

The Grand Bargain

IOM INSTITUTIONAL COMMITMENTS

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The UN Migration Agency

Introduction

At the request of the United Nations (UN) Secretary General, the High Level Panel (HLP) on Humanitarian Financing set out to identify potential solutions to the widening financial gap between identified humanitarian needs and resources made available to support such efforts. In January 2016, the HLP released its report “Too Important to Fail: addressing the humanitarian financing gap”. Among its proposed recommendations was a “Grand Bargain” between major donors and humanitarian organizations. The Grand Bargain’s agreed purpose is to ensure that humanitarian organizations are better able to anticipate and prepare for crises, that they can deliver protection and assistance to the most vulnerable in a manner that contributes to restoring opportunity and dignity to them.

To do so, the world’s leading humanitarian donors and organizations engaged in a process that produced 51 commitments across 10 key work-streams.¹ The document’s broad-based commitments enable individual agencies to develop supportive actions and commitments that are appropriate for their own institutional structures and mandates. The cumulative efforts of each organization are envisioned to lead to system-wide improvements in the way in which humanitarian financing is handled in a realistic and feasible manner for all.

To IOM, the Grand Bargain holds potential to substantially alter the ways in which the humanitarian donor community and organizational partners interact. IOM has engaged in the Grand Bargain process from its earliest days and is a signatory to the documents that were launched during the World Humanitarian Summit. Recognizing that an ambitious global and collective response is needed across the humanitarian system, and that the Grand Bargain’s success depends upon the achievements of all stakeholders, IOM commits to undertaking the internal improvements necessary to live up to its share of the “bargain”.

This document presents IOM’s institutional commitments and actions towards the Grand Bargain’s 10 established work streams. It identifies internal processes that will help IOM achieve greater efficiency.

¹ (1) Greater Transparency; (2) More support and funding tools for local and national responders; (3) Increase the use and coordination of cash-based programming; (4) Reduce duplication and management costs with periodic functional reviews; (5) Improve joint and impartial needs assessments; (6) A participations revolution; (7) Increase collaborative humanitarian multi-year planning and funding; (8) Reduce the earmarking of donor contributions; (9) Harmonize and simplify reporting requirements; (10) Enhance engagement between humanitarian and development actors.



10 Grand Bargain Work Streams

1. GREATER TRANSPARENCY

About the work stream: Grand Bargain stakeholders aim to identify and implement a shared open-data standard and a common digital platform, which will enhance transparency and decision-making. This will demonstrate how funding moves from donors down the transaction chain to final responders and, where feasible, affected individuals. The International Aid Transparency Initiative (IATI) is currently the most advanced option for a shared open-data standard. Grand Bargain stakeholders also recognize the Financial Tracking Service (FTS) to be a well-established, voluntary information platform for recording international humanitarian aid contributions; signatories also agreed that the FTS is in need of further improvement.

Issue owner(s): DRM (ACO, BUD, ICT), DRD, DOE²

IOM position:

- i) IOM has initiated discussions with IATI in order to gauge adjustments required for IOM to subscribe to the initiative. Following internal consultations, IOM is now committed to formally joining the IATI initiative, by 31 March 2017. IOM recognizes that its level of reporting through the IATI platform will be incremental, in line with the approach adopted by other UN agencies that have previously joined the initiative.
- ii) IOM has begun reviewing the manner in which it tracks humanitarian funding requirements and contributions made by donors towards those. This will be done through a revision of its Humanitarian Compendium, which outlines the organization's country based humanitarian programming, on the basis of inter-agency planning processes and IOM's additional programming priorities. Efforts are made to facilitate integrating information on contributions received into the Humanitarian Compendium systematically. The same information will be updated into the FTS in order to ensure consistency between IOM's internal tracking of resources and the FTS platform. IOM's revised Humanitarian Compendium methodology will be introduced by 1 January 2017.
- iii) IOM's commitments under this work streams will be implemented and monitored through the establishment of an inter-departmental taskforce on institutional transparency and accountability.

