitation and hygiene, youth unemployment, HIV and AIDS, and disease outbreaks. The partnership will leverage the IFRC’s global network of 17 million active volunteers, 160,000 Red Cross and Red Crescent branch offices, and deep presence in local communities.

PROACTIVELY REACHING OUT TO THE AFFECTED COMMUNITIES FOR THEIR INPUT

In Rwanda, a partnership between the ICRC, the Rwandan Red Cross and MTN Rwanda, a local telecommunications company, is enabling Burundian refugees to get in touch with their loved ones by using their own mobile phones. An assessment conducted in November 2015 highlighted refugees’ appreciation for these services and prompted the Movement to expand the provision of energy and connectivity to be better prepared to respond to new displacements, if any.

COLLABORATIVE INITIATIVES

The ICRC and the IFRC are members of the Communicating with Disaster Affected Communities (CDAC) Network. Established in 2009 as a cross-sector collaboration, the CDAC Network now convenes more than 30 organizations, including humanitarian, media development and technology organizations. The ICRC hosted the Network’s first Annual Members Forum in Geneva, Switzerland, in July 2015.
INVESTMENT IN LOCAL AND NATIONAL RESPONDERS

National Societies are key local and national responders, and the ICRC and the IFRC commit to invest further in strengthening their capacities. The Movement believes that there is synergy and complementarity between local and international mandates, perspectives and actions. Both the unique advantages of local and national responders and the necessity for neutral and impartial international humanitarian organizations, such as the ICRC, in situations of armed conflict, as required by international humanitarian law, must be recognized.

ORGANIZATIONAL CAPACITY ASSESSMENT AND CERTIFICATION AND THE SAFER ACCESS FRAMEWORK

The Organizational Capacity Assessment and Certification (OCAC) and the Safer Access Framework (SAF) are key tools within the Movement to assess capacities and guide National Societies in their efforts to grow stronger and ensure acceptance and access to communities in need. Unlike many other standard capacity assessments, OCAC and SAF do not take a “pass-fail” approach. Instead they are progressive processes that provide a more holistic picture of National Society capacity, while offering a clear indication of the measures needed to address gaps and weaknesses. Only the IFRC Governing Board, through its Compliance and Mediation Committee, can certify a National Society’s capacity. This certificate, which is part of the OCAC process, is valid for five years. In order to be recertified, a National Society must repeat the process.

These tools have allowed the Movement to learn a number of lessons that can be shared with the humanitarian sector, including the importance of looking at organizational development as a holistic process, ensuring that organizational legitimacy and independence is not compromised, and the challenges that developing a long-term domestic resource mobilization base represent.

INVESTMENT IN NATIONAL SOCIETY DEVELOPMENT

Between 2008 and 2010, the IFRC invested in helping the Burundi Red Cross to set up sustainable volunteer units in local communities. These units carry out a range of activities based on local knowledge and expertise. They also act as humanitarian responders, distributing food in times of food insecurity, providing a first response to mudslides and flooding, and supporting returning refugees. Within four years, Burundi Red Cross units were present in 98 per cent of the country’s 3,000 communities, counting some 300,000 volunteers. The decisive factors in the success of the intervention were the quality of the leadership within the Burundi Red Cross, the focus on organizational design for long-term sustainability, and the initial relatively high-risk seed-funding, which allowed a new organizational model to be developed and replicated, attracting support from other partners.

SYRIAN ARAB RED CRESCENT

The ICRC and the Syrian Arab Red Crescent, supported by the IFRC and other Movement partners, deliver critical principled humanitarian assistance to communities in some of the most difficult-to-access areas in Syria. At present, the Syrian Arab Red Crescent distributes – often together with the ICRC – relief to more than 4.5 million people each month. It is the primary local partner for the UN and all international NGOs registered and operating in Syria. Its volunteers and staff play a pivotal role in delivering vital humanitarian assistance within an extremely challenging environment.
SCALING UP THE USE OF CASH-TRANSFER PROGRAMMES

For the Movement, cash transfers are a powerful means of covering a wide range of beneficiary needs in emergency situations or to support livelihoods and contribute to economic recovery. With cash, communities are given the necessary financial means and autonomy to meet their specific individual needs, such as improving their living conditions, increasing food production or developing their skills through specific training.

CASH TRANSFERS TO SUPPORT EMPOWERMENT AND ECONOMIC RESILIENCE

In 2014–15, cash transfers were used in Liberia to support Ebola patients. As soon as they were discharged from the Ebola treatment units, communities were given cash to meet needs such as purchasing food, replacing essential belongings lost during the disinfection process, or restarting small businesses to sustain their livelihood.

In Somalia and Nigeria, conflict-affected households who benefited from ICRC unconditional cash transfers were able to meet their essential needs, such as food, household items, water or health care, and establish small economic activities for self-sustainability. Affected communities provided feedback that they felt empowered and cash programmes restored their dignity, giving them the ability to purchase directly what they really needed. In a further ripple effect, market traders in the communities also reported increases in sales and profits.

