



# REPORT

## 3<sup>rd</sup> Asia Pacific Regional Dialogue Platform on Forecast-based Financing

25 – 27 June 2019



Manila, Philippines



## List of Abbreviations

|        |                                    |         |  |
|--------|------------------------------------|---------|--|
| CERF   | Central Emergency Response Fund    | IA-SOPs | Inter-Agency Standard Operating Procedures                       |
| CDP    | Centre for Disaster Protection     | IFRC    | International Federation of Red Cross and Red Crescent Societies |
| CVA    | Cash and voucher assistance        | INFORM  | Index for Risk Management of the European Commission             |
| DP     | Disaster Preparedness              | IPCC    | Intergovernmental Panel on Climate Change                        |
| DRF    | Disaster Risk Financing            | LGU     | Local Government Units   |
| EAP    | Early Action Protocols             | NASA    | National Aeronautics and Space Administration, USA               |
| EWEA   | Early Warning Early Action         | NGO     | Non-governmental organisation                                    |
| EWS    | Early Warning Systems              | NMHS    | National Meteorological and Hydrological Services                |
| FAO    | Food and Agriculture Organization  | OCHA    | Office for the Coordination of Humanitarian Affairs              |
| FbA    | Forecast-based Actions             | REAP    | Risk-Informed Early Action Partnership                           |
| FbF    | Forecast-based Financing           | RCCC    | Red Cross/Red Crescent Climate Centre                            |
| FFO    | Federal Foreign Office             | UN      | United Nations   |
| ForPac | Forecast-based preparedness action | UNDP    | United Nations Development Programme                             |
| GDP    | Global Dialogue Platform           | UNICEF  | United Nations Children's Fund                                   |
| GLoFAS | Global Flood Awareness System      | WFP     | World Food Programme   |
| GRC    | German Red Cross                   | WMO     | World Meteorological Organization                                |
| GRIF   | Global Risk Financing Facility     |         |  |

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# BACKGROUND

- In June 2019, the 3rd Asia Pacific Regional Dialogue Platform on Forecast-based Financing (FbF) took place in Manila, Philippines. The event was hosted by the Philippine Red Cross (PRC) and was jointly organised by the German Red Cross (GRC) and Finnish Red Cross, the International Federation of the Red Cross and Red Crescent Societies (IFRC), the World Food Programme (WFP), the Food and Agriculture Organisation (FAO) and the Start Network.

The Forecast-based Financing (FbF) approach and similar approaches to anticipatory humanitarian action are currently being implemented in 54 countries around the globe, eleven of them in the Asia Pacific region. More than 150 participants joined the Dialogue Platform: aside from the Red Cross Red Crescent Movement, the audience included government representatives, national Hydro-Meteorological Departments, UN agencies (WFP, FAO, UNDP, UNICEF, OCHA), as well as INGOs from the Start Network. In total 19 Red Cross Red Crescent National Societies were present, in addition to IFRC and the Red Cross Red Crescent Climate Centre (RCCC).

Participants discussed implementation strategies to identify areas of improvement and to have a common understanding of the concept, methodology and funding mechanisms of FbF. Practitioners and partners identified next steps to build on current FbF programmes and eventually contribute to a common voice and agenda in the Asia Pacific region.



3<sup>rd</sup> Asia Pacific Regional Dialogue Platform  
on Forecast-based Financing

DAY  
ONE

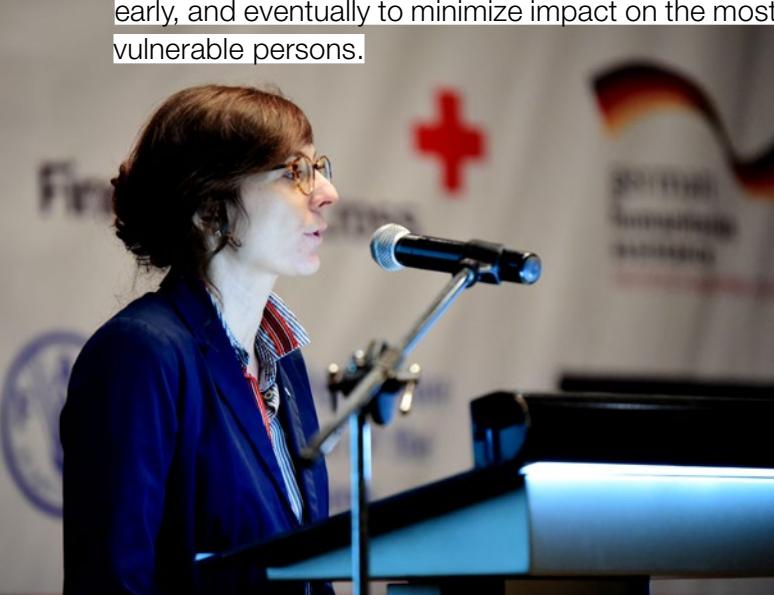
# Opening Speeches



**Marine Durand**

*Head of Office in the Philippines,  
German Red Cross*

The Head of Office of the German Red Cross in the Philippines welcomed the participants and encouraged everyone to advocate for more implementation of early actions. The increased accuracy of weather forecasts allows addressing disasters earlier, allowing humanitarian actors to use scientific data and information to reduce losses and human suffering early, and eventually to minimize impact on the most vulnerable persons.



**Dr. Roland Schissau**

*Deputy Chief of mission,  
German Embassy in Manila*

Dr. Schissau, focused on the importance of inter-institutional collaboration fostered by the FbF approach, which he defined as a perfect example of progression in the humanitarian sector that shows potential for different organizations and countries to work together. He stressed the innovative approach of allocating financial resources to tackle the effects of climate change early, calling it a response to the call to do something to mitigate the damages we created.



**Matts Persson**

*Deputy Country Director, World Food Programme Philippines*

Mr. Persson underlined the importance of considering Forecast-based Financing part of the collective agenda for climate action and highlighted how Disaster Risk Reduction and Management and climate change adaptation are critically linked to protecting food security. FbF, by acting to reduce the humanitarian needs before a hazard strikes, constitutes a crucial way of acting in the region, where the risk of extreme events and vulnerabilities is extremely high. The most positive aspect of FbF is shifting mindsets from a reactive to a proactive approach, so that nobody will be unprepared.





### Andrew Sobey

Regional Officer for Asia Pacific, Food and Agriculture Organisation

Mr. Sobey recalled the reasons why actors need to work together on FbF and Early Warning Early Action: given the number of new players in the field of Disaster Risk Management, the need for effective collaboration has never been greater. As FbF/EWEA projects come out of their pilot phase, increased funding and integration with government systems is required to scale up FbF/EWEA.



