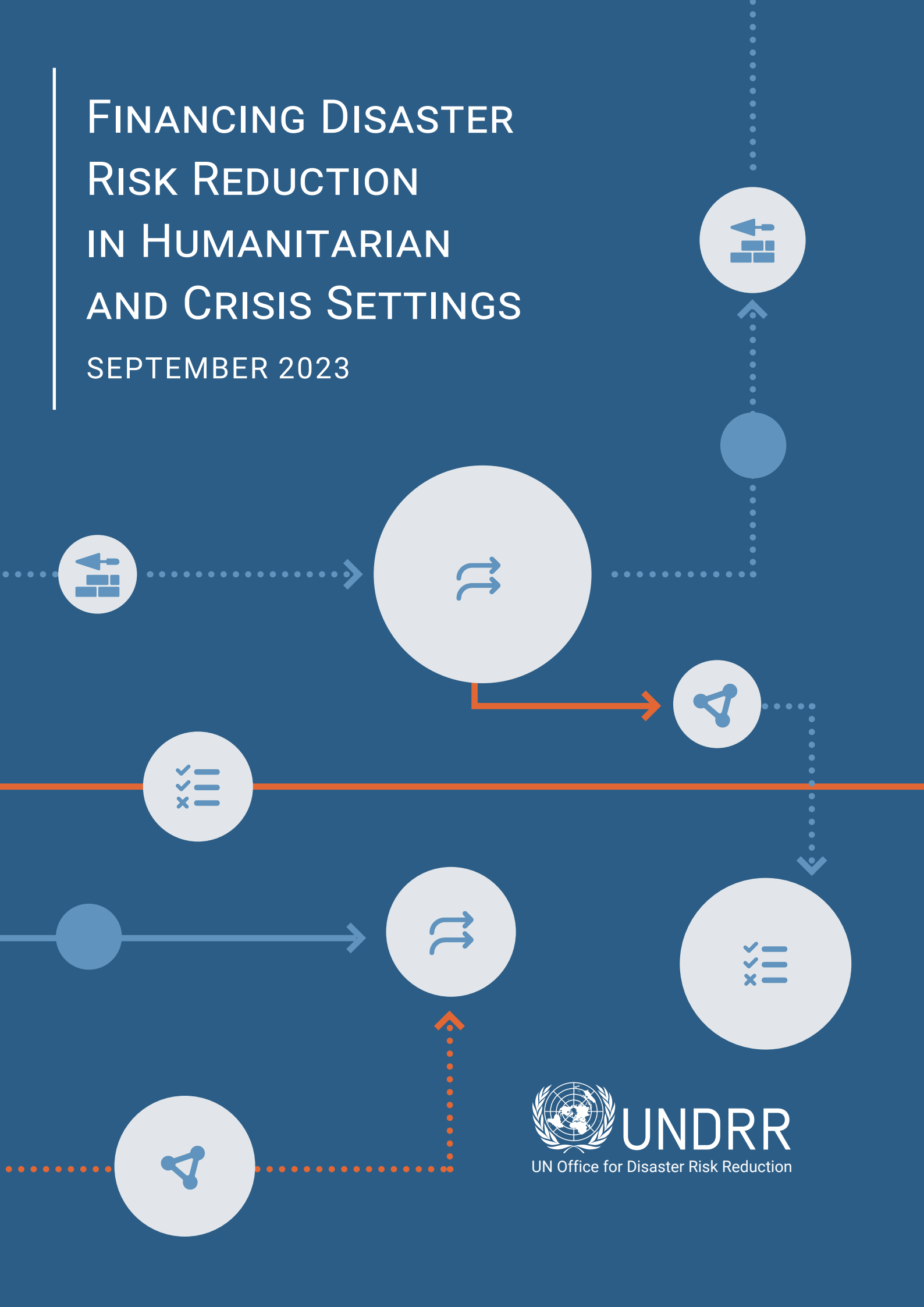


FINANCING DISASTER RISK REDUCTION IN HUMANITARIAN AND CRISIS SETTINGS

SEPTEMBER 2023



UNDRR

UN Office for Disaster Risk Reduction

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The study was conducted and written by Katie Peters (independent lead consultant) and Lena Weingärtner (independent consultant).

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ACRONYMS AND ABBREVIATIONS

ACF	Action Against Hunger (Action Contre la Faim)	MENA	Middle East and North Africa
ALNAP	Active Learning Network for Accountability and Performance in Humanitarian Action	MTR SF	Midterm Review of the Sendai Framework
ARVs	Antiretrovirals	NFIs	Nonfood Items
CARE	Cooperative for Assistance and Relief Everywhere	NGO	Non-Governmental Organization
CCA	Climate Change Adaptation	NRC	Norwegian Refugee Council
CEDRIG	Climate, Environment and Disaster Risk Reduction Integration Guidance	OCHA	Office for the Coordination of Humanitarian Affairs
CERF	Central Emergency Response Fund	ODA	Official Development Assistance
CHF	Common Humanitarian Funds	ODI	Overseas Development Institute
CHS	Core Humanitarian Standard	OECD	Organisation for Economic Co-operation and Development
COP	Conference of the Parties	PEIR	Public Expenditure and Institutional Reviews
COVID	Coronavirus Disease	PPCR	Pilot Programme for Climate Resilience
CRS	Creditor Reporting System	SDC	Swiss Agency for Development and Cooperation
DAC	Development Assistance Committee	SIDA	Swedish International Development Cooperation Agency
DRR	Disaster Risk Reduction	SSP	South Sudanese Pound
EIAs	Environmental Impact Assessments	TB	Tuberculosis
ERF	Emergency Response Fund	TOSSD	Total Official Support for Sustainable Development
EWS	Early-Warning Systems	UA	Unit of Account
EW4All	Early Warnings for All (initiative)	UN	United Nations
FAO	Food and Agriculture Organization	UNDG	United Nations Development Group
FTS	Financial Tracking System	UNDP	United Nations Development Programme
GDP	Gross Domestic Product	UNDP CPR TTF	UNDP Crisis Prevention and Recovery Thematic Trust Fund
GFDRR	Global Facility for Disaster Risk Reduction and Recovery	UNDRR	United Nations Office for Disaster Risk Reduction
GNI	Gross National Income	UNFCCC	United Nations Framework Convention on Climate Change
HDP	Humanitarian-Development-Peace	UNHCR	United Nations High Commissioner for Refugees
HDX	Humanitarian Data Exchange	UNICEF	United Nations International Children's Emergency Fund
HIV	Human Immunodeficiency Virus	UNICEF ESARO	UNICEF Eastern and Southern Africa Regional Office
HRP	Humanitarian Response Plan	UNSC	United Nations Security Council
IATI	International Aid Transparency Initiative	USD	United States Dollar
ICRC	International Committee of the Red Cross	WASH	Water, Sanitation, and Hygiene
ICTs	Information and Communications Technology	WFP	World Food Programme
IFRC	International Federation of Red Cross and Red Crescent Societies	WHO	World Health Organization
INFF	Integrated National Financing Framework	WVI	World Vision International
IOM	International Organization for Migration		
JIAF	Joint Implementation Accreditation Framework		
LDCF	Least Developed Countries Fund		

FINANCING DISASTER RISK REDUCTION IN HUMANITARIAN AND CRISIS SETTINGS

EXECUTIVE SUMMARY

1. CONTEXT

The findings of the midterm review of the Sendai Framework for Disaster Risk Reduction (MTR SF) make it clear that changes are required to better finance Disaster Risk Reduction (DRR) in humanitarian and crisis settings (United Nations, 2023 b). This aligns with the multilateral system's overall commitment to the United Nations Secretary-General's prevention agenda and, more recently, initiatives such as the United Nations Early Warnings for All (EW4All).

