

Grand Bargain Independent Report **2023 - 2026**

Executive Summary

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Executive summary



A reform agenda tested by a shrinking system

The Grand Bargain 3.0 was implemented during one of the most difficult periods the humanitarian system has faced. Global humanitarian funding fell by 20% in 2025 alone, dropping to USD 33.3 billion (back to its 2017 level) while the number of people in need rose from 141 million in 2017 to around 300 million by the end of 2025. The impact of this contraction extended beyond volumes: it altered organisational incentives, intensified competition for resources and reinforced short-term decision-making. This created the central paradox: **the reforms promoted by the Grand Bargain became more necessary precisely when the capacity and incentives to implement them weakened.**

Humanitarian assistance decreased by

30%



since 2022 while the number of people in need doubled

Collective level: sustaining political attention and shaping common policy direction

Against this backdrop, the Grand Bargain 3.0 was successful in maintaining reform momentum and a common policy agenda.

At collective platform level, the Grand Bargain 3.0 was successful in sustaining political attention and a shared reform agenda through its governance structures, Caucuses, Communities of Practice (CoPs) and National Reference Groups (NRGs). These mechanisms helped clarify common expectations, generate collective frameworks and guidance, strengthen links with wider reform processes and create opportunities for follow-up and country-level engagement, although their effectiveness varied across thematic areas and implementation remained dependent on Signatories' commitment and capacity. Furthermore, no other platform brought together donors, United Nations Agencies, International Non-Governmental Organisations, Local and National Actors (LNAs), and development actors around a shared reform agenda.

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National Reference Groups active in 2026, connecting global commitments with country realities

The Secretariat, Facilitation Group, Ambassadors, Caucuses, CoPs and NRGs played complementary roles in political engagement, negotiation, peer learning and country-level participation. The Secretariat was the most positively assessed governance component in light of its convening role, information management and coordination across processes. Caucuses produced some of the clearest negotiated outcomes: the 2024 Anticipatory Action Caucus secured cross-constituency commitments on financing, tracking and coordination, and the Caucus on Efficiency Measures, established in response to the 2025 funding crisis, produced a Joint Statement of time-bound measures for 2025-2026 endorsed by 48 Signatories. CoPs sustained technical follow-up and learning. Annual Meetings provided the main high-level political moments for reviewing progress, agreeing on collective priorities including through an implementation Agenda and facilitating discussions on challenges. Furthermore, the Grand Bargain provided a unique space for all Signatories to engage directly with LNAs on the impact of the humanitarian crisis, and collectively reflect on the future of the humanitarian system.

NRGs expanded to 11 countries and were positively assessed for strengthening local leadership and bringing local perspectives into global processes, although insufficient resources and uneven international engagement constrained their effectiveness. The platform also developed more deliberate mechanisms for bringing locally led perspectives into global reform discussions. Through the NRG Boost, NRG representatives were connected to Reform Workshops, consultations for the independent Think Piece, CoPs, Facilitation Group discussions and Annual Meetings, creating a more regular feedback loop between country realities and global debates.

The revised self-reporting mechanism strengthened transparency and learning: 61 out of 68 Signatories (90%) reported in the first revised cycle, exceeding the 85% target.

Risk sharing offers the clearest example of direct Grand Bargain influence, with collective dialogue leading to the Risk Sharing Framework (2023), subsequent pilots and a dedicated CoP. **Overall, the platform's contribution went beyond convening: it was strongest in shaping and sustaining the direction of reform, while the translation of priorities into system-wide change by Signatories remained uneven.**

90%



Of Signatories reported in the first revised cycle, exceeding the 85% target

Signatory level: increasing institutionalisation, but uneven operational change

Reform priorities became more firmly institutionalised within Signatories, but progress was stronger where reforms fitted existing mandates and systems than where they required a redistribution of resources and power.

Quality funding: greater predictability and adaptability, but insufficient scale. Progress on quality funding was mixed, reflecting a growing gap between stronger institutionalisation and actual funding. The average share of donor funding provided as multi-year increased from 39% in 2023 to 52% in 2025, alongside wider use of practical flexibility provisions that enabled faster disbursement, programme adjustments and resource reallocation. However, these improvements took place against a deteriorating financing environment and did not translate into greater availability of flexible funding. Although 17 of 23 reporting donors met the 30% flexible funding target, both its share and volume declined between 2023 and 2025, while funding remained predominantly earmarked. Pooled funds remained important channels for flexible funding, but their scale remained relatively limited within the wider humanitarian financing architecture. Most importantly, improvements upstream were not consistently passed through the funding chain, limiting gains in predictability and flexibility for implementing partners, particularly LNAs.

