



REPORT

5th International Dialogue Platform on Forecast-based Financing

04–05 October 2017



Berlin, Germany



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BACKGROUND

→ From 4 – 5 October 2017, Berlin welcomed for the first time the **International Dialogue Platform on Forecast-based Financing**. This 5th Dialogue Platform was part of the Action Plan of the Federal Foreign Office for Humanitarian Adaptation to Climate Change and was hosted and organized by German Red Cross, in close cooperation with IFRC, the Red Cross Red Crescent Climate Centre and WFP.

By gathering collective knowledge and experience in science, policy and practice, the Dialogue Platform thus encouraged new ways of innovative thinking and finding creative solutions and enhanced cooperation among the different actors in FbF.

To achieve such objectives, the meeting did not only engage practitioners in active discussions on FbF methodology, it also invited managers from regional and global offices to discuss on ways to strengthen cooperation and coordination among the different actors. In the effort of scaling up Forecast-based Financing, the Platform provided an opportunity to explore local and global solutions to financing early action.

The Dialogue Platform involved participants from the Red Cross Red Crescent Movement working in all over the world, the Red Cross Red Crescent Climate Centre, WFP and other UN agencies, INGOs, scientific organisations and relevant donors.



Humanitarian finance normally becomes available when a disaster strikes and human suffering is almost guaranteed, but climate-related risks are rising worldwide and many humanitarian actions could be implemented in the window between a forecast and a disaster. This would help prevent suffering, contribute to a more efficient use of humanitarian funds, and strengthen community resilience. The question to governments, humanitarian actors and scientists is: Can we set up an automatic system that triggers and funds early actions before a disaster strikes when a credible warning arrives? The answer is Forecast-based Financing.

5th International Dialogue Platform
on Forecast-based Financing

DAY ONE

Opening Speeches



Christian Reuter

Secretary General, German Red Cross

Christian Reuter, Secretary General of the German Red Cross (GRC), opened the 5th International Dialogue Platform on Forecast-based Financing (FbF) by hailing the importance of the concept. He encouraged attendees to continue striving to improve the existing humanitarian system by fostering early action, and to use the International Dialogue Platform to pursue a vivid and constructive, but also self-critical dialogue. Reuter highlighted the reasons for the



success of FbF development, citing current deployments in over 10 countries and increasing interest among new partners. He also highlighted FbF's importance for implementing relevant policy processes, such as the Sendai Framework for Action. Reuter concluded by thanking the German Federal Foreign Office for funding the innovative FbF programme and for putting it at the top of the German government's agenda.



Annett Günther

Deputy Director-General, Federal Foreign Office

Annett Günther, Deputy Director-General of the Federal Foreign Office (FFO), opened the International Dialogue Platform, describing the event as being critical for the FFO and its work for the advancement of humanitarian assistance. Referring to the millions of people suffering from climate-related disasters, Günther described FbF as being a crucial tool in addressing the humanitarian challenges that climate change gives rise to. For this reason, the FFO's 2014 Climate Action Plan puts FbF at its centre, aiming to create a forward-looking, anticipatory humanitarian system that enables a paradigm shift in the practice



of humanitarian action. Günther called for an integration of the lessons learned thus far into the second phase of FbF, which is also being funded by the FFO. She pointed out that the FFO is happy to see additional stakeholders taking up this approach and announced a further strengthening of the partnership between FFO and the Red Cross Red Crescent movement through the FFO's support of the establishment of an FbF financing mechanism at the International Federation of Red Cross and Red Crescent Societies (IFRC).



Gallery Walk: FbF Methodology and the Way Forward

Jesse Mason (WFP)

What Does FbF Mean for the World Food Program?

The United Nations' World Food Program (WFP) has implemented Forecast-based Financing (FbF) in five pilot countries to strengthen early actions and early warning systems, and to promote sustainability through government ownership and community-level partnerships.

The WFP's ultimate objective for the FbF initiative is to save lives and livelihoods before disaster strikes through early warnings and early actions. The focus for FbF Phase 2 is to institutionalise the FbF modality into government-owned national disaster-response plans, to foster links with early action community partners and to harness local funds for early actions.

Graham Saunders and Kara Siahaan (IFRC)

The IFRC's Plan to Develop a FbF Window to the DREF

As part of the 'Grand Bargain' launched at the World Humanitarian Summit in 2015, the IFRC has pledged to rapidly scale up its use of FbF, building upon the experiences of Red Cross Red Crescent partners in developing the approach since 2007. By 2018, the existing coverage of this mechanism will have doubled within the Movement and the integration of FbF into global-disaster risk-management funding pools will be explored so that early action can be triggered systematically based on early warnings.

The current Disaster Relief Emergency Fund (DREF) is available to respond to emergencies and imminent disasters, but it has not yet systematically used scientific predictions to allow for an automatic release of funds. An FbF Window to the DREF would enable national societies to access funds that are automatically triggered for pre-defined early action packages. These are outlined in the FbF Early Action Proto-



Presenters:

Jesse Mason

World Food Programme (WFP)

Graham Saunders and Kara Siahaan

*International Federation of Red Cross
Red Crescent Societies (IFRC)*

Stefanie Lux

German Red Cross (GRC)

Erin Coughlan

RCRC Climate Centre

Damodar Kanel

World Food Programme (WFP)

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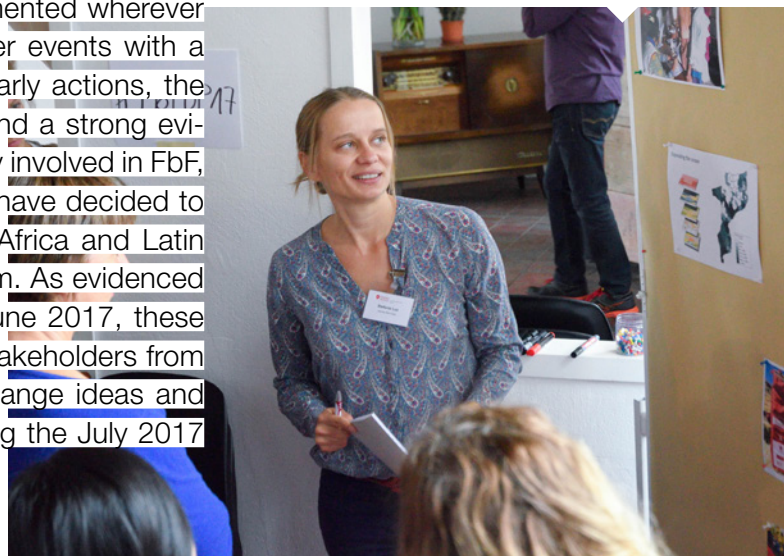
cols (EAP). The FbF Window would build upon the existing DREF and would create a mechanism for FbF with a global reach.