2. MORE SUPPORT AND FUNDING TOOLS FOR LOCAL AND NATIONAL RESPONDERS

About the work stream: Typically, national and local governments, communities, Red Cross and Red Crescent National Societies and local civil society are the first to respond to crises. Grand Bargain stakeholders are committed to making principled humanitarian action as local as possible and as international as necessary, recognizing that international humanitarian actors play a vital role particularly

² Department of Resource Management (Accounting, Budget, Information Technology and Communications), Donor Relations Division, Department of Operations and Emergencies



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in situations of armed conflict. Grand Bargain stakeholders will henceforth engage with local and national responders in a spirit of partnership and aim to reinforce rather than replace local and national capacities.

Issue owner(s): DRM (ACO), DOE

IOM position:

- i) IOM will maintain an operating model which, unlike that of a majority of UN agencies, is fundamentally based on creating and maintaining ability to delivery direct assistance to affected populations of concern to the organization, which considers itself a first responder. As such, while IOM is committed to improving the manner in which it engages with and supports first responders, particularly in areas where IOM has assumed a coordination role and/or where security conditions do not allow for direct implementation of activities, IOM is not in a position to commit to a major increase in the proportion of humanitarian funding it channels to NGOs, though it will review its methodology for tracking the volumes of funds channeled via third parties.
- ii) IOM will introduce a new set of policies and guidelines to facilitate the channeling of financial resources to those amongst civil society and non-governmental organizations it partners with in delivering humanitarian assistance, aiming in particular at reducing the amount of time it takes the Organization to pass funds on to its partners after a decision to that effect has been made. In this regard, IOM will also continue to work together with UN agencies to join existing inter-agency initiatives designed to streamline the vetting of non-governmental organizations' accounting and control systems.
- iii) IOM will continue to expand its programming and related capacity building activities in support of national responders, with particular focus on civil protection authorities, usually mandated to respond to disasters and coordinate humanitarian action. Over the past three years, such efforts have gone to benefit an average ranging from 8,000 to 10,000 national responders per year. Improved disaster management and response capacity at national level is a key priority to the organization, also within the framework of its global leadership of the camp coordination/management (CCCM)

3. INCREASE THE USE AND COORDINATION OF CASH-BASED PROGRAMMING

About the work stream: Using cash helps deliver greater choice and empowerment to affected people, and strengthens local markets. It remains, however, an underutilized approach. While cash cannot meet all needs, and an understanding of individual contexts determines the appropriate tools to use, donors and aid organizations should routinely consider cash-based programming as an option. Those who currently use cash-based programmes, may wish to scale them up significantly. Delivering cash should, where possible and appropriate, be used or aligned with local mechanisms. It should include new partnerships, be coordinated across aid organizations and be delivered through common mechanisms. Preparedness, planning and mapping measures are essential to ensuring that cash-based programming can be used to best effect.



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Issue owner(s): DRM (ACO), DOE, DMM³

IOM position:

- i) IOM will increase to enhance its ability to deliver aid through cash-based programming (CBP), in a timely and accountable manner and at scale through: a) reinforcing institutional capacity and country level preparedness to deliver cash-based interventions to beneficiaries, b) strengthening partnerships and coordination for the delivery of cash-based assistance to beneficiaries, c) building an evidence focused portfolio on assistance based on payments to beneficiaries.
- ii) Cash-Based programming is a strategic priority to IOM, which has employed cash in its delivery of assistance to populations of concern for the past two decades, across the full spectrum of its programming portfolios, whether in support of the reintegration of returning migrants and victims of trafficking, in forced displacement settings, to the benefit of both IDPs and refugees, and in transitional contexts, through community-based engagement, particularly in urban environments.
- iii) In view of the increasingly systematic use and expansion of cash-based programming across the organization, IOM has established a CBP working group, and initiated a review of its global approach to CBP through the publication of an IOM compendium on CBP, outlining the various accountability and delivery mechanisms currently in use in the field.
- iv) IOM has also contributed to IASC efforts to streamline humanitarian approaches to CBP, including the initiatives led by the World Bank, whose recommendations were endorsed by IOM.
- v) Building on these initial steps, by June 2017, IOM aims at producing a new set of organization-wide operational guidelines governing the application of CBP in displacement and other humanitarian contexts which the organization intervenes in. This will include elements relevant to resource management, and criteria on the basis of which CBP may be considered a preferable aid delivery modality, including an assessment of market capability, beneficiary preferences, do no harm considerations and cost effectiveness. IOM also intends to introduce tools to better track aid volumes delivered through CBP in order to measure the evolution of its approach in this regard.