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Donor Signatories (out of 23) met the 30% target of unearmarked or softly earmarked contributions

8.7 %



of humanitarian
funding reached LNAs
in 2025 as directly as
possible, against a 25%
target

Localisation: institutional progress, but no system-wide shift in resources or power. Localisation became more firmly embedded in Signatories' policies and procedures through funding targets, partnership frameworks, and overhead arrangements. Capacity support for LNAs broadened with several donors and international organisations increasingly adopting longer-term and demand-led support. LNA representation in humanitarian coordination increased modestly, supported by measures to reduce participation barriers, strengthen capacity and secure seats in formal coordination structures. However, progress from representation to meaningful influence and leadership remained limited, with decision-making authority still largely concentrated among international actors. Signatories meeting the 25% funding target to LNAs rose from 13 in 2022 to 23 in 2025. However, the global share of humanitarian funding reaching LNAs fell from 10.8% in 2023 to 8.7% in 2025, remaining far below the target. Although the specific effect of the financial crisis on localisation cannot be quantified, the contraction in humanitarian financing intensified existing barriers, as donors consolidated funding through established international organisations and funding pressures reduced organisations' willingness and capacity to pass resources and flexibility downstream.

Participation: more consultation, but limited influence. Community-feedback systems and participatory approaches became increasingly established. Nearly all donors incentivise partners to promote the participation of affected communities and all (operational) aid organisations systematically apply policies to engage them. Yet affected communities' decision-making power remained very limited: engagement still tends to stop at information-gathering rather than shaping strategy, funding and programming. Funding cuts have weakened participation structures and staffing, while donors' risk aversion and the largely voluntary nature of Accountability to Affected Populations (AAP) have limited incentives for change. By the end of 2025, most Signatories across all constituency groups had endorsed and taken steps to implement the outcome statement of the Cash Coordination Caucus (80% of the Signatories). Between 2023 and 2025 cash and voucher assistance fell in absolute terms (from USD 9.7 billion to USD 7.3 billion), but rose as a proportion of total humanitarian funding (from 19.6% in 2024 to 21% in 2025).



The Humanitarian
Accountability Report
2026 recorded gains
across almost all AAP-
related commitments
over 2022-2025
compared to the
previous cycle (through
2021)

262



Active anticipatory
action frameworks in 75
countries in 2025, up
from 70 in 2022

Anticipatory action: tangible contribution, but scale and accountability remain the weak points. Active anticipatory action frameworks grew from 70 in 35 countries in 2022 to 262 in 75 countries in 2025, with activations reaching around 9.6 million people in 2025. Financing did not keep pace, remaining below 1% of international humanitarian assistance, and only 11 Signatories reported financing to the Anticipation Hub in 2025.

Humanitarian-Development-Peace Nexus: practices grew, but dialogue did not translate into cross-sector opportunities. Nexus approaches became more embedded in Signatories' strategies, but

financing remained the largest implementation challenge, particularly because of insufficient flexible financing, siloed instruments and weak alignment around collective outcomes. Planned discussions on Nexus financing under the Grand Bargain 3.0 were disrupted by the 2025 financial crisis and, in general, by the limited involvement of development actors besides Grand Bargain Signatories (OECD, UNDP and the World Bank). Integration was strongest in multi-mandate organisations able to draw on the same country presence, partnerships, and systems across humanitarian and development work. The peace dimension remained the least consistently operationalised, with many organisations integrating conflict sensitivity but lacking dedicated peacebuilding mandates or financing.

Innovative financing: the evidence base improved, but innovative financing did not scale up. Progress remained concentrated among a limited number of organisations with specialist finance capacity and existing links to development-finance institutions or private investors. Most initiatives remained at pilot or early-scaling stage, with limited evidence of system-wide change or large-scale additional financing. Scale and additionality remain the main constraints: innovative finance is still marginal relative to conventional humanitarian grants and cannot replace the volumes lost through recent funding cuts.

Gender: stronger visibility through reporting, but shrinking funding. Mandatory reporting on funding to women-led and women’s rights organisations (WLOs/WROs) strengthened visibility of gender issues, with reporting on funding to these organisations up 450% compared to Grand Bargain 2.0 (from 6 in 2023 to 33 in 2024). WLOs/WROs participated more in coordination structures, but their decision-making power remained limited. Funding cuts and the politicisation of gender issues have translated into a considerable decrease in funding to local WLOs/WROs and gender-targeted interventions.