Stefanie Lux (GRC)

The German Red Cross Pilots in their Second Phase

Building upon the lessons learned from the first phase of the GRC's pilot projects in Peru, Mozambique and Bangladesh (2015–2017), the GRC will now work on expanding the scope of FbF in two ways. First, three additional FbF pilot countries have been added for the second phase (2017–2020), namely Ecuador, the Philippines and Vietnam. Second, while the pilot projects in the first phase focused on developing triggers and early actions for certain pre-identified communities, GRC and its partners are now working on an approach that can cover all of a given country's high-risk areas by using impact-based forecasting and working on more flexible early actions. The objective is to develop Early Action Protocols that can be implemented wherever forecasts indicate the occurrence of extreme weather events with a severe humanitarian impact. In the identification of early actions, the pilot projects will put a stronger focus on research and a strong evidence base. Given the many new stakeholders already involved in FbF, or interested in working on it, the GRC and partners have decided to establish yearly regional dialogue platforms in Asia, Africa and Latin America in addition to the annual international platform. As evidenced by the first regional platform in Hanoi, Vietnam, in June 2017, these regional platforms offer an excellent opportunity for stakeholders from countries facing similar challenges and risks to exchange ideas and work together. Findings from the FbF activation during the July 2017 floods in Bangladesh were also discussed.

Stefanie Lux
German Red Cross



Erin Coughlan (RCRC Climate Centre)

FbF from the Red Cross Red Crescent Climate Centre's Perspective

The Climate Centre Corner featured a lively presentation and discussion about what is new in FbF methodology. This includes a new focus on impact-based forecasting as the basis for FbF, which combines information from weather forecasts with vulnerability and exposure data to get a sense of who is most likely to be impacted. The groups also discussed the role of national-level working groups to bring together the diverse sets of expertise that are required for this new methodology. The session concluded with a discussion on what 'success' looks like and how both qualitative and quantitative techniques are used to monitor and evaluate the impact of FbF.

Damodar Kanel (WFP)

Forecast-Based Emergency Preparedness for Floods in Nepal: Forecasts, Triggers and Thresholds

Floods and landslides are among the most destructive types of climate-related natural hazards in Nepal, and they occur with increasing regularity, intensity and scope. The Forecast-based Financing and Emergency Preparedness project is strengthening the capacity of local governments to develop and implement Standard Operating Procedures (SOPs) for flood preparedness and early actions in Nepal's vulnerable and densely populated southern plains. The SOPs suggest a range of preparedness measures for different forecast windows, thresholds and trigger levels and are based on rainfall and flood forecasts provided by the South Asian Climate Outlook Forum (SASCOF), the Global Flood Awareness System (GloFAS), the Regional Integrated Multi-Hazard Early Warning System for Africa and Asia (RIMES) and the Department of Hydrology and Meteorology (DHM).

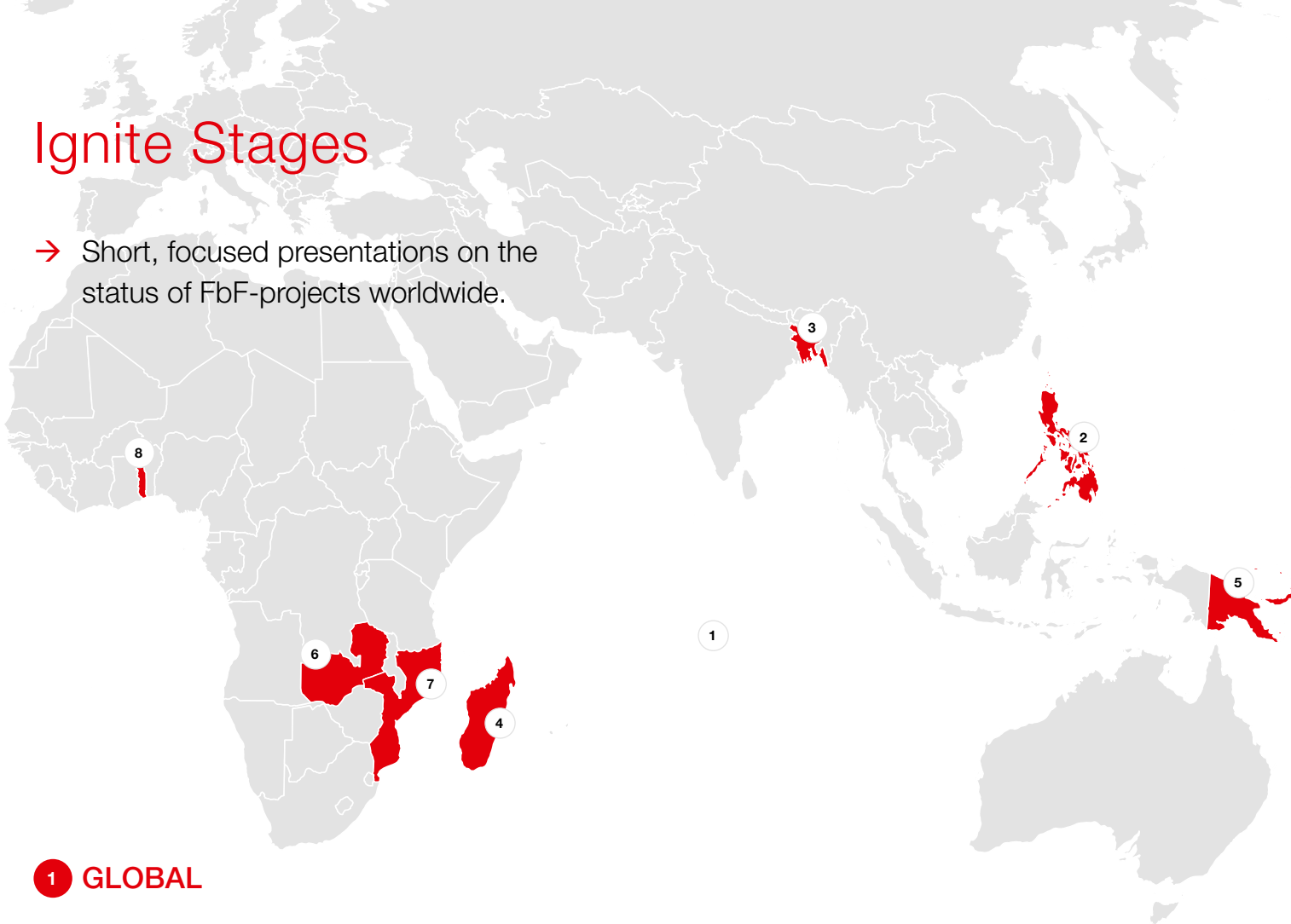
The project is implemented by the WFP in collaboration with the Department of Hydrology and Meteorology (DHM), the Ministry of Home Affairs (MoHA)/National Emergency Operation Centre (NEOC) and Practical Action. Other key collaborators include the International Centre for Integrated Mountain Development (ICIMOD), the Nepal Red Cross Society (NRCS) and District Lead Support Agencies (DLSAs).

