

# Thematic Working Group on FINANCING FOR DEVELOPMENT

Session #6  
August 30, 2017



## Objectives of this Session

- share experience and approaches in ensuring coherence in financing through regular budgetary processes at the national and local levels;
- discuss the wide array of non-traditional and/or external sources (national/international) available for timely local actions
- talk about how the private sector apply financial sustainability and contribute to the strategic directions of the country, through their business models
- explore how disaster risk financing and insurance and social protection mechanisms can offer solutions to some of the challenges posed by climate shocks and disasters, especially, as the frequency and intensity of these hazards rise due to climate change



## Guide Questions

- How can we maximize available budgets and financing mechanisms in a coherent way (across various agenda) for local level actions toward resilience?
- What are the modalities for decision-making and prioritization of actions and in the flow of finance (climate, resilience, development) and how can we ensure transparency and accountability?
- How will we make best use of disaster risk financing and insurance (DRFI) mechanisms?
- How can private sector contribute to financial sustainability?
- How can we ensure that our ideas to support development planning and financing will benefit people at risk/affected over time?





Time	Topic
10.30 -- 11.00	Setting the Scene and Forecast-based Financing
11.00 – 12.00	World Café Rounds 1 & 2
12.00 – 1.00	Lunch
1.00 – 2.00	World Café Round 3
2.00 – 3.00	Paying for Predictions
3.00 – 3.00	Reflection and Synthesis

# WORLD CAFÉ



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of Red Cross and Red Crescent Societies

Private Sector (CHEERS)

Disaster Risk Financing  
and Insurance (ASEAN)

Climate Finance (UNDP)

Mainstreaming Integrated  
Risk Management into  
Policies and Plans  
(Partners for Resilience  
Phils & Indo)