### Chris Staines

Head of Country Office Philippines,  
International Federation of Red Cross Red  
Crescent Societies

Mr. Staines welcomed the opportunity to discuss, innovate, and encourage good practices provided by the Regional Dialogue Platform, which is a good starting point for the development of coordinated Early Action Plans that would make the work for the most disadvantaged even more effective and efficient.



### Leonardo Ebajo

DMS Director, Philippine Red Cross

The Director for Disaster Management Systems of the Philippine Red Cross welcomed the Regional Dialogue Platform as an opportunity to exchange ideas on science and policies that are essential for early actions. Moreover, he underlined the need for a shift towards a more proactive approach in helping the most vulnerable.





## FbF/EWEA narrative and Key reflections on Dialogue Platforms for Asia Pacific

- To kick off the Platform Stefanie Lux (GRC) and Jesse Mason (WFP) briefly introduced the concept of Forecast-based Financing to the audience; highlighting the pre-defined triggers, pre-agreed early actions to reduce humanitarian impact of extreme weather and the automatic allocation of funding. They highlighted that while not all actors participating in the Platform follow exactly this approach, there is agreement that FbF or anticipatory action is about acting before an extreme event occurs, based on a forecast or collaborative expert judgment and with a view to mitigate or reduce the hazard impact.



### Facilitators:

Stefanie Lux,  
GRC  
Jesse Mason,  
WFP



This was followed by interventions of audience members who had participated in previous platforms on what their hopes are for this platform. As one inspiring example see below the quote of Kara Siahaan (IFRC):

“

Here we are again at the meeting of the tribe. A tribe is a group of people that shares a common culture. If this is your first time at our Dialogue Platform, you will soon learn that this is a tribe of people who are keen on sharing and learning, passionate about creativity and innovation. People who welcome open and honest conversations about successes and failures. It is motivating to see how much the tribe has grown and how diverse we've become these pasts years. We have scientists, practitioners and experts from the humanitarian, climate and development sides. We look forward to discussing together how to promote coherence on what we mean when we say FbF / EWEA, build evidence to continue increasing the impact of our work for people at risk and strengthen our influence in assuring that policies are informed by our collective experience.

Kara Siahaan

”





# The Innovation Timeline and Ignites

**The Innovation Timeline outlines the five stages of an FbF or EWEA project and aims to map what has been done in the respective countries, and what is needed to be done in order to achieve a 'system change'. The stages are the following:**



## **Stage 1 – Setting the scene**

The first stage establishes an overview of the FbF context and can include FbF feasibility studies or the setup of coordination mechanisms



## **Stage 2 – Testing FbF**

The second stage aims to test FbF through the development of Early Action Protocols, simulations of early actions, or even an EAP activation



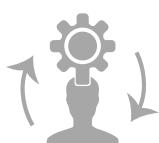
## **Stage 3 – Making the case**

The third stage collects evidence from the testing and can include case and impact studies, or other knowledge products to be used for advocacy with national governments



## **Stage 4 – Scaling up**

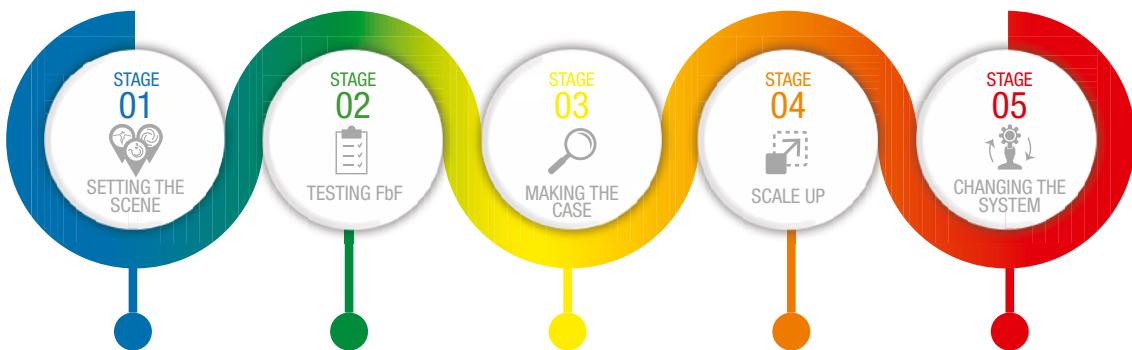
The fourth stage looks at solidifying the FbF approach through MoUs or agreements with partners, national policies, and advocacy at regional level



## **Stage 5 – Vision**

The fifth stage aims to induce a system's change by integrating FbF into the wider DRR & response framework, also at the intergovernmental level, including ex-ante funding streams

**Each stage comes with a set of tangible milestones that the countries already involved in FbF would evaluate throughout the Dialogue Platform.**



**The ignites focused on the 5 stages that follow here**

## **STAGE 01 Setting the Scene**

**Where?** Nepal

**Who?** Nepal Red Cross, Red Cross Red Crescent Climate Centre

**What?** As shown by the Feasibility and Project Design Study of 2018, preliminary studies before any FbF intervention are of critical importance, since they assess the operational capacities of the National Societies, identifying at the same time the key actors to collaborate with, as well as the technical feasibility regarding forecasts and implementation capacity. This stage allows to map the challenges and opportunities while also identifying the entry points for collaboration with the relevant national ministries, such as the Hydro-meteorological Service and Disaster Management Office.

## **STAGE 02 Testing FbF**

**Where?** The Philippines

**Who?** Philippine Red Cross

**What?** The Philippine Red Cross' development of the Early Action Protocol for typhoons showed the importance of contextual knowledge of the exposure and vulnerabilities at the local level. Effective early actions were identified based on studies and consultations with communities so that they reduce the prioritised impact of a typhoon. PRC identified three early actions: early harvesting of rice and/or abaca trees; evacuation of people and their livestock; shelter strengthening kits. The early actions will be implemented where the forecasted impact will be highest, based on the Impact-based Forecasting (IbF) model. The early actions are context-specific, i.e. depending on the geographic location of the typhoon's landfall, the most effective early action will be chosen.

## STAGE 03 Making the Case

**Where?** Mongolia

**Who?** Food and Agriculture Organisation

**What?** In 2017, in the frame of an intervention targeting Dzud (harsh winter preceded by a hot, dry summer), the alert came in June, while the trigger was reached in November. The implementation of the early actions (cash distribution to herders) started in December and continued in February 2018 (distribution of fodder and supplements, disease prevention). Taking this intervention as an opportunity to collect evidence, FAO conducted a Return on Investment study which showed that for every USD 1 spent on early actions, households had a return of USD 7.1 in avoided losses and added benefits.

## STAGE 04 Scale Up

**Where?** Bangladesh

**Who?** UNDP, representing joint work with BDRCS and WFP

**What?** The Bangladesh Red Crescent Society (BDRCS) and the World Food Programme (WFP) pioneered the FbF approach in Bangladesh. BDRCS developed Early Action Protocols for floods and typhoons and partnered with national and local actors, such as the Cyclone Preparedness Programme (CPP) and the Bangladesh Department of Disaster Management, to implement early actions. Given the number of actors working on FbF, a common way forward has been designed to strengthen coordination and accountability, advocating for the integration of the FbF approach into national DRM policy and protocols.

