



# REPORT

## 2nd Asia Pacific Regional Dialogue Platform on Forecast-based Financing

30–31 May 2018



Kuala Lumpur, Malaysia



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# BACKGROUND

→ In May 2018, Kuala Lumpur welcomed the **2nd Asia Pacific Regional Dialogue Platform on Forecast-based Financing**. The two-day event gathered about 120 national, regional and international practitioners, scientists, policy makers, and government representatives from 21 countries to share their experiences with each other and learn about an innovative humanitarian financing method to allow Early Action based on weather forecasts and in-depth risk analysis.

This approach, called Forecast-based Financing (FbF), is currently being implemented in 20 countries around the globe, six of them in the Asia Pacific region. In addition, the event hosted a Red Cross Red Crescent FbF expert-day in order to accelerate the development of the approach. The 120 participants of the event reflected the wide variety of actors working on FbF in the Asia Pacific region.

The audience comprised government representatives from six countries, including three different Met Services, staff from six different IFRC offices and seven WFP offices. Additionally, three other UN agencies, FAO, OCHA and UN Woman, and five NGOs were represented. In total 19 Red Cross Red Crescent National Societies were present, supported by Red Cross Red Crescent Climate Centre representatives from seven different countries. Last but not least, there was representation of three independent research institutes and one private sector company.



The purpose of the 2nd Asia Pacific Regional Dialogue Platform on Forecast-based Financing was to discuss implementation strategies and provide space for the FbF Practitioners and Partners to move ahead together with the FbF agenda in Asia Pacific across organisations, and enhance understanding of the concept, methodology and funding mechanisms.

1. Share the latest and on-going FbF experiences, developments and plans for the implementation of FbF in the Asia Pacific region
2. Assess achievements, progress and evidence generated regarding FbF in the Asia Pacific region
3. Learn more regarding impact evaluation and theory of change in the context of FbF
4. Firm up and define the regional FbF Advocacy Agenda

The event, which was part of the German Federal Foreign Office *Action Plan for the Humanitarian Adaptation to Climate Change*, was jointly organised by the International Federation of the Red Cross and Red Crescent Societies (IFRC) and the German Red Cross (GRC), hosted by the Malaysian Red Crescent Society (MRC) and supported by the World Food Programme (WFP).



2nd Asia Pacific Regional Dialogue  
Platform on Forecast-based Financing

# DAY ONE

# Opening Speeches



**Dato' Sayed A. Rahman bin Sayed Mohd**  
*Secretary General,  
Malaysian Red Crescent Society*

The Secretary General of the Malaysian Red Crescent Society was the first to welcome the participants of the 2nd Asia Pacific Regional Dialogue Platform on Forecast-based Financing. He emphasised the fact-finding nature of the conference and the utility of bringing together organisations with and without experience in implementing FbF programmes in order to fulfil what he has described to be one pillar of the Red Cross Red Crescent mandate: the mitigation of disaster.



**Martin Faller**  
*Deputy Director,  
IFRC Asia Pacific Regional Office*

“Forecast-based Financing is a game changer of our work”, is what the deputy director of the IFRC Asia Pacific Regional Office said in his opening speech on the great role FbF can have in regard to humanitarian action. It is changing organisations’ ways of programming, from merely reacting to natural hazards towards the anticipation of such occurrences, encouraging anticipatory actions. In this process, he highlighted the model-role played by pilot projects in all countries in the Asia Pacific, as they move from the conceptualisation phase to that of comprehensive testing. He encourages all attendees and all organisations to take the risk and call for Forecast-based Early Action.



**Jens Brinckmann**  
*German Embassy in Kuala Lumpur*

Mr. Brinckmann, who spoke on behalf of the German Federal Foreign Office, focused on the global importance of adapting the deployment of humanitarian assistance amid the challenges of climate change which is dramatically impacting the lives of millions. He stressed that the growing number of extreme weather events requires new, innovative mechanisms and solutions to tackle the increasing humanitarian challenges. Assessing this he said: “Together we have taken major steps in the past

years to shape a humanitarian approach to disaster and climate change risks and to fully integrate Forecast-based Financing into our work”. The way forward is to further improve forecasting capacities, increasing the possibility of earlier and more effective actions implemented by humanitarian actors. Lastly, he affirmed the need for dedicated and structured funding for Forecast-based action enabling steps to be taken within the crucial window of opportunity between a forecast trigger and a potential disaster.