Damodar Kanel
World Food Programme



Ignite Stages

→ Short, focused presentations on the status of FbF-projects worldwide.



1 GLOBAL

Who? FATHUM – Liz Stephens (University of Reading), NERC, UKaid and Partners

What? The FATHUM project team in Uganda, Mozambique and beyond performs interdisciplinary research on FbF to support the implementation and scale-up of FbF locally, nationally and internationally. The team is looking at challenges, such as improving forecast skills, defining when FbF has been successful, understanding how FbF fits within the wider goal of building resilience and growing FbF from the initial pilot projects to have a broader-scale and a more systematic approach (www.reading.ac.uk/fathum).

2 PHILIPPINES

Who? Isabelle Lacson (WFP), Charmaine Marinas (Philippine Red Cross)

What? In Phase 1 (2015–2017), the WFP was the sole implementer and achieved: a baseline assessment of early warning systems and the policy environment of FbF; the development of protocols in 10 pilot provinces; the formation of a technical working group (TWG); and the establishment of a national dialogue platform. In Phase 2, WFP and the Philippine Red Cross (PRC) will formalise their partnership on FbF. The WFP and the PRC will jointly lead the TWG, perform shared

agenda-setting for the national dialogue platform and establish a joint strategy for policy advocacy. This partnership will also have a larger geographic coverage, with WFP and PRC covering all national, regional, local and community levels of governance together. Benefits include: learnings being shared more effectively; more efficient mobilisation of national partners; and stronger communication with the community of practice.

3 BANGLADESH

Who? Raymond Zingg (GRC), Bangladesh Red Crescent Society

What? In Bangladesh, FbF Early Action Protocols (EAP) were activated three times in the project's first phase, twice for flooding and once for cyclones. When the EAPs were activated, cash distributions to the affected communities helped vulnerable people to cope better, because they were able, for example, to use the money distributed to evacuate family and livestock, to ensure food security by buying food and animal feed and to avoid having to take out high-interest loans. The FbF team is now aiming at broadening the geographical scope of the FbF approach by making the EAPs flexible using impact-based forecasts. The FbF Bangladesh team will continue to collect evidence on the effectiveness of its early actions and will further strengthen the link between early warning and early action.

4 MADAGASCAR

Who? Michael Kühn (WHH)

What? The approach of Welthungerhilfe's (WHH) Drought Forecast based Financing project is centred on impact and risk, arguing that not every single drought event will lead to significant human loss. The impact largely depends on the vulnerability of a given community and its resilience to drought events. Famine is one of the most significant impacts of drought, so WHH's analytical approach will be centred around agricultural droughts. It is based on the Water Requirement Satisfaction Index (WRSI), a predictive approach that takes into account the amount of rainfall and evapotranspiration, but also the crop water demand, the length of crops' growing periods, and the start and end of the planting seasons. Drought can be 'political' and therefore socio-political dimensions need to be included in the analytical framework.



5 PACIFIC ISLAND COUNTRIES

Who? Stephanie Zoll (IFRC CCST Pacific)

What? A scoping study in 2016 examined existing EWS and mechanisms that FbF could build on, leading to the implementation of an FbF project for drought in the Solomon Islands. There is now continuous collaboration with key national stakeholders and options for forecasts, trigger levels issued by Met Service are now reflected in the National Drought Policy. In November 2017, the Solomon Islands roadmap gets finalized and the EWEA extended to other countries in the Pacific.

6 ZAMBIA

Who? Zaitun Munawar Ibrahim (Netherlands Red Cross), Zambia Red Cross Society

What? FbF has been implemented in Zambia since November 2016 under the Response Preparedness II project, which runs until 2020. In 2017, the focus was on achieving ownership of the national society at governance and management levels. FbF will be implemented with a national scope. First achievements: FbF is now institutionalised in the Zambia Red Cross Society's (ZRCS) strategy and all actors are aware of its existence. Relevant stakeholders have been mapped, the government's interest has been stimulated and there is a commitment to integrating FbF into other mechanisms, such as cash-transfer programming and data preparedness. Challenges include the uptake of FbF by the government and limitations that meteorologists have with insufficient infrastructure to deliver forecasts that allow for adequate confidence.