## STAGE 05 Vision – Changing the System at the Regional Level

**Where?** Asia Pacific

**Who?** GRC and FAO

**What?** The way forward for scaling up FbF/EWEA and Shock Responsive Social Protection (SRSP) at regional level calls for a common approach of all FbF/EWEA actors. As part of a joint project, GRC/IFRC, FAO, WFP and UNICEF are exploring the complementarities of FbF/EWEA and SRSP to increase the reach of the anticipatory approach. The Technical Working Group (TWG) on FbF/EWEA and SRSP will develop best practices of SRSP, a repository of early actions, as well as a joint roadmap for SRSP and FbF/EWEA. Partners also engage with relevant ACDM Working Groups and the ASEAN Secretariat to influence the ASEAN policy towards FbF/EWEA and in particular to include an anticipatory approach in the AADMER work programme.





# Group Work

# Visualization of the FbF/EWEA Implementation Stages and Milestones

Country teams, consisting of the different FbF/EWEA actors, discussed and evaluated the milestones on their designated country timelines. This allowed visualising the FbF/EWEA progresses in the region. The outputs of the exercise as well as the draft timelines were used throughout the Dialogue Platform, allowing the participants to define their ideal timeline and milestones and to shape the vision for FbF/EWEA in the region.



## Key points: Changing the system at the regional level

- Sustainable funding streams need to be identified, including through an integration of FbF/EWEA in ASEAN as well as in the policies of the Ministry of Finance of each country;
- Learnings must be shared across countries, so that FbF/EWEA technical tools can be applied to other national/local context, helping to utilize resources efficiently;
- At regional level, lessons learnt, future commitments and future actions should be summarized in guideline documents and best practices that can be used for advocacy and policy efforts at the national level;
- A more effective way to link humanitarian action and development assistance should be discussed.





# Creating the foundations for scaling up FbF/EWEA in Asia Pacific

- Get an overview of this year's 3<sup>rd</sup> Asia Pacific Regional Dialogue Platforms working groups, topics and main takeaways on the next pages!



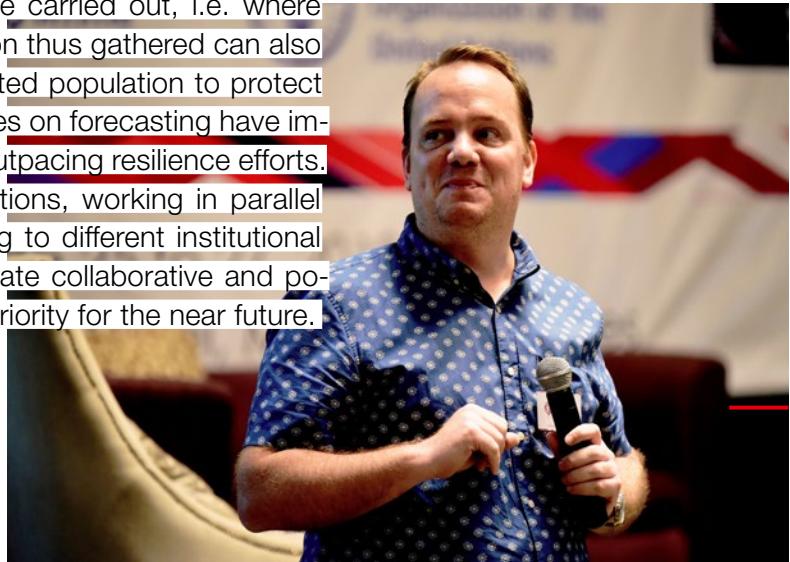
## Triggers for Early Action – A Humanitarian and HydroMet Perspective

This working group discussed the challenges and opportunities of moving towards impact-based forecasting in the development of triggers for early action. One of the main take-aways was the critical importance of available and reliable data on vulnerabilities, exposure and impact of past events. This is not only important for determining suitable interventions and priorities but also as a basis for decision-making as to where the early actions should be carried out, i.e. where the worst impact is expected. The information thus gathered can also be extremely helpful for the potentially affected population to protect against the disaster. While technical capacities on forecasting have improved, disaster risk and damages are still outpacing resilience efforts. Many organizations are duplicating their actions, working in parallel and using similar datasets, while responding to different institutional mandates. Sharing and collaborating to create collaborative and potentially more useful outputs should be the priority for the near future.



Facilitators:  
Catalina Jaime  
RCCC

Damien Riquet  
GRC Philippines



## Early Action Planning

This working group built on existing country experiences to explore the key processes in selecting early actions and planning for their timely implementation. The session involved listing the different hazards - from cyclones to floods and droughts - and coming up with a repository of early actions that could be considered for each hazard, such as shelter strengthening, food distribution, relocations, water harvesting, awareness-building, etc.. It was also discussed if and how these actions worked in past activations. Best practices were highlighted, along with questions on how to scale and replicate them.



**Facilitators:**

**Niccolo Lombardi**  
FAO

**Damodar Kanel**  
GRC Bangladesh

**Mark Brooking**  
WFP



## Financing – Impact before Instruments

Through examples from IFRC Forecast-based Action by the Disaster Relief Emergency Fund, FAO Early Action Fund, the World Bank Catastrophe Risk Pool and the Philippines Compostela Valley Provincial Disaster Risk Reduction and Management Council disaster funds, participants of this working group explored the distinct features of several disaster risk financing instruments for early action and rapid response. Presenters and participants discussed the appropriateness of each instrument in addressing different types of risks and reflected on the value for money of certain instruments for humanitarian operations. Participants agreed on value of strengthening disaster risk finance as a way to improve predictability and speed of disbursement of funding for early action. The outcomes highlighted that the FbF/EWEA community needs to look at different types of financing instruments to scale up early action. The group pointed out that FbF is seen as a humanitarian financing tool, but that there is potential interest from other sectors; therefore, data sharing and advocacy for early action should be a priority, as well as encouraging synergies and partnerships to truly achieve impact.



**Facilitators:**

**Kara Siahaan**  
IFRC

**Felix Lung**  
World Bank





Stefanie Lux & Emma Flaherty

## Research and Activations: Generating Evidence



### Facilitators:

**Stefanie Lux**  
GRC

**Emma Flaherty**  
*Start Network*

To pinpoint the benefits and the lessons learnt from the implementation of FbF/EWEA projects, participants explored the different methodologies and tools on gathering evidence, underlining that it is critical to first identify for whom evidence is being collected (donors, the community, the government, other humanitarian actors etc.), since the level of detail and the type of information required might change. They agreed on the fact that evidence on early action could be gathered to showcase the impact of the intervention, e.g. reduced losses and suffering, or to show how early action contributes to building resilience in communities, or as a catalyst to move from response-driven action to anticipatory action. The main outcome was the evident need for a common set of methods and tools for gathering evidence.