# Formal Panel Discussion: A Paradigm Shift towards Forecast-based Early Action

- Introducing a new format to the Dialogue Platforms, brief introductions gave an opportunity to key actors in the field of Forecast-based Early Action to outline their organisations role and pitch their key strengths within just three minutes.



**Moderator:**  
Thomaz Carlzon

## Alexandra R uth on The role and strength of German Red Cross

Mrs. R uth framed the efforts of German Red Cross in developing FbF as a part of the application of the German Government's Federal Foreign Office's Action Plan for the humanitarian adaptation to climate change. She acknowledged the great effort and achievement in setting-up this network of practitioners, policy makers and scientists over the last three years. The main achievements are

- the development of a concrete FbF methodology,
- testing of the methodology by activating Early Action Protocols ahead of floods, cyclones and cold-waves in different pilot countries,
- the Forecast-based Action by the DREF Fund in Geneva which enables the Red Cross/Red Crescent Movement to finance early actions automatically when predefined triggers are reached,
- the regular meeting of the multi-disciplinary networks in regional and international Dialogue Platforms which allows for the creation of synergies in the development of various methodologies of crisis anticipation (START Fund, WFP, UNOCHA etc.)



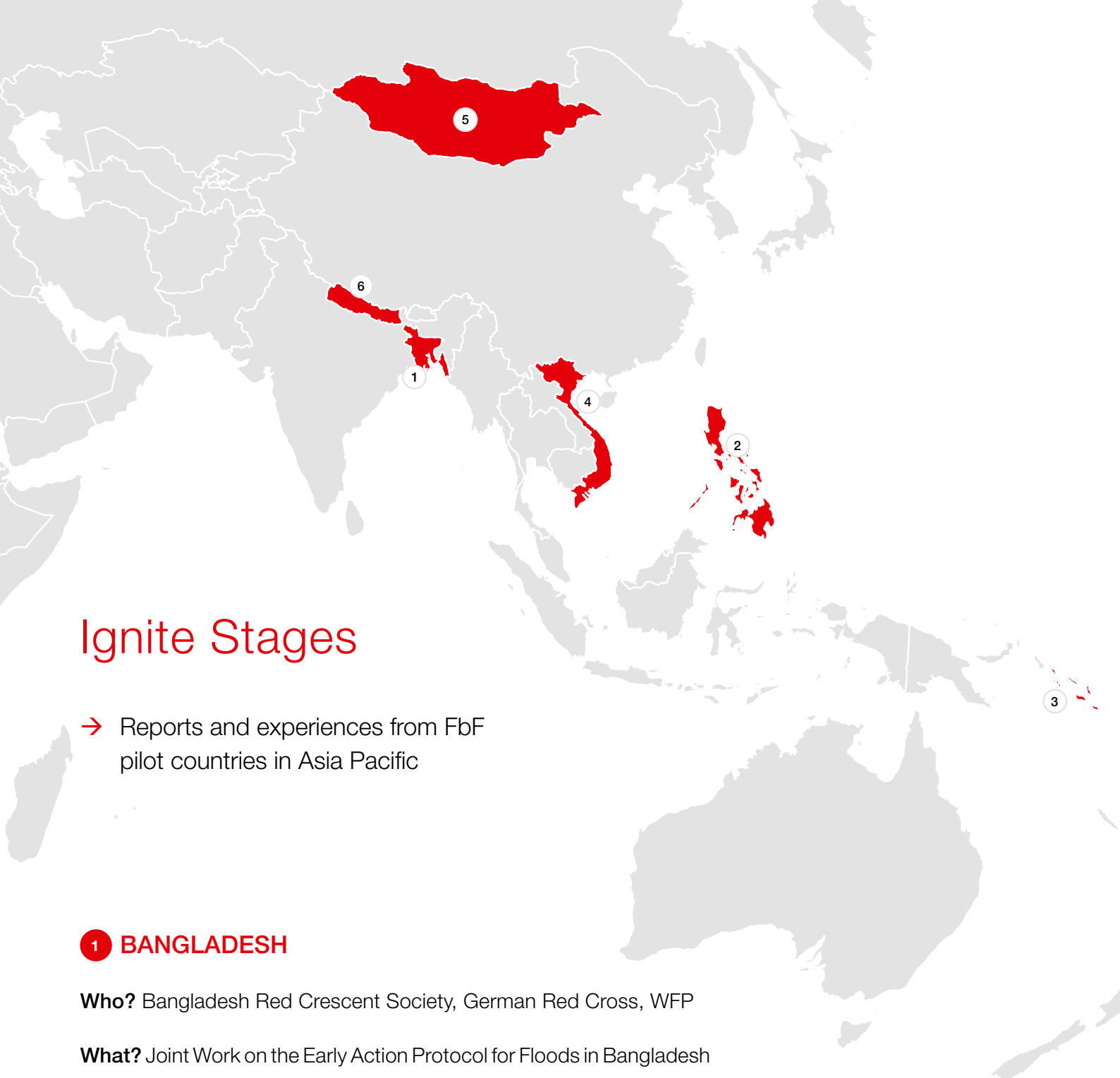
Crucial for the further success of this movement toward crisis anticipation, Mrs. R  th emphasised the importance of keeping of an innovative spirit, a critical mind, the joint evaluation of methodology, and the use of all possible activations of Early Action Protocols to further gather highly important field experience. Providing evidence that FbF works via well-documented activation cases is key for continuous donor engagement. But alongside these concerns, it should always be kept in mind that the goal of the anticipatory component is to increase the efficiency and effectiveness of the humanitarian system, thereby improving the lives of the most vulnerable.