Countries affected by a humanitarian crisis will require funding to support transitions to disaster resilience. Analysis of United Nations appeals suggests that at least 55 per cent of crises are somewhat predictable, and more can be done to fund actions which would help prevent and reduce the impacts of the compounding effect of hazards (Weingärtner and Spencer, 2019, p. 2). There is appetite for this from individuals working in humanitarian operations who repeatedly call for concerted action on DRR in humanitarian settings to break the cumulative creation of risk and escalation in humanitarian needs. This is supported by the MTR SF finding that Official Development Assistance (ODA) is poorly targeted: While there is a relationship between mortality and funding for response and reconstruction, "there is no clear association between mortality levels and financing for disaster prevention and preparedness" (UNDRR, 2023 b, p. 50).

The picture of DRR financing in humanitarian and crisis settings can be a confusing one: Each context differs, as do methodologies for assessing funding flows, and, crucially, what can be assessed through online databases is only a fraction of known funding allocations and investment. There are a multitude of different funding sources and channels for DRR – public and private, local to international (Willitts-King, Bryant and Spencer, 2019). In humanitarian and crisis settings, ODA is particularly crucial where domestic funding for disaster risk governance may be lacking. For that reason, a study on financing DRR in humanitarian context was undertaken which draws on an extensive literature review, focus group interviews, and quantitative analysis using the Organisation for Economic Co-operation and Development (OECD) Development Assistance Committee (DAC) Creditor Reporting System (CRS), specifically the disaster-related sector purpose codes and the DRR Policy Marker (OECD, no date).

1.1 A SIGNIFICANT CONCERN FOR ALL

The study report contributes to a continued call for more and better DRR financing in humanitarian and crisis contexts. Ensuring effective DRR financing in humanitarian and crisis settings should be of significant concern for all actors across the humanitarian-development-peace (HDP) nexus:

Development	With effective DRR components in place, it may be possible to avoid hard-won development progress being undermined by disasters and to ensure that action collectively pursues risk-informed and climate-sensitive development trajectories.
Humanitarian	With effective DRR components in place, it may be possible to avert and/or minimise the impact of hazard-related disasters (including those related to climate change and where disasters occur in the same place as existing crisis situations) and seek to reduce the likelihood of crises becoming protracted, compounded and/or systemic in nature.
Peace	Effective, timely and equitable delivery of DRR is critical to avoid or minimise the possible negative repercussions of disasters on conditions of violence and conflict. Designed effectively, DRR actions in conflict settings may help contribute towards peace.

Operationalising DRR in humanitarian and crisis settings is particularly challenging given each settings complex context specificities. As a starting point, United Nations Office for Disaster Risk Reduction (UNDRR) developed guidance for integrating DRR into the Humanitarian Programme Cycle (UNDRR, 2021), sought to better understand the needs and capacity gaps of pursuing risk-informed humanitarian action (UNDRR, 2022), and documented positive progress on DRR in HDP settings (UNDRR, 2023a). This study complements those efforts and directly responds to requests from operational staff working in a range of crisis settings to assess DRR financing.

2. FINDINGS

2.1 QUANTITATIVE FINDINGS

2.1.1 Insights from global analysis using the disaster-related purpose code

- In 2021, a total of \$30.6 billion of international aid recorded in the OECD DAC CRS aid activity database was disbursed towards disaster-related activities. This sum constitutes about 12 per cent of all international aid recorded for the same year. The vast majority (about 85 per cent, or \$26.11 billion) of this disaster-related funding went towards emergency response activities. Only about 12 per cent (\$3.66 billion) was disbursed for activities focused on multisector DRR or disaster prevention and preparedness. A further 3 per cent (\$0.86 billion) went to reconstruction relief and rehabilitation.

2.1.2 Insights from global analysis using the DRR Policy Marker

DRR objectives can be built into sectoral activities (such as shelter, agriculture or water, sanitation and hygiene (WASH)) and can be identified through analysis of the application of the DRR Policy Marker. Globally, in 2021, disbursements for activities tagged with the DRR Policy Marker are as follows:

- disbursements towards activities with a “significant” DRR objective amounted to just over \$22 billion;
- disbursements towards activities with a “principal” DRR objective were around \$2.7 billion;
- disbursements towards activities found to have no particular DRR objective totalled around \$64 billion.

It should be noted that these figures are not directly aligned with, or comparable to, the results from the analysis of the disaster-related sector purpose codes presented above.

2.1.3 Insights from country analysis in Mozambique and South Sudan using the DRR Policy Marker

- In 2021, about \$102 million was disbursed for activities with a significant or principal DRR objective in Mozambique; for South Sudan, the disbursement was towards activities with significant or principal DRR objective amounted to a total of \$99 million in the same year.
- This constitutes a share of 4 per cent in Mozambique and 5 per cent in South Sudan of total aid recorded in the CRS aid activities database as going to those countries in 2021.
- In Mozambique and South Sudan, a large share of funding is considered not to contribute directly to DRR objectives. Moreover, in Mozambique there is a significant share of funding where it is not known if it contributes towards DRR because the marker was not applied (about 55 per cent). That said, of the aid flows recorded in CRS going to this report’s case study countries the number of entries that are tagged with the DRR marker is above average, at 70 per cent

for South Sudan, and 67 per cent for Mozambique in 2021.

- In the case of South Sudan, the vast majority of disbursements – and close to a quarter of disbursements in Mozambique – that are recorded in CRS and classified as having a significant or principal DRR objective went to emergency-response sector activities. In contrast to the marker guidance, it appears from the data recorded in CRS that DRR allocations in South Sudan are largely skewed towards responding to emergencies rather than preventing the creation of new disaster risk, reducing existing risk or strengthening resilience. While some of the emergency response activities may include more explicit risk-reducing interventions or support efforts to build back better, the extent to which this is the case is not clear from the information available.

2.2 REFLECTIONS ON THE METHODOLOGY AND FINDINGS

2.2.1 Stakeholder reflections on the country analysis findings

- Focus group participants considered the overall levels of funding for DRR activities within the selected sectors of health, WASH, agriculture and emergency response to be well below par.
- There was consensus that DRR should be more readily integrated into sector and cluster priority actions in humanitarian and crisis settings.
- For some agencies and donors, whether funding for DRR activities derived from humanitarian, development or HDP nexus funding streams was important; for others, it was irrelevant.

2.2.2 Study reflections on the DRR Policy Marker

- Whether and how to apply the DRR Policy Marker to aid activities related to emergency response, and to health, was a source of confusion.
- There was debate over how to interpret aid activities not tagged as contributing to DRR (and those not tagged at all).
- There was general disappointment that many donors fail to report systematically against the DRR Policy Marker.
- Many participants found the prototype DRR taxonomy useful, with potential for application elsewhere – including, for example, in upcoming DRR and climate adaptation financing studies.