## Inter-agency coordination



### Facilitators:

**Raymond Zingg**  
IRFC Asia

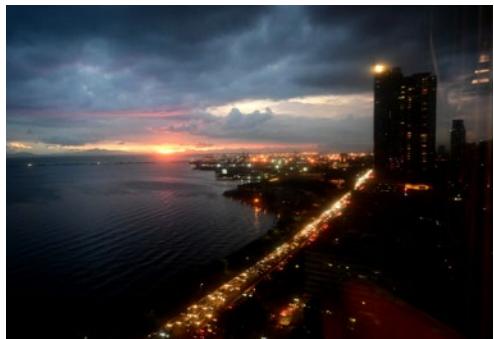
**Katiuscia Fara**  
WFP

**Catherine Jones**  
FAO

Opportunities and needs for an effective coordination of FbF/EWEA at national and regional levels were discussed. Participants discussed whether there is a common understanding of the system in which they operate, what needs to be fixed and what would be an appropriate solution to the current problems. The group agreed on the importance of “one voice and one narrative”, instead of having discordant initiatives and messages. Therefore, the creation of a knowledge platform, where experiences and resources are shared was suggested. Governments should be considered as equal stakeholders, and agreements between actors should formalize partnerships, recognizing the role and comparative advantage of each actor.



## FbF Get-together dinner with Chairman Richard Gordon and Secretary General Ms. Elizabeth Zavalla



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DAY  
TWO



## It's time to act: examples of early action activations

Mark Cervantes, FAO Philippines

- During this session, examples from Early Action activations from various countries in the region were used as learning occasion for participants.

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### Drought, Philippines

Food and Agriculture Organisation + World Food Programme

The main challenge regarding the hazard of drought (compounded by El Nino) is to define the trigger; further, once started some good early actions can then no longer be stopped, which means a stop mechanism that would be advisable for long lead times, is not always possible. Using the ‘no regrets’ principle when identifying early actions provides a good solution for this. Interventions on drought have shown that technological and financial collaboration between agencies is an advantage, with coordination happening both at field and at national level, and clear documentation of learnings and outcomes. Recommendations were to better take secondary vulnerability factors into account, and to improve the coordination mechanisms between the national El Nino task force and Local Government Units.

## **Heatwave, Pakistan**

Action Against Hunger

The early action activation for heatwaves in Pakistan was carried out in cooperation with the London School of Economics, which helped analyse the data in the months immediately before the disaster and to assess the probable scale of the hazard way before the triggers were reached. This allowed an early start to coordination between Start Network and other actors and stakeholders (such as NDMA – National Disaster Management Authority). An Anticipatory Heatwave Alert was launched, taking into consideration the secondary vulnerability factors and funds were released within 72 hours from the moment the trigger was hit. Since the intervention area was in an urban setting, rural districts need to be considered in a future second step. Ideally the data gathered should be consolidated into a heat index, to be disseminated by Pakistan's Met Department.



## **Lahar, Philippines**

Start Network

Mobeen Ajaib Action Against Hunger (ACF) Pakistan

Lahar is a phenomenon due to which volcanic ash or debris is transformed into mudflow by constant rainfall over several days: Start Network and Christian Aid have addressed it in a joint intervention in the area near Mt. Mayon using an Analysis for Action Grant. The programme tries to shift the interventions from a blanket approach to a tailored approach designed for local communities. After deciding to apply to the Crisis Anticipation Window of the Start Network, the data gathered in the preparatory assessments and from consultations with stakeholders, such as communities, local leaders and scientists was used to start a fund for rapid response to be used based on collaboratively developed trigger-based warning systems and contingency plans.



Ana Marie Dizon, Christian Aid, Philippines

**Report:**

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## Dzud, Mongolia

Food and Agriculture Organisation

Dzud, a harsh winter affecting livestock – the livelihood for a bigger part of the Mongolian population – was targeted in several provinces by the FAO and the Mongolian RC in 2018. The action allowed for improved connectivity between urban and rural herders, as well as to gather valuable lessons on how people use the unconditional cash grants. Given the success of the programme, it was agreed it is time to shift from a pilot approach to an integrated approach where cooperation between FAO and the RCRC is formalised.



Nyamkhuu Chuluunkhuu, Mongolian Red Cross Society

## Simulations, Bangladesh

Afroza Haque, German Red Cross and Mohammad Shahjahan, Bangladesh Red Crescent

In Bangladesh, the joint FbF project of GRC and BDRCS focusses on floods and cyclones. Earlier in 2019, cyclone FANI was approaching the country. It was the first opportunity for both organisations to put the Early Action Protocol on cyclones that had been recently approved by the FbA by the DREF and the procedures established for its implementation to the test. The EAP has a lead time of just 30 hours and focusses on supporting the evacuation of populations at risk and their belongings (especially livestock). The approaching storm was monitored closely at HQ level in Dhaka and preparations for activation and landfall were taken in the districts at risk. In the end, the trigger was not reached, but FANI offered a very valuable opportunity for a “cyclone preparedness drill” to test all those steps necessary for an EAP activation.



Afroza Haque, German Red Cross in Bangladesh



## Linking National FbF / EWEA with regional initiatives

- Through Ignite sessions of 15 minutes each, presenters from RIMES, NASA, the AHA Centre, WFP, and Geo-Safe-InaSAFE showcased different regional and international initiatives that could inform FbF programming.

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### ASEAN Coordinating Centre for Humanitarian Assistance on Disaster Management (AHA Centre)

Dipo Summa, Knowledge and Change Management Officer

ASEAN underlined the potential of anchoring FbF/EWEA in regional systems through ASEAN-implemented exercises and mechanisms, including Standby Arrangement Procedures (SASOP), enhancement of Early Warning Systems, Joint Disaster Response Plans (AJDRP), the Disaster Management and Emergency Response Fund (ADMER Fund), and the ASEAN Knowledge Hub on Disaster Management. In particular, the SASOPs could constitute a key to institutionalize FbF/EWEA in the member countries.

## National Aeronautics and Space Agency (NASA)

Shanna McClain, Programme Lead Risk Reduction and Resilience

NASA's Earth Science Disaster Team aims to shift the narrative from data to people. The questions that need to be asked are: "How can people be brought back into the storyline? How can impacts be prioritized?". NASA is in a unique position to facilitate access of local communities and stakeholders to exposure and vulnerability data linked to climate change, while also ensuring accurate translation of the data into actionable terminology. NASA is building partnerships to create networks of data scientists and users that provide localised information that can be used to reduce risks.