**Maria Rozzella Quilla on**  
**The role and strength of FAO**

Emphasising the crucial importance of agriculture in the economy and for the livelihoods in the Asia Pacific region and its high vulnerability, Ms. Quilla highlighted FAOs expertise in protecting and supporting this sector based on informed decisions. She said, “Investing in EWEA means FAO can help shelter longer-term development gains and increase resilience”, adding that the specialised technical knowledge and expertise in this very important sector is FAOs greatest asset which can be combined with the in-house “Early Action window to SFERA” funding mechanism enabling Early Actions in the agricultural sector.







## Ignite Stages

→ Reports and experiences from FbF pilot countries in Asia Pacific

### 1 BANGLADESH

**Who?** Bangladesh Red Crescent Society, German Red Cross, WFP

**What?** Joint Work on the Early Action Protocol for Floods in Bangladesh

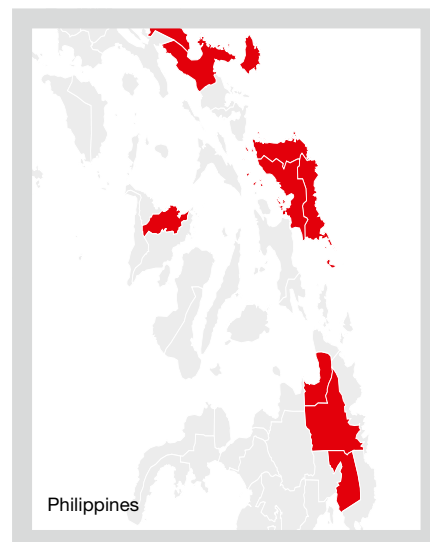
**Key Message?** The importance of having a consistent response to forecasts. The symposium of actors in Bangladesh decided it was a crucial step to develop a common trigger and a shared approach for Early Actions in the form of cash distributions. The third joint pillar for FbF work for the Red Cross Red Crescent and WFP in Bangladesh is advocacy work at the government level and the enhancement of capacity on the implementation level.

## 2 PHILIPPINES

**Who?** Philippine Red Cross, German Red Cross

**What?** FbF in the Philippines – Closing the gap between Disaster Risk Reduction and Emergency Relief

**Key Message?** The FbF project in the Philippines will be developing, working with a group of core stakeholders, two Early Action Protocols (EAP) in 2018, one for typhoons and one for floods. These EAPs will target up to nine different provinces depending on the impact of the respective hazards. The process includes local government authorities, periodic field visits and capacity development activities with the different local Red Cross branches.



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**Who?** Wetlands International

**What?** FbF in slow-onset disasters

**Key Message?** Wetlands International in the Philippines' FbF project is concerned with anticipating decreasing rainfalls potentially culminating in a slow-onset disaster. Its response to that possibility focuses on environmental management and rehabilitation. Its core challenge is to adapt the FbF approach to slow-onset disasters.

## 3 SOLOMON ISLANDS

**Who?** Solomon Islands Red Cross, Australian Red Cross, Red Cross Red Crescent Climate Centre

**What?** Roadmap for institutionalising EWEA/FbF for drought in the Solomon Islands

**Key Message?** The scoping studies in 2017 and 2018 indicated the significant additional value of FbF programming for drought in the Solomon Islands. Hence, a consortium of stakeholders, including the national government agencies and Met Service, regional NGOs, Red Cross actors and others started working on institutionalising FbF based Early Actions into national disaster law and the development of an EAP with health and WASH elements.