2.2.3 The funding assessed is the “tip of the iceberg”

- Funding for DRR can originate from a substantial array of sources, and many of the untracked funding flows may be more amenable to supporting DRR in humanitarian and crisis settings, many of which are underrepresented in official datasets.
- Tracking funding for aid activities does not provide insights into important questions, such as: How effective have funds been in achieving DRR in humanitarian and crises? Where and how should future resources be invested? And critically, how can funds best be channelled to support at-risk populations’ own DRR priorities?

3. RECOMMENDATIONS

The study identified the following recommendations to be taken forward in order to improve DRR reporting and tracking, and the integration of DRR considerations into action in humanitarian and crisis settings.

3.1 Insights from the review of data

- Enhance tracking and publication of information about funding for DRR to improve donor targeting and the accuracy of funding levels required.
- Make clear the connection between enhanced systematic and comprehensive financial monitoring and reporting (including use of DRR Policy Marker and equivalent tags for other reporting mechanisms) and the feasibility and ease of reporting against Sendai Framework Target F (UNDRR, 2015).
- Provide space for donors to communicate any impediments to using tools for tagging and tracking DRR funding so that changes to the guidance and process of application can be made as required.

3.2 Insights from the country analysis

- Increase integration of DRR into sector and cluster priority actions in humanitarian and crisis settings. This requires closing the needs and capacity gaps.
- Strengthen the inclusion of all DRR components in routine United Nations processes and agreements, such as

Sustainable Development Cooperation Frameworks, Humanitarian Needs Overviews, Joint Intersectoral Analysis Framework (JIAF) and Humanitarian Implementation Plans.

- Deliver on the recommendations within the UNDRR report *Scaling Up DRR in Humanitarian Action* (UNDRR, 2021), and specifically Section 3.4 Resource Mobilisation.
- Deliver on the OECD Progress Review recommendation (OECD, 2022) to develop HDP financing strategies which emphasise layering and sequencing of funding flows to advance a coherent vision for DRR across all HDP actors.
- Deliver on the MTR SF (United Nations, 2023) recommendations, including utilising all DRR components to bridge HDP action, securing greater investments in anticipatory action and addressing the humanitarian financing gap in line with commitments under the Grand Bargain.

3.3 Insights from the global analysis

- **3.3.1 Mobilize funds and deliver on commitments:** Generate greater financial commitments to DRR by prioritising engagement of donors whose policy priorities are amenable to enhancing DRR financing in humanitarian and crisis settings.
 - > Deliver on the MTR SF to expand access to finance and integrate DRR into development and climate finance. Also enhance donor coordination, and support states lacking capacity to access, manage and utilise funding for DRR projects (United Nations, 2023).
 - > Ensure governments can request that international financial institutions provide special financial support to maintain DRR functions in a range of crisis settings, and that international financial institutions establish and/or expand facilities through which governments can do so. Technical collaborations with UNDRR will also be required so that knowledge and lessons can be shared across contexts for the betterment of all engagements within a crisis.
 - > Mobilise additional financing to the UN Trust Fund for Disaster Reduction to provide the necessary support to member states to deliver DRR outcomes in humanitarian and crisis settings.
- **3.3.2 Adjust risk appetite and encourage innovation:** Encourage funders to see innovations in DRR in humanitarian and crisis settings as an opportunity to spend a limited portfolio on innovations with high-impact potential. There is much that remains unknown in terms of the types of DRR actions that are viable and appropriate in different types of humanitarian and crisis settings (Peters, 2019); thus flexibility in funding – such as that provided by some private donors – is required to facilitate innovations in financing DRR in difficult operational settings.
- **3.3.3 Lay strategic and analytical foundations:** International financial institutions could integrate disaster risks into foundational diagnostics which inform lending and work with governments to learn lessons from risk-sensitive budget reviews to ensure alignment of domestic resource mobilisation and external funding (UNDRR, 2020).
 - > International financial institutions and bilateral donors with substantial experience in investing in DRR in humanitarian and crisis settings should consider establishing a technical hub for knowledge sharing on investment design, implementation and monitoring.
- **3.3.4 Harness climate funds:** Greater incentives for accredited entities to implement in high-risk contexts, along with changes in current funding practices, are needed to leverage climate finance in humanitarian and crisis settings in support of DRR (ICRC et al., 2022). This requires funding entities to review their institutional processes for managing risk to reduce the exclusionary bias which prevents climate change funds being directed to humanitarian and crisis settings. It may also require changes to delivery practices, such as adopting flexible budgeting tools and adaptive programming principles, including crisis modifiers (Cao, 2023).
- **3.3.5 Utilise prearranged finance, including for anticipatory action:** Harness insights from: the MTR SF national voluntary reports and thematic studies on investments in finance for anticipatory action (UNDRR, 2023b); and recent work on DRR in the context of the HDP, which details financing instruments for delivering DRR actions in humanitarian and crisis settings – including finance for anticipatory action (e.g., forecast-based finance instruments) and crisis modifiers, among others (UNDRR, 2023a). Take heed of existing recommendations to further investment in impact-based forecasting and anticipatory action systems in conflict contexts, including those where climate risk is high (Wagner and Jaime, 2020, p. 11).
- **3.3.6 Strengthen advocacy and awareness-raising:** Make use of the review processes and convening forums for Agenda 2030, such as the Summit of the Future in 2024, 2023 Sustainable Development Goal Summit, and the 2023 United Nations Climate Change Conference, among others, to convene all stakeholders – such as in closed-door sessions – to unveil the opportunities for enhancing DRR in humanitarian and crisis settings and generate an informal coalition of champions to take messaging through to future events.

SECTION 1. INTRODUCTION



SECTION 1. INTRODUCTION

FINANCING DRR IN HUMANITARIAN AND CRISIS SETTINGS: THE CURRENT STATE OF PLAY

Financing DRR in humanitarian and crisis settings is about having in place a financing architecture that enables prevention, preparedness and mitigation for disaster risks (Weingärtner and Spencer, 2019)¹. While it is possible to create an amenable financing architecture in humanitarian and crisis settings to reduce the likelihood and impact of disasters and to address the range of predictabilities of crisis, national and international systems are far from having this in place. The intention of this report is to incentivise enhanced DRR action in humanitarian and crisis settings through improved funding, whether by humanitarian, development, DRR, peace, climate or other actors.

The funding required to respond to and recover from humanitarian and crisis situations has been rising disproportionately to the funds available. United Nations coordinated appeals in the four years up to 2021 reached an unprecedented high of \$36.4 billion in 2021 (ALNAP, 2022, p. 84) because of an increased number of crises; more people who were affected; rising expectations about the support that can and should be provided; compounding risks and a layering of cumulative needs. While response to the COVID-19 pandemic and its socioeconomic impacts accounted for a dramatic increase in appeals in 2020, climate- and nonclimate-related disasters have been major factors in changing and increasing risks and creating and amplifying humanitarian needs. Concerningly, despite increases in overall funding requirements, United Nations humanitarian

appeals remained around 60 per cent funded between 2012 and 2021 (ALNAP, 2022, p. 84).

