



Food and Agriculture Organization  
of the United Nations

# Reducing disaster risk vulnerability in Bangladesh – Partner perspectives

Webinar - 6 December 2018

## SUMMARY POINTS, QUESTIONS AND ANSWERS



### Speakers:

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Manuela Reinfeld, *Head of Analysis and Early Warning, WFP*

### Moderator:

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## Background

This second webinar on Forecast-based Financing (FbF) was presented as part of a series of webinars organized by **KORE** - the Knowledge sharing platform on resilience- within the INFORMED programme and dedicated to sharing knowledge on resilience building. This series of webinars is the result of a collaboration between EU-DEVCO and FAO strategic programme on resilience.

## Introduction

Evidence shows that the frequency and intensity of [climate-driven natural disasters and conflicts](#) is increasing. **Natural disasters** are occurring nearly five times as often compared with 40 years ago, placing a huge burden on local economies and putting millions of people in a vicious cycle of food insecurity, malnutrition and poverty. Expanding needs, competing priorities and scarce resources globally mean that new, smart and effective tools and investments are needed to help attenuate the impact of disasters before they occur. Acting early before a disaster is critical: it can save lives, protect livelihoods from the immediate shocks and protect longer term development gains by increasing the resilience of local communities over time.

As many climate-related hazards can be forecast, the international community has formally committed to moving progressively towards a more **anticipatory approach** in humanitarian assistance. Much emphasis is now made on the importance to shift the focus from response to prevention and mitigation, and to adapt financing modalities accordingly.

**Forecast-based Financing (FbF)** releases humanitarian funding based on forecast information for pre-agreed activities reducing risks, enhancing preparedness and response, and making disaster risk reduction within the humanitarian assistance overall more effective.

This webinar, hosted by FAO KORE and FAO EWEA and jointly organized with the global Food Security Cluster (gFSC), presented and discussed experiences of Food Security Clusters, Cluster Lead Agencies and partners to strengthen community preparedness and resilience. In particular, the webinar presented experiences of FbF activities introduced in **Bangladesh** - one of the most disaster-prone countries in the world.

## Summary points

### 1. Federal Foreign Office action plan on climate change

Presented by Thorsten Klose-Zuber, Division for Humanitarian Assistance – Policy, International Organisations, Multilateral Coordination; German Federal Foreign Office

In 2013, the German Government agreed on a special Preparedness Initiative with a large number of other governments and international aid organizations. This initiative includes concrete recommendations for more effective disaster preparedness and for enhancing early warning early action mechanisms within humanitarian assistance. Since the adoption of these recommendations the German Federal Foreign Office has been working hard to ensure their implementation and further development. In this regard, Germany intensified a paradigm shift within its humanitarian assistance to focus not only on reactive but also on forward-looking and anticipatory humanitarian assistance. Increasing climate risks call for innovative solutions in order to use scarce resources more efficiently and more effectively.

In close cooperation with the Red Cross and Red Crescent Movement and the United Nations World Food Programme (WFP) the Federal Foreign Office initiated an innovative climate change action plan in 2014 considering the increasing humanitarian impact of climate change and extreme weather events. The overall goal of this climate change action is to operationalize anticipatory humanitarian assistance by developing innovative risk financing mechanisms, such as FbF. FbF releases humanitarian funding based on forecast information and enables humanitarian stakeholders to make better use of such forecasts and to react promptly and more effectively to rising risks in disaster prone countries. Germany sees the need to scale up such approaches within the entire humanitarian system to anticipate human suffering and humanitarian needs and to reduce potential humanitarian needs in advance.

### 2. FbF – United Nations (UN) perspective

Presented by Manuela Reinfeld, Head of Analysis and Early Warning, WFP

FbF initiatives can have very different approaches with respect to timing of decisions and actions, types of forecasts, hazards, and delivery mechanisms. However, regardless of which risk you are trying to mitigate, and which aid delivery mechanism you choose to use, there needs to be a functioning early warning system and disaster management agency in place to be able to effectively and efficiently develop a government owned forecast-based early action program.

WFP, with support from national governments is focusing on national level early warning systems and disaster management and their linkages with community level stakeholders and first responders.

### 3. The humanitarian adaptation to climate change

Presented by Alexandra Rüth, Head of Task Force Humanitarian Consequences to Climate Change (FbF), German Red Cross

With FbF, the Red Cross/Red Crescent is taking disaster management into a new era: away from pure reaction and towards anticipation.

FbF is a programme that enables access to humanitarian funding for early action based on in-depth forecast information and risk analysis. The goal of FbF is to anticipate disasters, prevent their impact, if possible, and reduce humanitarian suffering and losses. The Red Cross/Red Crescent Movement therefore developed a Forecast-based Action mechanism integrated into the Disaster Relief Emergency Fund (DREF).

A key element of FbF is that the allocation of financial resources is agreed in advance, together with the specific forecast threshold that triggers the release of those resources for the implementation of early actions. The roles and responsibilities of everyone involved in implementing these actions are defined in the Early Action Protocols (EAPs). This ensures the full commitment of implementation among the involved stakeholders.

