

Future of the Grand Bargain – Moving Beyond Rhetoric **A Call to Action from A4EP**

Ten years after the Grand Bargain (GB) was agreed in 2016, signatories and stakeholders will assemble again in Geneva in October 2026 to launch the new Grand Bargain Multi-Stakeholder Platform for the period January 2027 to December 2030.

The new framework represents an important evolution. It explicitly recognises that the Grand Bargain must move from policy to implementation and from global processes to country-level engagement. It proposes three structural changes: country-level accountability through National Reference Groups (NRGs), strengthened global engagement, and a dedicated mechanism for translating policies into action.

While A4EP welcomes the shift toward country-level accountability through National Reference Groups (NRGs), we caution that without independent resourcing and strong representation from national consortia and local CBOs, NRGs risk becoming administrative compliance buffers for international signatories rather than engines for local transformation.

However, the test of the new framework will not be whether it represents a better architecture for the Grand Bargain. It will be whether it changes the way humanitarian action is financed, designed, coordinated and delivered, and whether it gives practical meaning to localisation beyond semantics. After ten years, this distinction matters.

Local and national actors (LNAs), particularly from the Global South, have invested considerable time and intellect in the Grand Bargain process. Yet the reforms have fallen far short of their expectations and have not addressed the structural barriers that constrain their operational efficiency and, in some cases, their very existence. The 2026 Grand Bargain framework itself recognises persistent barriers arising from power imbalances, weak incentives for behavioural change and inadequate accountability. It also acknowledges that progress has not produced a system-wide shift in funding, power and decision-making.

The road ahead will not be smooth, given the challenges identified in the Global Humanitarian Assessment (GHA) and the State of the Humanitarian System (SOHS) reports. Both reports point to rising and increasingly protracted needs, major geopolitical shifts, attacks on humanitarian personnel and one of the sharpest contractions in humanitarian funding in recent history. They also warn that progress on reforms promised through the Grand Bargain is now at risk of backsliding.

This is the context in which the new Grand Bargain must operate.

The Humanitarian Reset is another endeavour responding to these pressures, with a focus on sharper prioritisation, greater efficiency, locally led action, simplified coordination, and changes to financing and operating models.

A4EP is mindful that these two processes are running in parallel and asks whether they can reinforce each other to produce the structural changes that neither can achieve alone. A4EP is also mindful that siloed humanitarian action cannot adequately address the causal factors that make people vulnerable or contribute to the manifestation of shocks. A sophisticated and comprehensive approach is required to address these complex and interwoven causes.

Since business cannot continue as usual, A4EP's Call to Action is informed by the following findings from the SOHS 2026 report:

- The system collapses in contexts of conflict, disrupting vital institutions such as hospitals and contributing to increased mortality from disease outbreaks. While pressures converge, the system continues to operate through silos, contributing to greater inefficiency.
- Climate shocks increasingly affect populations already facing conflict, displacement and poverty.
- More than 95% of humanitarian funding goes to protracted crises.
- Much of the development finance reaching humanitarian contexts came as loans, 61% in 2025, rather than grants, leaving countries affected by crises vulnerable to both geopolitical pressures and debt.
- Hyper-prioritisation under the Reset identified 114.4 million people for assistance against 239 million people in need, yet an even smaller number were reached.
- Local intermediaries can be up to 32% more cost-efficient than international actors.
- Yet LNAs received only 4.3% of humanitarian funding directly in 2025, and 8.7% including indirect funding. This picture could be even more concerning if international organisations operating through national entities are also taken into account.
- The 'How underfunding local organisations undermine humanitarian action' report of HPG highlights lack or inadequacy of policies with regard to ICR and inadequate sharing of ICR with LNAs.
- Data indicate that every \$1 invested in anticipatory action can help save \$7, yet anticipatory funding remains at only 1% of humanitarian funding.
- Monitoring continues to focus predominantly on what was delivered rather than what changed as a result.
- Communities are consulted, but consultation does not necessarily translate into influence over decision-making.
- By 2024, there were 5,600 humanitarian organisations employing approximately 835,000 staff. Local and national NGOs and CBOs accounted for 81% of entities, while 94% of humanitarian staff were nationals of the countries where they worked.
- In 2025/2026, national staff accounted for over 96% of aid workers casualties, detentions, and physical threats, yet duty of care budgets, legal protection, and emergency security reserves remain heavily concentrated with international agencies.
- Only 20% of frontline workers had permanent contracts, while 19% had no formal contract, compared with 94% of INGO staff who had permanent contracts. In Ukraine,

UN staff earned 17 times more than national L/NGO staff and five times more than national UN staff.