## Report Back to Plenary...

Background /  
Problems and  
Challenges

Objectives and  
Flow

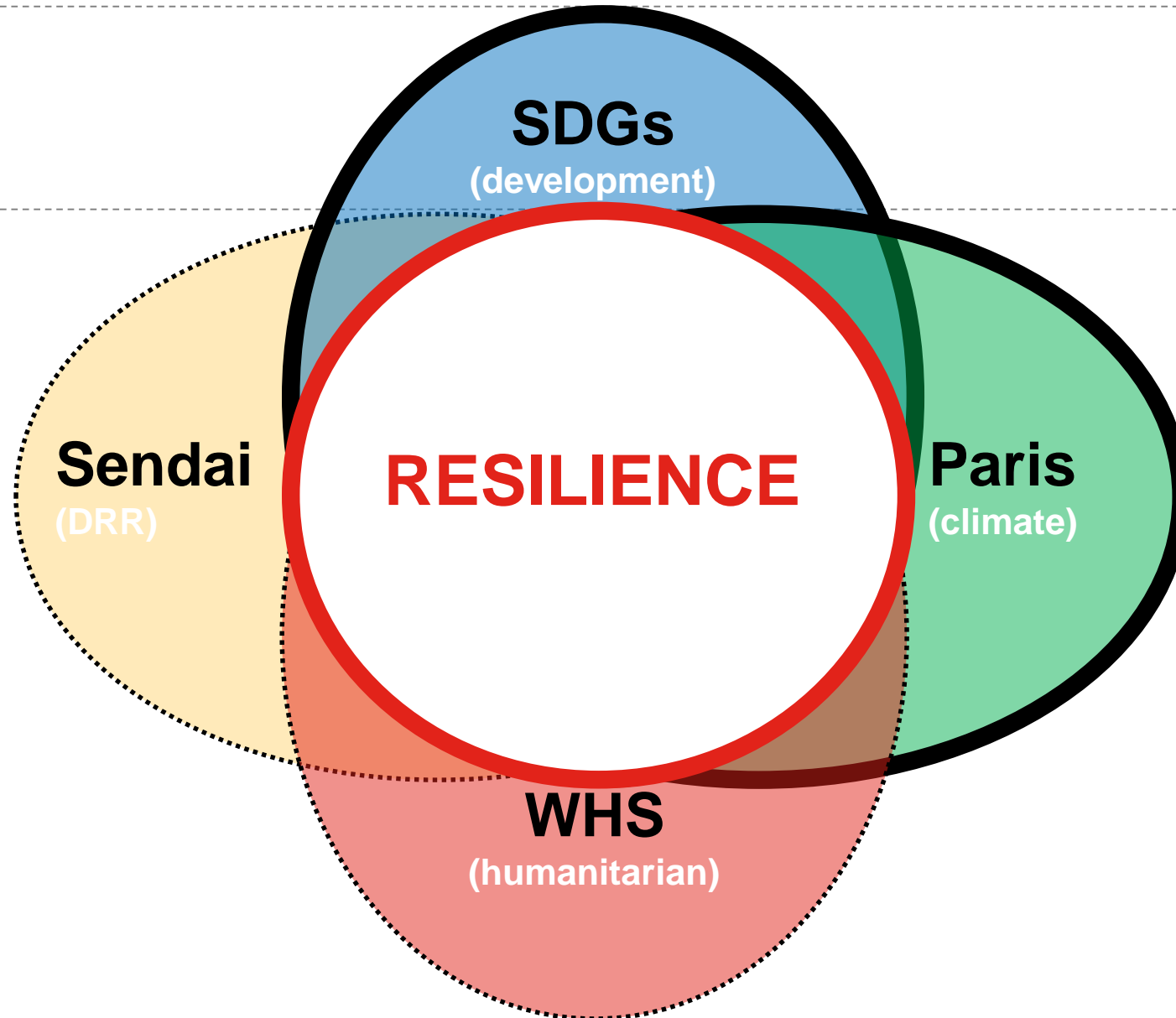
Key Discussion  
Points

Key  
Recommendations  
/ Take-away





We cannot  
achieve our  
global  
development  
ambitions  
unless we  
tackle both  
humanitarian  
issues and  
climate risks  
(nexus SDGs-  
Paris-Sendai-  
WHS)



**ABSORPTIVE**  
Capacity

**ANTICIPATORY**  
Capacity

**ADAPTIVE**  
Capacity



International Federation  
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## THE FUTURE WE WANT MUST MAXIMISE THE FINANCE WE HAVE

A finite pool of international concessional finance is supporting an increasingly ambitious global development agenda.

Delivering the Paris Agreement in the context of the Sustainable Development Goals and wider humanitarian needs will require more creative, equitable and efficient use of available international finance. Continued efforts to mobilise new sources of finance are needed. Simultaneously, strengthening domestic financial management and fiscal policy to encourage low-carbon and climate-resilient investment will be essential.