## Platform for Real Time Information and Situation Monitoring (PRISM)

Laksiri Nanayakkara, World Food Programme

The aim of WFP's PRISM platform is to provide governments and stakeholders with useful information during the planning phase for droughts, floods and other disasters, to ensure the provision of timely and appropriate assistance. The data is drawn from platforms and repositories of remote sensing, crowd-sourced information and surveys, and used as inputs for map-based platforms or dashboards, to visually identify locations of at-risk communities and severity of conditions. In the context of FbF/EWEA the goal of PRISM is ultimately to provide timely updates for immediate decision-making on anticipatory mechanisms, planning of resources, and appropriate long-term policies.



## **Regional Integrated Multi-Hazard Early Warning System (RIMES)**

Carlyne Yu, RIMES

RIMES recognises that there are gaps between data needed at local level for anticipatory action and the data available at national level. Therefore, the priority is to bridge that gap through the creation of decision support systems and tools. In the realm of preparedness, RIMES works on setting thresholds, generating localised and customised information on contingency, resources and logistics planning, on forecast-based risk assessments and on risk communication.

## **GEOSAFE**

Gavin Fleming

A way to combine risk data from scientists, local government and communities to provide insights into the likely impacts of future disaster events is needed. The software INASAFE, which produces realistic scenarios of natural hazard impact for better planning, preparedness and response, could be a suitable solution. It can be used effectively to enable Forecast-based Action, as it can automatically generate triggers (using an impact-based forecasting approach) when real time disaster data comes in, enabling resourceful Forecast-based Action and decisions on financing. This approach is being developed in Indonesia with support of GFDRR in cooperation with Indonesia Red Cross.



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### **Report:**

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## Panel Discussion

### Disaster Risk Financing: getting money where it's needed, when it's needed – perspectives from the region

- Challenges, opportunities and recommendations for collaboration in the Asia Pacific Region were discussed on a panel, with an objective to exchange knowledge on how governments and organizations promote anticipation of actions and manage risks effectively through disaster risk financing, and to identify how to promote anticipation and manage risk effectively within the framework of disaster risk financing. The panel also aimed at exploring challenges and opportunities, as well as inviting recommendations on the types of collaboration and partnerships that are needed in different regions.



**Facilitator:**  
Kara Siahaan  
IFRC

**Background:** Disasters are increasingly becoming more predictable, yet the funds necessary to act often do not flow until a crisis strikes. Putting in place decision-making systems, plans and funding in advance can help reduce the impact of disasters by enabling earlier, faster and more targeted responses. Through adapting ongoing work and further collaboration between government, development agencies and humanitarian organizations, more predictable financing for earlier action can become the new normal.

## **Eduardo Marino III**

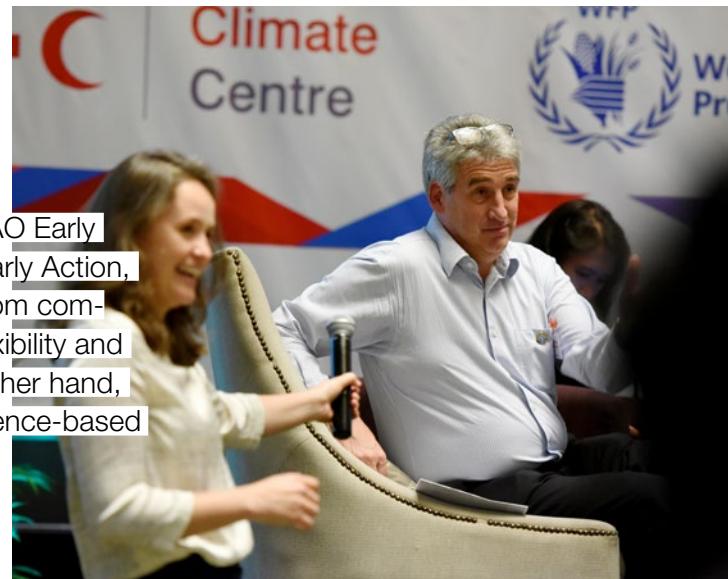
Director, Department of Finance, Asset Management Service,  
Government of Philippines

The Philippines government has developed its disaster risk financing strategy to cover national, local and individual level. Based on its risk profile, the Department of Finance has developed risk retention and transfer instruments such as the catastrophe bond, parametric insurance and indemnity insurance. At the National level, the government support rehabilitation and reconstruction. At the local level, sustainable financing for LGUs is important to provide immediate liquidity at the onset of a disaster. Pre-disaster activities complement these efforts.

## **Andrew Sobey**

Regional Officer for Asia and the Pacific  
UN Food and Agriculture Organisation

An example of good practice in terms of financing is the FAO Early Action Fund: a small fund of \$3 million for Early Warning Early Action, pooling in funds from flexible donors and those left-over from completed projects. The key aspects about this fund are its flexibility and the short process for accessing the money itself. On the other hand, the main constraint is its limited amount of funds, but evidence-based scaling up of the grants is a priority for the near future.



## **Joseph Randy Loy**

Head, Philippines Provincial Disaster Risk Reduction and Management Office, Compostela Valley

Through a collaboration with the Philippine Red Cross and WFP, the Compostela Valley PDRRMO is working on an Early Action Protocol developed through the FbF approach and will allocate funds with its existing budgets. In addition to annual budgets, the PDRRMO has a Special Trust Fund at local level, as shown in the Philippines. This helps implement the local disaster risk reduction and management plans. The integration between national and local funds (including the trust fund) allows institutional actors to carry out early actions before the disaster strikes.



**Dr. Catherine Ansell**

Financial Sector Specialist, World Bank

Another example of good working practice is the South-East Asia Disaster Risk Insurance Facility (SEADRIF) set up by the World Bank, pooling catastrophe risk funds from different countries, in order to enable them to purchase insurance from the international insurance markets at a lower price than they would if they tried to do this individually. In terms of the idea of EA, SEADRIF is not EA, but a post-event payout (comes within 7-14 days of the event). However, its key feature is that it is predictable and provides a much larger funding base than the present funding avenues available for Early Action. So, although SEADRIF is not forecast-based, it does enable rapid action at scale. For the future, there could be discussions on potential replicas, i.e. instead of a country putting in the premium money, IFRC or National Societies could pay the premium and in the case an event occurs, the benefit would be that the amount of money available for humanitarian assistance in the country instantly. Forecast-based triggered insurance is also being explored by the World Bank.