## 4 VIETNAM

**Who?** Vietnam Red Cross, German Red Cross, IMHEN

**What?** FbF ready – Heatwaves in Hanoi

**Key Message?** VNRC and GRC in Vietnam have focused their FbF project on heatwaves in urban Hanoi as increasing temperatures are an observed climate trend in an area with increasing urbanisation and a rapidly aging population. This rising temperature contributes to the growing severity of the impact of extreme weather events. In this context, activities centre on developing a heatwaves-EAP for urban Hanoi and capacity development activities to get VNRC 'FbF ready'.

## 5 MONGOLIA

**Who?** FAO

**What?** Early Action to safeguard lives and livestock-based livelihoods against potential dzud (extreme cold) in drought affected pastoralist areas

**Key Message?** The FAO project in Mongolia focuses on the response of dzud forecasts in five provinces designated by the Mongolian Ministry of Food, Agriculture and Light Industry. During the last response, the project targeted around 500 households with early actions such as 'cash for meat', in-kind food aid, fodder for herds and improving the accessibility of the veterinary system. There is currently an ongoing Return of Investments study.



**Who?** Mongolian Red Cross Society, British Red Cross

**What?** Dzud Forecast Response in 2017–2018 winter

**Key Message?** The Forecast-based Early Actions of the Red Cross actors in Mongolia in the 2017/2018 winter were based on the 1st National Dzud Risk Map published by the government, indicating 12 high-risk areas. The response to this forecast began in November 2017 and included the distribution of unconditional cash grants and animal care kits to around 2,000 highly vulnerable herder households in the high-risk areas. There is currently an evaluation study ongoing and results will be available shortly.

## 6 NEPAL

**Who?** WFP Nepal on behalf of the Nepalese Department of Hydrology and Meteorology

**What?** Status of Flood Forecasting and Warning System in Nepal

**Key Message?** The Nepal Department of Hydrology and Meteorology has a differentiated system for rain forecasting from which it develops nation-wide flood forecasts. The early warning system includes the activation of different government authorities on the national-, district-, and community levels, utilising different communication channels such as text messages, broadcasting companies, and the internet after forecasts have reached certain thresholds.

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**Who?** Practical Action

**What?** SOP Formulation in Nepal

**Key Message?** The formulation of the flood SOPs (developed jointly with WFP Nepal) was based on a five-step process (baseline study, formulation workshop, drafting, simulation, and finalisation), integrating feedback from different governmental stakeholders. The SOP contains triggers and thresholds, outlining different procedures and Early Actions based on forecasts.



## Working Group Session I

→ During each Dialogue Platform we attempted to give all participants the opportunity to attend smaller workshop-style working groups. The topics there covered a large spectrum of issues associated with FbF.

**Get an overview of this years' 2nd Asia Pacific Regional Dialogue Platforms working groups, topics and main takeaways on the next pages!**

### **A National Approach to FbF – Science and Actions**

This working group was designed to foster a better understanding of the 2nd phase strategy by sharing the scientific ideas behind it as well as first-hand experience from pilot countries. One of the main takeaways reported was the necessity of having a multi-stakeholder approach for successful FbF planning while embracing complexity from the beginning.



**Presenter:**

**Davaajargal Batdorj,**  
*Mongolian Red Cross Society*

## The Linkage of FbF with Social Safety Nets

This session, aimed at outlining the linkage between FbF and Social Safety Nets (SSN), started off by emphasising the crucial need of information regarding the target population of the support delivery. In this context it would be the role of RCRC and WFP to reach out to the people who are not covered by SSNs in order to support not only underprivileged but also at-risk communities. The dominant challenge remains how to identify these groups.



**Presenter:**

**Siemon Hollema**  
*World Food Programme*

## FbF in Urban Settings

The overarching question addressed by this group was, what the specific challenges are when applying FbF to an urban context and what has to be done or conceptualised differently? To further follow-up on this, the group worked out a two-pronged action to advance on the FbF agenda: grouping regionally while sharing knowledge and findings globally.



**Presenter:**

**Jerome Faucet**  
*GRC in Vietnam*

## FbF in the Wider Disaster Risk Management Context

The session highlighted the different roles that all country stakeholders play in DRM and FbF and emphasised the importance of engaging all of them into FbF activities. This will contribute to policies, science and advocacy of FbF in the DRM context. The most important steps for FbF would be to put in place functioning response and financing mechanisms, while increasing the overall trust in weather forecasting. In addition to that it was clarified that FbF could crucially contribute to area 4 (early action to enable better response) of the SFFDRR.



