

Appeal 2002-2003



International Federation
of Red Cross and Red Crescent Societies

DISASTER RELIEF EMERGENCY FUND

(Appeal 01.61/2002)

Click on programme title or figures to go to the text or budget

In CHF

Total 7,500,000

Introduction

The Disaster Relief Emergency Fund (DREF) was established in 1985 and is the most powerful tool the Federation has to provide immediate support to national societies responding to disasters. Funding for emergencies is provided through donor support to emergency appeals, but the response to emergencies by national societies must start before the launching of an appeal and the receipt of pledges and contributions. The critical function of the DREF is to fill this gap. DREF also supports many minor disasters for which appeals are not launched.

While some national societies have significant resources already in place to respond to emergencies, many have limited resources and depend on DREF to provide the initial financial support to underwrite the costs of immediate response initiatives.

Background and achievements/lessons to date

Over the past years there has been an increasing need for the humanitarian world to respond faster and in a more co-ordinated manner, to emergency situations. In response the International Federation, under its Strategy 2010, has made the alignment and effective co-ordination of disaster response tools one of its strategic directions.

A significant change was introduced in the 2001 DREF appeal aiming at an increase the size of the fund and improving DREF recovery mechanisms. The aim is for DREF to become an automatic line of credit for new emergencies, thus making a significant change to the way national societies can plan and initiate disaster response. The Secretariat is committed to the proposed new target level of CHF 10 million in order to achieve the planned support of up to 15% on emergency appeals and to be able to respond to the increasing number of applications.

Within this framework, an independent DREF review was commissioned aiming at improving the current mechanisms and working practices around the fund and make recommendations. The Disaster Management & Co-ordination Division (DMC), has appointed a senior officer to take responsibility for the Fund and implement a number of the proposed improvements relating to the procedures and dissemination of the DREF.

The DMC division is working closely with the Federation's Finance Department to improve DREF financial management and automate allocation and recovery procedures, setting up clear roles and responsibilities. Once the DREF process becomes more automatic, it is planned that there should be no need for negotiation or arbitration, thereby improving the speed and efficiency of the DREF management. Systematic training on new DREF procedures will be provided by the division.

Up to 15% guaranteed support to every emergency appeal from the onset would significantly change the way disaster managers plan and execute response. This guaranteed support would also benefit donor and host national societies. Donor national societies would be able to access public fund-raising potential based on media coverage of the early response, while host national societies will benefit from an appropriate level of funding to jump start response operations at the very early stage of a disaster.

Attention is being given to the dissemination of DREF across the board, particularly to donors through sharing news of allocations and reports and creating a specific DREF page on the Federation's website. It also includes improved internal dissemination to regional departments and delegations to ensure familiarity with new procedures.

Goal The goal of the DREF is to provide guaranteed immediate funding in response to major and minor emergencies to enable the Federation to move quickly, effectively, and efficiently.

Objectives and activities planned

Objective To make the DREF a *guaranteed* line of credit for new emergencies.

Activities to reach this objective are:

- Reach the minimum funding requirement to make DREF an automatic tool for disaster response through active fundraising.
- Finalize changes in procedures to improve DREF recovery to sustain the fund and disseminate the new procedures to relevant actors.
- Expand DREF information sharing and allocation to emergencies and dissemination through the DREF web page.
- Include DREF on the disaster management working group agenda and feed lessons learned back into the system.

Expected results

- The DREF will contribute to quick, effective and efficient disaster response.
- An automatic line of credit to all new appeals representing up to 15% of the appeal target.
- Improved disaster response planning by national societies and delegations.
- DREF is widely disseminated in regional disaster management and other programme forums.
- Improved reporting on the use of the Funds.
- Increased number of DREF allocation to operations.
- Increased speed of DREF allocations and fund recovery.
- Increased funding from donors to achieve a fund total of CHF 10 million.

Indicators

- DREF achieves funding requirement to automate line of credit for all emergencies.
- Country and regional assistance strategies review disaster response planning to accommodate new DREF procedures.

- Funding level and the automated use of DREF will increase the number of DREF funded operations.
- Automated DREF allocations based on increased fund size replaces ad hoc request and approval DREF procedures.
- DREF funding target of CHF 10m is achieved.

Critical assumptions

The new approach to DREF can only take place once funding reaches the required level. PNS holding national DREF type funds will support the objectives of the Federation DREF.

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