Risk sharing: a strong Grand Bargain 3.0 contribution, not yet systemic change. Dialogue around risk sharing has considerably intensified: the share of signatories reporting steps to advance risk sharing rose from 74% in 2024 to 83% in 2026. Many aid organisations embedded risk sharing considerations in their internal policies and some undertook pilots. Donors, however, engaged more cautiously, progress remained fragmented rather than sector-wide, and LNAs continued to bear a disproportionate share of risk.

AT A GLANCE

At a glance, progress was rated **good** for anticipatory action and risk sharing, **moderate** for most objectives and **limited** for the HDP nexus. **No focus area reached substantial progress**, meaning reforms implemented at scale and resulting in sustained, system-wide change.

Extent of progress under the Grand Bargain 3.0 (collective platform and Signatories)

Degree of progress: ● Substantial progress ● Good progress ● Moderate progress ● Limited progress

COLLECTIVE PLATFORM

SIGNATORY LEVEL

FOCUS AREA 1 - Quality funding, localisation and participation of affected communities

	1.1 Quality funding	MODERATE	Helped sustain collective attention to the implementation of the agreed framework, while supporting the exchange and wider uptake of established practices.	Expanded operational flexibility and increasingly provided multi-year funding, but funding remained predominantly earmarked and improvements were not consistently passed through to downstream partners.
	1.2 Localisation	MODERATE	Kept localisation commitments visible, supported collective follow-up and provided practical reference points for implementation.	Embedded localisation more firmly in organisational systems, broadened capacity support and increased LNA representation, but global funding to LNAs declined and decision-making authority remained concentrated among international actors.
	1.3 Participation	MODERATE	Maintained political attention and promoted knowledge exchange and dialogue, but had limited impact on practice.	Accountability policies and feedback systems established, but little community influence over strategic, programming and funding decisions.

FOCUS AREA 2 - Anticipatory Action, HDP Nexus and Innovative Financing

	2.1 Anticipatory action	GOOD	Anticipatory Action Caucus: one of the most tangible collective achievements, turning broad support into shared commitments.	More Signatories scaled up, some donors added dedicated strategies, funding windows and portfolio commitments but these often pre-dated the GB 3.0.
	2.2 HDP Nexus	LIMITED	Agenda-setting and convening, identifying financing as a potential area for added value.	Nexus approaches embedded in strategies and operating models but implementation was constrained by fragmented and short-term financing and the persistence of institutional silos
	2.3 Innovative Financing	MODERATE	Mapped approaches and convened humanitarian and financial actors; the proposed ILAF emerged as a concrete financing solution.	Most initiatives remained at pilot or early-scaling stage, with limited evidence of system-wide change.

CROSS-CUTTING ISSUES – Gender and Risk Sharing

	Gender	MODERATE	Mandatory WLO/WRO funding reporting and the Gender CoP raised visibility of gender issues, but this contribution remained largely procedural with progress being primarily attributed to other factors	Gender widely embedded in policies, WLOs/WROs participation in coordination structures improved, but with no increase in decision-making power. Funding to WLOs/WROs and gender actions decreased.
	Risk sharing	GOOD	Raised risk sharing on the humanitarian agenda and gave it legitimacy and momentum through the Risk Sharing Framework and promotion of pilots that followed.	Moved from discussion to testing and embedding risk-sharing in policies, however, LNAs still bear disproportionate amount of risks.