The findings of the midterm review of the Sendai Framework for Disaster Risk Reduction (MTR SF) make it clear that changes are required to better finance DRR in humanitarian and crisis settings (United Nations, 2023). This aligns with the multilateral system's overall commitment to the prevention agenda and, more recently, initiatives such as the United Nations Secretary General's Early Warnings for All (EW4All)². Countries affected by a humanitarian crisis will require funding to support transitions to disaster resilience. Current funding patterns are yet to reflect this ambition. To demonstrate, in 2021, official development assistance (ODA) for DRR to countries with Humanitarian Response Plans (HRPs)³ was higher in those HRP countries that faced higher disaster risk. However, overall volumes to HRP countries are small, and some countries are missing out: "For instance, a single sizeable loan from Japan to Indonesia in 2021 with the goal to improve disaster management systems was more than the ODA received for DRR by all HRP countries that year (\$626 million)" (Development Initiatives, 2023b, p. 16). In nine of the HRP countries that are facing high or very high disaster risk⁴, less than 1 per cent of the ODA received by the country in 2021 was for the specific purpose of DRR, indicating that some of the humanitarian and crisis settings with the highest levels of disaster risk are currently being left behind in DRR (Development Initiatives, 2023b, p. 16).

1 "While funding is about transferring resources from a financial contributor to a recipient, financing is about structuring different financial flows to achieve a common result" (UNDG, no date, p. 3). Aligned with the UNDG definition, in this report, the term "funding" is used to describe resource allocations made by organisations or governments and transferred to recipients (e.g., to an agency to implement a DRR project). The term "finance" is used to refer to different ways through which this funding is obtained.

2 <https://www.undrr.org/early-warnings-for-all>.

3 These were 29 countries in 2021; for an overview, see: <https://fts.unocha.org/appeals/overview/2021>.

4 Central African Republic, Ethiopia, Iraq, Myanmar, Sudan, Syria, Venezuela, Yemen and Zimbabwe.

Given that analysis of United Nations appeals suggests that at least 55 per cent of crises are somewhat predictable, more can be done to fund actions which would help prevent and reduce the impacts of the compounding effect of hazards (Weingärtner and Spencer, 2019, p. 2). There is appetite for this from individuals working in humanitarian operations – the respondents in this study – who repeatedly called for concerted action on DRR in humanitarian settings to break the cumulative creation of risk and escalation in humanitarian needs. This is supported by the MTR SF finding that ODA is poorly targeted. While there is a relationship between mortality and funding for response and reconstruction, “there is no clear association between mortality levels and financing for disaster prevention and preparedness” (UNDRR, 2023b, p. 50). This undermines efforts to build disaster resilience and adopt a preventative approach.

The picture of DRR financing in humanitarian and crisis settings can be a confusing one: Each context differs, as do methodologies for assessing funding flows, and, crucially, what can be assessed through online databases is only a fraction of known funding allocations and investment. There are a multitude of different funding sources and channels for DRR – public and private, local to international (Willitts-King, Bryant and Spencer, 2019). In humanitarian and crisis settings, ODA is particularly crucial where domestic funding for disaster risk governance may be lacking.

Despite the relevance of DRR for all (see Table 1), funding DRR through ODA has historically been a rather niche area, with a subset of sustained donors providing the bulk of funding⁵. In terms of funding trends, the Development Initiatives’ (2022, p. 80) analysis on ODA with the primary purpose of DRR reveals that ODA for DRR totalled \$1.6 billion in 2018, rising to \$2.4 billion in 2020 (an increase of 45 per cent). Between 2018 and 2020, funding for DRR derived primarily from six donors: European Union institutions, France, Germany, Japan, the United States and the United Kingdom. These six donors accounted for 55% (US\$1.8 billion) of all funding for DRR (between 2018 and 2020)⁶. Between 2019 and 2020 funding fluctuated by donors, with 16 donors increasing their funding to DRR while 12 decreased their funding⁷.

DRR is notoriously underfunded (ALNAP, 2022), as can be seen by taking another aspect of DRR, early recovery, as an

example. In 2021, early recovery activities were only 17 per cent funded: “A key cause for this lack of funding is the perception among donors that early recovery is mainstreamed across other sectors, yet the amount dedicated to it in other sectors is typically low and often delayed” (ALNAP, 2022, p. 152).

Uniquely, this study explores aspects of DRR financing in humanitarian and crisis settings at the global and national levels, specifically in Mozambique and South Sudan (see Section 2). The study seeks to understand patterns of global funding for DRR, what kinds of DRR actions are being funded in selected humanitarian and crisis settings specifically, who is funding those actions and what volume of funding is involved. In addition, new insights are shed on the use of the Organisation for Economic Co-operation and Development’s Development Assistance Committee (OECD DAC) DRR Policy Marker for assessing patterns of disaster-related funding and opportunities for enhancing complementarity through efforts supporting the Humanitarian–Development–Peace (HDP) nexus.

Looking ahead, initial indications suggest that changes to broader patterns of humanitarian aid and development assistance may be afoot. The enduring war in Ukraine is adding pressure: Factors include the end of the 12-month limit for allocating in-country refugee costs to ODA (Schütte, 2022), an expected rise in commitments to military assistance and predicted reduction in humanitarian assistance from other crises as a consequence (Development Initiatives, 2022). Donor countries face continued domestic pressure to address the implications of war and the COVID-19 pandemic-related economic downturn (ALNAP, 2022). Overall these trends point to shifts in the availability of potential funds, and in such a rapidly changing humanitarian and development landscape, it is critical not to lose focus on the importance of financing for prevention and preparedness to stop the perpetual cycle of disaster risk in humanitarian and crisis settings.

Global attention to the commitment and disbursement of climate change adaptation funds is noteworthy given that many adaptation actions overlap with DRR, such as hazard monitoring. The UNFCCC goal of \$100 billion was not reached in 2020; parties are expected to meet the goal by 2023 at the latest. From then on, the level of \$100 billion

5 A number of factors play into discussions about DRR finance. First, any discussion on volumes of funding needs to be accompanied by consideration of fund “effectiveness” (OECD, 2022b) – we touch on aspects of effectiveness, but this is largely beyond the scope of this study. Second, tagging and the use of DRR markers is intrinsic to the feasibility of undertaking analysis on funding flows, as noted elsewhere in this report. Third, as is shown in Figure 2 and Annex 3, DRR entails a wide range of actions (and, as the discussion on the use of the DRR Marker reveals [see Box 1], for some, it incorporates emergency response). Thus, understanding what aspects of DRR are being funded can vary greatly. Fourth, trends on funding for DRR must be situated in relation to overall funding trends for ODA and International Humanitarian Assistance. We expand on the last two points next.

6 The United Kingdom was the largest donor for that time period, providing 18 per cent of all funding for DRR (equal to \$1 billion). In 2020 Japan provided the highest amount, equal to 26 per cent of all funding (\$604 million), although there were significant concentrations in a small number of countries – notably, almost 60 per cent of that funding went to Indonesia and the Philippines (Development Initiatives, 2022, p. 80).

7 “Australia and Canada showed the second- and third-highest increases in volume, with rises of \$51 million (442 per cent) and \$31 million (259 per cent), respectively. Other countries saw large proportional increases, including Finland (462 per cent, from \$2.5 million to \$14 million), Poland (212 per cent, from \$1.4 million to \$4.5 million) and Hungary (12,530 per cent, from \$245,000 to \$31 million), France (decrease of \$73 million) and Germany (decrease of \$51 million)” (Development Initiatives, 2022, p. 80).

should be achieved retroactively and maintained per year until 2025 (Development Initiatives, 2022), and the volume of funding for DRR to address climate-related disasters in crisis settings must be interpreted in moderation. Of the \$6 billion ODA with the purpose of adaptation globally in 2020, \$47 million was spent on disaster prevention and preparedness (Development Initiatives, 2022, pp. 47–48). In comparison, \$270 million of ODA for adaptation was spent on humanitarian response, including emergency food assistance (Development Initiatives, 2022, pp. 47–48). In short, climate finance is not materialising at the same rate as risks are manifesting, and much funding is directed to the aftermath of crisis rather than risk reduction, disaster prevention and preparedness. Climate and disaster risks are amplifying pre-existing humanitarian and crisis settings, complicating and deepening vulnerabilities. Furthermore, countries in crisis are likely to have governance and economic fragilities which

inhibit accreditation and access to climate and other funds.