#### **The three components of Forecast-based Financing are:**

- **Triggers:** Region-specific “impact levels” are identified based on the detailed risk analysis of relevant natural hazards, impact assessments of past disaster events, and vulnerability data.
- **Early actions:** A pre-agreed set of early actions will be implemented at the time of a triggering forecast, with the aim of reducing the impact of the predicted event on human lives.
- **Financing mechanism:** An ex-ante financing mechanism automatically releases funding once a forecast-trigger has been reached, enabling the effective implementation of the early actions.

German Red Cross Forecast-based Financing programme is funded by Germany’s Federal Foreign Office in an Action Plan on Humanitarian Adaptation to Climate Change. Other relevant actors are WFP and Welthungerhilfe piloting FbF in Nepal, the Philippines, Dominican Republic, Haiti, Bangladesh (WFP) and Madagascar (Welthungerhilfe). German Red Cross pilots FbF in Vietnam, the Philippines, Bangladesh, Mozambique, Peru, Ecuador, Togo and Uganda.

#### **4. Food Security Cluster (FSC) perspective**

Presented by Damien Joud, Food Security Cluster Coordinator, Food Security Cluster

The Food Security Cluster (FSC) supports any initiative which can improve preparedness and emergency response. Preparedness as well as contingency planning and capacity strengthening are core functions of a cluster, in situations where there is a high risk of recurring or significant new disaster, and where sufficient capacity exists within the cluster.

The FbF project in Bangladesh can be linked with other responses such as the Multi-Purpose Cash Grants (MPCGs). Ideally, packages should be harmonized.

## Questions and answers

### Tool for governments and other sources of funding mechanisms

- 1. Is FbF an adequate tool for governments and national / sub-national budgets, as well as development aid or humanitarian aid or all these sources of public finance? Which additional sources of finance could potentially be advocated for future FbF projects?**

The current operationalization of FbF addresses main developments within the international humanitarian system, including solutions to mobilize more funding, improve efficiency of humanitarian actions and increase predictability of funding. In addition, FbF can target a wide-range of potential funding streams by offering a complementary way to promote risk reduction and preparedness for efficient response while also contributing to climate change adaptation. Therefore it could and should also be integrated as a tool for governments within their national and sub-national budgets, especially in the context of national and sub-national disaster risk management systems. In general, FbF should remain a humanitarian approach to alleviate human suffering in an anticipatory way by using available early warning signals that indicate rising risks and imminent humanitarian needs. However, FbF can also contribute to link humanitarian, development and climate financing streams.

- 2. Can we prioritize funding? What prioritization process/mechanism do you use to prioritize funding at a programme or sub-programme level?**

FbF should be understood as a humanitarian risk financing approach that prioritizes funding according to humanitarian needs and enables the implementation of early action following the humanitarian principles. Therefore FbF should focus on contexts where there is a high probability that humanitarian needs will arise, or where already existing humanitarian needs are likely to increase. FbF should anticipate humanitarian needs in the most efficient way possible and prioritize funding decisions and implementation of actions that are best placed to prevent or reduce these anticipated needs. It depends very much on the context, if this approach is then best placed at programme or sub-programme level.

### Types of risks FbF systems can address, and challenges of recurrent risks

- 1. FbF approaches typically focus on one type of hazard, i.e. weather-related hazards. There are, however, a number of hazard risks influencing communities' food security and nutrition. How does WFP use the experiences and evidence of current FbF pilots to address multiple hazards, including conflicts and displacement?**

Conflicts and FbF are significantly more difficult to address due to the sensitivity within government stakeholders. In the FbF project, WFP has not addressed conflict as a sole hazard, but has addressed the multi-hazard problem through community based standard

operating procedure (SOP) write-shops. SOP write-shops bring together community and government actors to define hazard triggers, required preparedness actions, and roles and responsibilities of each identified stakeholder. However, addressing a multi-hazard problem within an innovative project like FbF requires a significant amount of resources and time when compared to a single hazard.

**2. Related to the recurrence of hazards (e.g. droughts in the Horn of Africa), how can FbF help avoid the devastating impacts on food security, in particular since the mobilization of resources occur as post-hazards?**

The idea behind FbF is to mobilize resources before a shock. In the case of the Horn of Africa, we would like to see programmatic changes occur and potential changes to crop types when given a forecast for drought, long before sowing season. The idea being that this would result in less and less costly resources needed post hazard.

**3. How can FbF contribute to change this approach on a larger scale?**

FbF can help to prioritize interventions, based on vulnerability and local-level impacts. On a larger scale we can then move resources from one area to another, as opposed to “sprinkling” resources across the region that often result in limited impacts. FbF can act as a catalyst for aid convergence.

**4. What are the obstacles to the uptake of applying FbF to such recurring hazards?**

I don't think there are any, I think that by identifying early actions that compliment long term resilience programs for a changing climate will help us achieve food security.

