Over the past three decades there has been a significant rise in the number of disasters – not only the large-scale events that make news but also smaller disasters and health emergencies that rarely attract international attention or funds; there are hundreds every year, and cumulatively their impact is no less severe than large-scale disasters. Without external assistance, people affected by these small- and medium-scale emergencies are often pushed into vulnerability that is deepened by each subsequent disaster, eroding their resilience and coping capacity.

The global humanitarian system allocates over 16 billion US dollars for emergency assistance each year. Donors generally provide adequate support to large-scale disaster-response operations; but funds can arrive too late, limiting the ability of humanitarian actors to provide immediate assistance, and are very rarely released before disasters strike, despite the predictability of some of them. The lack of visibility and media attention in the case of small-scale disasters means that international appeals or funding are not forthcoming to support any response, and few other sources are available to first-responders.

What is DREF?
The Disaster Relief Emergency Fund (DREF) was established by the International Federation of Red Cross and Red Crescent Societies (IFRC) in 1985 to provide immediate financial support to Red Cross Red Crescent National Societies, enabling them to carry out their unique role as first responders after a disaster.

DREF, available to all 187 National Societies, now has two main purposes:

- Start-up funding for the IFRC and National Societies to respond to large scale disasters – the “loan facility”
- Funding for National Society responses to small- and medium-scale disasters and health emergencies for which no international appeal will be launched or when support from other actors is not foreseen – the “grant facility”.

Both the loan and the grant facilities are also used to help National Societies prepare for imminent crises. From 3 million Swiss francs (CHF) in 2003, when the IFRC dropped the obligation to pay back allocations not followed by an emergency appeal, grants and loans together were totalling 22.5 million CHF in 2010.
DREF, managed at the IFRC secretariat’s offices in Geneva, will allocate a forecasted 23 million Swiss francs in 2012. To meet this need, the IFRC appeals for funding for DREF on an annual basis and is currently supported by over 20 Red Cross Red Crescent, institutional and corporate donors. No contributions to the DREF are earmarked, allowing the IFRC the freedom to allocate funding according to need.

The fund in IFRC management of disaster and crisis
With its 187 National Societies and 13 million active volunteers, the IFRC works in communities in disaster preparedness, response and recovery, as well as risk reduction, health and development. It is the largest humanitarian network in the world, delivering assistance to millions of vulnerable people. The first aim of the IFRC’s Strategy 2020 is to “save lives, protect livelihoods, and strengthen recovery from disasters and crises”.

DREF plays an essential role in the IFRC’s global system of disaster and crisis management. National Societies are legally mandated through their role as auxiliaries to governments to respond to disasters, and as community-based first-responders their volunteers and staff are often first on the scene of disaster and first to provide emergency assistance.

The work of the IFRC in disaster management starts long before the event and reaches from communities to the national, regional, and global levels. National Societies help communities identify hazards, vulnerabilities, capacities and coping mechanisms to reduce risk and ensure that preparedness and response plans exist. They also help improve early-warning systems. National Societies train communities in first aid, the promotion of health, integrated hygiene and sanitation, and the surveillance and awareness of epidemics. They stock relief items for emergencies and train volunteers in assessment and distribution. These activities are part of long-term projects supported by development funding.

When a disaster or health emergency affects a community, National Society volunteers assess the needs on which the initial response is to be based, highlighting vulnerabilities like age, single-parent status, gender and disability. In the case of major disaster, regional and/or international support may be called for. National Societies’ capacities to respond to disaster can be bolstered by regional and global IFRC disaster-response tools such as National or Regional Disaster Response Teams (NDRT, RDRT), logistics hubs, Field Assessment and Coordination Teams (FACT), and Emergency Response Units (ERU).

International emergency appeals help the IFRC meet humanitarian needs created by major disasters, with funding targets and planning time-frames calculated to facilitate the recovery of the communities affected. The DREF, by providing immediate funding, allows National Societies and the wider international system to respond without delay.

The loan or ‘start-up’ facility
DREF provides predictable, direct financial support to National Societies immediately before, during and after a disaster or emergency. The use of DREF improves the overall quality and effectiveness of the IFRC’s response to disaster and emergencies.