³ Department of Migration Management



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4. REDUCE DUPLICATION AND MANAGEMENT COSTS WITH PERIODIC FUNCTIONAL REVIEWS

About the work stream: Reduced management costs will increase the proportion of funding used for the direct benefit of affected people. This may only be demonstrated over time, since measuring efficiency and effectiveness requires baseline information. Reducing management costs depends upon reducing donors' and aid organizations' individual reporting requirements and oversight mechanisms.

Issue owner(s): DRM (ACO), GPSU⁴, DOE

IOM position:

- i) IOM wholly subscribes to the long stated need to ensure the humanitarian system functions in a more cost-efficient manner. As IOM has now joined the UN system, it is presented with several opportunities to engage with UN agencies with a humanitarian mandate and promote its some of the elements of its core business model which have been perceived in resulting in significant savings and efficiencies. These include, for example, privileging low cost locations to conduct back office functions at global level, competitive approaches to procurement. To that end, IOM is part of UN discussions within the High Level Committee on Management, whose role partly focuses on achieving greater inter-agency efficiencies.
- ii) Across the broader humanitarian system, IOM is currently engaged in discussions with UNICEF and like-minded agencies towards the identification of savings in the areas of procurement of humanitarian relief items. This includes the possibility to adopt a more coherent approach towards the establishment and management of common Non-Food Items pipelines at field level, particularly where IOM and partners are involved in sectors of assistance which tend to make use of similar items, such as Water, Sanitation and Hygiene, and Emergency Shelter & NFI.
- iii) Internally, IOM is in the process of rolling out new approaches to Supply Chain Management. This includes, with support from the Government of Norway, a multi-year process through which IOM started to establish global pre-positioning hubs in order to supplement field delivery capacities in mid-sized emergency contexts. IOM's first two hubs were established in Kenya and the Philippines. IOM intends to expand this network to a third location in 2017 if needed funding is confirmed. Further, IOM will in 2017 strengthen its Global Procurement and Supply Unit, based at IOM's service center in Manila, Philippines, through the creation of new expert positions, and the introduction of new procurement tools, including greater reliance on Long Term Agreements with suppliers, the production of so-called white stocks, to be mobilized as the needs arise, and the negotiation of new agreements with private sector service providers which may help facilitate more cost efficient shipping modalities.

⁴ Global Procurement and Supply Unit



5. IMPROVE JOINT AND IMPARTIAL NEEDS ASSESSMENTS

About the work stream: The application of current approaches and tools falls short of meeting the decision-making requirements for various stakeholders for both programming and funding. The proliferation of uncoordinated needs assessments leads to duplication, wasted resources and putting a burden on affected populations. Needs assessments that are impartial, unbiased, comprehensive, context-sensitive, timely and up-to-date are required. These assessments must provide a sound evidence base for humanitarian response plans and prioritized appeals with due regard for specific accountabilities of mandated agencies. The involvement of specialists supporting data collection and analysis can strengthen the collective process. Independent reviews and evaluations can contribute to learning and improvement of practice.

