

Appeal 2005



International Federation
of Red Cross and Red Crescent Societies

DISASTER RELIEF EMERGENCY FUND (DREF)

Appeal no. 05AA084

Appeal target: CHF 4,000,000¹

The International Federation's mission is to improve the lives of vulnerable people by mobilizing the power of humanity. The Federation is the world's largest humanitarian organization, and its millions of volunteers are active in over 180 countries. All international assistance to support vulnerable communities seeks to adhere to the Code of Conduct and the Humanitarian Charter and Minimum Standards in Disaster Response, according to the SPHERE Project.

This document reflects a global programme and related activities to be implemented in 2005, and the related funding requirements. For further information related to this programme please contact in the Operations Support Department (OSD):

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For information related to programmes in other countries or regions please also access the Federation website at <http://www.ifrc.org>

Programme title	2005
Disaster Relief Emergency Fund	1,600,000
• DREF Funding for Minor Emergencies	1,900,000
• DREF Funding for Disaster Preparedness	500,000
Total	4,000,000

Context

At times of disasters the International Federation's Disaster Response Emergency Fund (DREF) provides instantaneous seed capital to start up relief operations until donor contributions are received. The DREF is an essential and vital part of a comprehensive package of tools used for disaster response, which is one of the four core areas of the International Federation's Strategy 2010. It aims primarily to provide national societies and delegations with the initial funds to help provide immediate assistance to alleviate the suffering of disaster affected communities in the cases of rapid, slow onset and forgotten disasters.

The DREF was established in 1985 and has since been growing in terms of both size and utilization. At the governing board meeting in November 2001, the board approved a recommendation to set the level of DREF reserves at CHF 10 million. Since this decision the fund has grown steadily and is now quite close to reaching this mandate. The DREF is to be used to support up to 15% (with a cap of CHF 1 million) of operations in which an emergency appeal is launched, funding for minor or forgotten emergencies up to CHF 1.9 million per year, as well

¹ USD 3,424,443 or EUR 2,628,858.

as CHF 500,000 yearly for emergency preparedness in disaster prone areas. The fund reserve level has proven to be on target based on approved funding regulations. In 2003, the last year in which full year data is available, using the approved DREF allocation levels to their specified limits, a total of CHF 9,016,115 would have been needed to fully meet the mandate. Analysis of the potential reimbursement of the DREF from unearmarked emergency appeal funds shows it was possible to fully reimburse DREF allocations within an average of 28 days after the launch of an emergency appeal. The average weekly exposure to the Fund, based on a 28 day reimbursement for emergency appeals, was CHF 1,010,810. The highest exposure recorded for 2003 would have been CHF 2,843,708 but this was primarily due to reimbursements for late December allocations occurring in 2004.

Actual use of the DREF in 2003 was CHF 1,660,000 for emergency appeals (out of potential allocations of CHF 7,474,663), CHF 1,158,758 for minor emergencies, and CHF 80,000 for other activities for a total of CHF 2,898,758. Reimbursement of DREF allocations related to emergency appeals and minor emergencies was 95.35% and 35.80% respectively.

Over the years the DREF has been an invaluable source of funding for national societies when kick-starting operations of all sizes. The immediate use of DREF in minor emergencies allows national societies to release emergency stocks earlier as they have some assurance that there will be some funding to assist in replenishment after the emergency. It also allows for a more comprehensive response as the DREF enables national societies to purchase items or provide services that may not have been available prior to the disaster. An internal analysis of the use and impact of DREF will be conducted and will be reported to the Disaster Management Working Group.

At the time of launching this appeal the funds available in the account stood at CHF 8,482,000. Therefore the current appeal seeks to raise CHF 1,600,000 for DREF reserves. Additional funding is also requested to allow the reserve fund to remain at or near its mandated level while allowing for full funding for minor and forgotten emergencies and disaster preparedness activities.

Background and achievements/lessons to date

Over 2004 46 DREF allocations have been made, with allocated CHF 3.1 million. Of these 11 were classified as major disasters, whereby an appeal was launched. The size of interventions varied depending on the needs identified in the initial phases of the operation. The largest DREF allocation during this period was for CHF 214,000 to China for flood, typhoon and landslide operations.

Goal: The goal of the DREF is to provide immediate funding in response to all major disasters and requested minor disasters and preparedness activities thereby enabling the Federation and national societies to react rapidly, effectively and efficiently.

Objective: to make the DREF a secured line of funding for new emergencies of all sizes as well as a source of funding for disaster preparedness.

This objective will be achieved through:

- continuing to actively fund raise for this appeal to reach the target of CHF 10,000,000 DREF reserve and to meet the maximum needs for funding minor emergencies and disaster preparedness;
- revising the DREF guidelines to expedite recovery, normally within 4 weeks to sustain the fund and disseminate new procedures to those concerned;
- continuing to expand DREF information sharing and allocations to emergencies and disseminate through its web page on the public web site, announcements of DREF allocations to potential donors via e-mail, the issuance of quarterly DREF narrative reports and increased information regarding the DREF in Emergency Appeals, Information Bulletins, and Operations Updates;
- developing and implementing a strategy which will be focused on improving knowledge of DREF inside the Secretariat as well as to field units and national societies.
- the Operations Support Department will include the DREF into the disaster management-working group and benefit from lessons learned by incorporating them back into the system.

Expected programme result(s); and related projects for this objective:

Through achieving maximum levels of reserve funding of the DREF in conjunction with an automatic allocation of DREF when emergency appeals are launched and through replenishment of funding for allocations to minor emergencies and emergency preparedness, the obvious results will be the rapid, efficient and effective delivery of

emergency relief to those affected by disasters of all sizes. Additional benefits will include improvement of the disaster response capacities of national societies and delegations. Internally, expected results will include the revision of DREF guidelines to reflect the changes in the operating structure with the Secretariat. Timely reimbursements of DREF allocations with an emergency appeal will be accomplished through changes in reimbursement procedures which will assure reimbursement as soon as sufficient unearmarked funds are received. Externally, donors will receive improved and timely reporting on the use of, and developments on, the Fund.

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