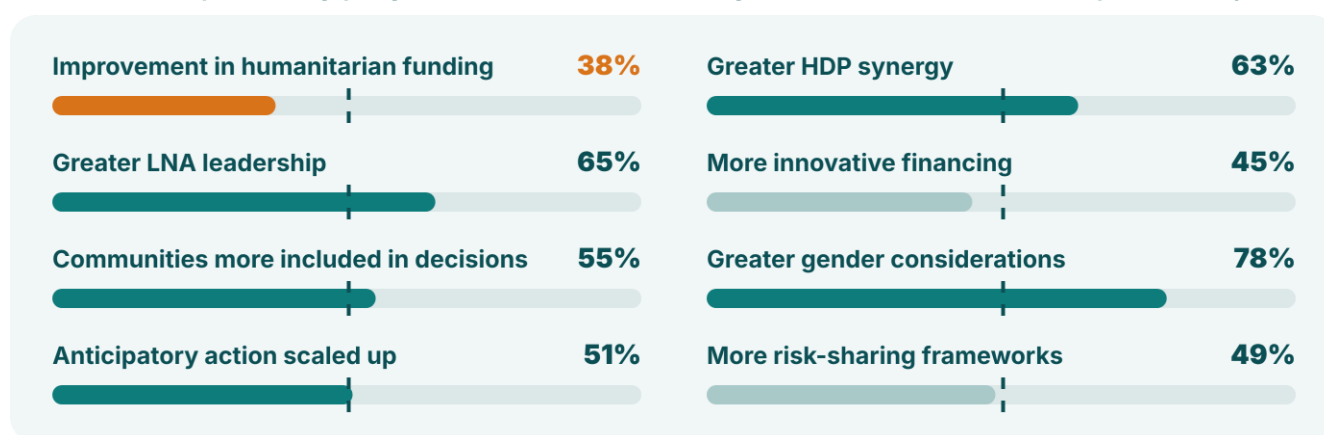
Overall: strongest progress came where the Grand Bargain convened actors around specific solutions; translation into country-level practice remained the central gap.

Country level: global commitments meet local realities

Country level evidence mirrors the global picture: progress was tangible but uneven and shaped more by context and local leadership than by the Grand Bargain itself.

Frameworks, policies, and pilots now exist across much of the Grand Bargain 3.0 agenda, but they have been applied unevenly at country level, and their benefits often did not reach LNAs. Across all focus areas, progress was visible but rarely transformative. Localisation advanced mainly through greater representation rather than a shift in resources and decision-making power, risks continued to be disproportionately transferred to local actors, and affected communities (including WLOs/WROs) gained greater voice but little influence over decisions.

Share of LNAs perceiving progress across the Grand Bargain commitments over the past three years



Source: NEAR and A4EP, 2026, Survey Analysis: The impact and future of the Grand Bargain: Perceptions of local and national civil society across the Global South (n = 352). Share answering "yes, somewhat" or "yes, a lot"

Main findings from the five mini deep dives and examples of good practices

FOCUS AREA 1
Localisation, participation & quality funding

LOCALISATION
More seats at the table, little more say
LNAs representation grew, but rarely brought influence over strategic or financial decisions.

QUALITY FUNDING
Still short-term and earmarked
Positive practices remained small-scale and dependent on specific donors, instruments or relationships.

PARTICIPATION
More consultation, limited influence
Feedback mechanisms expanded, but engagement remained consultative.

GOOD PRACTICES

SUDAN
IOM Rapid Response Fund: direct grants to 60+ local organisations, including WLOs

COLOMBIA
Response plan renamed "Plan to Respond to Community Priorities" and built with communities

UKRAINE
Locally Led Response Strategy 2024–2029 developed through extensive consultation

FOCUS AREA 2
Sector-wide transformation

ANTICIPATORY ACTION
Expanding at different speeds
Institutionalised in the Philippines; mainly pilots or preparedness elsewhere.

NEXUS
Strongest where linked to government systems
Humanitarian and development financing remain largely separate.

INNOVATIVE FINANCING
Emerging, mostly through pooled and local funds
Complex financial instruments remain rare.

GOOD PRACTICES

PHILIPPINES
Anticipatory action embedded in government systems, backed by a law allowing public funds before hazards

UKRAINE
Humanitarian cash channelled through national social protection systems

CROSS-CUTTING ISSUES
Gender & risk sharing

GENDER
Mainstreamed, but gains at risk
Gender increasingly mainstreamed but funding cuts and increased politicisation of gender issues are threatening progress.

RISK SHARING
Early stage: LNAs still bear disproportionate amount of risks
Uneven efforts and largely at an early stage.

GOOD PRACTICES

ETHIOPIA
Funding to WLOs under the Ethiopia Humanitarian Fund (EHF) increased from 5% in 2021 to almost 34% in 2025

UKRAINE
Funding allocated to WLOs/WROs under the CBPF increased from 5% in 2023 to 39% in 2025.
Switzerland and Alliance for Ukraine developed minimum duty of care standards for partners working on the frontline

At country level, the Grand Bargain 3.0 was valued mainly as a common language, reference point, and advocacy tool, rather than as the direct driver of change. Instead, progress was mainly driven by strong civil society, LNAs' advocacy efforts, supportive country leadership and operational contexts and needs.

More operational advances were achieved where LNAs and international actors worked together through dedicated country-level mechanisms and platforms.