Issue owner(s): DOE

IOM position:

- i) Throughout the Grand Bargain negotiating process, IOM has been a strong proponent of greater commitment on the part of the humanitarian community towards a more objective, impartial and inclusive approach to needs assessments, in the context of both sudden onset disaster responses, and more protracted situations.
- ii) IOM's principal approach to needs assessment is anchored in efforts to ensure more systematic and comprehensive roll out of its Displacement Tracking Matrix (DTM) in all contexts affected by displacement. Over the years, DTM has emerged as the humanitarian community's most effective instrument to gauge displacement volumes and locations, and identify related humanitarian assistance requirements across all sectors of relevance to a particular response framework, in a manner that is delinked from IOM's own internal programming priorities and resources. With both core and earmarked support from key donors, IOM has been able to apply the DTM to over 40 humanitarian contexts. Data derived from the DTM currently represents the single largest source of information on internal displacement in the world, as evidenced by the contributions made by IOM to the work of the Internal Displacement Monitoring Center, whose annual report DTM supports.
- iii) The expansion of the DTM has been made possible through strategic engagement with key humanitarian partners, including donors, NGOs, UN agencies, the private sector and academia. In 2017, IOM aims to formally position the DTM as the humanitarian community's standard tool for measuring displacement and assessing related needs, in close coordination with other existing initiatives. To this end, in 2017 IOM intends to capture data in regard to 80% of newly identified internal displacement in the world and to continue expansion into contexts in which DTM is currently not active.
- iv) In 2017, IOM will also continue enhancing its efforts to integrate key protection indicators into DTM's standard operating procedures, following a two year piloting process across key humanitarian contexts.



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6. A PARTICIPATION REVOLUTION: INCLUDE PEOPLE RECEIVING AID IN MAKING THE DECISIONS WHICH AFFECT THEIR LIVES

About the work stream: There is need to include the people affected by humanitarian crises in decision-making to be certain that the humanitarian response is relevant, timely, effective and efficient. There is a need to provide accessible information, ensure that an effective process for participation and feedback is in place and that design and management decisions are responsive to the views of affected communities and people. Donors and aid organizations should work to ensure that the voices of the most vulnerable groups considering gender, age, ethnicity, language and special needs are heard and acted upon. This will create an environment of greater trust, transparency and accountability.

Issue owner(s): DOE

IOM position:

- i) Internally, by July 2017, IOM will finalize and implement a revised Accountability for Affected Populations (AAP) framework, which will be mainstreamed throughout key programmatic areas, and will ensure that the results of which will feed systematically into project design and modification. While IOM applies multiple methodologies and approaches which in recent years have served to enhance the organization's accountability to those it is tasked to assist, IOM has now initiated an institutional effort to introduce a single policy framework across its field operations, defining IOM's institutional approach to AAP and the mechanism it employs to adhere to such objectives in conducting its activities. Such efforts will remain consistent with IOM's commitments to the IASC, and will enhance what has been initiated through the IOM's protection mainstreaming institutional approach to crisis response, which has AAP among its key pillars, and remain consistent with IOM's commitments to the IASC.
- ii) IOM will continue to engage within the IASC Task Team on AAP/Protection from Sexual Exploitation and Abuse (PSEA) to improve existing approaches and methodologies. In this regard, IOM aims to provide technical assistance to Humanitarian Country Teams and in-country PSEA Networks to establish and/or strengthen collective SEA prevention and response measures. Building on the lessons learned during a pilot project that IOM coordinated on behalf of the IASC, IOM commits to roll out the *IASC Best Practice Guide to Establish Inter-Agency Community-Based Complaint Mechanisms (CBCMs)* and to champion for their implementation, so that PSEA is standardized in all humanitarian settings. In order to help assure accountability of the humanitarian community towards those populations it seeks to assist, IOM will continue to provide critical support to such inter-agency efforts.
- iii) As global CCCM cluster lead, IOM will take the measures necessary to ensure that AAP mechanisms become standard within the cluster in its 2017-2021 global strategy.
- iv) IOM will continue and further its efforts to identify camp-based initiatives to strengthen women's participation in camp governance and will develop guidance on how to better support women's engagement in collective activities, with the aim to reducing their vulnerability and exposure to protection risks.



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- v) IOM will further invest in the expansion and strengthening of DTM methodological approaches to include additional module to enable more immediate, effective, and direct communication between the affected community and humanitarian actors to ensure beneficiaries participation and more effective access to assistance.