7 MOZAMBIQUE

Who? Hanne Roden (GRC) and Anne-Catherine Vanhove (Belgian Red Cross), RCRC Climate Centre, Mozambique Red Cross, Centre for Evidence-Based Practice

What? Phase 2 plans are currently being developed by the core team to be integrated into the Mozambican Red Cross (CVM). The collaboration between the partners will work on an evidence-based FbF approach focusing on the selection and measurement of impactful early actions for floods and cyclones.



Who? Andrea Kehrwald (GRC), Romain Lare (Togo Red Cross)

What? The pilot of the GRC, Togo Red Cross (TRC) and RCRC Climate Centre has been running since 2014. Early Warning Systems consisting of water-level gauges in rivers have been installed. Crisis preparation teams have been trained and community contingency plans are now in place. In collaboration with Coding for Resilience of GFDRR, the FUNctional ESTimation (FUNES) Model has been developed, a hydrological model embedded in a digital platform designed to warn the population of (dam-related) flood risks and to move from completely manual to digital information processing. The necessary collaboration with the dam operator, and the hydrological and meteorological services is in place. The FUNES algorithm, though, still needs improvement. The next step is the development of an exit-strategy.





Practitioner Session: Risk Assessments

Steffen Lohrey (GRC)

The Foundations of Risk

Steffen Lohrey introduced the session by providing an overview and reminder of the existing risk analysis terminology as a foundation for the subsequent discussion on the new trigger methodology for activating FbF. The presentation shed a light on possible indicators that can be used to assess hazard, vulnerability and exposure. He underlined the importance of the critical hazard-impact relationship that is necessary to trigger a FbF activation, and also reminded the audience of the importance of forecast probabilities and of establishing the minimum confidence necessary for a forecast to rely on.

Marc van den Homberg (510, NLRC)

Community Risk Assessment as Part of Data Preparedness

Marc van den Homberg introduced 510, a diversely skilled team of over 40 data experts from nine countries, hosted by the Netherlands Red Cross (NLRC). Their goal is to use big data to benefit humanitarian aid, and to satisfy the need for data preparedness in the field. Five areas of data preparedness were identified: data literacy, data sets, data services and tooling, data governance, and data collaboration. A good example of how such data can be used in the humanitarian context is the INFORM risk index, openly accessible online and used by OCHA, ECHO and DFID. INFORM (www.inform-index.org/) is an open source index that can be used by anyone. The 510 team has developed a community risk profile tool using INFORM as a framework for the data management. The presentation sparked many conversations, not just after his presentation but throughout the entire International Dialogue Platform. Many participants expressed an interest in learning more. The presentation illustrated that the 510 team's data preparedness work offers an opportunity to enhance the FbF methodology to make it more



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data smart. Based on this new methodology for FbF triggers, an efficient use of information management systems to integrate vulnerability and exposure data was shown to be key in setting up an impact-based forecasting model.

Luke Caley (Start Network)

Anticipation Window

The Start Fund enables its member organisations to respond to small-to medium-sized crises. In order to assess humanitarian situations, the Start Fund also relies on the INFORM index created by the Inter-Agency Standing Committee (IASC) and the European Commission. The fund has recently been extended with an Anticipation Window, which allows aid recipients to receive emergency funds based on expert assessments, using forecasts and other sources of information analysed by the Forecast-based Warning Analysis and Response Network (FOREWARN). This group receives alerts from NGOs at country-level, and then verifies them with a range of sources of information, on which basis a decision is taken as to whether or not to fund the respective anticipatory alert.



Erin Coughlan de Perez (RCRC Climate Centre)

FbF Phase 2

Erin Coughlan de Perez introduced the key aspects of the FbF second-phase trigger methodology. Using an example from Bangladesh, the Climate Centre illustrated how FbF is moving from establishing danger levels for certain pre-identified communities to applying an impact-based forecasting model which uses forecasts as well as vulnerability and exposure data to predict what impact a hazard may cause and where it will happen. The example of cyclone Mora showed how the analysis of historical impacts can help determine the kind of vulnerability and exposure data needed for impact-based forecasting. The data

sets used in the example included housing construction type and a health-related poverty indicators. Once this vulnerability and exposure data and the cyclone forecast track were overlaid, the resulting intervention map highlighted the areas that should be prioritised for early action. The new model is based on the principle that decision-makers need to know what the weather will do, rather than what the weather will be, which was explained in more detail by Alasdair Hainsworth during his presentation.

Luca Parodi (FAO)

Early Warning Early Action (EWEA)

Luca Parodi illustrated the Food and Agriculture Organization's (FAO) approach to using forecasts with the drought Early Warning Early Action (EWEA) project in Sudan. Different kinds of forecasts are used to assess the likelihood of a deadly drought. These forecasts include agricultural price projections, global and regional climate and precipitation forecasts and regional information from other sources, such as satellite-derived vegetation indices. The sources are open-source and FAO compiles them into a simple tool that can be shared with decision-makers. The information is updated monthly. Droughts have much longer lead times than other hazards, allowing for a different type of early action protocol. FAO's approach to EWEA is growing rapidly with this model potentially being replicated in other countries. The Red Cross Red Crescent is actively developing synergies with the FAO in the Solomon Islands and in Mongolia.



Alasdair Hainsworth provided the World Meteorological Organization's (WMO) perspective on impact-based forecasting. It can be highly relevant for humanitarian systems, as it informs the population and decision-makers of the likely impacts that the weather will have, rather than just telling them 'what the weather will be'. As such, an improved understanding of forecasts may lead to a much better anticipation of risk. Impact-based forecasting is described in more detail in the box below.



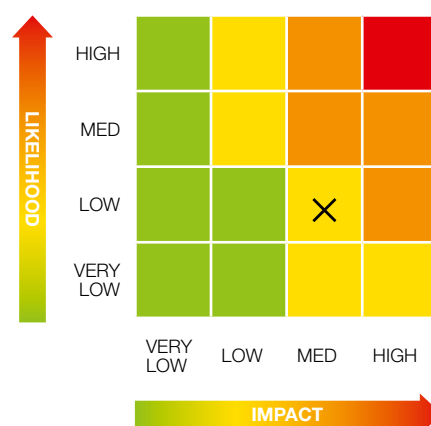
Impact-Based Forecasting and Risk-Informed Warning Services

Impact-based forecasting represents a transition from traditional weather forecasting – that offers information about meteorological parameters or hazards – to an estimation of how hazards may impact the recipients of the forecast. Social scientists are involved in the design of the warnings in order to maximise their comprehensibility. These impact warnings allow people, communities and institutions to take preventive measures to protect themselves, even if they only possess an incomplete understanding of the likely impact of physical hazards.