**Presenter:**

**Thomaz Carlzon**  
*IFRC Asia Pacific Regional Office*



# Funding Mechanism: Forecast-based Action by the DREF

## Developing a financial mechanism for early action

Given the innovative potential of FbF and the necessary funding for the increasing number of EAPs within the Red Cross Red Crescent Movement, a dedicated, scalable financing mechanism was required. This would ensure that donor funds are used efficiently, and that vulnerable communities and National Societies have access to immediate, reliable and sustainable funding in cases of EAP activation. The establishment of a dedicated financial mechanism provides a reliable, known supply of funding for the implementation of EAPs and addresses the restrictions that annual humanitarian aid budgets impose on projects in terms of scale, flexibility and accessibility. A financing mechanism also strengthens the visibility and highlights the collective efforts to support early action, thus encouraging the mobilisation of additional funds from various sources that are needed to boost early actions.

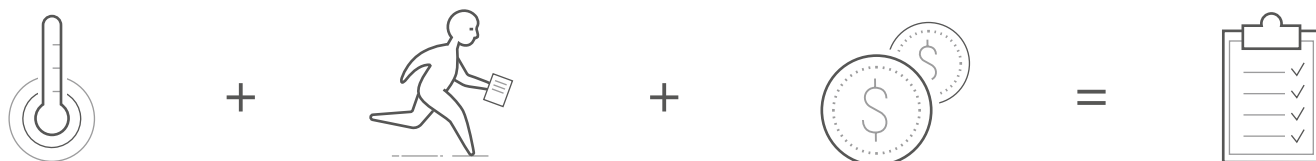


**Presenter:**

**Nelson Castano**

*IFRC Asia Pacific Regional Office*

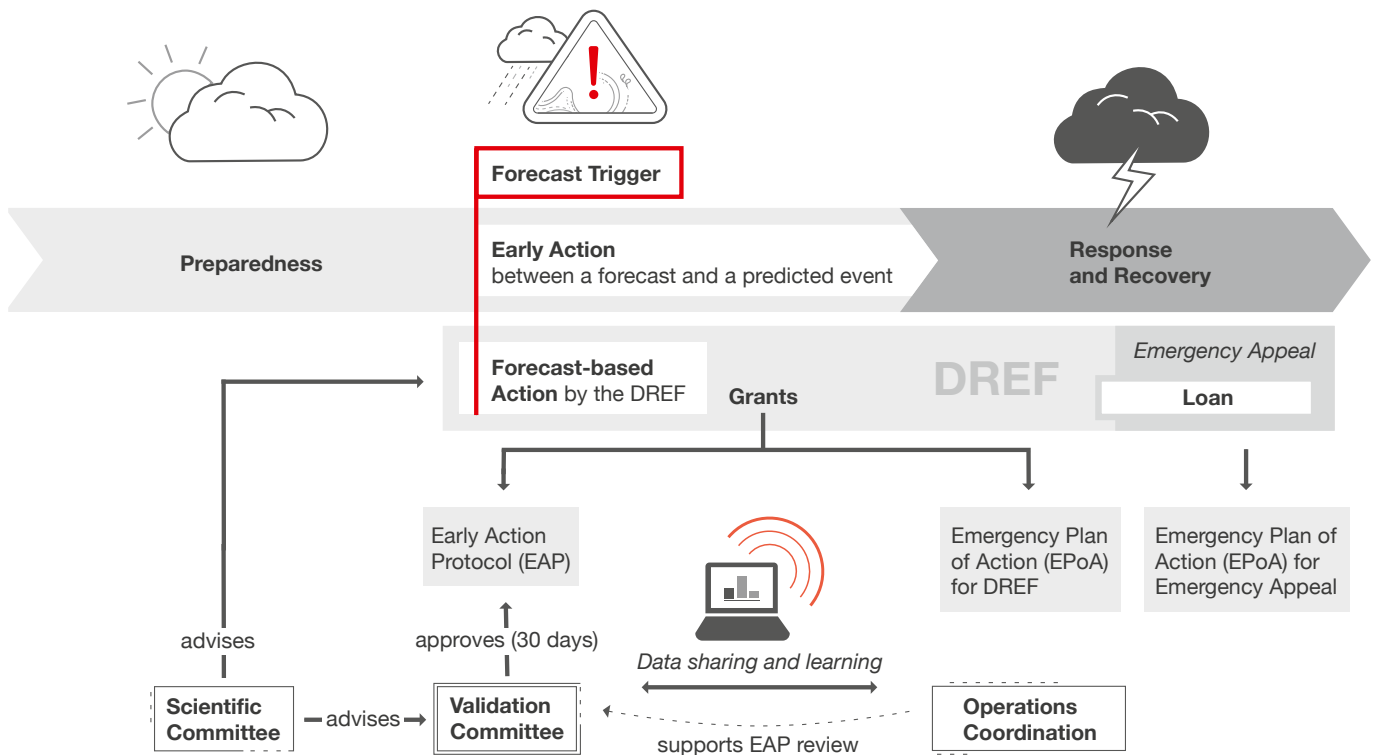
### FbF has three components that are summarized in Early Action Proposals (EAPs)