Consideration must also be given to how to finance DRR to address climate-related disasters in humanitarian and crisis settings which are also the site of violent and armed conflict. Efforts are underway to encourage adjustments to climate fund allocation and disbursement processes to channel greater proportions of funds to conflict contexts (Sitati et al., 2021; ICRC et al., 2022). However, this should be interpreted cautiously: At present “Only 12 per cent (\$1.3 billion) of disbursed funding (\$11 billion) goes to fragile and conflict-affected states (FCASs), despite these states’ being most in need of international support to respond to climate change” (Development Initiatives, 2022, p. 49). The more time that passes, the greater the adaptation gap as climate risks intensify.

UTILISING OUR RESPECTIVE EXPERTISE

Managing disaster impacts and reducing disaster risk entails a range of actions (see Figure 1) – from those more classically confined to emergency situations (such as stockpiling of food and nonfood items) through to those more developmental in nature (establishing amenable legal and regulatory disaster risk governance arrangements) and much in between (see Figure 2).

In terms of utilising the respective expertise across the HDP nexus, DRR is a useful illustration of how improving financing and operations across the nexus offers opportunity to better serve those in need. Achieving disaster resilience requires layered and sequenced actions across humanitarian assistance and development activities (and peace, though this is a less-explored area for the disasters community [Peters, Peters and Walch, 2019]). Thus effective DRR financing and action is of significant concern for all actors (see Table 1).

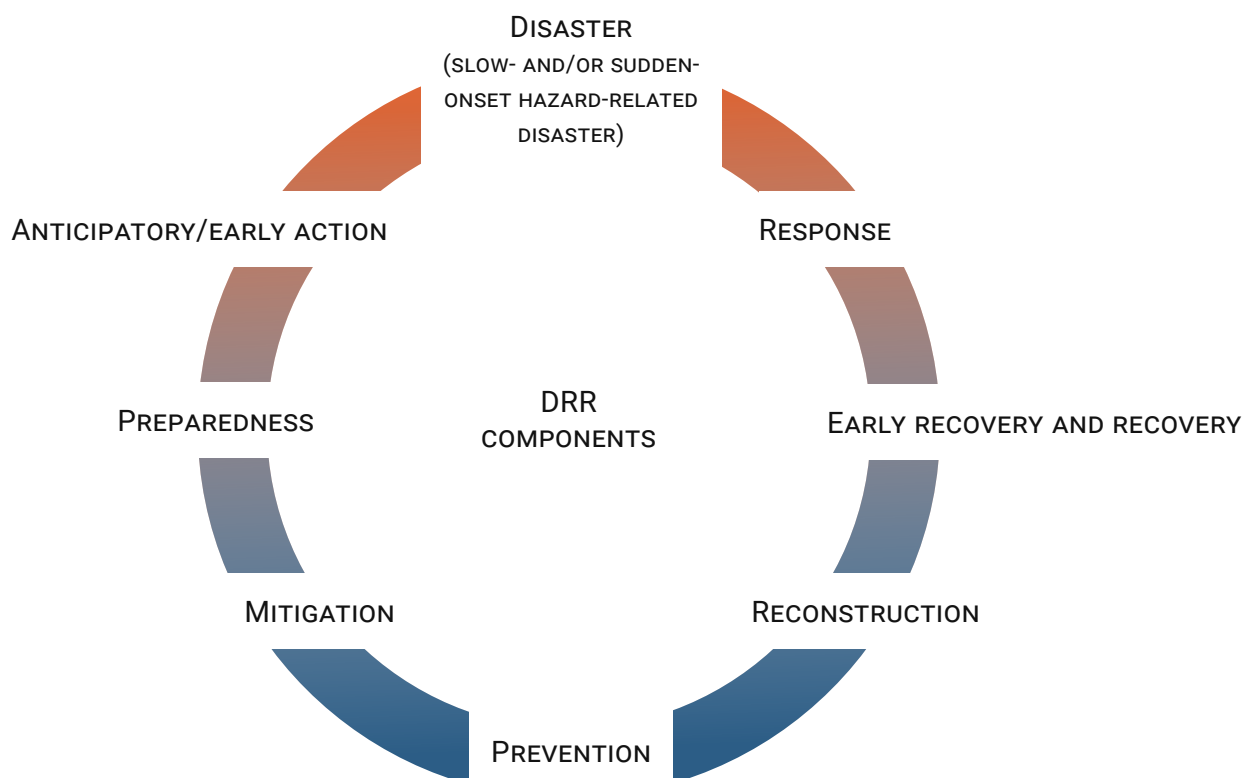
TABLE 1: EFFECTIVE DRR BENEFITS ACROSS THE HDP NEXUS

Development	With effective DRR components in place, it may be possible to avoid hard-won development progress being undermined by disasters and to ensure that action collectively pursues risk-informed and climate-sensitive development trajectories.
Humanitarian	With effective DRR components in place, it may be possible to avert and/or minimise the impact of hazard-related disasters (including those related to climate change and where disasters occur in the same place as existing crisis situations) and seek to reduce the likelihood of crises becoming protracted, compounded and/or systemic in nature.
Peace	Effective, timely and equitable delivery of DRR is critical to avoid or minimise the possible negative repercussions of disasters on conditions of violence and conflict. Designed effectively, DRR actions in conflict settings may help contribute towards peace.

The complexity of current humanitarian and crisis settings, characterised by systemic, concurrent and compounding risks, means that multiple overlapping DRR components can be in play at any one time. This includes different types of risk management actions for each threat/hazard, often being implemented in the same location but in distinct time frames by different constellations of stakeholders. For example, in Mozambique in 2021, response and recovery efforts

for Cyclone Eloise took place concurrently with COVID-19 mitigation and cholera prevention actions (Oxfam, 2021). Thus, understanding DRR component parts (see Figure 1) is illustratively helpful, though in practice there is rarely a neat transition from one stage to another or a discrete “passing of the baton” between agencies with different specialisms in all phases of the risk management cycle.