National Meteorological and Hydrological Services are traditionally specialised in forecasting physical parameters, i.e. hazards. Impact-based warnings require the hazard warning to be combined with information about exposure and vulnerability. This information is often held by disaster reduction agencies or civil protection agencies and thus demands close collaboration between these actors. The risk matrix illustrates how the impact and the likelihood of risks can be communicated to the target audience.

Impact warning systems can be included in a Global Multi-Hazard Alert System (GMAS), combining several hazards. WMO is developing a GMAS as a global initiative to provide authoritative warnings and information related to high-impact weather, water, ocean and climate events. The CREWS initiative (Climate Risk and Early Warning Systems by the Global Facility for Disaster Reduction and Recovery, France, the World Bank, the WMO, and the United Nations International Strategy for Disaster Reduction) seeks to significantly increase access to early warning systems and risk information for the protection of lives and livelihoods in least developed countries and small island developing States.

Risk matrix



Assign a colour to the warning which is a combination of potential impact and likelihood.

- Green: No severe hydrometeorological hazard expected
- Yellow: Be aware
- Orange: Be prepared
- Red: Take action

(Source: Met Office, United Kingdom)



Coordination Session: 'In the Year 2017' – A FbF Talk-Show on Financing Early Action: Local and Global Solutions

- The Coordination Session gathered recommendations on how to develop sustainable solutions for the future development of FbF and explored the opportunities and challenges in the different solutions to financing or resourcing early action.



Moderators:

Kara Siahaan

*International Federation of Red Cross
Red Crescent Societies (IFRC)*

Irene Amuron

RCRC Climate Centre

In small working groups, **Tessa Kelly** (IFRC), **Debbie Hillier** (Oxfam), **Silvie Kreibiehl** (Frankfurt School of Finance) and **Alastair Hainsworth** (WMO) fed in to discussions about the financing of early action.

There is currently a lot of excitement around FbF, but there is also a risk of dying momentum and loss of focus, so a major goal must be establishing FbF as a central link between disaster risk reduction (DRR), disaster management and disaster preparedness. Institutionally and formally, this could be achieved by developing a coherent framework and approach to climate change and early action.

There should be a focus on shifting the world's attention to the plight of populations affected by the impact of climate change. The IFRC's development of the Framework for Climate Action seeks to outline how to keep pace with changing policy, as well as scientific and operational landscapes. FbF is one concrete way to strengthen community resilience by linking DRR, disaster preparedness and response with local partners, such as local branches of NGOs or Red Cross Red Crescent National Societies.

However, funding remains a core issue when it comes to broadening and institutionalising FbF. In the case of early action, classic appeals work much less effectively, adding to a general funding pressure on the humanitarian system. What is necessary is a more accessible funding route for FbF, overcoming the classic divide between humanitarian and development funding, as well as a flexible approach to scaling FbF up or down. The current trends towards hybrid funds is beneficial here and they are increasingly gaining donors' attention. To add to this, there have been advancements in climate finance moving from the planning to the implementation phase since the Paris Climate Agreement. Politically, there is a growing focus on innovative approaches, but there is also a risk that these new initiatives are not well integrated into the bigger picture.



Cooperation between humanitarians, climate researchers and development workers is essential, and such cooperation can give rise to powerful concepts, such as Impact-based forecasting (IBF, see boxed text). It can be challenging to communicate weather forecasts to those affected by extreme weather, as well as humanitarian and governmental organisations. Impact-based forecasting is a unique tool that combines the knowledge of everyone involved in the bigger picture and provides comprehensible and practical information about the impacts of the extreme weather that has been forecast. In order to realise this vision, good communication between the different entities and actors involved is key; the World Meteorological Organization (WMO) is working on facilitating this communication throughout its 193 member countries.

Key Statements from Q&A with Audience Members

- Insurance is expensive. It can be used for adaptation in some cases, when there are resources and when countries are ready, but insuring preparedness is a challenge. FbF is filling this gap.
- There needs to be more advocacy and dialogue with donors to understand the FbF methodology as a decision-making tool for early action.
- To scale up, there has to be stronger partnerships, more research, a clear advocacy message to different actors (governmental, humanitarian, developmental, donors).
- We often get stuck in the terminology. The word ‘financing’ attracted a lot of interest from different stakeholders, but at the end of the day it is about early action. It is more important to have a common narrative than to coin a new phrase.
- Strengthen FbF – IBF linkage; encourage sharing of expertise and resources.
- Recommendations for IBF: more capacity development required; open doors to communicate upwards and reach bigger platforms; create common language.
- Local knowledge is important to be able to understand what forecasts actually mean on the ground.



Group Work – Financing Early Action in 2017



OPPORTUNITIES

Current climate-related response will draw more attention to preparedness.

Use resilience as framework for FbF. Early action has to contribute to resilience.

Reflect on what is not working and what we could do better. How do we have to change our actions?

Humanitarian/development funding divide: push for early-action allies to bridge the funding gap in this regard. Can we take advantage of it?

Where possible, institutionalise FbF into national government system – mainstreamed and integrated into local funds.



CHALLENGES

FbF not always perceived as a complementary mechanism.

FbF is currently located in non-conflict contexts. Extend the area of application.

Underfunding of humanitarian assistance.

Lack of harmonisation between mechanisms: different funding conveys different conditions.

More understanding required to develop national systems and funding streams. Financing early action is context-based.

Developing a standardised methodology to be used by RCRC Movement, partners and governments (FbF).

Mind shift on responding early vis-à-vis prepositioning costs.