- Some 12,000 staff were laid off, and 500 L/NGOs closed down.
- National NGOs held only 11% of HCT seats, compared with 79% held by UN agencies, INGOs and donors.
- Funding pressures have favoured immediate relief, overlooking livelihoods, education and self-reliance areas prioritised by affected communities.

The Grand Bargain must become an accountability anchor for addressing discriminatory structures that perpetuate the disadvantage of LNAs. The new GB framework provides an opportunity to do precisely this, provided it confronts the serious gaps highlighted above that are often overlooked in humanitarian discourse.

We call on Grand Bargain signatories to make five shifts in implementation:

1. Make accountability consequential, not merely procedural

The new framework proposes NRGs as a country-level accountability mechanism and the Annual Meeting as a more action-oriented global accountability instrument.

NRGs should not become another consultative layer. They should have the authority, resources and political attention necessary to influence actual decisions. Their findings should directly inform the priorities considered by the Facilitation Group and Principals at the Annual Meeting. Persistent barriers identified by NRGs should trigger specific corrective actions, with responsibilities and timelines clearly assigned. Most importantly, progress should be judged by changes in practice, not by activities completed, meetings held, reports produced or commitments reiterated.

At the same time, signatories should acknowledge that only 11 NRGs are currently active across as many contexts. This cannot, by itself, ensure system-wide change. A4EP recommends that NRGs must not bypass, duplicate, or displace pre-existing national platforms, southern networks, or local NGO consortia. Instead, NRGs should be anchored within and co-chaired by existing national NGO leadership structures, equipped with dedicated, operational budgets to ensure genuine independence from donor or UN-led secretariats.

The Annual Meeting should become the moment when political leaders answer a simple question: **What has changed since the previous year, and what will change before the next one?**

2. Make localisation a transfer of power, not simply a transfer of implementation

The new framework rightly places localisation at the centre of its accountability function, including funding to LNAs, participation and decision-making, organisational development and simplified requirements. But localisation must not become synonymous with making local actors responsible for delivering a larger share of an increasingly underfunded response.

There are already examples of significant increases in the share of pooled funding reaching local and national organisations. Yet the relationship between funding, leadership and decision-

making remains unresolved. The Grand Bargain should therefore track not only where money goes, but who decides how it is used.

Since the adoption of the GB framework in 2016, international signatories have consistently failed to provide even double-digit percentages of funding directly to LNAs, against the commitment of at least 25%. That target looks even more challenging as funding shrinks and international actors face increasing pressure to sustain their operational presence rather than pass resources to local actors. A4EP does not believe that this should dilute the commitment. Instead, it should reinforce the case for operational efficiency through working with LNAs, particularly those embedded in local communities.

Hyper-prioritisation should not become a rationale for bypassing local actors or narrowing the humanitarian response to immediate relief. Greater access to resources would enable LNAs to pursue a more comprehensive nexus approach, address underlying vulnerabilities and invest in anticipatory action.

The Grand Bargain 2027–2030 must establish clear mechanisms for direct consortia-to-consortia funding, allowing national and regional southern consortia to manage pooled funds directly, bypassing costly international intermediary layers

Localisation should be measured by the transfer of resources, multi-year and flexible, responsibility and decision-making power, not merely by the number of local organisations implementing programmes.

3. Use the Humanitarian Reset to accelerate the Grand Bargain commitments

The Reset is responding to a genuine crisis of resources and has rightly placed efficiency and prioritisation at the centre of reform. But efficiency cannot become a euphemism for simply doing less.

The 2026 GHA findings show the consequences of the funding contraction: millions of people have been left without assistance while humanitarian needs remain extremely high. The Grand Bargain should therefore provide an accountability framework for those aspects of the Humanitarian Reset that relate directly to its enabling commitments.

Where the Reset promises localisation, the GB should track whether resources and decision-making have actually shifted. Where it promotes pooled funding, the GB should track whether pooled mechanisms provide more direct, flexible and accessible financing to local actors. Where it promotes efficiency, the GB should assess whether efficiency translates into better outcomes for people affected by crises.

The GB should also be mindful that efficiency must not be achieved at the cost of coverage. Efficiency should instead be pursued by reducing unnecessary layers, transaction costs and duplication, while transferring more resources to LNAs that are closer to communities and often work through mutual-aid groups. Country-based pooled funds (CBPFs) and regional humanitarian funds must transition to shared management models, granting national NGO consortia equal voting power on Advisory Boards and allocation decisions.