## Integration into the Disaster Relief Emergency Fund

In December 2017, the IFRC established Forecast-based Action as a dedicated and sustainable financial mechanism, providing a vehicle for donors to support the FbF concept by extending the scope of DREF. Connecting the new mechanism to DREF strengthens links, data sharing and decision-making between the different phases of intervention in the disaster management cycle. The DREF is a well-established and well-known response tool and has a proven track record of managing multi-donor funds.

Since the Forecast-based Action mechanism is set up as a fenced component, it gives donors the flexibility to allocate contributions according to their mandate. The mechanism serves National Societies and focuses on the funding of EAP implementation and maintenance. The mechanism concentrates on EAPs for hazards that can be scientifically forecast based on hydrometeorological risk data and observations. The acceptance of EAPs by the fund depends solely on their quality, which is based on transparent eligibility criteria. The fund uses a trigger-based, decision-making process. Once an EAP has been accepted, the funding of early action is guaranteed, as is the maintenance of the EAP itself during its lifecycle. To overcome the key barrier to efficiency, the fund's disbursement is not dependent on multi-layered and drawn-out decision-making processes or political considerations. The mechanism has flexible cash reserves to facilitate fast cash transfers, guaranteeing the timely availability of funding for the direct benefit of recipients.





2nd Asia Pacific Regional Dialogue  
Platform on Forecast-based Financing

# DAY TWO

# Open Space

→ For the Open Space session, there was not a pre-determined agenda of discussions and working groups. Participants decide themselves what they considered important to discuss.

Participants decide themselves what they considered important to discuss. Everyone was free to pitch a question/issue in the plenary. Then, as soon as other participants are interested, the group gets a time slot to discuss the matter. The objective is to bring people together, share knowledge and propose ideas, plans, programmes and actions.



## Topics

that came up during the session:

DREF EA approval and application process and guidance

Getting support to set up thresholds and triggers as river basin approach

EAP discussion Bangladesh

Integration and alignment, other donor \$ for DRR, DREF with national \$

Application of Impact based forecasting in FbF, capacity building of NMHS for impact-based forecasting

Bilateral meetings at the same time



## Working Group Session II

### Institutionalisation of FbF

This working group was designed to foster a better understanding of the 2nd phase strategy by sharing the scientific ideas behind it as well as first-hand experience from pilot countries. One of the main takeaways reported was the necessity of having a multi-stakeholder approach for successful FbF planning while embracing complexity from the beginning.



**Led by:**

**Gabriele Emery and  
Sanna Salmela-Eckstein**

*IFRC Asia Pacific Regional Office*

### Creating the Evidence: Monitoring and Evaluation (M&E) and Return on Investments (ROI)

The session provided an overview of approaches for defining results for FbF programmes, measuring progress and evaluating the achievement of intended and unintended outcomes of forecast-based actions. The presenters shared two practical examples: a return-on-investment study from WFP's FbF intervention in Nepal, and findings from an impact assessment of an FbF intervention in Bangladesh in anticipation of the 2017 floods of the Brahmaputra river. The subsequent discussion with the session participants highlighted the importance of contextualised M&E approaches: every FbF programme develops its unique Early Action Protocol (EAP) with forecast-based actions that are tailored to the local hazard and vulnerability context; therefore, the measurement of results must be equally adapted to the local context and to EAP.