RECOMMENDATIONS

Strengthen the link between early action and response.

Strengthen lobbying and advocacy; scale up – more outreach in communication.

Develop international consensus on financing for early action.

Institutionalise FbF in procedures and laws; support link between national entities and climate finance.

Tap into existing fund and negotiate for flexibility – CERF funding as example.

Develop increasing confidence in forecast.

Create further incentives: positive media stories, early action score cards and rankings.

Need for economic; value-for-money analysis of FbF.

Closer collaboration and collaboration on national and international levels – more actors, ensuring coherence, quality.

Fundraising Workshop

The afternoon of 4 October offered an unusual sight, when more than a dozen representatives from major German companies such as **BASF**, **Volkswagen** and **Continental** gathered at the Spreewerkstätten for the 'Beginners Workshop on Forecast-based Financing' and, instead of listening to sleek PowerPoint presentation, they were asked to play a board game. Paying for Prediction is one of the climate games that the Red Cross uses to familiarise people with the concept of disaster preparedness. A serious topic dealt with in a playful atmosphere that warmed them up for the serious stuff.

It was the third such workshop that the German Red Cross (GRC) has organised for interested corporate donors in the last 12 months, and this one benefitted from the fact that a number of experts from the International Dialogue Platform took time off from their sessions to join the Beginners Workshop. Alongside the climate game, there were stories from the field in Peru, a science slam about recent developments in climate change research and opportunities for corporate engagement.

With more and more companies aligning their corporate social responsibility (CSR) activities around Sustainable Development Goals, this struck a nerve with many participants. FbF not only fills a gap in the humanitarian system, but also one visible in many CSR-Strategies. So far OSRAM, Knorr-Bremse Global Care and the Walter and Marga Boll Foundation have committed funds towards FbF, with many others, especially from the technology sector, expressing a keen interest in being involved.

Hopefully this trend means that today's beginners will become next year's experts and ambassadors for FbF, thus creating shared value for all partners.



Evening Event: Practitioners, Scientists and Enablers



Stefanie Lux (GRC),
Matthias Amling
(WHH)

'I have seen how incredibly hard many people in poor countries work to improve the lives of their families, how they save money to work on their house, or work hard to yield more crops. It is incredibly frustrating to see how these little gains are then taken away time and again by disasters, and we cannot do anything even though we know something is coming because we don't have funding. FbF is an amazing opportunity for me as a humanitarian to take action to prevent these losses.' – Stefanie Lux

Liz Stephens (University of Reading), Juan Bazo
and Erin Coughlan (RCRC Climate Centre)



'I first met Erin when she was looking for flood forecasts for a rural part of northern Uganda, and she wasn't sure that it would even be possible to forecast floods in that region.' – Liz Stephens

Christina Schmöe (OSRAM)



'Osram is a company in transformation, constantly looking for new technological solutions. Our employees are very excited to now support FbF - an approach that uses innovations for the humanitarian challenges we face in the world today.' – Christina Schmöe

Thorsten Klose (FFO)



'We need to make best use of the window of opportunity between a forecast and an extreme weather event for implementing humanitarian actions. We need to anticipate human suffering and humanitarian needs and to reduce these needs in advance. For us, Forecast-based Financing is the main tool and the most important approach to doing exactly this.' – Thorsten Klose

FORTUNE

→ Poetry Slam by
Karsten Lampe

Your future holds inevitable demise in the face of coldhearted entropy, everything else is optional

ringing telephone noise

Hello! Welcome at CosmoTECH!

CosmoTECH, your future oriented service provider for organic pendulums and futurological quantumquotes. CosmoTECH, your future is our money!

How will I help you?

Oh, Hello Mr. Thinglsburger! I was expecting your call! Haha. Please don't mind the little joke.

What? No, Madame Esmeralda isn't in today.

Madame Esmeralda won't be in tomorrow either.

Made Emeralda has quit on fortune telling.

Madame Esmeralda has choked on a fortune cookie. Exactly Mr, Thinglsburger, chocked on a fortune cookie. She kicked the bucket miserably. The coroner found a note beneath her throat, which said: „Don't be worried about tomorrow. You don't know yet, if you'll make it this far.“

Well, you're not supposed to speak badly about the deceased, especially if you claim, that they can hear you, haha, but in all honesty, that cookie knew more about the future than Madame Esmeralda ever did. But you can't spell bad luck without luck, Mr. Thinglesburger, and it is your luck indeed. It's Good omens agogo for you, here at CosmoTECH.

CosmoTECH your agency for the by now, the beyond and the besides! CosmoTECH, The Future is today but tommorow!

What is our USP? That's a mighty fine question Mr. Thinglesburger. Mighty fine question! Questions are the floodgates to the bathtub of knowledge and you're about to get your feet wet! Well, first of all, we got rid of all the nonsensical pomp and circumstances.

No red velvet, no star sprangled embroidery and certainly no rituals that exist only to distract the customer. Did you know, that 8 out of 10 fortune tellers don't polish their crystal balls after the seance? Gross! I call that gross! Do you have any idea how often you need to readjust the frequencies of a standardized mountain quartz pendulum? That stuff is all quite maintenance heavy and still delivers unreliable results at best! Which is exactly why here at CosmoTECT - CosmoTECH your studio for soul-services and astral assessment -

CosmoTECH - We'll make a fortune out of you!

We exclusively rely on the most forefront methods of the digital world!

Data-analysis, cloudsupported extrapolations and forecasts. For example I could read your fortune, right here and now, out of an Excel spreadsheet. You heard me right Mr. Thinglesburger, a spreadsheet. But not just any spreadsheet! Our Sheets are made of thousands of handpicked fields,

that can possibly contain everything that you want them to, while a regular set of Tarot cards only consist of 78 Pictures and none of them shows cute kittens or the butt of Ryan Gosling.

You don't need a third eye to see why our methods are superior!

So, would you like to give it a try, Mr. Thinglesburger? Simply choose 3 random fields and I will give you an insight into what's coming. Yes, C19. Ok ... F221, hmhmhm ... take your time ... and Al you rascal! Al, you multistage joke rocket!

