

Plan 2010-2011



International Federation
of Red Cross and Red Crescent Societies

Disaster Relief Emergency Fund (DREF) Executive summary

The International Federation's Disaster Relief Emergency Fund (DREF) provides emergency funding to National Red Cross and Red Crescent Societies for immediate response to disasters and health emergencies. Through this plan the secretariat seeks to increase the capacity of the International Federation to assist National Red Cross and Red Crescent Societies to reduce the number of deaths, injuries and impact from disasters through the provision of timely and adequate financial support for disaster response.

In 2008, the DREF supported 69 National Societies to bring assistance to approximately 9.4 million people. A total amount of CHF 17,800,247 was allocated in support of 101 different response operations, an increase of 40 per cent over 2007 and 15 per cent higher than forecast. Both grants to small-scale DREF operations and loans to emergency appeals were higher than forecast. A similar amount of funding was provided to National Societies during the first six months of 2009, in particular to support response to health crises and weather-related emergencies.

Funding to the appeal in 2008 was generous and slightly over the budget. This included an increase in the number of DREF grants replenished by donors. However, fundraising for emergency appeals for which start-up funding was loaned from the DREF was low, especially in the fourth quarter of 2008. Consequently the reimbursement of loans to the DREF was lower than forecast, which in conjunction with the higher amount made in allocations, led to a low balance in the fund at the end of 2008. The amount of funding received during the first six months of 2009 has allowed the secretariat to increase this balance.

While it is difficult to forecast exact needs for the next two years, the secretariat is setting a slightly higher funding target for 2010 and 2011 in order to support a continuing increase in use of DREF while maintaining sufficient operating balance in the fund to meet requests for support from National Societies.

The total 2010-2011 budget is CHF 33.9m (USD 32.9m or EUR 22.3m) ([Click here to go directly to the summary budget of the plan](#)).

Context

The increasing frequency of disasters, coupled with a number of emerging threats and trends, are leaving more people vulnerable to the effects of disasters and inflicting greater damage, loss, and dislocation on vulnerable people worldwide. According to the Centre for Research on the Epidemiology of Disasters (CRED), in 2008, more than 235,000 people were killed by disasters, 2.14 million affected, while the cost of disasters was over 190 billion US\$.

While the number of disasters recorded in 2008 was lower than 2007, over recent years there has been an increase in the number of small and medium scale disasters, especially storms, floods and epidemics, which National Red Cross and Red Crescent Societies respond to under their mandate as auxiliaries to the public authorities. The first half of 2009 saw a continuation of this trend, with the Red Cross Red Crescent responding to a high number of smaller-scale, local level disasters.

The situation of vulnerable people is now aggravated by evolving, complex threats such as climate change, new patterns of marginalisation, demographic growth and a rising proportion of older people, unplanned urbanisation, high levels of violence, involuntary migration, emerging infectious disease and the growing burden of non-communicable disease, environmental degradation, and insecurity of access to food, water, and natural resources.

The humanitarian sector is further challenged by of the recent financial crisis and the increasing involvement of military and political actors in humanitarian response. The complexity of the humanitarian environment has led to demands for improved coordination. At the same time, improved forecasting and technology for early warning call for improvements in our capacity for early action and for information management in disasters. There are also calls for greater innovation and more inclusive ways of delivering assistance, with a strong focus on accountability, good partnership and good donorship. All of the above reinforces the need for a strong International Federation, flexible enough to adapt to a fast changing world.

In this context, the International Federation needs to have the capacity to mitigate, prepare for and respond to disasters worldwide and across all levels – household, community, national, regional and international. The International Federation is committed to achieving its Global Agenda Goal 1: “to reduce the numbers of deaths, injuries and impact from disasters” and to the three strategic aims of Strategy 2020:

- 1: Save lives, protect livelihoods, and prepare for and recover from disasters and crises
- 2: Enable healthy and safer living
- 3: Promote social inclusion and a culture of non-violence

The International Federation, and the National Societies as auxiliary to the public authorities, are among the leading providers of assistance globally and are responsible to provide relief to people affected by disaster. Depending on their capacity to respond and the scale of the disaster, National Societies can call upon international assistance through the International Federation’s secretariat. The International Federation secretariat is committed to ensuring the institutional capacity in preparedness for response, response and recovery to provide that support in a timely manner. The secretariat has a constitutional obligation “to organise, coordinate, and direct international relief action” as a core service to its members and calls upon its membership to provide additional human resources, technical, material and financial assistance to sister societies in affected countries.

