



Department
for International
Development



Performance Agreement

Between the United Kingdom of Great Britain and Northern Ireland and the International Committee of the Red Cross



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Why providing humanitarian assistance is important

1. The world is faced with a growing number of humanitarian crises, lasting longer and affecting a growing number of countries and individuals. In February 2017, 20 million people stand on the brink of famine across Nigeria, Yemen, South Sudan and Somalia. The 2017 global UN appeal of \$23 billion is the largest ever and aims to reach 93 million people in need. Reducing humanitarian need over the coming years will be key to achieving the global goals and ensuring no one is left behind.
2. As an outward facing and generous nation, Britain will play a leading role in responding to humanitarian need and building a global crisis response system which is fit for purpose. By doing so, HMG helps to build a safer, more stable and prosperous world which benefits all.
3. The UK has more than doubled its humanitarian funding in the last five years, reaching £1.4 billion in 2015/16. We have responded to 32 crises including providing clean water for over 3.2 million people affected by war in Syria; shelter for 200,000 people in the aftermath of the earthquake in Nepal; 2,800 tonnes of aid to make Sierra Leone Ebola-free; clean water, hygiene and sanitation to 430,000 displaced Iraqis; and emergency support for the victims of war in Somalia, South Sudan and the Lake Chad region.
4. The UK's Multilateral and Bilateral Development Reviews made clear the UK's intention to use UK aid to make a transformational change to the humanitarian system and wellbeing of the poorest people around the world. DFID has a responsibility to ensure that UK assistance is used to maximum impact in order to do the most possible good for the largest number of people.
5. The UK was a driving force behind the first ever World Humanitarian Summit where reforms were agreed to tackle the global humanitarian challenge. The UK reaffirms its role as a global leader in responding to emergencies and reforming the international humanitarian system, and the Secretary of State has committed to the following reform priority areas which include the following five key outcomes:
 - Better protecting people in crises
 - Bigger, better, faster UK response to disasters
 - Managing risk better
 - Longer-term solutions to protracted crises
 - An improved humanitarian system through the implementation of the reforms agreed as part of the Grand Bargain for more effective and efficient humanitarian assistance

The importance of the International Committee of the Red Cross (ICRC)

6. The ICRC is part of the International Red Cross and Red Crescent Movement (RCM). Its mission is rooted in international humanitarian law and it plays a unique role as the accepted guardian of the Geneva Conventions, which form the basis of international humanitarian law. It aims "to protect the lives and dignity of victims of armed conflict and other situations of violence and to provide them with assistance". The ICRC currently has a presence in approximately 80 conflict affected countries.
7. The humanitarian principles of humanity, neutrality, impartiality and independence, widely recognised as the core principles governing international humanitarian action, emanate from the seven Fundamental Principles of the Red Cross Red Crescent Movement. In addition to

the four core principles, unity, voluntary service and universality are three fundamental principles specific to the Movement.

UK support and engagement with the International Committee of the Red Cross

8. UK support and engagement with the ICRC is considerable; reflecting our shared commitment to international humanitarian law and ensuring that UK humanitarian aid reaches the most marginalised. The UK is the second largest funder of the ICRC providing roughly £138.7m in 2015.

The UK's Multilateral Development Review showed the ICRC to be a high performing organisation with a strong alignment with DFID priorities. It highlighted that:

- The ICRC is the leading humanitarian organisation in conflict situations and defines norms in international humanitarian law.
 - It performs well in respect of working with others, reaching the most vulnerable, and allocating resources to those most in need.
 - There are a few areas where the ICRC could improve. These are:
 - being more transparent in evaluations, reporting performance against targets, and fraud prevention and detection;
 - strengthening its accountability to affected populations;
 - institutionalising environment-smart programming; and
 - articulating how it will continue to improve the value for money of its operations.
9. There is currently unprecedented humanitarian need including four potential famine situations in the media spotlight. The World Humanitarian Summit, specifically the Grand Bargain, recognised the need to do more to tackle humanitarian crises, and that the international system as a whole needs to do better. The ICRC and IFRC have made joint Movement commitments as well as individual commitments as part of the Grand Bargain, and based on those we have agreed a number of priority areas to further improve their already strong performance across the world.
10. The UK will look to work with the **ICRC** from 2017 specifically on:
 - a) **Leadership and Collaboration.** The ICRC has a unique mandate for upholding legal norms linked to international humanitarian law, including playing a leadership role in supporting States in dissemination and compliance. The ICRC also collaborates closely with the IFRC and British Red Cross to ensure an efficient and rapid response to conflict or violence. This is important because IFRC and British Red Cross have important capacity building functions to improve preparedness for and response to humanitarian crises around the world.
 - b) **Effectiveness.** Well before conflict or disaster strikes, the Red Cross agencies support countries at risk to prepare for emergencies. An effective response to such emergencies is about ensuring the most appropriate modalities are utilised such as the cash based programming the Red Cross agencies utilise.
 - c) **Transparency, Accountability and Efficiency.** The Grand Bargain for efficiency identifies improving transparency as vital to increase the effectiveness and efficiency of the international humanitarian system. Transparency can also help tackle public concerns about aid by supporting more and better information about what our partners do, how they are funded and where they spend their money, with a strong focus on the results they achieve. This includes new approaches aimed at reducing the risk of fraud and corruption.

d) **Protection of Vulnerable People** is at the very centre of everything the Red Cross Red Crescent Movement does. DFID will continue to support the ICRC in its unique role in conflicts or violence around the world. Consideration of the impact of climate change on vulnerable people is an important part of this.

Performance agreement criteria

11. These are the **four overarching areas** where the ICRC will demonstrate improvement. These priority areas are underpinned by specific quantitative targets that ICRC must meet for performance-conditional funding to be released. These are set out in the programme's results framework.

Leadership and Collaboration

The ICRC's mission is rooted in international humanitarian law and the world looks to the ICRC to support States in disseminating legal norms and principles. The ICRC will continue to play a leading role in conflicts around the world, coordinating with the broader humanitarian system in following up on Grand Bargain commitments.

Effectiveness

The Grand Bargain identifies improving and increasing the use of cash transfers as vital to improve the effectiveness and efficiency of the international humanitarian system. The UK will, where appropriate, support the increased use and coordination of cash to offer more choices to people in need, contribute to economic recovery, and ensure a more transparent and efficient response. As part of this, we are asking the ICRC to work with the IFRC and British Red Cross to actively increase the number of targeted National Societies operationally ready to deliver quality, timely and scalable cash transfer programming through ongoing institutional/cash preparedness.

Transparency, Accountability and Efficiency

The ICRC will develop an improved approach to information access (covering internal control, fraud prevention and detection, and financial reports) resulting in enhanced transparency, including of results delivered. Recognising that the International Aid Transparency Initiative (IATI) needs to adapt its systems to be suitable for humanitarian agencies, the ICRC will also complete a feasibility report on using the International Aid Transparency Initiative (IATI) to publish timely, transparent, harmonised and open high-quality data.

The UK is determined that taxpayers' money is spent to maximum effect, realising the greatest possible benefits for vulnerable populations. Improved value for money and cost effectiveness is an absolute must for the UK. The ICRC will specifically make improvements in organisational effectiveness and cost efficiency in the delivery of ICRC corporate services worldwide, as well as stepping up further its procurement processes to deliver enhanced effectiveness and efficiency of logistics services.

Protection of Vulnerable People

We are asking ICRC to build the evidence base on the performance of the Health Care in Danger initiative, to help determine ways to improve protection of health care workers, those they assist, their facilities and equipment in conflict settings. To protect vulnerable people

from climate and environment-related risks, ICRC will reduce its global environmental impact through implementation of a four year action plan.

Assessment

12. The ICRC's performance against this agreement, and the criteria within it, will be assessed during the Annual Reviews of this programme and will be subject to rigorous verification. A decision will be made thereafter on the release of performance-conditional funding.

The Department for International Development:
leading the UK government's fight against world poverty.

Department for International Development
22 Whitehall
London
SW1A 2EG
UK

and at:

Abercrombie House
Eaglesham Road East
Kilbride
Glasgow
G75 8EA
UK

Tel: +44 (0)20 7023 0000

Fax: +44 (0)20 7023 0016

Website: www.dfid.gov.uk

Facebook: www.facebook.com/ukdfid

Twitter: @DFID_UK

Email: enquiry@dfid.gov.uk

Public enquiry point: 0845 3004100 or +44 1355 84 3132 (if you are calling from abroad)

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