So, the boxes chosen by you clearly indicate, that Bavaria Munich will be the German Soccer Champion. What do you say about that? What do you mean, boring prediction? The future is what it is and sometimes the future is boring, yours especially. Fortune telling isn't allways about dark handsome strangers popping into your life. Sometimes it is about the stomach ulcer that will statistically force men of your age and your weight and your profession into early retirement in between 10 to 15 years. See? You didn't find that one boring but it was not what you wanted to know. If it's knowledge at all, that you want. You don't want the future! You think the future is scary! You want a tomorrow that is essentially a story of today, but told in more beautiful words!

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Which just happens to be our specialty here at CosmoTECH.

CosmoTECH, your partner for tranceinducing thaimassages and low point pressure treatment. CosmoTECH, I came, saw, and went straight back home.

Therefore we have decided to only predict events that have a probability of at least 95%, thus improving both our rate of success and your state of mind. Some of our most popular predictions include:

Somebody will bring a noodle salad to your party.

People will be suprised about how cold it is during the winter.

People will tweet about how cold it is during the winter. And of course:

Grammar Nazis will correctify your language on the internet.

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If our commonplaces should somehow not satisfy your needs we from CosmoTECH - CosmoTECH - your place for aural satisfaction, reincarnative risk assessment and

chakra maintenance - CosmoTECH - Taste the best, forget the rest!

we from CosmoTECH can easily turn the tables by telling you, what is not going to happen.

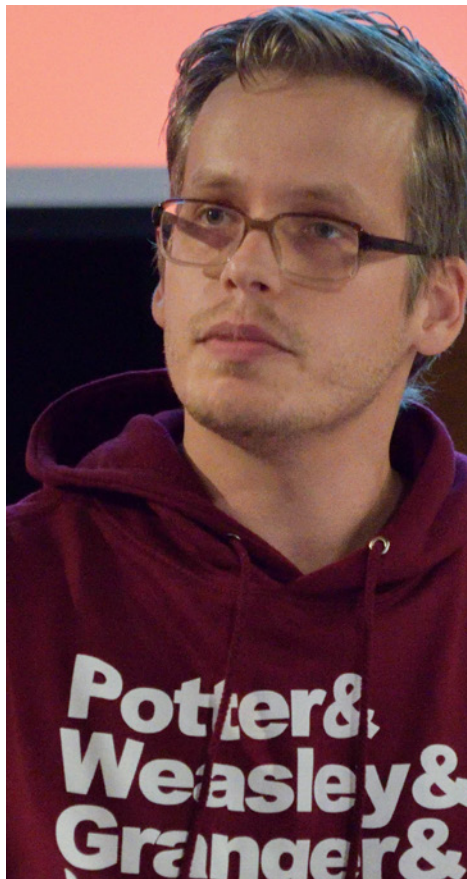
That's even easier! That's like a reverse shooting contest in which you win, when you miss.

Because when you determine enough things, that will not happen, what's left over must be what is going to happen.

For example I'm willing to bet, that, besides his age, Alexander Gauland will not die from a heart attacka, because I know for sure, that he doesn't have a heart. How's that Mr. Thinglesburger? What do you mean, that's not PC? Not PC? Here at CosmoTECH, CosmoTECH your toehold for professional prophecy and hollistic horrosscopes,

CosmoTECH, you cannot handle the truth! We don't care for sensitivities, only for probabilities. So let me ask you again, Mr. Thinglesburger, how will I help you?

Oh, you dialed the wrong number. Well, how was I supposed to know?



5th International Dialogue Platform
on Forecast-based Financing

DAY TWO

Open Space

- The morning of Day 2 was dedicated to Open Space discussions, meaning that there was not a pre-determined agenda of discussions and working groups but participants decided themselves what they considered important to discuss.

Everyone was free to pitch a question/issue in the plenary and as soon as other participants were interested, the group got a time slot to discuss the matter. The objective of this method is to bring people together, share knowledge and propose ideas, plans, programmes and actions.

The variety of issues discussed mirror the variety of topics FbF is or can potentially be connected with.

- FbF in urban settings
- FbF & conflict – FbF in a conflict setting vs. forecasting conflict for Early Actions
- How can we do shelter in FbF?
- Droughts and slow onset disasters & FbF
- “New way of FbF”-Policy/practice
- Asia Pacific inter agency regional coordination
- What does it mean to be FbF ready?
- Measuring FbF: Cost effectiveness & does it work?
- How do we make FbF an integral part of humanitarian financing?
- 510 initiative & FbF projects in the Philippines





Practitioner Session: Finding the Best Early Actions

→ A well-implemented early action protocol (EAP) is key to the successful implementation of a Forecast-based Financing project or other early action approaches. In the practitioner session, there was a discussion around what a successful EAP might look like and experiences were shared.

The **GRC** and **RCRC Climate Centre** agreed on the main steps and factors that should be considered when identifying and prioritising early actions. Once relevant disaster-related risks have been identified, research and review of documentation on past impacts and possible actions can guide the prioritisation of early actions, supported by field assessments, as well as interviews and brainstorming sessions with communities, experts, authorities and other stakeholders. Factors to be considered during the selection process include: time and duration; capacity to implement; resources available; and access considerations. In the case of events with short lead times, such as floods and storms, the trade-off between the very limited time between forecast and offering sufficient accuracy poses a serious challenge when implementing a response. RCRC Climate Centre presented a tool called the Theory of Change, which represents a way of identifying the best early action, by working backwards from the impact that we aim to reduce.

The **FAO** follows four main principles in its Early Warning Early Action (EWEA) projects. The actions need to be performed in a timely manner, i.e. within a critical window of opportunity. They are required to be technically sound and to follow a 'no harm, no regret' principle. Logistical feasibility is a necessary condition for this. The identification of which early actions to take follows four further steps: first, disaster-risk



prioritisation; second, setting of objectives and outputs to understand which livelihoods and locations should be targeted; third, involvement of the relevant experts; and, fourth, establishment of timings for seasonal preparation. FAO used this approach, for example, in Sudan to mitigate drought impacts and protect livestock, allowing the country to better survive the drought. Following on from these experiences, the organisation is working on possible Standard Operating Procedures (SOPs) in the agricultural sector.