**Led by:**

**Clemens Gros**

*Red Cross Red Crescent  
Climate Centre*

**Jesse Mason**

*World Food Programme*



## Forecast-based Cash

The overall goal of the session was to introduce Forecast-based Cash as a new programming tool in FbF, outlining current research findings from the field and differences from ‘normal’ Cash Transfer Programming, and to come up with FbC-specific requirements in order to operationalise it. While emphasising the similarities between ‘regular’ cash programming and Forecast-based Cash, the added complexity of Forecast-based Cash was highlighted as a key take-away from this group. It was concluded there was need for continued advocacy with financial regulatory bodies to allow for quick humanitarian cash interventions.



**Led by:**

**Raymond Zingg**  
*German Red Cross Bangladesh*

**Supported by:**

**Jarret Basedow,**  
*American Red Cross*

**Afroza Haque**  
*GRC Bangladesh*

**Isidro Navarro**  
*IFRC*





→ The Science Talks panel was the grand finale of the two-day Dialogue Platform in Kuala Lumpur and an information-rich last session on the many ways science contributes to FbF programming. The six speakers on this panel gave the audience a broad and impressive overview of the tools that can be used in different contexts.



**Moderation:**

**Jesse Mason**  
*World Food Programme*

**David Corbelli, UK MetOffice on  
Impact Based Forecasting**

This first presentation gave a concise overview of how to extend from a weather forecast to an impact-based forecast, indicating what the weather event will be like and where it will challenge vulnerabilities. Mr. Corbelli furthermore elaborated on the ability to increase understanding of hazards, impacts, and what can be done with resources available in order to have the most effective humanitarian response, i.e. the value impact-based forecasting has for FbF.

**Muhammad Abul Kalam Mallik,**  
**Bangladesh Meteorological Department on**  
**Impact-based Forecasting over the Bay of Bengal**

Giving an overview of Bangladesh's Meteorological Departments' Impact-based Forecasting activities over the Bay of Bengal, Mr. Mallik introduced the different extreme weather events the agency is issuing impact-based forecasts for, highlighting the different stakeholders and lead times, which range from only six hours up to three months. By using this practical example Mr. Mallik explained to the audience on some of the opportunities, tools and capacities of modern-day meteorological agencies to forecast natural hazards.

**Desmond Tan, Vaisala on**  
**National Weather Observation Infrastructure**

Elaborating on the impact climate change has made on the frequency of extreme weather events and the losses that follow, Mr. Tan re-emphasised the importance of investments in national HydroMet services in order to increase weather forecasting accuracy. One of the great assets of improved services would be increasing lead-times in order to warn and take Early Actions.

**Eugene Allan H. Lanuza,**  
**Philippines Department of Social Welfare and Development on**  
**Predictive Analysis for Humanitarian Response**

PAHR was introduced to the audience as an automated instrument to make predictions on potential disaster events in order to prepare humanitarian response. Utilising mathematical theories, scientific processes, and spatial technologies, PAHR informs actors in the Philippines on weather events and on the estimated impact areas within a lead-time of 3–5 days.

**Andre Martinez, World Food Programme on**  
**Real-time Information Systems (PRISM)**

While introducing the main challenges of data availability and usability for effective decision-making, this presentation introduced PRISM as technology innovation to tackle challenges of silos by combining multiple data streams into a single impact-focused, interactive framework in order to visualise and analyze information. In parts of Cambodia PRISM is already the basis for effective targeting, and programmedesign, ensuring the most efficient use of resources. It currently uses historical

data informed by early warning to give indication of impact. It has not yet been used for forecasting information, but work is currently underway to allow for this use by 2019.

**Melody Braun & Andrew Kruczkiewicz,**  
**International Research Institute for Climate and Society on**  
**IRI and Early Warning Early Action**

The two speakers from IRI, associated with Columbia University, gave a thorough overview of the many ways research institutes can and do contribute to the Early Warning Early Action agenda amid various natural hazards. These stretch from the training of, and the development of models for, different demands and actors, to on-the-ground discussions regarding the impact potentials of extreme weather events with affected populations, to how forecasts can help make decisions on what actions to take. In that regard, they presented a project which they are currently working on in the Cox's Bazar refugee camp in Bangladesh. Repeatedly, the researchers highlighted the quality, availability and accessibility of weather-related data.