## Accessing FbF tools and use of FbF in specific regions and countries

**1. How can the Bangladeshi farmers benefit from this new innovating tool to mitigate agricultural risks?**

Ideally, farmers can benefit from this tool. However, it depends on the status of the farmers; i.e. daily laborer, small and marginalized farmers, medium-size farm and bigger farm. The first two categories should be the ones to benefit as they are more vulnerable. They are also the ones with limited access to knowledge and network. The last two categories are often part of the “elites” and tend to decide for the smaller farmers/vulnerable groups.

Farmers need to be aware of this tool, and need to know how to benefit from it; from early warning systems to cash disbursement prior to the event. In terms of information and communication systems, the most used system is probably the phone (SMS). To enhance farmer capacities, local ministries (e.g. Department of Agriculture Extension, Department of Livestock Services and Department of Fisheries) should be involved at the local level. Lesson learned and sharing with the Government of Bangladesh (GoB) is also essential.

**2. Will this tool be validated and used by the government and made available to a wider range of actors at national level?**

I doubt it will be used and validated by GoB, except if it is in the GoB policies such as the [Standing Order on Disaster](#). However, the GoB is always interested in new practices and experiences. It needs the buy-in by GoB such as the MoDMR or Bangladesh Meteorological Department. Other actors may be interested if they think this is a valid tool; hence the need for proper lesson learned and sharing experience workshops.

**3. Would a multi-hazard approach in Bangladesh focus on a certain number of weather-related hazards or should it also include early warning related to, for example, conflict and displacement?**

It will be difficult to include conflict and displacement as this is politically sensitive. It may be more appropriate to continue focusing on weather-related hazards first. The Ministry of Disaster Management and Relief (MoDMR) deals with natural disasters. Whereas, conflict and displacement (i.e. Rohingyas crisis) are dealt by Ministry of Foreign Affairs or the Home Ministry. The Humanitarian Coordination Task Team (HCTT) in Bangladesh, co-chaired by the United Nations Resident Coordinator's Office (UNRCO) and MoDMR, can only deal with natural disasters.

**4. How do you validate the impact of FbF with governments?**

A major requirement of an FbF program is to have a learning phase at the end of each monsoon season, with all partners including the government. To investigate the triggers, the actions and the costs – to show that although some actions may have been in vain, overall the cost of early actions were less than late actions in terms of saving lives and livelihoods. In addition, local government is normally engaged in determining vulnerability levels which are overlaid with forecasts to better assess potential impacts of a hazard.

**5. Has the German Red Cross implemented FbF projects in India?**

No, German Red Cross or in general the Red Cross/Red Crescent Movement are not implementing FbF in India. We are active in quite some high risk countries in Asia including the Philippines, Vietnam, Bangladesh, Mongolia and starting some first steps in Pakistan. For India, due to a high risk of extreme-weather aggravated by climate change, FbF could be of interest as an additional solution to reduce the impact of those events to the most vulnerable.

**6. Which countries are being considered for FbF projects? Would there be a focus on Small Island Developing States (SIDS)?**

FbF projects should be implemented in high risk and disaster prone countries, where humanitarian needs are likely to increase due to rising extreme weather and climate risks. This could also include Small Island Developing States (SIDS). To be able to identify risk thresholds to trigger early actions based on forecasts, such forecasting skills also need to be considered when implementing FbF project in specific countries.



**7. How can communities help to boost FbF implementation more quickly?**

Communities should be in the center when we develop EAPs. Their needs are the basis for decision making on early actions on one hand and their vulnerability and exposure to extreme-events is the basis for the trigger development. To help to boost FbF implementation is more the responsibility of local governments and Disaster Management authorities, implementing organizations (like the Red Cross/Red Crescent Societies or national NGOs). Communities can play a part in the implementation of early actions: communities with a high level of preparedness, good working Disaster Management Committees e.g. are most probably better prepared to receive assistance months/weeks or days before disasters strike.

**8. Is the German Red Cross thinking about the sectoral planning for FbF? Meaning: Agricultural and other sectoral plan with the different government departments which could add value in specific hazard to specific subject**

The Red Cross/Red Crescent Movement is so far focusing mainly on medium to short term early actions before tropical storms, flooding, heat waves and cold waves and thus more working on “humanitarian” actions reducing the impact on the most vulnerable. There is still a lot to do on FbF. One additional layer could be the integration of the anticipatory thinking in other sector plans such as agriculture. FAO is part of the FbF-Movement and joining regularly our Dialogue Platforms on FbF.

## For more information

- [Webinar series on Forecast-based Financing \(FbF\)](#)
- [KORE FbF Webinar I: FAO Early Warning Early Action- What's new?](#)
- [Global Food Security Cluster \(gFSC\)](#)
- [The Preparedness and Resilience Working Group \(PRWG\)](#)
- [FSC Key Messages from Bangladesh and Mali: Partnership and Preparedness](#)
- [BANGLADESH - Act Collectively: Local Partners in the Food Security Cluster \(video\)](#)



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