FIGURE 1: DRR COMPONENTS

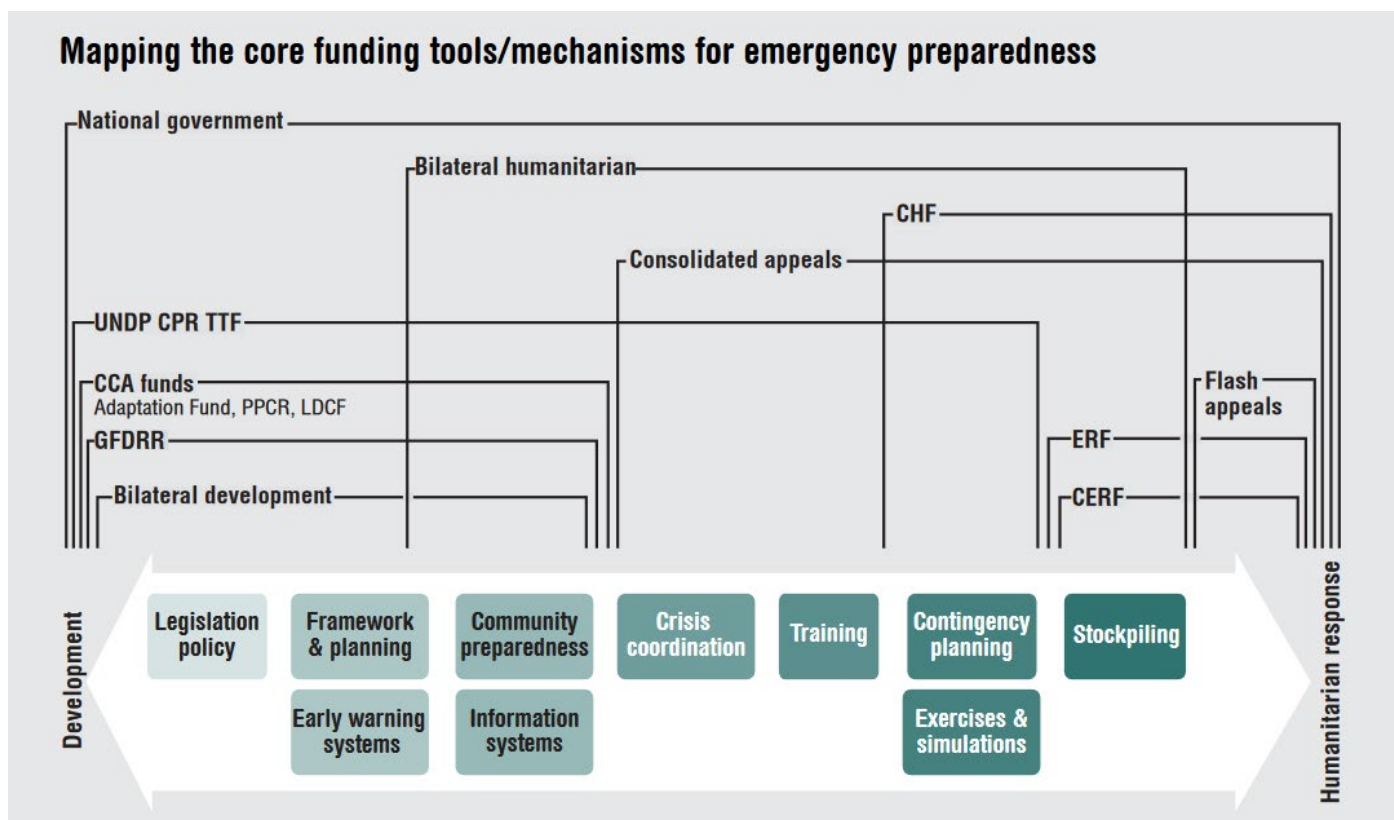


In humanitarian and crisis settings, funding for different DRR components varies depending on the donor and their institutional set-up, historical evolution, and political and technical composition. Some DRR components are funded from development allocations, others from humanitarian, climate or peace (though to a much lesser extent)⁸. This report does not intend to make judgements on where funds should derive from; rather, it aims to point out that well-coordinated and complementary funding is required to support comprehensive risk management. Research has shown how even within one aspect of risk management – emergency preparedness – funding is fragmented (see Figure 2). Having different actions funded by different

sources is not necessarily problematic (and reflects differing planning and funding cycles), but funds and actions do need to be complementary to avoid risk management actions manifesting as increased disaster risk and impacts. In practice, this means getting to grips with the differences in humanitarian aid and development assistance finance architectures (see Table 2). The MTR SF also discusses the need to better coordinate climate change adaptation and DRR financing (UNDRR, 2023b, p. 45). Of course, these architectures vary by context; for example, in some settings humanitarians are going beyond early recovery, delivering full recovery programmes (UNDRR, 2023b).

⁸ The Creditor Reporting System (CRS) database does not identify which of these categories provides funding for DRR, though it is widely understood that funding for DRR originates from differing “camps” depending on the donor and the specific activity being undertaken. See: <https://stats.oecd.org/Index.aspx?DataSetCode=crs1>.

FIGURE 2: ILLUSTRATING FRAGMENTATION: A MAPPING OF SELECTED FUNDING SOURCES FOR EMERGENCY PREPAREDNESS⁹



Source: Kellett and Peters, 2014, p. 8.

TABLE 2: AN OVERVIEW OF HUMANITARIAN AID AND DEVELOPMENT ASSISTANCE

Characteristics	Humanitarian	Development
Channel	Humanitarian aid – mostly through multilateral bodies	Development assistance – mostly bilateral
Time frame	Earmarked at short-term-project level and aligned with humanitarian principles (with increasing examples of multi-year funding)	Multi-year, tied to host government priorities/national development plans
Ownership	Independent	Country ownership
Delivery	Highly coordinated through the UN; sector-specific through the cluster system	Bilateral and multilateral – e.g., through governments and international financial institutions
Coordination	Coordination at sector/cluster level	Coordination at strategic, not operational, level
DRR components	Focus on preparedness, response and early recovery	Focus on prevention, risk reduction and resilience building, preparedness, and longer-term aspects of recovery and reconstruction

9 UNDP: Crisis Prevention and Recovery Thematic Trust Fund (CPR TTF); climate change adaptation (CCA); Pilot Programme for Climate Resilience (PPCR); Least Developed Countries Fund (LDCF); Common Humanitarian Funds (CHF); Emergency Response Fund (ERF); Central Emergency Response Fund (CERF).

As the findings of the MTR SF make clear, “financing streams for sustainable development, climate change adaptation, and DRR are uncoordinated, despite obvious conceptual and operational overlap” (UNDRR, 2023b, p. 99). To address this, DRR must be integrated within sectoral, development, humanitarian, climate and peace investments, in order to collectively leverage the opportunities presented by the HDP nexus agenda.

Operationalising DRR in humanitarian and crisis settings is particularly challenging given each settings complex context specificities. As a starting point, UNDRR have developed guidance for integrating DRR into the Humanitarian Programme Cycle (UNDRR, 2021), sought to better understand the needs and capacity gaps of pursuing risk-informed humanitarian action (UNDRR, 2022), and documented positive progress on DRR in HDP settings (UNDRR, 2023a). This study complements those efforts and directly responds to requests from operational staff working in a range of crisis settings to assess DRR financing¹⁰. Complementary examples include: successful pilots taken to scale in the form of adaptive social protection mechanisms in multi-risk contexts (UNDRR, 2023a); forecast-based action in disaster and conflict settings (Wagner and Jaime, 2020); anticipatory crisis finance through adjustments to the Central Emergency

Response Fund (CERF) (Weingärtner and Wilkinson, 2019); climate change adaptation in crisis settings (ICRC et al., 2022), and; a growing evidence base of positive progress on DRR in the context of the HDP nexus (UNDRR, 2023a) and financing specifically for triple nexus action (Development Initiatives, 2023b).