With the increase in the number of small and medium scale disasters, the work of National Societies to assist communities to mitigate, prepare for or respond to disasters at a local level is an important added value of our Red Cross Red Crescent network. The effects of food insecurity can also be mitigated at local level through long-term community projects supported by National Societies. The Geneva secretariat will provide support to National Societies in building more resilient communities, mitigation and risk reduction, and food security and livelihoods. Geneva headquarters will maintain a strong strategic oversight in all areas of disaster management.

The International Federation’s Disaster Relief Emergency Fund (DREF) is managed by the secretariat, and has been meeting the increased number of requests from National Societies for financial support in responding to small and medium scale disasters, where other funding sources are often unavailable. As the forecasting of extreme and abnormal hydro-meteorological events improves through the use of scientific data, the International Federation is also using the DREF to support National Societies to take advance action to reduce the risks and effects of the forecasted events and to speed up response if the events lead to disasters. In 2010, the secretariat will promote the use of DREF for preparedness for imminent crisis, where forecasts or analysis indicate that an occurrence is likely to become disastrous and cause loss of life, possessions, livelihoods or cause injury and displacement of the affected population.

Priorities and current work with partners

The DREF is an integral part of the International Federation’s disaster response system and of its capacity to meet the needs of vulnerable people affected by disasters. The DREF is a flexible

emergency funding source which can provide financial support rapidly and in appropriate amounts whether for small or large scale disaster response operations. It enables National Societies to carry out their national mandate in disaster response, and not only allows them to meet the needs of vulnerable people affected by disasters, but also to build their own capacity through experience and to promote the visibility of the National Society and national fundraising. It also allows the International Federation to provide timely and appropriate surge capacity in the form of human, financial and material resources to support the National Society when the scale of the relief operation generates the need.

The priorities for 2010 and 2011 are therefore to match the scale-up of National Society disaster response in ensuring sufficient funding is available to meet their needs and to support them by promoting the quality of relief operations. The secretariat will also use the DREF to ensure appropriate assistance is given to people affected by disaster, based on needs assessments and supported as necessary through the use of its regional and global resources. The International Federation has encouraged National Societies to make greater use of DREF to ensure fast and efficient response to humanitarian needs. The availability of immediate funding for relief operations has increased the confidence of the National Societies to respond with the knowledge that, even if the scale of the disaster does not justify and international appeal, the costs of small-scale operations and replacement of relief stocks can be covered by a DREF allocation.

In 2010 and 2011, the secretariat will encourage them to use DREF further to support early action and disaster response preparedness, supporting and promoting this action through the provision of accurate and reliable early warning and analysis. As one of the only emergency funds that supports emergency response preparedness, the DREF is key to achieving a reduction in the effects of disasters and in promoting rapid and effective response.

The increase in use of DREF presents challenges to the International Federation. In order to ensure funding is available, it is important to build long term funding partnerships with governments, donor National Societies and corporate donors. The major donors have shown increased support over the past few years and their collaboration has been central to the development of the use of the DREF. To maintain donor confidence, the International Federation will be working with the National Societies to ensure transparent use of the funds, to improve the impact of relief operations and quality and timely reporting which illustrates the impact of their operations.

Secretariat programmes in 2010-2011

The table below gives the forecasted needs for 2010-2011 and the contributions necessary to maintain a sufficient cash balance in the fund.

DREF Forecast	2006 (Actual)	2007 (Actual)	2008 (Actual)	2009 (Forecast)	2010 (Forecast)	2011 (Forecast)
Small-scale emergencies (DREF Operations)	5,359,263	7,509,963	10,153,772	11,000,000	13,500,000	16,500,000
Large-scale emergencies covered by Emergency Appeals (EA)	5,703,731	5,179,207	7,646,475	7,500,000	8,500,000	8,500,000
Total (Budget)	11,062,994	12,689,170	17,800,24	18,500,000	22,000,000	25,000,000
Reimbursements of EA	5,409,358	5,075,623	4,907,503	6,750,000	7,650,000	7,650,000
Contributions (actual) or needs	6,142,596	6,620,431	8,830,139	12,000,000	16,000,000	17,500,000
Operating Cash Balance or reserve	7,910,090	7,308,123	3,245,518	3,495,518	5,145,518	5,295,518

Disaster Relief Emergency Fund

a) The purpose and components of the programme

Programme purpose:
To increase the capacity of the International Federation to assist National Red Cross and Red Crescent Societies to reduce the number of deaths, injuries and impact from disasters through the provision of timely and adequate financial support for disaster response from the Disaster Relief Emergency Fund (DREF).