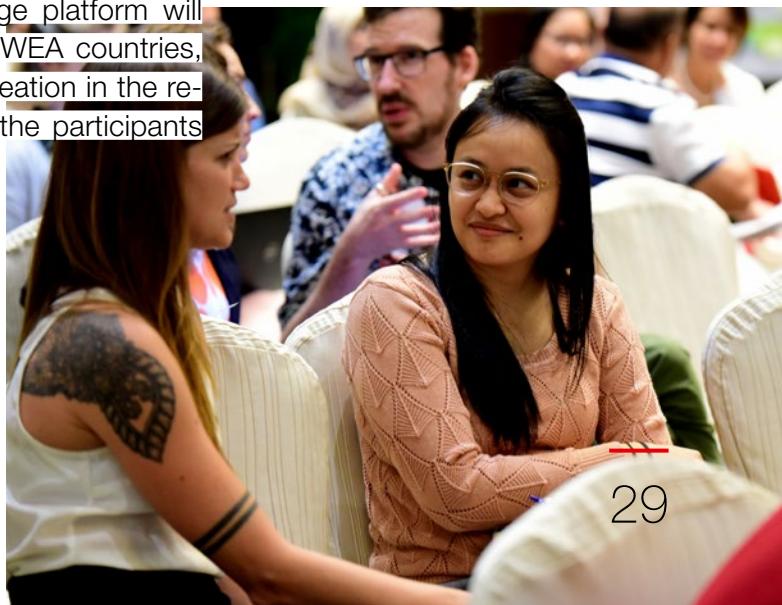


## One voice, one narrative: the next stage for FbF

- Based on the previous work on the Innovation Timelines, participants identified their priority milestones to advance FbF/EWEA to the next stage at the national level. Similarly, priorities for regional support were identified.

**Outcome:** participants clearly identified the need for a ‘One Voice, One Narrative’, approach, meaning that all FbF/EWEA actors at the national and regional level need to have a common understanding of the anticipatory approach. At the same time, each partner has its comparative advantage and role in the FbF/EWEA sphere, accepting that there is complementarity in diversity.

The ‘One Voice, One Narrative’ principle also includes a coordinated approach to advocacy at the regional level with actors such as ASEAN. In addition, establishing a shared knowledge platform will allow cross-learning between and beyond the FbF/EWEA countries, strengthening the technical expertise and evidence creation in the region. Below is a collection of specific priorities that the participants identified at the national and regional level.



## Common priorities for scaling up FbF/EWEA in Asia Pacific

### National-level priorities:

- Common FbF/EWEA narrative
- Integration of FbF/EWEA into national policy and legal frameworks
- Technical coordination and evidence creation

### Regional-level priorities:

- Regional repository and technical support
- Advocacy with regional bodies
- Inter-agency coordination among FbF/EWEA partners

## Philippines, Mongolia and Fiji

### 1. National-level priorities:

- A common narrative built through working groups;
- Effective knowledge sharing on actors, areas of intervention, outcomes of their evaluations;
- Integration of FbF/EWEA concepts in government policies and mandates through memorandums.

### 2. Regional-level priorities:

- Coordination between actors and organizations in different countries that translates also down to the national level;
- Creation of a regional repository of knowledge;
- Facilitation of a common understanding to reach common agreements on FbF/EWEA;
- Technical support for trigger identification that includes experts, scientists and researchers;
- Regional Advocacy on FbF/EWEA.



Philippine Red Cross

## Bangladesh, Pakistan, Nepal, Myanmar

### 1. National-level priorities:

- Creation of a common narrative for a shared understanding;
- Building of evidence in order to change the mindset of decision-makers;
- Integration of initiatives across actors, in both operational and policy aspects, with a clear task allocation;
- Using smaller localized disasters for data gathering and research.



### 2. Regional-level priorities:

- Creation of a knowledge repository, to support data and knowledge sharing, good examples and lessons learned across countries.

### 3. Next Steps:

Bangladesh Red Crescent Society

- Publish an Asia-Pacific report on the experience of FbF/EWEA;
- Identify organizations that can act as knowledge brokers, nationally and regionally;
- Discuss ways by which local communities have access to direct funding streams.
- Elevate FbF/EWEA to a global policy process network.



Myanmar Red Cross Society

## Indonesia, Tajikistan, Kyrgyzstan, Vietnam

### 1. National-level priorities:

- Creation of a robust evidence-base to push forward FbF/EWEA action;
- Integration of FbF/EWEA in the policy and legal framework of countries;
- Creation of Inter-governmental mechanisms that also drive FbF/EWEA action;
- Ensure coordinated action through nationwide advocacy.

### 2. Regional-level priorities:

- Creation of a regional repository to encourage partnerships and joint action between FbF/EWEA actors;
- Provision of technical support on trigger identification through a consortium of experts;
- Facilitation of inter-agency coordination between FbF/EWEA actors;
- Regional advocacy.



Red Crescent Society of Kyrgyzstan & Tajikistan



Vietnam Red Cross Society

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DAY  
THREE



## Group Sessions

Jochen Luther, WMO

### I. Moving towards Impact-based Forecasting for FbF/EWEA

**Outcome:** What types of coordination are needed for trigger activation versus trigger development? Trigger activation would require the involvement of the respective organizations, while trigger development would mean collaboratively agreeing on a set of trigger information. It is also necessary to identify the critical stakeholders and data. High resolution localized data is necessary to efficiently identify triggers. Accessibility of data is critical for robust information management systems. All government departments that hold this data (Statistical Office, Met Department, Finance Ministry) must coordinate to ensure it is being managed and used effectively if it is to provide insights for disaster risk management. Due to climate change, hazards are continuously changing and data needs to be updated, because historical data patterns cannot always be used directly for all types of hazards and contexts. Moreover, 'conflict' also needs to be a key part of the metrics considered, and the general discussion should shift towards Impact-based Forecasting. Therefore, advocacy is necessary at different levels, with regional bodies and international agencies coordinating action from governments. There is a more and more evident need for a platform to channel communication to the Met services. Lastly, the use of Earth Observation data must be pushed to better understand areas of impact. While acknowledging the sensitivities around this data, we need to be able to identify how we can be better at enabling supply of necessary resources in specific areas.



#### Facilitator:

Andrew Kruczakiewicz

IRI Columbia University / RCCC

#### Panel:

Shanna McClain

NASA

Jochen Luther

WMO

Thi Thanh Hue Nguyen

Vietnam Institute of Meteorology,  
Hydrology and Climate Change

Prakash Narayanan

Singapore representative,  
UK Met Office

Gavin Fleming

GeoSAFE

Akililu Teklesadik

Irene Benito Lazaro  
510



Akiilu Teklesadik & Irene Benito Lazaro, 510 / Netherlands Red Cross



Shanna McClain, NASA, Andrew Kruczkievicz, and Catalina Jaime, Climate Centre

## II. Shock Responsive Social Protection – how is it linked to FbF?

**Outcome:** Social Protection can be defined as the set of policies, programmes, arrangements and instruments designed to protect members of society from shocks and stresses and reduce poverty and vulnerability. Given that frequency, size and duration of disasters and crises are globally on the rise, governments and international agencies are committed to finding a way to respond more efficiently and effectively to shocks. At the same time, it is important to keep in mind that systems focussing on disaster response are only one part of the picture in managing climate risks, since to the present day there is still a limited understanding of the impacts of weather on livelihoods, food, security and poverty by social protection stakeholders, and the lack of predictive capacity and standardized triggers.



