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Opening Remarks: Panel Discussion on the Grand Bargain

Wednesday, 7 December, 2016
15:00-16:30.

CHECK AGAINST DELIVERY

Excellencies,
Distinguished Delegates,
Colleagues,

I am honored to introduce to you our distinguished panelists today:

1. Her Excellency, Ms. Beatriz Londoño Soto, Ambassador Extraordinary and Plenipotentiary, Permanent Mission of Colombia to the United Nations Office and other international organizations in Geneva
2. Ms. Androulla Kaminara, Director, Directorate General for European Civil Protection and Humanitarian Aid Operations, European Commission
3. Dr. Jemilah Mahmood, Under-Secretary General for Partnerships, International Federation of the Red Cross and Red Crescent Societies
4. Dato' Dr. Ahmad Faizal Mohd, President, Mercy Malaysia and Chair of the International Council of Voluntary Agencies (ICVA)
5. Ms. Nathalie Lintvelt, Head of the Migration and Development Division, Stability and Humanitarian Aid Department, Netherlands



6. Ms. Maryam Teschke-Panah, Deputy Head of the Conflict, Humanitarian and Security Department, Department for International Development, United Kingdom

In 2015, the United Nations Secretary General appointed a 9-person group of experts in order to work on identifying solutions to the widening gap between exploding funding requirements for humanitarian action and financial aid which has increased significantly over the years, yet not at a pace that matches the escalating needs. On Monday, in this very building, the Emergency Relief Coordinator launched the 2017 Humanitarian Needs Overview, which identifies over USD 22.2 billion worth of funding requirements, for an estimated 129 million people in need of humanitarian assistance.

Over the last years conflicts and natural disasters have indeed led to fast-growing numbers of people in need and a funding gap for humanitarian action of an estimated 10 to 15 billion dollars every year. This is a lot of money, but not out of reach for a world producing USD 78 trillion of annual GDP. Closing the financing gap would mean that no one would have to die or live without dignity for the lack of money. It would be a victory for humanity at a time when it is much needed, as the Secretary General made clear in his report in the lead up to this year's World Humanitarian Summit.

The Secretary General's panel, led by European Commission Vice President Kristalina Georgieva, set out to work on finding solutions to this widening financial gap, producing a comprehensive report in January of this year, which examined three important and interdependent aspects of the aid financing challenge: (1) reducing



the needs, (2) mobilizing additional funds through either traditional or innovative mechanisms, and (3) improving the efficiency of humanitarian assistance.

Among proposed recommendations also featured a so-called “Grand Bargain” between major donors and humanitarian organizations. On that basis, and under the continued guidance and leadership of Ms. Georgieva, the 15 largest donors, all of whom are also IOM Member States, plus the European Commission, along with the world’s 15 largest humanitarian organizations, including IOM, embarked on the development of the Grand Bargain process, with the overarching objective 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, and in so doing build confidence that funds allocated towards humanitarian aid represents adequate value for money to governments’ own constituencies.

The result of this process is the Grand Bargain document that was formally launched in May, in the margins of the World Humanitarian Summit in Istanbul, and outlines a set of 51 commitments across 10 key work-streams.¹ The document’s broad-based commitments enables 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

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.



system-wide improvements in the way in which humanitarian financing is handled in a realistic and feasible manner for all.

It is against this backdrop that IOM has now developed its own set of internal commitments to the Grand Bargain, across all 10 work streams of the process. To IOM, the Grand Bargain holds potential to substantially alter the ways in which the donor community and organizational partners interact. IOM has engaged in the Grand Bargain process from its earliest days in order to ensure that its views, interests and unique characteristics are well understood. 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 has also committed to undertaking the internal improvements necessary to live up to its share of the bargain.

A number of elements separate IOM from most international organizations of a similar size that have subscribed to the Grand Bargain:

1. IOM considers itself a proximity organization and takes pride in its presence across more than 500 locations in over 150 countries. The organization's operating modality is very much one of direct implementation and delivery of services, and we firmly believe it should remain so, for fear that otherwise we would begin disconnecting ourselves from those we seek to serve.
2. IOM has long sought to identify cost efficiencies and savings in carrying out its activities. The principle of decentralization and outsourcing of back office functions goes back nearly 20 years. IOM staff do not fly business class, and maintains lean central structures, with a mere 2 to 3% of its 10,000 staff based



at its headquarters. Those are just 2 examples of the attention to efficiencies and savings which drive the organization's business model.

3. While IOM financial resources have considerably increased over the past few years, and this is primarily the case of the organization's crisis and post crisis activities undertaken in contexts affected by conflicts and natural disasters, this continues to be done overwhelmingly (at a rate of about 97%) through voluntary, tightly earmarked contributions, which offer virtually no leeway for IOM to allocate resources based on actual needs rather than as a result of specific fund-raising efforts.

In the spirit of the Grand Bargain, we recognize that more needs to be done on our part to deliver faster and better aid to the millions who depend upon it, to improve both our internal and collective action and in so doing diminish duplication and waste, and hopefully garner further financial resources in this process.

IOM's commitments run the full spectrum of the Grand Bargain's work streams, and will entail significant work from all parts of the organizations. IOM will continue to pay particular attention to the need for objective and impartial needs assessments, and in this regard will continue to position its institutional approach, the Displacement Tracking Matrix, as an ideal system-wide tool to achieve such objectives. Internally, new approaches to cash-based programming and our partnership with local responders will be introduced. In the area of transparency, I am pleased to announce the Director General's decision earlier this fall to formalize our joining the International Aid Transparency Initiative, in line with the approach adopted by several of our UN partners.



Such efforts are ambitious, but will only bear fruit if humanitarian donors play their part in this process too, particularly in considering new, innovative and more flexible ways to allocate resources to the organization, in a manner that does not question the organization's continued belief in project-based management and costing, of course. We have already seen some encouraging steps in this regard from a number of our Member States, and hope that such dialogue and partnership can be enhanced in the months to come.

In this regard, today's panel discussion represents a significant opportunity to initiate such conversation with IOM's broader membership, including both those Member States who are donors to the organization, and those who aren't. Regardless of this distinction, the Grand Bargain represents an important development for the Inter-Agency Standing Committee, and may have long-lasting implications as significant the Humanitarian Reform did over a decade ago on the humanitarian eco-system, which IOM is an integral part of.

It is therefore with great pleasure that we welcome today a distinguished panel of speakers who together represent a broad spectrum of stakeholders, both important donors to IOM and critical partners, who will present their own perspectives on the Grand Bargain and the steps they and the organizations they represent have taken since its inception.

Without further ado, let me give the floor to our first panelist:

1. Ms. Androulla Kaminara
2. Dr. Jemilah Mahmood
3. Dr. Ahmad Faizal Mohammed



4. Ms. Nathalie Lintvelt
5. Ms. Maryam Teschke-Panah

Last, but not least, we thought it important to give voice to a representative of a government which, over the years, has established a close partnership with IOM, which has led to the development of joint programmes, many of which are directly financed by the government and implemented by IOM.

6. Her Excellency, Ambassador Beatriz Londoño Soto