7. INCREASE COLLABORATIVE HUMANITARIAN MULTI-YEAR PLANNING AND FUNDING / 8. REDUCE THE EARMARKING OF DONOR CONTRIBUTIONS

About work stream 7: Multi-year planning and funding lowers administrative costs and catalyzes more responsive programming, particularly when humanitarian needs are protracted or recurrent and when livelihood needs and local markets can be analyzed and monitored. Multi-year planning must be based on shared analysis and understanding needs and risks as they evolve. Collaborative planning and funding mechanisms for longer-term, incrementally funded programmes can produce better results and minimize administrative costs for both donors and aid organizations. They can capitalize upon the results across the humanitarian, development, stabilization and conflict management initiatives.

About the work stream 8: Non-earmarked funding creates the flexibilities necessary to ensure swifter responses in emergencies; tailored support in fragile and potentially volatile situations; and proactive measures in disaster preparedness. It further promotes a more balanced needs-based distribution of assistance, ensuring much needed aid reaches situations of protracted and neglected conflicts. It further reduces the amount of resources spent on grant-specific administration, notably procurement and reporting. Flexible funding requires accountability throughout the length of the transaction chain from donor to the field. Increasing donors' confidence in the quality of aid organizations' own prioritization processes will encourage donors to increase the flexibility of their contributions.

Issue owner(s): DOE, DRD, DRM (ACO)

IOM position:

- i) While IOM has witnessed a considerable expansion across all aspects of its humanitarian programming in this decade, a development attributable to the multiplication of humanitarian crises, both large scale natural disasters and protracted displacement situations resulting from conflict, as well as the organization's own efforts at increased predictability, accountability and partnerships, the organization continues to operate with financial resources channeled to IOM operations through tightly earmarked contributions. On the other hand, flexible financing, unearmarked contributions and core support for humanitarian action and institutional strengthening represent less than 3% of the Organization's budget.
- ii) While IOM remains committed to its project-based accounting model, which it has no intention to amend, based on continued institutional assessment of the benefits it brings in terms of accountability, transparency and cost-effectiveness, some elements of IOM humanitarian response such as preparedness or sustainability of interventions in protracted displacement contexts would benefit from a more long-term, predictable and flexible funding approach. IOM has thus engaged in strategic discussions with some of its key humanitarian donors with a view to determining funding priorities and



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define modalities for multi-year, flexible funding. Over the years, IOM has proven its credibility, responsiveness and value added, and has undertaken genuine efforts to contribute to collective efforts towards improved humanitarian action. In order to pursue such engagement, including institutional commitments towards the Grand Bargain, the organization therefore intends to continue consulting key donors on harmonized funding modalities, enabling the organization to increase its effectiveness and efficiency. To facilitate such discussions, IOM will introduce internal guidelines, including detailed criteria, indicating the manner in which the organization proposes to allocate softly earmarked financial contributions made by donors towards emergency response programmes.

- iii) In order to further enhance its internal tracking of resources and institutional ability to capture the full spectrum of its humanitarian funding requirements and contributions received towards related activities, as well as to provide timely information and operations and funding status, IOM will also undertake a revision of its Humanitarian Compendium (see previous work stream commitments).

9. HARMONIZE AND SIMPLIFY REPORTING REQUIREMENTS

About the work stream: Reporting requirements have grown over the years, e.g. legal requirements associated with accountability and managing risk, building trust, raising funds, and to improve quality. A wide range of sectors and organizations report to one another: including institutional donors, UN agencies, IOM, international and national NGOs and the Red Cross Red Crescent Movement. Grand Bargain stakeholders have a common interest in ensuring that programmatic reporting is substantive and qualitative while also facilitating the most efficient use of resources to assist people in need.

