

Standing Committee  
September 2017

Remarks by Rossella Pagliuchi-Lor, Director, Division of External Relations

Agenda item: Progress towards implementing the “grand bargain” commitments  
(EC/68/SC/CRP.28)

Mr Chair,  
Excellences,  
Distinguished Delegates,  
Ladies and Gentlemen,

Conference Room Paper 25 provides an update on the implementation of UNHCR's Grand Bargain commitments. This document supplements the informal update provided on the occasion of the March Standing Committee with financial figures reflecting the closure of the 2016 accounts.

Allow me to start by saying that UNHCR takes its Grand Bargain commitments very seriously, and as a consequence the implementation is well on track.

We committed to double cash intervention by 2020 and have already surpassed that target increasing from USD 325 million in 2015 to USD 688 million at the end of 2016. In 2016 the amount of cash assistance exceeded for the first time that of in-kind assistance. Over 90% of cash assistance was delivered in the form of multi-purpose to meet a range of basic needs and protection objectives.

Coming to the volume of funds transferred to local and national responders, these have increased to 20% of our programme expenditure against a target of 25% by 2020.

We have increased the coverage of biometrics registration by UNHCR to 48 operations – and we are on track to meet the target of 75 by 2020.

UNHCR, UNICEF and WFP are working together to simplify and harmonize the policies and arrangements related to partnerships. The three agencies are expanding the UNHCR Partner Portal to a common platform for due diligence registration and capacity assessment of partners. The joint portal will be ready by mid-2018. UNHCR and UNICEF are also piloting the joint audit of common partners. The overall harmonization will be completed by 2020. The total amount disbursed to partners by the three agencies combined amounts to US\$ 5 billion. While hard to quantify, the impact of simplification and harmonization is very significant and should result in more efficiency.

With regards to the commitment to undertake joint logistics and procurement, UNHCR together with the United Nations Procurement Network, has already identified joint procurement opportunities, focusing on the 10 most purchased items, and joint vendor opportunities are also being analysed. The Network will also develop a methodology of measuring and recording collaborative procurement savings to be adopted in 2018.

Our new revised needs assessment handbook establishes joint needs assessments as a standard practice.

Finally, we have improved our reporting on the use of unearmarked funding and will continue to do so.

While having quantifiable targets is important, aid efficiency and effectiveness cannot be reduced to numbers, and there is a risk in allowing numbers to replace more complex analysis.

Let me take the provision of cash assistance as an example. There is, in the mind of some, the idea that cash is *apriori* always more efficient and effective than any other form of assistance and therefore the more cash is delivered, the more efficient and effective an agency is.

UNHCR does believe that in most cases cash interventions are more effective and efficient, and therefore more beneficial to refugees than in kind assistance. At the same time, there are services that cannot be effectively monetized and needs that, depending on context, can be more effectively and efficiently addressed by supporting the national systems, such as by taking out health group insurance instead of doling out small individual payments. An efficient and effective assistance system is primarily one that is centered on beneficiaries, that is based on solid analysis, and that makes sense in the context.

For this reason, UNHCR has and will continue to keep the interests and preferences of the people we assist and their host communities at the forefront of decision making as we strive to expand the use of cash.

Finally, allow me a couple of considerations on the Grand Bargain. The aim of the Grand Bargain is for the aid community, including donors, to work efficiently and more effectively together. In this sense, I suggest, its name, catchy as it is, is in some ways misplaced as it suggests that efficiency and effectiveness are the object of a quid pro quo.

Yet there is, I believe, no question in anyone's mind that efficiency and effectiveness is what we, agencies and donors, collectively owe to refugees and other beneficiaries, and to the tax payers who through their governments or as individuals, support the system.

So, I would suggest that the Grand Bargain must be a joint commitment to be more effective and efficient TOGETHER. And here I must note that while there is a great deal of focus on what the agencies do, as mentioned above mostly on a numerical basis, there is little corresponding effort to meet other critical efficiency targets.

Unearmarking, which is proven to be the most effective type of funding mechanism, remains the preserve of a few dedicated donors (whom we cannot thank enough). Growing resources must be dedicated to servicing donor-driven assessments which, in one shape or the other, mostly ask similar questions and come to similar conclusions. UNHCR is one of the most assessed agencies – over 100 assessments in 5 years.

Assessments are important and welcome – they help us get better. We strongly support the Multilateral Organization Performance Assessment Network (MOPAN) concept, and would like to encourage all donors to join in the MOPAN not as an additional tool but as THE tool that everyone stands by.

Likewise, the harmonization of reporting requirements, ideally avoiding heavy and time-consuming requirements, would increase our efficiency by reducing the time we spend on multiple formats.

Spending endless efforts and resources to refine efficiency indicators and expanding reporting requirements carry significant costs, and are a source of inefficiency in their own right. UNHCR and other UN agencies (and, in fairness, NGOs) incur considerable costs in meeting reporting requirements that have only grown with the implementation of Grand Bargain.

At the end of the day, our focus must be on the beneficiaries and on the field. That is where resources must be concentrated, and where tangible improvements must be seen. Cutting through unnecessary bureaucracy and re-orienting those resources to actual delivery is what the Grand Bargain is about.

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