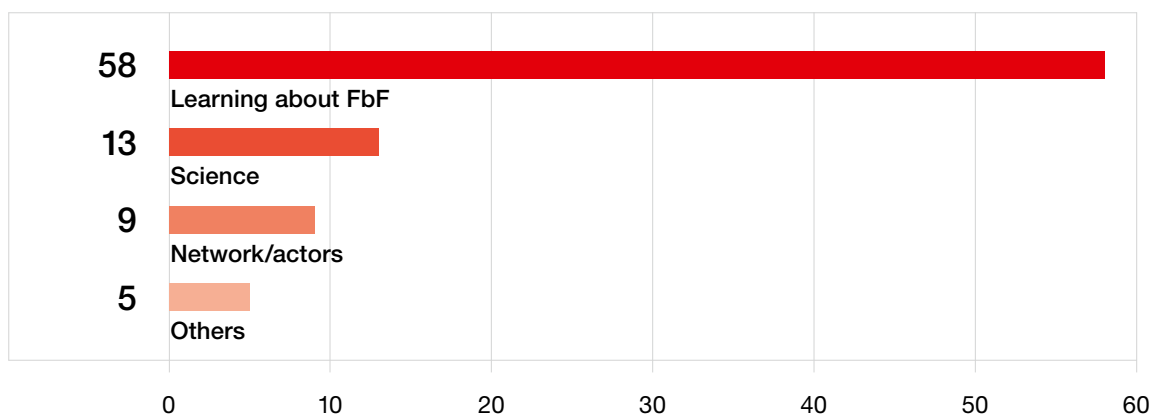
# Closing and Participatory Evaluation

Looking at the post-event evaluation<sup>1</sup> some findings can be highlighted to measure the objectives against the results of the evaluation. Particularly worthwhile seems to be the learning outcome of this Dialogue Platform where over 58 % of the responding participants mentioned they had learnt something new about FbF, the concept, its implementation or the monitoring of FbF projects and programmes.

<sup>1</sup> It was an open-format survey compiling five questions on learning outcomes, improvement potential, shortcomings, great and less great aspects of the 2nd Asia Pacific Regional Dialogue Platform on FbF.



## Learning outcomes 2<sup>nd</sup> Asia Pacific Regional Dialogue Platform on FbF





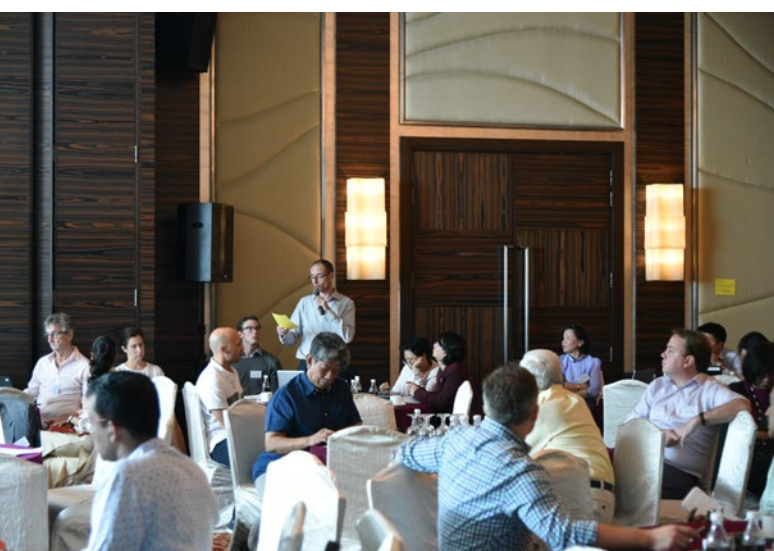
# Closing remarks

**Xavier Castellanos, Director IFRC Asia Pacific Regional Office, IFRC**

Closing the two-day event, Xavier Castellanos had the opportunity to present a preliminary résumé in which he stressed the importance of cooperation, collaboration and coordination of key stakeholders such as governments and policymakers, scientists, practitioners and the communities we work with in order to improve the operationalisation of Forecast-based Early Actions on all levels. Beyond that, he emphasised the link between FbF and localisation efforts, as well as the Sendai Framework for Disaster Risk Reduction, highlighting how the results from the Dialogue Platform will feed into continued discussions during the Asian Ministerial Conference on Disaster Risk Reduction. Last but not least, he addressed one of the crucial challenges for the members of the Red Cross Red Crescent in the room: making the new funding mechanism, “Forecast-based Action by the DREF”, work.



# IMPRESSIONS



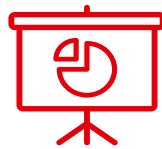
# LINKS TO DOCUMENTS

Presentations, photos and information from the 2nd Asia Pacific Regional Dialogue Platform on Forecast-based Financing

Click the icons to visit the websites.



**Photos**



**Presentations**

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:



**Information**



**FbF Manual**

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