Where progress stalled: the implementation gap

The central challenge was the translation of the Grand Bargain 3.0 commitments into consistent operational practices and system-wide changes. While frameworks, policies, pilots, and technical approaches are now available across much of the agenda, their uptake and country-level implementation remain uneven.

Progress was diluted along the delivery chain. Flexibility received by intermediaries was not fully passed to local partners, equitable partnership policies coexisted with international control over budgets and programme design, and risk-sharing commitments did not always alter risk distribution.

Many thematic challenges shared a common root in power and control. Localisation, participation, and risk sharing advanced further in representation, policy, and process rather than in the actual redistribution of resources, authority, and risk.

The voluntary nature of commitments offered limited incentives for follow-through. Reporting remained more effective as a transparency and learning mechanism than as an accountability tool, given data-quality limitations, and the absence of strong mechanisms to ensure follow-up on commitments. Similarly, some Caucuses have generated important collective agreements, but follow-up and monitoring have not always been sufficient to ensure meaningful implementation.

Tracking funding to LNAs remained a major limitation, with around two-thirds of trackable funding unable to be followed beyond the first recipient, while incomplete and inconsistent reporting across the Financial Tracking Service (FTS), and International Aid Transparency Initiative (IATI) and Grand Bargain self-reports continued to prevent a reliable assessment of funding reaching LNAs.



Despite the positive effects of self-reporting, **data quality and comparability remained significant constraints**



Power imbalances and insufficient institutional incentives constrained deeper reform

1/3



of LNAs' **income lost on average after the 2025 funding cuts**

The contraction in humanitarian funding, particularly in 2025, affected progress under the Grand Bargain 3.0. It made commitments harder to implement and reduced the resources available to participate in the collective process. Shorter funding horizons and increased earmarking weakened the original quid pro quo of greater flexibility in exchange for efficiency. LNAs lost on average one-third of their income, creating a risk of "localisation in reverse", in which they assume greater frontline responsibilities and risks without commensurate resources or authority. WROs/WLOs and gender work were disproportionately affected by the funding crisis.

Building on the Grand Bargain 3.0: Lessons for Reform

A key lesson was that progress proved more durable when reforms moved beyond frameworks and experimentation towards adequately resourced and accountable implementation across the delivery chain, while the Grand Bargain added value by generating political momentum for collective action and wider institutionalisation.



Embedding reform for lasting change. Progress was most durable where reforms were institutionalised in strategies, policies, partnerships, financing and decision-making rather than dependent on individual champions or stand-alone initiatives.



From experimentation to institutionalisation and scale. Frameworks, pilots, and policies now exist across much of the agenda. The current priority is to move successful experimentation towards more systemic institutional adoption and, where appropriate, wider scale.



Country-level collective action is critical. Reforms progressed furthest where donors, UN agencies, INGOs, governments and LNAs worked together through mechanisms with clear mandates, local leadership, and sustained resources, such as NRGs and locally governed funds.



Reform only works if it reaches the whole delivery chain. Funding quality, overheads, decision-making authority, and risk need to be passed on deliberately and equitably.



Resources and incentives close the implementation gap. Localisation, participation, risk sharing and anticipatory action require dedicated funding, staff, and capacity. Sustaining reform requires adequate resources and incentives to support implementation of commitments and engagement in the Grand Bargain itself by both Signatories at collective level and by LNAs through NRGs.



Accountability needs to go beyond reporting. Accountability should measure the quality and results of implementation, including the experiences of local actors and affected communities, rather than focusing mainly on policies and procedures.



The Grand Bargain adds most value as a political accelerator. The Grand Bargain appears to have the greatest comparative advantage where progress requires actors with different interests and incentives to agree on a specific bottleneck, establish common expectations and generate political momentum.

Still relevant, but needing sharper focus

The core priorities of Grand Bargain 3.0 remained highly relevant and increasingly urgent, as humanitarian needs grew and resources tightened. While there was broad agreement on the relevance of quality funding, localisation and participation, the Grand Bargain's comparative advantage was less clear in some areas, including anticipatory action, innovative financing and the nexus. **The future credibility of the Grand Bargain will depend on stronger implementation and accountability, closer links between global commitments and country-level change, and a more selective focus on the areas where its multi-stakeholder character can make the greatest difference.**

82 %



of LNAs surveyed in 2026 considered that the Grand Bargain **should continue**, with some changes

Source: NEAR and A4EP, 2026, Survey Analysis: The impact and future of the Grand Bargain: Perceptions of local and national civil society across the Global South.