**Facilitator:**  
Ellen Kramer  
WFP



**Presenters:**  
Aphitchaya Nguanbanchong  
WFP  
Ruben Villanueva  
UNICEF



Ellen Kramer, WFP

**Report:**

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### III. Heatwaves and Urban FbF/EWEA



Facilitator:  
Jerome Faucet  
German Red Cross

**Outcome:** Extreme heat is a high impact weather event that can cause loss of life, negatively affect health and wellbeing. Yet, unlike other natural hazards, 'heat' is particularly difficult to identify, earning it the moniker, "the silent killer". One reason extreme heat is so elusive is that it occurs both as an acute event, i.e. in the form of a heat wave, but also in the form of chronic exposure, like in the seasonal or year-round extreme heat of tropical regions. Another aspect that makes 'heat' difficult to forecast and communicate, is that its impact on human health is a composite effect of a number of factors beyond just temperature. In addition, impact data (mortality and morbidity) are not easy to access which greatly limits the ability to clearly communicate real impacts of heatwaves and also presents a limitation to the development forecast-based triggers. Through an open discussion, the session addressed the challenges of setting up FbF/EWEA for heatwaves, such as the identification of people most at risk, finding early actions that can make a difference and the selection of triggers. The session built on experiences from the Red Cross Red Crescent and Start Network and from countries as diverse as Kyrgyzstan, Pakistan, Tajikistan, and Vietnam. A key outcome of this session was that Start Network members, GRC and IFRC agreed to jointly organize a side event during the Seventh United Nations' Asia Pacific Urban Forum (APUF-7) to be held in Malaysia in October 2019. The objective of this side event would be (1) to showcase points of programmatic collaboration and important cross-cutting themes in addressing heatwaves, (2) to raise regional awareness around current innovative approaches such as FbF to address extreme heats, and (3) to highlight individual factors in vulnerability to extreme heat to inform strategic programmatic approaches moving forward to reach the most vulnerable.



Jerome Faucet



Felix Lung

## IV. Fundamentals of Disaster Risk Financing

**Outcome:** Disaster Risk Financing means ensuring that the money reaches those who need it most, when they need it most. Forecast-based financing is part of disaster risk financing in a way that it's decided based on scientific decision making (triggers), incentivize pre-planning and enabled by pre-arranged financing mechanism. The core principles of DRF are:

1. Timeliness of Funding. Different types of funding are needed at different stages after a disaster (relief, recovery, reconstruction)
2. The way money reaches persons at risk. This is as important as where it comes from. Based on ground analysis, the aim is to have the rules as clearly defined as possible, in order to allow pre-agreements and timely action.
3. No Single Financial Instruments can address all risks.
4. The importance of having adequate information in order to take sound financial decisions.

The above principles were discussed through an interactive exercise available on the World Bank Open Learning Campus.

For humanitarian organizations, it is important to conduct proper feasibility to understand the financing needs and gaps for their operations to understand whether new instruments need to be developed to address those gaps. The “value-for-money” for disaster risk insurance in the humanitarian context should be further studied. While financial and property loss in disasters are easier to estimate, understanding the value between a dollar today vs. a dollar tomorrow in terms of dignity protected, autonomy of choice or lives and livelihoods saved is not as straightforward. While DRF has the potential to enable large volume of funding in a short period of time, a key challenge identified by humanitarian organizations is how to assure that such increase is matched with the operational capacity to deliver assistance. Considering short lead times, massive scaling up financing for some early action interventions remains complicated.

### Report:

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Facilitators:

Kara Siahaan  
IFRC

Felix Lung and Catherine Ansell  
World Bank



Kara Siahaan

## V. What can go wrong with FbF?

Participants were divided into groups and had respectively 20 minutes to look into and reflect upon pictures arranged in a gallery walk.

Facilitator:

Catalina Jaime  
RCCC

### TOO COMPLICATED



Outcomes:

Group 1

What can go wrong:

1. Uncertain forecasts could lead to a waste of time and resources, and loss of trust in future warnings;
2. Time consumed to change and harmonize project requirements, with mandates of decision-makers and donors.

Possible solutions:

1. To collaborate and coordinate closely with forecasting agencies, on information, confidence levels, and impact analysis;
2. To make good provisions for advocacy on FbF/ EWEA at all levels, and for building a robust evidence base that includes successful cases such as Myanmar to enable effective communication for advocacy

## Group 2

### What can go wrong:

1. Dependency of the government on other actors to take early action measures;
2. Wanting to do too much, i.e. planning actions at too big a scale or too big a scope;
3. Getting the forecast right, but not being able to access funding (because either the program doesn't fit within the mandate of the donor, or programs are planned without financing sustainability in mind, and therefore funding is available only for pilots);
4. Inability to resolve perception issues of the government and community on what are suitable anticipatory actions.

### Possible solutions:

1. Being selective in terms of actions and responsibilities would leave room for specialisation and avoid duplication;
2. Planning what is feasible in terms of capacity;
3. Maximise the impact of proposed actions, to build an effective and comprehensive evidence base to be used also to convince donors for funding.



Catalina Jaime, RCCC

### Report:

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## Group 3

### What can go wrong:

1. Increased expectation among local community on provision of support before a disaster;
2. Lack of organisational capacity to carry out anticipatory action effectively due to limited resources.

### Possible solutions:

1. Clear communication with communities, government agencies, and other DRM stakeholders on what can and cannot be achieved with an FbF/EWEA approach, reiterating that it is not an alternative to response;
2. Conduction of more studies and research on multi-hazard events, in order to have the requisite data, information and forecasting ability to act effectively.