The Disaster Relief Emergency Fund (DREF) programme budget is CHF 33.9m (USD 32.9m or EUR 22.3m).

Programme component: Organisational preparedness

Component Outcome 1: Improved capacity of the DREF to meet the requests of support from National Red Cross and Red Crescent Societies

- Advocate with donors and other humanitarian stakeholders for the importance of supporting National Society relief operations through the DREF
- Promote donor confidence through transparent and timely use of funds and quality reporting on the impact of operations supported by the DREF
- Ensure sound financial management of the fund, including monitoring of operations and appropriate use of funds

Programme component: Disaster management planning

Component Outcome 1: DREF funds are used in a timely manner by National Societies to prepare for imminent crises and mitigate their impact on vulnerable communities, and respond to and effectively cope with their consequences

- Ensure potential use of DREF for imminent crisis preparation is well understood and encourage its use based on reliable and timely early warning
- Monitor the use of DREF grants for imminent crisis and the follow up on the use, impact and reporting on the funding
- Develop lessons learned on the use of DREF for imminent crisis

Programme component: Disaster response

Component Outcome 1: National Societies receive timely financial support from DREF to assess needs, respond rapidly to disasters and benefit from the deployment of national, regional and international assets as necessary to meet the needs of those affected

- Monitor the timeliness of requests for funding from DREF and approval process in order to improve of effectiveness of fund and, [based on the outcomes and learning from the 2009 external audit](#), make recommendations to improve quality, transparency and strategic development of the fund
- Through the use of DREF funds, promote quality needs assessments that lead to appropriate relief operations and early recovery
- Incorporate into procedures and guidelines in order to improve the effectiveness of the fund
- Provide funding for the timely use of necessary International Federation resources to support National Society response operation
- Promote effective reporting to show rapid and effective use of funds by National Societies

b) Potential risks and challenges

It is difficult to accurately predict the number of disasters and therefore the exact demand for financial support from DREF. In 2008, the demand was 15 per cent higher than forecast and 40 per cent higher than in 2007, while in the first half of 2009 the requests for funds remained at the same level as in 2008. Funding for emergency appeals was low at the end of 2008, which reduced the forecasted amount of loans reimbursed to the DREF and left a limited operating balance. Excellent donor support in the first half of 2009, has allowed the secretariat to increase this balance and the International Federation secretariat will continue to promote the DREF in 2010 – 2011 to ensure that support is maintained and enhanced. Long-term, predictable donor funding ensures the necessary flexibility of the DREF to meet the peaks of demand, but given the global financial crisis, humanitarian funding is likely to be more limited and committed only on an annual basis. Existing long-term funding agreements are particularly valuable for the DREF in the current situation and the secretariat will continue to privilege and promote these agreements.

Based on early warning information, National Red Cross and Red Crescent Societies alert their networks and assist communities to take action ahead of a disaster. They can, and do request support from the DREF to undertake this preparedness action. However, not all National Societies have the capacity or systems in place to act on early warning and the strengthening of both their capacity and

the International Federation's ability to provide and analyze reliable and timely data is part of the priorities for action over the next two years and part of the capacity building programmes in disaster management.

Role of the secretariat

a) Technical programme support

The secretariat is responsible for the sound financial management and the strategic development of the DREF. An external audit is being carried out during the last quarter of 2009, and the recommendations and outcomes will be incorporated into procedures and guidelines to improve the effectiveness of the fund. A DREF officer supports the administration of and allocation of grants, monitors the use of the fund, the respect of procedures and quality control, is the focal point for donor management and fund raising and ensures effective communications and reporting.

b) Partnership development and coordination

The DREF supports National Societies to carry out their humanitarian mandate in disaster response and emergency health activities, and therefore strengthens the position of the National Society with its public authorities and its visibility with its public. Through effective disaster response, they are able to use their reputation to build sustainable donor relations at national level.

Many of the donors to DREF also support longer term capacity building in disaster management in the operating National Societies. The contingency planning and capacity building they support allow the National Societies to be able to meet the humanitarian needs of people affected, or likely to be affected by disasters and the DREF provides the funding necessary to support the mobilization and deployment of resources to meet those needs.