On average one quarter of the DREF total is allocated as start-up funding to response operations for which an emergency appeal is to launched – based on the scale of the disaster, the situation of people affected, and the need for international support and coordination.

Allocations can be approved within hours when a large-scale disaster or emergency strikes, allowing National Societies to start up their response immediately. The funding enables them to position staff
and volunteers at the scene of the disaster to provide emergency assistance, carry out search and rescue, evacuate people and shelter them, and conduct the rapid damage and needs assessment that helps the IFRC deploy appropriate tools such as a NDRT, RDRT, FACT or ERU, or a combination. The DREF supports the process of information gathering and sharing and coordination with the Movement and external actors to avoid duplication and gaps in response.

Start-up funding is regarded as a loan and reimbursed to the fund once the appeal has received sufficient funds that are not earmarked.

**The ‘grant’ role for small and medium operations**

Today DREF funding is used mainly to support National Society response to the small- and medium-scale disasters that IFRC data shows constitute 80 per cent of all disasters worldwide. Since 2003 these allocations are not reimbursed, in contrast to start-up loans, and are considered to be grants.

Each response supported by DREF may be different, depending on context, scope of needs, accessibility and security of the affected area, and the mandate and capacity of the National Society that is responding. DREF allows them flexibility to respond in the most appropriate way to a wide range of disasters and provide an integrated response to the emergency needs of affected people – including providing food, shelter and household items, first aid and health services, water, hygiene and sanitation, psychosocial support and family reunification. DREF can cover all or part of the costs of a National

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**DREF: loans and grants compared**

<table>
<thead>
<tr>
<th></th>
<th>Loans</th>
<th>Grants</th>
</tr>
</thead>
<tbody>
<tr>
<td>Maximum award</td>
<td>1 million CHF</td>
<td>300,000 (exceptionally 500,000) CHF</td>
</tr>
<tr>
<td>Reimbursement</td>
<td>Automatic from appeals, once 150% of DREF amount in unearmarked contributions is in</td>
<td>Unspent money only</td>
</tr>
<tr>
<td>Operational time frame</td>
<td>None specified</td>
<td>Usually up to 4 months</td>
</tr>
<tr>
<td>Deadline for applications</td>
<td>Within 72 hours of sudden-onset disaster</td>
<td>Within 10 days</td>
</tr>
<tr>
<td>Approval criteria</td>
<td>Timeliness; scale and scope of disaster and the expected response; capacity of National Society and access to affected population</td>
<td>As loans, plus a cost-effectiveness factor: maximum 75 CHF per beneficiary, with a minimum of 100 households. At least 60% of budget should be for direct assistance, the balance for support costs</td>
</tr>
<tr>
<td>Eligible activities</td>
<td>Emergency relief and start-up response to sudden, slow-onset or imminent disasters</td>
<td>Emergency relief and all activities which meet immediate needs caused by sudden, slow-onset or imminent disasters, including monitoring and evaluation</td>
</tr>
<tr>
<td>Reporting</td>
<td>Preliminary emergency appeal or DREF bulletin within 24 hours of approval</td>
<td>DREF bulletin within 24 hours; updates thereafter and final report within 3 months of end of operation</td>
</tr>
</tbody>
</table>
Society’s response that is directly related to the emergency phase, and ensures assistance is provided as directly as possible to affected communities by utilizing National Societies’ unique competence and knowledge of local conditions.

Indirectly DREF contributes to the capacity building of National Societies. Only a few National Societies worldwide are involved in a large-scale response activity, but those with fewer resources can build up their operational experience through regular small-scale operations. Responding with support from DREF helps develop their volunteer base and systems, and allows them to feed learning from operations into their contingency planning, emergency response preparedness and risk reduction programmes.

DREF is used to fund around 100 operations each year in response to small- and medium-scale disasters, and its cumulative impact is considerable; many needs would be neglected without DREF funding. The learning from this number of operations promotes best practice among National Societies, through the comparison of response to similar disasters and the sharing of expertise and experience.

Preparedness for emergency response

DREF provides a unique source of funding that can be used by National Societies to take early action to reduce the risks populations face from an evolving event which has been identified as an immediate threat, and prepare to respond when disaster strikes. This applies to impending extreme-weather events such as cyclones, evolving floods, increased volcanic activity, political violence and food insecurity.