**SUSTAINABLE  
DEVELOPMENT GOALS**  
NEW YORK 2015



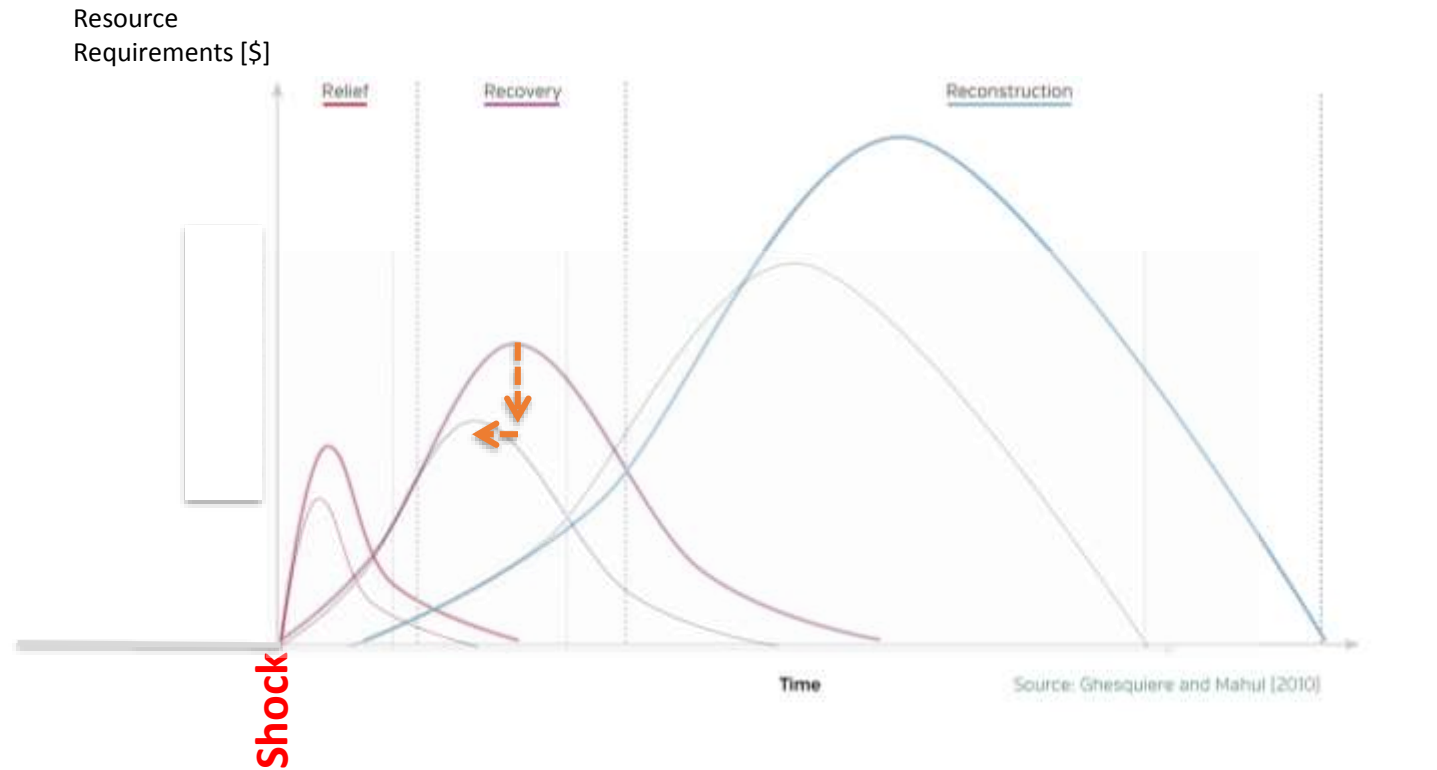
**CLIMATE CHANGE  
CONFERENCE**  
PARIS 2015



**WORLD HUMANITARIAN  
SUMMIT**  
TURKEY 2016



# Timeliness of Funding



**Speed matters, but not all resources are needed at once.**

**Can we reduce total resources needed, while accelerating availability of funds?**

## In Asia Pacific



- **38 Red Cross Red Crescent Societies** with a network of **9,85 million** volunteers operating **125,000 local RCRC** branches in Asia.
- **79%** of RCRC have a **recognised role in domestic laws** to support authorities in disaster risk management.
- **100%** have an **‘auxiliary role status** recognized by States.
- RCRC working through their extensive volunteer base, act as an important **bridge between communities and decision makers.**

## What is Localization?

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- Localization is about **locally led response**.
- Our **overall objective is improved humanitarian response** – more effective, principled and efficient humanitarian action.

- **Local actors are key for this** - they have a **distinct comparative advantage**, as they can ensure: early response and access, acceptance, cost effectiveness, and link with development (i.e. reducing the impact of future crises).

# Forecast based financing

[FbF Video English](#)



**Localization of Aid through Forecast-based Financing Mechanism**

## On-going RCRC FbF Initiatives in A P



- 9 Red Cross FbF projects in Bangladesh and in the Philippines
- 5 Projects in the pipeline in AP: Pakistan, Mongolia, Vietnam, Solomon Islands
- PfR, using Integrated Risk Management; Indonesia, India, Philippines
- Scoping study in Pacific 2016. FbF now on the radar of Pacific governments, regional organisations and donors.  
Partnership/collaboration formed with the FAO to combine EWEA and FbF approaches