CASH DELIVERY AT SCALE – LESSONS FROM TYPHOON HAIYAN

The IFRC and Philippine Red Cross response to Typhoon Haiyan is a strong example of a coordinated cash-based response delivered at scale. Typhoon Haiyan was the most powerful storm ever recorded, affecting over 13 million people. Although the Philippine Red Cross had significant experience in distributing cash to vulnerable households in development contexts, providing cash support at this scale to affected people within weeks of a disaster had never before been attempted by the National Society or the IFRC. In the course of responding to the needs of 500,000 people, the IFRC and the Philippine Red Cross supported 100,000 families with a combination of in-kind and cash-based assistance, with almost 91,000 families given unconditional cash grants by the Movement. Cash support was largely delivered through existing financial mechanisms, such as remittance companies, where pre-agreements were in place between the Philippine Red Cross and financial providers. The success of this response was made possible by the IFRC’s investment in the Philippine Red Cross’s cash preparedness capacity in the years before the disaster, ensuring there was strong advocacy, established cash delivery mechanisms, robust systems and adequate human resources. With all the components in place in the Philippines, the Haiyan operation remains, to date, the largest cash-transfer programme implemented by the Movement immediately after an emergency.
SECTION 3
ISSUES OF CONCERN TO THE MOVEMENT

The experience of the Movement leads us to identify some elements in the Grand Bargain that in our perspective constitute real limits. We encourage stakeholders of the humanitarian community to consider them in the discussions.

A “ONE SYSTEM APPROACH”

The Movement emphasizes that there is no one single international humanitarian system, but several distinct humanitarian networks, one of which is the Movement. Movement components hold specific status under international law and are bound together by their Fundamental Principles. Effective collective action will derive from the recognition of multiple systems and strengths of different actors, and as a result, the Movement believes that the Grand Bargain should avoid taking a “one system approach”.

A SINGLE GLOBAL PLATFORM FOR FINANCIAL DATA

The Movement is committed to financial transparency and recognizes that in order to provide flexible and predictable funding, donors need assurance that money is well spent. Open and transparent data should be the norm. While being in favour of greater financial transparency, the Movement has reservations about the feasibility and efficiency of all actors providing comparable data on a single global platform. Trying to align multiple distinct systems could result in time-intensive bureaucratic processes with little and uncertain effect on humanitarian impact. The Movement commits to working with its donors and partners to ensure the appropriate level of transparency for its costs and operations.

JOINT NEEDS ASSESSMENTS

The Movement is working to establish joint Red Cross/Red Crescent needs assessments. It is in favour of efforts to exchange information and lessons learnt among organizations that can improve efficiency and lower costs at the assessment and implementation stages. However, the Movement has reservations about systematically carrying out joint assessments with other networks. Working jointly around assessments may cause problems of perception and security for the Movement, for instance when working in sensitive or insecure situations. In certain contexts, non-State armed groups are hostile towards the UN, hence joint assessments with the UN could compromise the Movement’s acceptance and access.
SECTION 4

THE MOVEMENT’S EXPECTATIONS

The Movement is committed to four aspects of the Grand Bargain: (i) reducing duplication and management costs, (ii) joining the “participation revolution”, (iii) working with donors to increase the capacity of National Societies, and (iv) scaling up the use of cash-based programmes where appropriate. In return, the Movement believes that the international humanitarian community has a great deal to gain from donor countries committing to these four key elements of the Grand Bargain:

- more multi-year humanitarian funding
- less earmarking
- harmonized and simplified reporting requirements
- greater investment in National Societies

INVESTMENT OF “QUALITY MONEY”

Donors should ensure that money invested in humanitarian assistance is “quality money”, i.e. predictable, long-term, un-earmarked, and low on unnecessary conditions and reporting requirements. Chronic and protracted conflicts and seasonally recurrent disasters are increasingly the norm for the Movement’s operations. As a result, predictable and multi-year funding are essential to the planning and delivery of sustainable programmes addressing both short- and longer-term needs of the people affected.

Flexible financing is critical for the Movement to conduct principled humanitarian action globally, prioritizing its response on the basis of the most urgent needs and vulnerabilities rather than media attention or the political interest of States. Moreover, flexible financing also allows for organizations to pilot and innovate projects that might not otherwise attract funding, leading to greater learning and an improved response. Unfortunately, the Movement has experienced greater earmarking over the past several years. While earmarking can in some cases be useful to ensure that funds are directed to underfunded crises or sectors, too often earmarking reflects political rather than humanitarian priorities. This trend needs to be reversed as part of the Grand Bargain.

GREATER INVESTMENT IN NATIONAL SOCIETIES

The staff and 17 million volunteers of National Societies often come from the affected communities themselves, and bring deep knowledge and awareness of context and culture. They are permanently present at the national and local level, accompanying vulnerable people and communities along their journey to resilience. They need more support from donors, especially those National Societies with proven capacities to manage international funds and deliver high-quality services. Such support has the potential to realize efficiency gains and reduce overall transaction costs in the system.

The Movement is developing an investment mechanism to incentivize and invest in long-term National Society development, with a particular focus on innovation and community resilience programming. National Societies require investment to develop and maintain a range of organizational capacities that allow them to function as independent humanitarian actors with the necessary core competences to scale up in times of emergency, but also to deliver essential services to vulnerable people between emergencies. Such investment should be made on development timescales with development outcomes in mind.
FOR FURTHER INFORMATION

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