DREF can be used to prepare shelters, position relief supplies, mobilize and train volunteers, move NDRTs and RDRTs, conduct early-warning activities, and evacuate people in harm’s way. This use of DREF is critical in slow-onset disasters, where international funding rarely appears before humanitarian needs are acute. With a DREF allocation on the way, National Societies can release existing stocks because they know they will be replenished.

CASE STUDY
Kosovo coldwave

When the cold wave that swept across Europe last winter reached Kosovo, one of the most vulnerable parts of the region, it was mainly poor rural settlements in the north that were affected. Local Red Cross volunteers struggled to get through to villages where houses had been completely buried under more than two metres of snow and people were being dug out by friends and neighbours.

Two DREF operations in January and February were mounted in response, totalling just over 350,000 Swiss francs, to assist 9,500 people in the worst-hit areas. Relief items delivered included food, blankets, hygiene kits, firewood and plastic sheeting. In a beneficiary survey conducted in April, virtually all respondents said the Red Cross was the only organization that had helped them survive the winter, and that aid had arrived within a week.

The February 2012 cold wave that paralyzed parts of Europe was the coldest weather the continent had seen for decades, with temperatures approaching minus 40 degrees Celsius. DREF grants were also made to National Societies in Albania, Belarus, Macedonia, Moldova, Montenegro, Romania, Serbia and Ukraine. With a death toll in the hundreds, the winter freeze was a major disaster.
What the fund does not do

The IFRC defines relief as “the provision of assistance during or immediately after a disaster to meet the life preservation and basic subsistence needs of those people affected”. The purpose of the DREF is to fund relief activities by National Societies that meet immediate needs created by disasters.

In essence DREF is a life-saving tool: it funds response only when an epidemic or unexpected disaster is imminent or actually occurs. National Societies planning routine vaccination campaigns or facing predictable, seasonal disasters are encouraged to fund such work through annual programmes. The distinction makes the fund effective and sustainable, given finite resources, but it inevitably places some limitations on the use of DREF which can produce challenges for National Societies.

DREF also does not cover the costs of support for longer-term recovery, even though such needs clearly exist after many disasters, including smaller-scale ones.

Similarly, the DREF cannot be used to fund long-term risk reduction, despite the obvious benefits of these programmes for vulnerable populations. After the emergency phase, National Societies may continue to provide support for recovery and longer-term risk reduction with other funding, raised locally or through existing partnerships.

DREF is not intended to cover National Societies’ or IFRC core costs (i.e. their overheads): administrative or maintenance costs for permanent staff and structures are not eligible to be funded from DREF. The only support-costs which are covered are those specifically generated by emergency operations.
CASE STUDY
Myanmar storm

When 2011 “Tropical Storm Two” swept in from the Bay of Bengal in October and deluged several regions of central Myanmar, local Red Cross volunteers were by no means unprepared. The training provided as part of a long-standing Myanmar Red Cross Society (MRCS) programme was effective in saving lives and mitigating the impact of the disaster. Trained MRCS and community volunteers from the townships of Pakokku and Seikphyu, for example, took part in early warning, evacuation, assessment and relief distributions.

The storm made landfall in the area of the border with Bangladesh on 19 October, causing flash floods which claimed 151 lives and particularly affected four townships in Magway Region. Relief distributions began some 48 hours later in more accessible affected areas. A DREF grant of 166,000 Swiss francs enabled the National Society to replenish its supplies of family kits and emergency-shelter materials, and support work on water and sanitation.

The Magway operation comprised several of the elements now regarded as typical of flood operations supported by DREF: provision of temporary shelter, safe water, basic sanitation and nutrition, followed by assistance to families re-establishing their homes and livelihoods once the waters have receded. Tools and shelter materials were procured locally to ensure they were attuned to the cultural context.

DREF and the global humanitarian system

DREF contributes to the global humanitarian system by directly supporting and building the capacity of national-level responders and civil society, while allowing the IFRC to play its role as an essential actor in national and international disaster response.

