

START READY

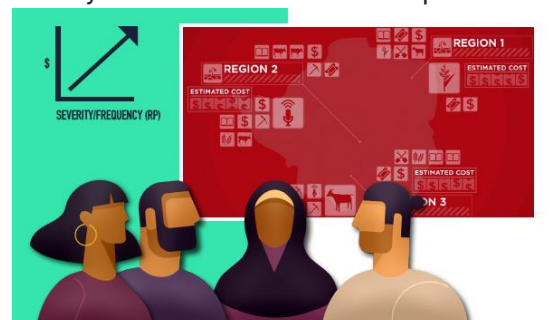
Start Ready builds on the Start Network’s experience in developing locally-led systems that enable frontline humanitarians to access early, predictable disaster risk finance.

Start Ready pre-positions funding for crises that happen with regular patterns of reoccurrence (like floods, droughts and heatwaves) and for which it is possible to model where they are likely to occur, how frequently and what the impact would be on the most vulnerable communities. Our evidence suggests that around 55% of humanitarian funding goes to crises like these that are somewhat predictable, and yet only 1% of funding is organised in advance¹. In the face of escalating climate emergencies, it is both possible and necessary to prepare systems and funding in advance, to ensure more timely, effective and efficient action to assist communities at risk.

HOW DOES IT WORK

1. BUILD: Anticipating & managing risks locally

Well established networks of local, national and International NGOs work together to develop a risk financing strategy. To do this, they analyze past crises, identify priority hazards and critical windows of opportunity to act earlier to protect communities at risk. They then work with hazard experts and national meteorological organisations to draw on scientific data, community information and historical lived experience to **develop risk models**. These models capture the exposure, vulnerability and the historical profile of past recurring disasters and generate forecast warnings ahead of future crises. Using this information, danger thresholds that warrant the release of funds for early, preventative action are agreed.



The responders work together to create **contingency plans**, engaging with communities at-risk of crisis as well as relevant government partners and UN, to outline what actions will be taken when and by whom when crisis triggers are met, and the funds required.

2. FUEL: Funds are pre-positioned, ready to be released when needed

Donors contribute funding in advance, to ensure that the pre-arranged plans can be delivered when crisis threatens. Donors have two options; earmark funding to ensure coverage for a specific plan (for example Pakistan flood plan, Madagascar drought plan) or contribute unearmarked funding.

The unearmarked funding is allocated across the plans by the Start Ready Governance committee (made up of representatives from the network including local organisations). The committee, supported by a technical advisory unit, also layer all of the available funding across the different crisis finance instruments, in accordance with principles of efficiency, risk, probability, and how often funds are likely to be needed/triggered and at what scale.

¹ See Weingartner & Spencer 2019 <https://startnetwork.org/resource/financial-flows-mapping-paper-2>

Central to Start Ready is the utilisation of risk pooling to avoid too much capital on standby. In any one year not all countries will be in need of funding, we can predict that pattern (using the historical profile generated by the risk modelling). Therefore, we do not need to hold the full amount of funding to cover every plan. In fact, our analysis suggests that by pooling risks we can protect up to 4 times more people than if each locally-led system held their funds separately, and through this system they are able to support each other in times of need through the mutual risk sharing approach².



3. IMPACT: Funds are released for timely, effective action to protect communities at risk

Crises are monitored by triangulating information from the risk models with a range of forecasts. This is done together with groups of national risk experts, meteorological departments, government stakeholders and wider partners.

When a danger threshold of an impending crisis is reached, funds are rapidly released to put pre-agreed plans into action. In geographic areas at risk of being hit by an oncoming disaster, the best-placed NGOs use the released funds to deliver preventive and timely assistance.

Donors and key stakeholders can access information about threshold breaches and the release of funds in real-time. Innovative evidence gathering approaches are deployed to assess the community impact of the interventions, in order to gather and share learning about anticipatory and risk-informed approaches.

By scaling these efforts across multiple countries, and pooling the risks they face, more lives, assets and livelihoods can be saved, whilst ensuring a more timely, accountable and coordinated response.

² The design of Start Ready has been supported by the World Bank (who use such approaches with sovereign states), and will be applied to humanitarian action for the first time. To demonstrate the effects of risk pooling Start Network commissioned the UK Government Actuary Department to provide a theoretical illustration of pooling a number of risks, which can be viewed [here](#).