This report contributes to a continued call for more and better DRR financing in humanitarian and crisis contexts. With humanitarian caseloads rising, and concerning risk trends for the future¹¹, enhancing DRR in difficult operating environments must become a priority agenda. Of course, assessing funding volumes cannot be equated to changed outcomes, but it is certainly an important enabling factor. But this is not just a question of reduced risk. This is also a question of dignity. Just as Cash and Voucher Assistance in humanitarian settings was driven in-part by a desire to enable more dignified solutions to individuals in high-risk settings (Cash Hub, ICRC and IFRC, 2022), and DRR actions work – in reducing loss of lives and livelihoods – and therefore have a role to play in protecting people’s dignity. The scale of devastation from disasters to all facets of society (on economies, well-being, etc.) is disproportionate to the financial investment in action which could reduce those negative experiences/impacts.

HARNESSING EMERGING OPPORTUNITIES: SITUATING DRR IN THE HDP NEXUS AGENDA

Many emerging opportunities signal positive developments for financing DRR in humanitarian and crisis settings. This includes, but is not limited to, continued progress on the Grand Bargain¹², the Global Shield against climate risks¹³ and the Summit for a New Global Financing Pact¹⁴, among others.

Additionally, over the past decade there has been growing interest in prearranged crisis or disaster risk finance in general, and in pre-arranging finance to enable anticipatory action¹⁵ more specifically (Weingärtner and Wilkinson, 2019; Bharadwaj and Mitchell, 2022). To illustrate, alongside many initiatives on prearranged and anticipatory finance (Weingärtner and Wilkinson, 2019), the CERF increased funding for anticipatory action from 3.8 per cent in 2020 to 5.2 per cent in 2021 (ALNAP, 2022, p. 179), and Germany committed at least 5 per cent of its humanitarian funding to anticipatory mechanisms (Maas, 2021). Despite moves towards more prearranged finance, it

makes up only around 1 per cent to 3 per cent of what is spent on crisis response (Weingärtner and Spencer, 2019; Hillier and Plichta, 2021). Furthermore, prearranged finance for anticipatory action and disaster response is only one aspect of DRR financing and needs to be complemented with actions on prevention and risk reduction.

The HDP nexus agenda also presents an important and useful framing for exploring financing DRR in humanitarian and crisis settings. Formalised through the OECD DAC Recommendation on the HDP nexus (OECD, 2022a), a range of financial, strategic and operational developments to pursue nexus action have been instigated. Of note to this study is the underlying intention to find new ways to address protracted crises, to bring development financing into the fold to address chronic needs and to ensure that humanitarian action is compatible with concepts of “resilience”.

10 This request was identified through the study “Mapping of needs, capacities and resources to risk-inform humanitarian action” (UNDRR, 2022).

11 Such as climate change, new pandemic threats, cyber security, etc.

12 <https://interagencystandingcommittee.org/grand-bargain>.

13 <https://www.v-20.org/global-shield-against-climate-risks>.

14 <https://focus2030.org/Summit-for-a-New-Global-Financing-Pact-towards-more-commitments-to-meet-the>.

15 Prearranged finance “is a specific form of disaster risk financing that has been approved in advance of a crisis and that is guaranteed to be released...when a specific pre-identified trigger condition is met. Prearranged financing can be part of an anticipatory action or forecast-based action/finance mechanism [i.e., pay out before a shock or before peak crisis impacts are reached], but it can also be arranged for use in response to a crisis” (Knox Clarke, 2022, p. 22). The type of prearranged finance that pays out before the shock, to enable anticipatory action, is referred to as anticipatory finance (Scott, 2022).


High hopes for the HDP nexus agenda have been somewhat thwarted by reality. Despite attempts to provide predictable multi-year flexible funding (FAO, NRC and UNDP, 2019) and positive examples of innovative financing instruments – such as climate risk insurance (UNDRR, 2023b) – the continuation of humanitarian and development operations without effective linking has resulted in missed opportunities for action across the HDP nexus. For example, lessons learned from Cyclone Idai in Mozambique showed that agencies weren't able to take advantage of country staff presence owing to a lack of experience in linking with crisis response mechanisms, while contingency and response plans failed to plan for category 3 cyclones – a growing risk in light of climate variability and change (ALNAP, 2022).

As climate-related disasters manifest in crisis settings, particularly those where violent and armed conflict is prevalent, the need to support DRR and climate change adaptation in conflict settings is becoming ever more urgent. The International Committee of the Red Cross (ICRC et al., 2022) makes it clear that humanitarians are being called upon to respond to the increasing caseload because of an increase in fast- and slow-onset disasters as a result of climate change and that they are not well placed to support long-term adaptation needs. Similarly, development and climate actors lack the access or expertise to operate in contexts of medium- and high-intensity conflict. However, recent evidence suggests there is scope to

enhance climate change adaptation and DRR action in conflict settings (ICRC et al., 2022). To give an example, contrary to popular perceptions, flood and drought forecasts exist in conflict-affected regions and can be used to enhance disaster early-warning and early action (Jaime et al., 2022). Such groundwork provides useful leverage for the EW4All initiative.

Suffice it to say that “it has long been understood that humanitarian aid is not the solution to humanitarian problems – that longer-term support is required to prevent and end crises, and to address ongoing needs” (ALNAP, 2022, p. 284). Furthermore, for aid recipients, the distinction between development and humanitarian support has appeared “artificial and counterproductive” (ALNAP, 2022, p. 285). This is not to downplay the importance of the humanitarian imperative, merely to signal that while the focus here is on funding sources and flows, the bigger picture is whether DRR in humanitarian and crisis settings is being collectively achieved – a goal which can only be achieved through collective action on DRR by development and humanitarian actors¹⁶. And, critically, it is necessary to remember that this is a triple nexus and be mindful of the need to create, and take, opportunities to pursue co-benefits for peace through DRR action in humanitarian and crisis settings (a nascent area of work) (UNDRR, 2023a).

16 This viewpoint is well reflected elsewhere. For example, as the Sphere standards describe, “foundation chapters (Humanitarian Charter, Protection Principles and Core Humanitarian Standard) focus on protection, inclusion and organisational responsibilities, which provide a solid ground for translating DRR into practice” (Sphere, 2018, p. 2).

A large-scale volcanic eruption is captured in this image. A thick, dark grey plume of ash and smoke billows upwards from a mountain, filling much of the sky. The plume has a cauliflower-like texture with many smaller clouds merging into a larger, more cohesive mass. In the foreground, a rural landscape is visible, featuring a line of trees, possibly palm trees, and a utility pole with wires. The ground appears to be covered in ash or volcanic material. The overall scene conveys a sense of a powerful natural event.

SECTION 2. ASSESSING
FUNDING FOR DRR
IN HUMANITARIAN
AND CRISIS SETTINGS

SECTION 2. ASSESSING FUNDING FOR DRR IN HUMANITARIAN AND CRISIS SETTINGS

While funding for DRR in humanitarian and crisis settings can be assessed, there are many gaps and limitations, as discussed below. The OECD DAC Creditor Reporting System (CRS) is commonly used to assess ODA, including through its disaster-related sector purpose codes and the DRR Policy Marker (OECD, no date b) (see Annex 1)¹⁷.

In the CRS, markers are used to identify the allocation of development funds to different high-profile policy areas, such as DRR, climate change mitigation and adaptation, biodiversity and gender (OECD, 2020). Because markers can be applied across sectors (as opposed to sector purpose codes, only one of which can be assigned per activity logged in the database [see Annex 2]), the DRR marker allows the database user to track funding for DRR even in cases where funding is embedded within a specific sector.

