



# IFRC'S DISASTER RELIEF EMERGENCY FUND (DREF)

Supporting local action on the front-line of climate change



The International Federation of Red Cross and Red Crescent Societies (IFRC)'s DREF is the fastest, most cost-effective and transparent way of getting funding directly to local humanitarian actors—both before and immediately after a crisis.

While everybody is aware of the mega-disasters, the real, silent impact of climate change is seen in the rapidly rising tide of small and medium size climate-related disasters that are supported by DREF.

Many of these disasters are occurring more frequently with increasing intensity, exacerbated by climate change, and are disproportionately affecting the world's most vulnerable population. Without media attention or international visibility, they can struggle to attract funding—putting affected communities at risk of being completely neglected.

**That's where the DREF makes all the difference.** To support these smaller disasters, or to provide initial funding before launching an Emergency Appeal, IFRC rapidly channels funding to National Red Cross and Red Crescent Societies before an imminent crisis or within hours of it happening, through the DREF—enabling them to deliver fast and effective local humanitarian action.

IFRC's report, **The Cost of Doing Nothing**<sup>1</sup>, shows that if no urgent action is taken now, the number of people in need of humanitarian assistance annually due to climate-related crisis could double by 2050.

<sup>1</sup> <https://media.ifrc.org/ifrc/wp-content/uploads/2019/09/2019-IFRC-CODN-EN.pdf>

# Our ambition

The IFRC is scaling up the DREF and is committed to working with donors to reach up to 300 million Swiss francs over the next three years. With your support, our ambition is to grow the fund by 100 million Swiss francs per year by 2025.

Our aim is for 25 per cent of this funding to be directed to anticipatory action. Acting before a disaster happens saves lives and protects livelihoods.

The scale-up of DREF will enable us to cover the needs of more people in medium or small-scale disasters and crises and reduce the impact of disasters and crises through multiplied early actions.

## Why DREF?



1 IFRC became a pioneer in the humanitarian sector when it established DREF in 1985, and it has built over **36 years of experience** in providing loans and grants to National Red Cross and Red Crescent Societies. More than **200 million people** in crisis worldwide **have benefited from DREF support**. On average, the DREF supports over 100 responses to small and medium-sized disasters and crises every year.



2 **Direct support to local action.** In keeping with the IFRC's commitment to the Grand Bargain, National Red Cross and Red Crescent Societies, with their more than 14 million volunteers who are part of the local communities they work in, are the primary recipients of DREF, receiving 100 per cent of the allocation. They provide urgent assistance tailored to people's needs, save lives, and support longer term recovery, especially in areas where no other actors are responding.



3 **Anticipatory action saves lives and money.** More money, expertise and energy should be shifted away from reaction and towards anticipatory action, which both saves lives and makes economic sense. An increasingly large part of the DREF is Forecast-based Action – financial resources are agreed in advance and released automatically once a trigger is reached, to prevent a crisis or mitigate its impact on the communities at risk. Forecast-based Financing through DREF provides dedicated funding for prepositioned stocks, as well as invests in annual activities, **ensuring that National Societies have the resources and capacities required to act in advance of a hazard becoming a disaster.**



4 **DREF provides a path towards sustainability** due to the capacity building and lessons learned aspects built into a DREF operation. This contributes to building the competencies and capacities of local National Red Cross and Red Crescent Societies, and through them, the local communities.



In the past 10 years, DREF has been used more frequently for climate related disasters. In total, at least 70 per cent of the disbursements were allocated to climate-related disasters.

**Anticipatory action saves money:** Through DREF support, Bangladesh Red Crescent was able to support evacuations as well as provide food, water and first aid at evacuation shelters for 36,000 people before the arrival of Cyclone Amphan in 2020. The cost of these interventions was only CHF 1.9 per person and contributed to saving innumerable lives. This DREF request later became a loan for a broader response operation, which cost around CHF 9.7 per person. These two interventions totaled around CHF 11.6 per person. By comparison in 2019, when only an operation was launched to support people affected in the aftermath of Cyclone Bulbul, the cost per person stood at CHF 17.3. This shows that providing early action and response can be much more cost effective, as well as provide a much more integral intervention - avoiding unnecessary suffering.

The impact of COVID-19 has underlined something that the Red Cross and Red Crescent has always known: **the future of humanitarian action is local**. Now is the time for action, not words. We must continue to move beyond traditional top-down humanitarian support and channel as much funding as possible – and as directly as possible - to community-based actors.

## How does DREF work?

DREF is a **demand-driven** and **locally owned** fund, centrally managed by the IFRC to ensure global coherence and accountability on its usage. It receives unearmarked contributions from donors and allocation decisions are based on needs, not on geographical interests or distinctions. It is open to all 192 National Societies who submit funding applications and plans of action that reflect locally identified priorities and needs.

## For more information please contact



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# THE FUNDAMENTAL PRINCIPLES OF THE INTERNATIONAL RED CROSS AND RED CRESCENT MOVEMENT

## **Humanity**

The International Red Cross and Red Crescent Movement, born of a desire to bring assistance without discrimination to the wounded on the battlefield, endeavours, in its international and national capacity, to prevent and alleviate human suffering wherever it may be found. Its purpose is to protect life and health and to ensure respect for the human being. It promotes mutual understanding, friendship, cooperation and lasting peace amongst all peoples.

## **Impartiality**

It makes no discrimination as to nationality, race, religious beliefs, class or political opinions. It endeavours to relieve the suffering of individuals, being guided solely by their needs, and to give priority to the most urgent cases of distress.

## **Neutrality**

In order to enjoy the confidence of all, the Movement may not take sides in hostilities or engage at any time in controversies of a political, racial, religious or ideological nature.

## **Independence**

The Movement is independent. The National Societies, while auxiliaries in the humanitarian services of their governments and subject to the laws of their respective countries, must always maintain their autonomy so that they may be able at all times to act in accordance with the principles of the Movement.

## **Voluntary service**

It is a voluntary relief movement not prompted in any manner by desire for gain.

## **Unity**

There can be only one Red Cross or Red Crescent Society in any one country. It must be open to all. It must carry on its humanitarian work throughout its territory.

## **Universality**

The International Red Cross and Red Crescent Movement, in which all societies have equal status and share equal responsibilities and duties in helping each other, is worldwide.