The **American Red Cross** presented its Cash Transfer Program (CTP) and the Cash Transfer Toolkit (CTT), used for implementing cash transfers into FbF. This toolkit contains different modules that assist the user in setting up a cash transfer program, from preparedness and assessment activities and response to set up, implementation and monitoring. These are presented in a modern, smartphone-compatible format. The toolkit helps Red Cross partners to improve their ability to implement scalable and timely emergency cash transfer programs.



The **Start Fund**'s pre-alert guidance notes are designed to help its members (42 humanitarian agencies) raise anticipation alerts. The network has developed six guidance notes for a variety of hazards (droughts, floods, heatwaves, disease outbreaks, conflict/displacement, cyclones). These guidance notes are used to help locate forecasting information, to access information on previous anticipation alerts for the same hazard, and to offer suggestions for programmes that might mitigate harm/loss. Technical experts, network members, academics and scientists have all fed into these notes. They can be accessed at: start-network.app.box.com/s/ykz1yt3de93shnfhc1rb7g4ntjeh5rfs



The **Red Cross** FbF project in Peru highlighted the need for forecasts that provide both sufficient reliability and sufficient lead time. Longer lead times mean more preparedness time to implement comprehensive measures. Lead time and preparedness time are different for sub-seasonal and seasonal forecasts. Because they give a seasonal tendency, seasonal forecasts allow for greater preparedness and better project coordination. Sub-seasonal forecasts have a higher reliability, but due to their short-term nature they primarily trigger pre-defined protocols. Both sub-seasonal forecasts and seasonal forecasts should be combined into a multi-trigger.



Coordination Session: 'It's 2037! Back to the Future: FbF Style'



Facilitators:

Tessa Kelly

*International Federation of Red
Cross Red Crescent Societies (IFRC)*

Silvia Kreibiehl

*Frankfurt School/UNEP Collab-
orating Centre for Climate and
Sustainable Energy Financing*

→ Bridging the humanitarian, development
and climate divide

Objective of session:

- To envision the future of FbF.
- To identify actions that need to be taken by FbF partners to reach our vision of the future.
- To identify 'key asks' of governments and donors to support the building of this future.



Packing the suitcase: If you travelled to the future, what would you bring back to the present day?

- Good partnership with WMO and the NHMS for FbF.
- FbF support from the RCRC Climate Centre.
- Monitoring and Evaluation tools for FbF.
- A community open to learning and organic exchange between partners.
- Existing expertise that can be tapped into, e.g. humanitarian, climate scientists, finance.
- Diversity of initiatives.
- Multi-stakeholder/inter-agency collaboration and coordination.
- Growing interest from other stakeholders on FbF at the regional and global level.
- Better understanding of FbF methodology.
- Collaboration and partnership.
- National ownership.

Group Reflections

Imagine that we are in 2037 reflecting on our work, and respond to the following questions:

- What have we (as FbF partners) done well in getting here?
- What could we have done better?
- What challenges did we not expect?
- What actions/decisions/support did we need from others, particularly from donors and governments?
- Where do we see the Early Action Protocols (EAPs) in 20 years? How will our small-scale EAPs generate knowledge for national activities and national coordination?

How does FbF work in 2037?

- FbF has become 'normal' practice.
- Accurate and reliable forecasts are available at finer scale; more long-range forecasts available.
- Impact-based forecasting is mainstreamed across FbF.
- Triggers developed through FbF are recognised and accepted, used in standard guidelines.
- Governments have mainstreamed concept and/or use forecast products to finance preparedness actions.
- Communities are convinced of the value of forecast-based action and have more direct access to funds.
- Donors' minds have shifted to allow more investment in forecast-based action.
- Public private partnerships engaged in FbF.



What is your role?

- To connect practitioners and policy.
- To move from pilot upscaling.
- To build and strengthen partnerships.
- To strengthen governments' technical capacities.
- To enable and facilitate.
- To keep pace with technology and science.
- To adapt FbF to local contexts.
- To follow up on innovations/tools, but adopt at the right moment.
- To accept imperfection/failures.

How did FbF pilots contribute to the world in 2037?

- It generated evidence to share with larger audiences.
- Donors and governments adopted the concept.
- It can be used in other contexts: urban, conflict, migration.
- FbF Early Action Protocol (EAP) has been found to be an effective tool for the humanitarian system at all levels.
- It has built better links in the development–resilience–humanitarian continuum.

What were the milestones?

- FbF has spread throughout all regions.
- Global conference for early action is established (International Dialogue Platform on FbF can become ‘the’ conference).
- Governments develop and implement anticipatory disaster-management policies.
- A community of champions work together for the cause.

After you have seen the future, what would you tell your younger self?

- Flexibility – be nimble!
- Institutionalise FbF into government system.
- Strengthen partnership (WMO–IFRC).
- ‘Believe!’ – it’s going to work.
- Keep pushing for Early Action/FbF – find our champions.
- Make use of all opportunities.
- Monitor new technical developments carefully.
- Need for risk register for FbF – factors that should be avoided.
- Don’t be afraid to make mistakes: learn from it.
- Forget about what doesn’t work and move on.
- FbF should not be cast in stone: emphasis on linkages.
- Continue networking, lobbying, mainstreaming and advocating for FbF towards various stakeholders.
- For drought, consider index-based insurance for sustainability and continuation.



IMPRESSIONS



LINKS TO DOCUMENTS

Presentations and photos from the 5th International Dialogue Platform on FbF

Click the icons to visit the websites.

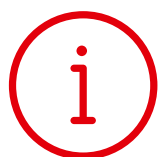


Presentations



Photos

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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German Red Cross National Headquarters
International Cooperation Department

Carstennstraße 58
12205 Berlin, Germany

www.drk.de

Authors

Steffen Lohrey

Stefanie Lux

Kara Devonna Siahaan

Greta Aubke

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