The secretariat will work closely with its partners to develop an advisory group with representatives of users of DREF, the management and donors with the aim to support the strategic development of DREF and to ensure its relevance.

c) Representation and advocacy

The International Federation participates in the Inter-Agency Standing Committee and in Good Humanitarian Donorship initiative meetings. Humanitarian donors have recognized the specific role of the DREF in financing Red Cross Red Crescent disaster response, especially response to small scale disasters that other funding mechanisms are not able to support. It will continue to highlight the role of the Red Cross and Red Crescent in disaster response and support the National Societies to be able to carry out their mandate.

Advocacy initiatives are targeted primarily at governmental and non-governmental partners at the global and national levels. The aim is to raise awareness of the scale of the challenge the International Federation faces, resulting from climate change, urbanisation and increasing epidemic and pandemic threats. At the same time, the International Federation will ensure that donors to the DREF receive recognition for their support and highlight good humanitarian donorship in this respect.

d) Other areas

The DREF is an integral part of the International Federation's disaster management strategy and supports emergency response by its individual members and the International Federation in international disaster response.

Promoting gender equity and diversity

The rationale for integrating a gender perspective in the activities of the International Federation lies in the Red Cross and Red Crescent mandate - to prevent and alleviate human suffering without discrimination. The International Federation's focus is on *gender*, rather than women. Gender equality ensures that there is no sex-based discrimination in the allocation of resources or benefits or in access to services. The goal of the International Federation is to ensure that all Red Cross and Red Crescent programmes are non-discriminatory and benefit men and women equally, according to their needs and

with the equal participation of men and women at all levels within the National Societies and the International Federation's secretariat.

Recognizing that often in disasters it is women, children and minority groups that are most severely affected, all programme guidance will ensure that gender is incorporated as part of the analysis of the disaster impact, the assessment and the subsequent programming. The individual plans of each sector elaborate on the specific gender-related actions in their respective areas. The International Federation will continue to ensure compliance with agreed standards and guidelines on gender and will prioritise consideration of gender and diversity as key components in any new guidelines and best practice frameworks.

Quality, accountability and learning

The secretariat is committed to compliance with the Federation-wide performance and accountability framework and to deliver on its accountability principles, which include explicit standard setting, open monitoring and reporting, transparent information sharing, meaningful beneficiary participation, effective and efficient use of resources, and systems for learning and responding to concerns and complaints. These will all be used to improve programme quality, performance and learning. The International Federation will use various tools such as systematic evaluation, peer review and objective lesson learning exercises to ensure the quality of secretariat services according to globally accepted DM standards and to assess the impact of those activities on the lives of disaster affected populations.

The Federation-wide reporting system is another element which will aim to reliably monitor and report on key data from National Societies to show the performance and improve the accountability of the International Federation. Specific activities will also be subject to their own review and structured feedback mechanisms, or to independent reviews or evaluations when required. National Societies are highlighting the lessons learned from their work in reports and incorporating learning into their planning, training and capacity building.

Our actions are guided at all times by our Fundamental Principles of humanity, impartiality, neutrality, independence, voluntary service, unity and universality. The International Federation also works according to our "Code of Conduct", agreed with eight major disaster response agencies in 1994 and used to monitor behavior and standards in relief delivery. The International Federation also adheres to the disaster relief "Sphere Standards", which also identifies minimum standards in disaster assistance in the five key sectors of water supply and sanitation, nutrition, food aid, shelter and health services. The International Federation is supporting the revision of the "Sphere Standards" to develop improved mechanisms to ensure good practice and accountability in the delivery of assistance. The "Code of Conduct" and the "Sphere Standards" hosted programme will be managed by the Disaster Services Department. The secretariat also promotes the use of the Disaster Relief Emergency Fund (DREF) to cover the costs of monitoring and evaluating DREF funded relief operations and to measure beneficiary satisfaction.

How we work	
<p>The International Federation's activities are aligned with its Global Agenda, which sets out four broad goals to meet the International Federation's mission to "improve the lives of vulnerable people by mobilizing the power of humanity".</p>	<p>Global Agenda Goals:</p> <ul style="list-style-type: none"> • Reduce the numbers of deaths, injuries and impact from disasters. • Reduce the number of deaths, illnesses and impact from diseases and public health emergencies. • Increase local community, civil society and Red Cross Red Crescent capacity to address the most urgent situations of vulnerability. • Reduce intolerance, discrimination and social exclusion and promote respect for diversity and human dignity.
Contact information	
<p>For further information specifically related to this plan, please contact:</p> <ul style="list-style-type: none"> • Elizabeth Soulie, DREF Officer, Disaster Risk and Early Recovery division; email elizabeth.soulie@ifrc.org; phone +41 22 730 4479; and fax +41 22 733 0395. 	