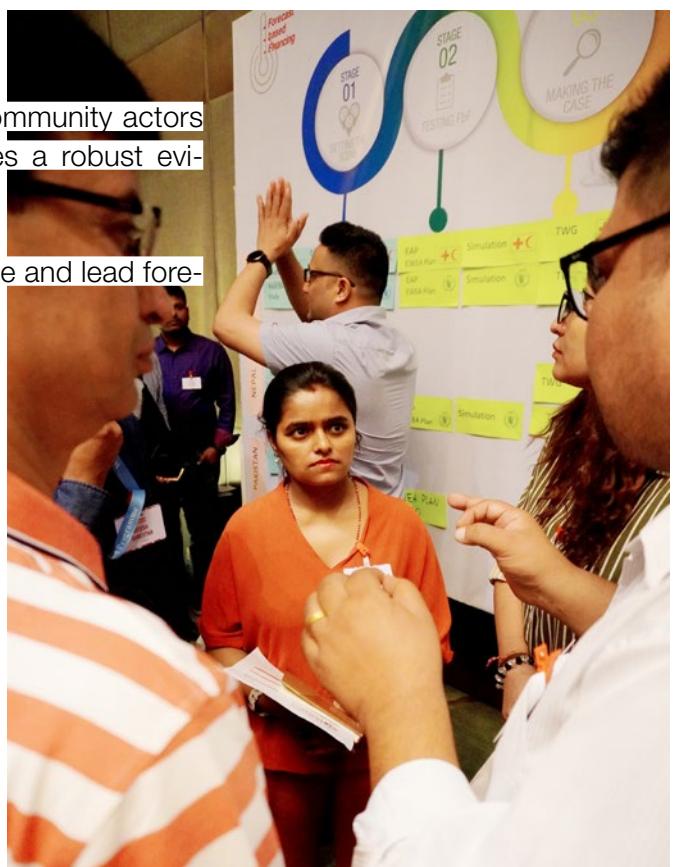
## Group 4

### What can go wrong:

1. Lack of buy-in or acceptance of the FbF/EWEA concept by the government and local communities;
2. Inability to integrate different forecasting products and data from different agencies.

### Possible solutions:

1. Constant engagement and communication with community actors and advocacy with government. This also requires a robust evidence base to enable effective advocacy;
2. Designation of one agency or authority to coordinate and lead forecasting data dissemination.





Damien Riquet GRC & Mark Cervantes FAO



Philippe Martins, FAO Fiji

## VI. Institutionalizing FbF

### Fiji

Early Warning Early Action constitutes an innovative programme for the provision of timely information to stakeholders, in a country in which the focus is normally more on response to disasters than on risk management. Since there are no humanitarian actors working on their own, the FAO worked closely with the government, setting up a Technical Working Group, including policy professionals, technical actors and academic institutions, that collaborated to identify indicators and thresholds. The goal was to integrate the system in national policies. The programme itself showed how critical it is to facilitate the dialogue between different government institutions and highlighted the need to work towards integration of the EWEA system with the mandate of the government from an early stage. At the same time, to achieve a high degree of ownership by the communities, integrating traditional knowledge on thresholds and hazard identification is key.

### Philippines

The latest legislation has pushed for proactive management of risks and disasters, as opposed to the earlier reactive management of the same: now funds can be used for the areas of preparedness, response, mitigation, and recovery & rehabilitation. The ultimate aim of the FbF/EWEA programme will be to integrate the approach into short, medium- and long-term government plans. As PRC is represented in the DRRM council and is a member of the Response Cluster and Incident Command System, it can actively advocate for FbF/EWEA to be integrated into existing Disaster Management procedures and tools and ensure the absence of conflicted actions.

#### Report:

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#### Facilitators:

**Damien Riquet**  
*German Red Cross*



**Thai Anh Nguyen**  
*Food and Agriculture Organisation*



**Speakers:**  
**Philippe Martins**  
*FAO Fiji*

**Danilo Atienza**  
*PDRRMO Philippines*

**Arif Abdullah**  
*UNDP Bangladesh*

**Dipo Suma**  
*ASEAN AHA Center*

**Ashraf Ali**  
*FAO Pakistan*

## Bangladesh

Over the past few years, the Bangladesh Government has been responding to disasters very quickly (usually in less than 24 hours), despite the frequency and effects of disasters in the country. In fact, Disaster Management Committees are well connected to stakeholders, with local representation seen in many of them. However, there is a need to invest in risk management, and look at actions that can help enhance resilience, as well as to build coordinated capacity to act. Currently, a 10-cluster system looking at different emergencies, comprising all stakeholders working on disasters and coordinated by a ministry is in place, as well as different working groups led by actors with technical capacity. As each cluster works closely with ministries, it is possible for them build capacity on existing gaps and embed the FbF/EWEA approach in the existing government system. Therefore, it is evident how the predominant requirement for institutionalizing FbF/EWEA is horizontal leadership and accountability. There is a need to identify who will lead across different organizations, to coordinate messaging, partnerships and mandates and work with the government to build capacity to deal with disasters.

## ASEAN

The idea of FbF/EWEA is new in ASEAN, which so far only responds to disasters. But given that ASEAN works closely with governments, one way of institutionalizing FbF in the long-term is through its inclusion in the SASOP (Standard Operating Procedure for Regional Standby). This has proved to be very difficult, as an international agreement is required. In the short-term, getting an invitation to the ACDM (ASEAN Committee on Disaster Management) would be a better way to gain a national buy-in. It should also be taken into account that ASEAN is working on opening up the ADMER Fund outside of member states, with the aim to eventually make this funding pot available for Early Action programmes.



Dipo Suma, ASEAN AHA Center

## Pakistan

The programme on Early Warning and Early Action shared findings and recommendations on Early Action during local workshops. Following different advocacy activities pushing for its integration within the country's policy framework, EWEA was then introduced at the government level (Drought Risk Reduction Policy). A Technical Working Group on EWS for Drought was created and Protocols for EA Financing were set up by the National Disaster Risk Management Fund and international donors, with the FAO also looking to support the same. But as with all Early Action programmes, the main question concerns the leadership of the system: the FAO recommends that this be the Planning and Development Board in Pakistan, which manages budgetary resource allocations, in joint action with the Provincial Disaster Management Authority, as implementing agency.

# Conclusion

## Vision and workplan

**Outcome:** participants clearly identified the need for ‘One Voice, One Narrative’ meaning that all FbF/EWEA actors need to have a common understanding of the anticipatory approach. At the same time, each partner has its comparative advantage and role in the FbF/EWEA sphere, accepting that there is complementarity in diversity.

The ‘One Voice, One Narrative’ principle includes a coordinated approach to advocacy at the regional level with actors such as ASEAN. In addition, establishing a shared knowledge platform will allow cross-learning between and beyond the FbF/EWEA countries, strengthening the technical expertise and evidence creation in the region.



# IMPRESSIONS



# LINKS TO DOCUMENTS

Photos and information from the 3<sup>rd</sup> Asia Pacific Regional Dialogue Platform on Forecast-based Financing in Manila.

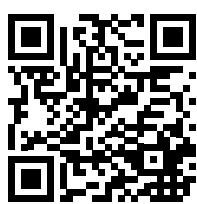
Click the icons to visit the websites.

Photos



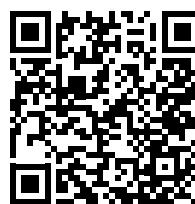
<https://www.flickr.com/photos/147653724@N08/albums/72157709441574612>

Information



[forecast-based-financing.org](http://forecast-based-financing.org)

FbF Manual



[manual.forecast-based-financing.org](http://manual.forecast-based-financing.org)

For more information about the FbF projects of GRC and the setting up of an FbF project, please visit our website and the FbF online manual.

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