



Red Cross Red Crescent Movement welcomes “Grand Bargain”

23 May 2016

Istanbul – The International Red Cross and Red Crescent Movement today welcomed the signing of the “Grand Bargain” at the World Humanitarian Summit as an important contribution to achieving better outcomes for people in need through improvements to humanitarian financing.

The Grand Bargain commits donors and aid organizations to providing 25 per cent of global humanitarian funding to local and national responders by 2020, along with more un-earmarked money, and increased multi-year funding to ensure greater predictability and continuity in humanitarian response, among other commitments.

“The Grand Bargain means that humanitarian financing will better respond to needs on the ground,” said Mr Elhadj As Sy, Secretary General of the International Federation of Red Cross and Red Crescent Societies. “The Grand Bargain is a recognition that humanitarian solutions can start and end with local communities supported by local organizations such as National Red Cross and Red Crescent Societies. Local people walk the first and last mile to serve those in their communities most in need.”

The President of the International Committee of the Red Cross, Peter Maurer, said, “The International Red Cross and Red Crescent Movement has actively engaged throughout the process and we are pleased to see it come to fruition today. The Grand Bargain is not a panacea for all the problems in the humanitarian ecosystem, but it will help make sure money is put to optimal use and, crucially, help to raise new funds. The commitment by donors to provide more un-earmarked funding and impose fewer restrictions will allow us to better carry out our humanitarian activities in conflict zones out of the media spotlight, for which we receive little designated funding.” Mr. Maurer added, “The process has started with a small group of stakeholders - from here, we’d like to see it become more inclusive, including more host communities and host governments.”

The Grand Bargain is a step towards much-needed improvement of humanitarian financing. It will help build a more responsive humanitarian eco-system that is better able to reduce need in the future.

The commitment of donors to the Grand Bargain is an important step towards recognizing the diversity and different strengths of players within the humanitarian eco-system, all with different strengths, and in particular the distinctive character of the International Red Cross and Red Crescent Movement.

Other important Grand Bargain reforms include:

- increased investment in the capacity and leadership of local and national organizations
- agreement by donors to reduce restrictions on funding and improve coherence
- a commitment to increase cash-based assistance to affected people
- a global target to ensure that 30 per cent of humanitarian funding is un-earmarked or softly earmarked by 2020.

The International Red Cross and Red Crescent Movement is well placed to ensure local humanitarian funding delivers the right outcomes through a Federation of 190 National Societies and their 17 million volunteers that extends through virtually every community in the world.

The International Red Cross and Red Crescent Movement will soon establish a new investment mechanism to strengthen the skills and widen the reach of National Red Cross and Red Crescent Societies, especially those in fragile contexts. Through a new complementary financing approach the Movement foster innovation, partnerships and technical expertise so that National Red Cross and Red Crescent Societies are strongly placed to provide swift and sustained responses to humanitarian crises.

The International Red Cross and Red Crescent Movement will also increase cash-based programming and scale-up the use of forecast-based financing to release funds in advance of a disaster.