Issue owner(s): DOE, DRM (ACO), DRD

IOM position:

- i) As a result of its reliance on tightly earmarked contributions, IOM is subject to specific donor requirements, which tend to be negotiated on an ad hoc basis, except where global standards are in place, and require sometimes lengthy engagement on the part of the donor and IOM to reach mutually agreeable reporting modalities.
- ii) While financial and programmatic accountability at the activity level is a long established approach, which IOM closely adheres to, in a manner that is not matched by any other similarly sized intergovernmental organization, current best practices, for both donors and humanitarian and development stakeholders, now place the reporting focus on results rather than activities. In this regard, IOM has embarked on a major institutional process towards the introduction of results-based management (RBM) throughout its operations. As the RBM process continues to gain traction within IOM, activity based reporting is likely to continue losing relevance.
- iii) IOM will continue to advocate with its donors towards unified reporting modalities within specific donor structures, aiming at agreeing to standard contribution formats with specific donor governments, regardless of which entity, within a given government structure, funds IOM field operations, with a view to enabling more efficient use of resources.



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- iv) In contexts where multiple donors fund similar IOM operations, as those funding decisions are usually based on IOM appeals or IOM operations deriving from inter-agency response plans, IOM also wishes to work towards harmonization amongst donors in regard to reporting requirements for activities they all contribute to.
- v) Consequently, as IOM aims at increasing its financial support to non-governmental partners, it also wishes to decrease reporting requirements imposed on those partners, which often derive from those requirements IOM itself is subject to vis a vis its donors.

10. ENHANCE ENGAGEMENT BETWEEN HUMANITARIAN AND DEVELOPMENT ACTORS

About the work stream: Both the High-Level Panel on Humanitarian Financing and Core Responsibility Four of the Secretary-General's Report (change people's lives – from delivering aid to ending need) call for shrinking humanitarian needs and bridging the humanitarian financing gap. This is particularly important in situations of fragility and protracted crises. A better way of working is not about shifting funding from development to humanitarian programmes or from humanitarian to development actors. Rather, it is about working collaboratively across institutional boundaries on the basis of comparative advantage. This way of working does also not deviate from the primacy of humanitarian principles.

Issue owner(s): DOE

IOM position:

- i) IOM has decades of expertise in transition and recovery programming that uses development-principled approaches to comprehensively address root causes driving forced and irregular displacement. IOM's locally-driven and contextualized portfolio of longer-term development-minded activities often begins in parallel to humanitarian efforts to assist displaced populations, and includes resilience-building, early recovery, social cohesion and peacebuilding, and local governance strengthening programming. By working with local community actors, including varied social groups, civil society and local governance structures, to reduce short, mid and long-term needs concurrently, IOM aims to ensure communities in home, host and long-term settlement countries are able to participate in crafting interventions that mitigate the mid and longer-term consequences of displacement-causing factors.
- ii) In 2017, IOM will enhance its efforts to address the root causes that drive vulnerability, instability and negative migration pressures. To this end, IOM will enhance DTM indicators and methodological approaches to bridge data gaps between development and humanitarian programming, including risk and vulnerability analysis, to foster greater synergies between humanitarian and development work streams. Enhanced data collection and analysis will in turn enable IOM to improve the manner in which it elaborates community support strategies and programming initiatives.
- iii) In 2017, Use its Progressive Resolution of Displacement Situations (PRDS) Framework as a basis to strengthen collaboration with States and partners, and advocate for inclusive and resilience-



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orientated responses which reflect the mobility dimensions of crisis situations in recognition of the often overlooked benefits of mobility for individuals, communities and States.

- iv) In 2017, IOM will leverage the comparative advantages and capacities of all organizations in each given context towards operationalizing the Humanitarian/Development Nexus, and pursue broad collaborative action across humanitarian, development, peace-building frameworks and coordination mechanisms. IOM views partnerships in implementation and in funding modalities as integral to operationalizing the holistic approaches necessary to resolve need and address root causes of forced migration. Many IOM Member States have produced comprehensive strategies and policies to strengthen the humanitarian-development nexus, and endorsed organizational strategies, including IOM's Migration Crisis Operational Framework in 2012, reinforcing their positions. Collective action must also foster strong partnerships with local actors in governance, civil society and among communities, to reflect the sense of shared responsibility and ownership over the success of efforts to restore longer-term conditions for the enjoyment of normal social, economic and political life.