DREF supports the impartiality of the global humanitarian system: National Societies can assess and meet needs free from the media, donor or political interests that surround major events. The fund is demand-driven and locally owned. National Societies initiate applications and their plans of action reflect priorities that have been locally identified.

DREF complements the UN Central Emergency Response Fund (CERF), but while CERF is used by the UN and donors to channel money to UN agencies and international NGOs in support of res-
response to sudden-onset or under-funded disasters, DREF money goes direct to National Societies and through them to beneficiaries.

CERF is mainly an instrument of international humanitarian response, while DREF generally supports national disaster-response actors directly. DREF is much smaller, which has the advantage of allowing faster disbursement of funds.

Performance and accountability

In considering each DREF application, the IFRC secretariat balances speed and quality: applications must be based on a plan of action and include a time frame and a budget. For major operations, allocations can be made very rapidly, based on the scale of the disaster and the needs. For allocations that cover the costs of the entire operation, National Societies must detail outcomes, outputs, activities designed to meet the needs of beneficiaries, then monitor implementation and report on achievements, challenges and impact.

Each application is scrutinized by the secretariat against criteria for programme quality and eligibility. For oversight, DREF applications must be signed off both in the relevant IFRC zone office and in Geneva. The secretariat must approve any changes to the plan of action that require revision of the original allocation or time frame.

A DREF bulletin describing the planned operation is posted 24 hours after approval and a final report three months from its conclusion.

The fund itself and any DREF operation can be audited and monitored. The IFRC is increasing support for monitoring of DREF operations; this is to enhance the efficiency of National Societies’ operations in meeting the needs of beneficiaries and ensure that quality control extends beyond application to delivery, accountability and compliance. Monitoring seeks to promote greater beneficiary engagement – a key element of all DREF plans of action.

The team managing DREF at the IFRC secretariat’s Geneva offices is supported by an advisory group comprising representatives from National Societies that contribute to the fund. This group meets twice a year to review progress, trends and policy, to provide support for the development of the fund and in monitoring and evaluation. The group helps plan and participates in the DREF donor forum which annually brings together major institutional donors to the fund.

The way forward

With global climate change, the incidence of hydro-meteorological disasters, which account for half of all DREF operations, is expected to be more frequent and extreme, with the effects likely to be exacerbated by continuing unplanned urbanization. Human-related disasters, such as population movement, are also expected to become more frequent, aggravated by internal conflict and competition for limited natural resources like water. The number of small-scale disasters is also expected to rise, as it has continuously in recent decades. The economic crisis affecting many countries could also push more people into vulnerability, eroding their coping capacities and resilience in living with and recovering from disasters.

National Societies’ need for funding is expected to grow in tandem with these trends. To protect the integrity and sustainability of DREF, the IFRC will maintain its focus as a funding mechanism for emergency assistance and continue to advocate with the donor community to support disaster recovery activities, to invest in disaster preparedness, risk reduction and in building the resilience of hazard-prone communities.
The capacity of National Societies

National Societies’ ability to respond to disasters is growing. In some highly disaster-prone countries in the Asia-Pacific region, recurrent disasters have produced a well-supported disaster risk reduction system as well as high levels of preparedness and capacity on the part of national authorities and National Societies; they are often able to mount effective responses using their own financial resources and only request international support for major disasters.

In some other regions, however, there is still a lack of available funding, especially in countries with weak infrastructures where vulnerability is greatest. Building preparedness and capacity in the most at-risk countries is often hampered by conflict, political instability and chronic disasters. As long as this situation persists, it will be vital to support the response of National Societies through DREF allocations.

Monitoring and learning

The IFRC will continue the wide use of DREF to improve the quality of relief operations and the overall coherence between the different technical sectors: emergency shelter, health, water and sanitation, family reunification, and others. It is promoting greater adherence to recognized benchmarks like the Sphere minimum standards in response, and incorporating more participation by beneficiaries. It supports the use of humanitarian cash vouchers where feasible, allowing beneficiaries to prioritize their own needs.

It is now a priority to promote quality standards in the planning, implement-
tation and monitoring of, and reporting on, all emergency responses. The smaller and more regular the operations are, the easier it is to incorporate these improvements. Building on experience gained in small operations, National Societies will increase their capacity to plan, implement and coordinate large-scale operations, and expand relationships with donors.