The opportunity is to build one coherent accountability architecture around the changes already being pursued through the Reset.

4. Do not allow efficiency to crowd out effectiveness, prevention and resilience

The funding crisis makes efficiency essential. But the humanitarian system must distinguish between reducing costs and increasing effectiveness. A cheaper intervention is not necessarily more effective if it is less timely, less relevant to people's needs, produces poorer outcomes or leaves communities more vulnerable to the next shock.

All of this can be addressed more effectively by supporting mutual-aid groups through hyper-local organisations that understand the context and remain present beyond the immediate crisis. The Grand Bargain should therefore encourage a broader definition of efficiency, one that considers outcomes, quality, timeliness, relevance, sustainability and risk reduction through a localisation lens. In line with climate-justice principles, the GB must mandate that anticipatory action and local climate adaptation funds are channelled directly to community-based organisations and mutual-aid groups who possess indigenous risk knowledge.

The GHA 2026 and SOHS 2026 show that humanitarian financing remains overwhelmingly concentrated in protracted crises. The humanitarian system can no longer overlook climate-induced disasters. System-wide change also requires a system-wide perspective.

Without compromising the objective of making humanitarian assistance more efficient, this should be achieved through better humanitarian outcomes with available resources, while reducing future humanitarian needs caused by climate- and human-induced crises and protecting development gains.

5. Strengthen the bottom of the pyramid: frontline organisations and their workers

Various studies have highlighted the precarious conditions of frontline workers, particularly those working with local organisations. Poor and irregular wages, lack of social security and inadequate psychosocial support are among the key concerns. Discussions on risk-sharing have generated more frameworks than changes in ground realities. Frontline workers also continue to face inadequate recognition of their leadership, knowledge and expertise.

The GB framework and the Humanitarian Reset are largely silent on these issues. Yet if the objective is to improve efficiency, effectiveness and ultimately reduce humanitarian needs, these outcomes cannot be achieved while the people closest to affected communities remain systematically disadvantaged.

Frontline organisations and workers constitute the foundation on which humanitarian action ultimately rests. The system cannot expect them to absorb disproportionate risks while providing them with fewer resources, weaker employment conditions and less recognition.

A4EP therefore calls for the Risk-Sharing framework to examine the comprehensive physical, mental, psychosocial and professional needs of frontline workers and to develop an appropriate

strategy for their protection, dignity and well-being, which ensures fair pay, social security, psychosocial care and duty of care.

Risk-sharing must ultimately mean more than transferring risk down the chain. It must also mean sharing resources, responsibility, authority and protection with those who carry the greatest operational burden.

A4EP calls for the Grand Bargain 2027–2030 to:

1. **Make country-level accountability consequential** by ensuring that NRG findings translate into decisions, corrective actions, assigned responsibilities and follow-up at the global level.
2. **Track the transfer of power alongside the transfer of resources**, including who participates in, influences and makes humanitarian decisions.
3. **Make the quality of humanitarian funding measurable**, including its flexibility, multi-year nature, full-cost coverage, directness and the number of intermediary layers. Enforce pass-through of indirect cost allowances (ICR), as per the caucus outcome report, to national and local downstream partners, eliminating the practice of international intermediaries retaining 100% of overheads.
4. **Make equitable risk-sharing operational**, ensuring that risks are not simply transferred to local organisations without corresponding resources, authority, protection and accountability.
5. **Align Grand Bargain accountability with the Humanitarian Reset**, avoiding parallel processes and making maximum use of existing data, definitions and reporting systems.
6. **Define efficiency through effectiveness and outcomes**, assessing quality, relevance, timeliness, coverage and sustainability rather than focusing primarily on cost and volume.
7. **Protect and increase investment in preparedness, anticipatory action, prevention and resilience**, particularly where these can reduce future humanitarian needs and protect development gains.
8. **Use the Accelerator to scale locally led solutions**, with local actors participating as co-designers, decision-makers and owners of solutions, not merely as implementers.
9. **Give affected people and frontline actors greater influence over humanitarian priorities and decisions**, recognising that accountability cannot be achieved solely among donors, UN agencies, INGOs and NGOs.
10. **Make the 2030 review a genuine test of transformation**, with evidence-based course correction where the platform is producing meaningful changes in funding, power, decision-making and outcomes. By the end of 2030, there should be clear evidence that the LNAs are institutionally stronger and leading the responses with independent decision-making authority.