Conclusion

DREF is a key part of the IFRC's integrated disaster and crisis-management system, which reaches from communities to the national, regional, and global levels. By providing immediate funding, DREF allows National Societies to respond without delay and it enables the international system to respond rapidly after disasters, or even when they are imminent.

However, finite resources against a backdrop of expanding humanitarian needs and straitened economic circumstances in many donor countries raise questions about the sustainability of the fund. The dramatic rise in the use of DREF as a grant mechanism since 2003 has necessitated an equally dramatic growth in the fund. If DREF is to keep pace with existing emergency needs, it will need expanded support and the continuing commitment from its existing and new donors.
CASE STUDY

Niger population movement

The Saharan wastes of northern Niger, where the country narrows to form a relatively short 300-kilometre border with Libya, have long been a gateway for people migrating to the Maghreb countries and Europe, but the flow is two-way: in 2011 the internal conflict in Libya caused many migrant workers to return to Niger with only the clothes they stood up in. The Niger village of Dirkou, 550 kilometres from the border, is the focal point for this population movement.

Just before the conflict began in Libya in early 2011, the number of people – mainly Nigerien returnees – transiting Dirkou was running at about 150 a month; in March it had increased to 850 people a day, and at the end of the first week of May there were more than 66,000 returnees in Dirkou, whose settled population had doubled.

The Niger government asked for international humanitarian assistance and in early June a DREF grant of just over a quarter of a million Swiss francs enabled the Red Cross Society of Niger (RCSN) to deploy 150 volunteers in two transit camps at Dirkou and Zinder. They provided food, sleeping mats, mosquito nets, hygiene kits and oral rehydration salts. Clean water was carried to people on the move along the road south to the central city of Agadez, where the temperature in June can average more than 40 degrees Celsius; latrines in now heavily overcrowded Dirkou were cleaned and maintained.

From the outset, this operation to assist people displaced by the fighting in Libya was a truly Movement-wide exercise, on all the borders of Libya. More than 30,000 people benefited from the Red Cross Red Crescent intervention in Niger – including roughly 20,000 from cash handouts. The operation eased the worst effects of the homeward migration: returnees were helped to survive outside the crammed urban areas and camps while families were able to stay together. The National Society gained valuable experience in cash-transfer programming.

Meanwhile the ICRC helped the Niger Red Cross rehabilitate wells in communities along the Libyan border and the RCSN managed a transit centre set up by International Committee in Agadez. Red Cross volunteers whose daily subsistence allowance came from DREF helped the International Organization for Migration distribute food to refugees in the transit centre in Dirkou and to thousands more who had settled in the town proper.
CASE STUDY
Uganda epidemics

DREF grants are not just used for relatively sudden-onset climatic and seismic disasters, but are also a vital tool to help National Societies fulfill a key part of their mandate in the area of public health emergencies. Ugandans in recent years have witnessed a dismaying succession of epidemics, and DREF grants totalling more than 1 million Swiss francs have been used to help roll back six serious diseases since the beginning of 2009:

- January 2009: 161,000 CHF for meningitis
- November 2010: 167 CHF for polio
- January 2011: 195,000 CHF for yellow fever
- May 2011: 134,000 CHF for Ebola
- June 2011: 175,000 CHF for hepatitis E
- May 2012: 134,000 CHF for cholera

Through various public-health interventions involving Uganda Red Cross Society (URCS) volunteers, both remedial and preventive, more than 10 million people were reached, directly or indirectly.

Typical DREF-backed responses to epidemics focus on limiting the impact of disease by increasing awareness of risk factors, strategies to block transmission, assisting with early detection and referral, and other community-based responses. Volunteers are trained in securing water and sanitation, promoting healthy behaviour and improving personal and environmental hygiene, as well as providing psychosocial support to people dealing with grief or stigma, increasing vaccination coverage, and containing disease vectors.
After serious flooding in 2011, the IFRC released more than 300,000 Swiss francs from DREF to support the response of the Cambodian Red Cross across the country. By late October more than 21,000 families in Kompong Thom had received Red Cross relief supplies. (Photo: IFRC)