The DRR marker specifically classifies aid as DRR if “it promotes the goal and global targets of the Sendai Framework to achieve substantial reduction of disaster risk and losses in lives, livelihoods and health, and in the economic, physical, social, cultural and environmental assets of persons, businesses, communities and countries” (OECD, 2017, p. 8). For an activity to be considered as targeting DRR objectives in a “principal” (score of 2) or “significant” (score of 1) way, the activity needs to contribute to:

- a) “the prevention of new disaster risk and/or
- b) the reduction of existing disaster risk and/or
- c) the strengthening of resilience” (OECD, 2017, p. 8).

The introduction of the DRR marker in 2018 has significantly improved our ability to analyse aid funding for DRR. Nonetheless, several challenges and limitations remain with regards to the marker itself as well as the CRS database more broadly (see Box 1).

Other databases – such as the United Nations Office for the Coordination of Humanitarian Affairs (OCHA) Financial Tracking Service – provide information about humanitarian funding. In some cases¹⁸, the Financial Tracking Service may have more complete records and feature a larger volume of funding than the CRS. However, the Financial Tracking Service and other available databases do not allow for DRR-relevant activities to be extracted. Thus despite the limitations associated with the CRS database and the use of the DRR Policy Maker, it remains the most relevant database for assessing funding for DRR in humanitarian and crisis settings.

17 “The objective of the CRS Aid Activity database is to provide a set of readily available basic data that enables analysis on where aid goes, what purposes it serves and what policies it aims to implement, on a comparable basis for all DAC members. Data are collected on individual projects and programmes. Focus is on financial data, but some descriptive information is also made available” (OECD, no date b).

18 Such as in the case for emergency response in South Sudan in 2021, this report identified.

Partial picture from the CRS database: The CRS aid activities database reports bilateral ODA, some aid activities funded from multilateral institutions' regular budgets and aid activities from the Bill & Melinda Gates Foundation¹⁹. For DAC members, it is mandatory to report ODA data to the DAC. In addition, the main multilateral donors and some non-DAC members and other donors (e.g., the Bill & Melinda Gates Foundation) report data voluntarily (OECD, no date b). However, many countries – including major bilateral donors²⁰ – do not report, so any analysis of CRS data is limited to the information from those who mandatorily or voluntarily report (Development Initiatives, 2023a). This means that the CRS does not cover unofficial flows and does not show, or vastly underestimates, disbursements made by non-DAC member countries.

Inconsistencies in how the DRR Policy Marker is interpreted and applied: While the OECD provides guidance on the application of the DRR Policy Marker (OECD, 2017), a degree of subjectivity remains in how different types of activities are classified²¹. This can result in cases where the marker is not applied systematically or accurately. Over time, increasing experience with the use of the marker and complementary guidance issued by the OECD DAC – such as for how to use the DRR Policy Marker in the context of the COVID-19 pandemic (European Union, no date b) – should help reduce inconsistencies in how the marker is applied.

Low marker coverage: In 2021, 59 per cent of all CRS aid activity database entries were scored against the DRR marker: In other words, they were classified as either not targeting DRR objectives (score of 0) or as having significant or principal DRR objectives (score of 1 or 2). For the remaining 41 per cent of aid activity entries, no information was reported on whether they are relevant to DRR objectives; in such cases it is not known whether or not those funds and activities contribute towards DRR.

When the marker was first applied to 2018 data, coverage was much lower, at 29 per cent of all CRS aid activity entries being scored. However, even though coverage has since increased, it still remains about 10 to 20 percentage points behind those OECD DAC Rio Markers and policy markers with the highest coverage: biodiversity, mitigation, adaptation and gender equality (OECD, 2020; authors' calculations based on OECD DAC CRS data for 2018 and 2021)²². As of 2021, four of the 31 DAC members – Germany²³, Greece, Hungary and Portugal – were not scoring activities against the marker at all, and only five members – Australia, the Czech Republic, Iceland, the Netherlands and Switzerland – consistently scored all of the activities they reported to CRS.

Consistent and systematic application of the DRR maker is required to track progress towards the Sendai Framework, specifically, "Target F: Substantially enhance international cooperation to developing countries through adequate and sustainable support to complement their national actions for implementation of this framework by 2030" (UNDRR, 2015, p. 36).

WHAT THIS STUDY DID

This study combined an extensive global secondary literature and evidence review on DRR financing trends with original quantitative analysis of the CRS database (both the purpose code and DRR Policy Marker) and insights from focus group discussions with country and sectoral specialists, financing experts and selected donors. The findings and recommendations were informed and verified through the focus groups and an extensive peer review process. Further details on the study methodology are provided below, with clarifications in footnotes.

19 <https://www.oecd.org/dac/financing-sustainable-development/development-finance-standards/crsguide.htm>. The sum of aid recorded in the CRS aid activities database is referred to as "international aid" in Section 4 of this report.

20 This is a major drawback given China's significant investment in development country infrastructure and therefore potentially a major risk driver.

21 Anecdotal evidence suggests that donors' reporting against markers can change significantly depending on the individual assessing the aid activities. The subjective nature of the interpretation of projects and funds should therefore not be underestimated.

22 Data available at: <https://stats.oecd.org/DownloadFiles.aspx?DatasetCode=CRS1>.

23 Quantitative analysis focuses primarily on the year 2021. Some donors, such as Germany started using the DRR Policy Marker in January 2022 or beyond, so their contributions are not fully integrated into the scope of this study.

Literature and evidence review	An extensive secondary literature and evidence review process of more than 100 documents was undertaken to inform the methodology, situate the findings in existing evidence and craft the recommendations.
Quantitative analysis using disaster-related purpose codes	Original quantitative analysis of the CRS database was undertaken. Insights on funding for DRR globally were produced by assessing the disaster-related purpose codes. This provided original, up-to-date analysis on disaster-related aid disbursements for the year 2021 (the most recent complete dataset available at the time of the study) ²⁴ .
Quantitative analysis using DRR Policy Marker	<p>Analysis was undertaken using the DRR Policy Marker, focusing on two countries with complex humanitarian needs: Mozambique and South Sudan²⁵. Within those two countries, sectors where DRR featured most prominently were selected for further analysis²⁶:</p> <ul style="list-style-type: none"> • Mozambique: health and WASH. • South Sudan: agriculture and emergency response.
Development and application of a prototype DRR taxonomy	<p>To get a better understanding of what types of DRR activities are funded in humanitarian and crisis contexts, a prototype taxonomy for DRR activities was developed (specific details of the taxonomy methodology can be found in Annex 3).</p> <p>Within the four selected sectors, each “aid activity” (as it is labelled in the CRS database, meaning each funding allocation which usually relates to a project or a financial contribution to a larger project) with the DRR Policy Maker applied was then individually assessed. Individual project documents were sourced and reviewed for each aid activity²⁷. This made it possible to identify which of the DRR taxonomy categories and subcategories that project contributed towards, providing an indication of the types of DRR activities being funded²⁸.</p>

24 At the time of study, the CRS data for 2021 had just been published (in December 2022). Therefore, 2021 was chosen as the year of analysis, given that it was the most recent year for which consolidated and complete CRS data was available.

25 Mozambique and South Sudan were selected based on a set of criteria agreed by the Core Group of the Task Team on Scaling Up Disaster Risk Reduction in Humanitarian Action. The selection criteria included: recent Humanitarian Programme Cycle countries; timeline and viability of conducting interviews given the disaster/crisis seasons; in-country willingness to engage; priority countries and clusters/sectors for Core Group agencies; and potential for learning (which encompassed both low- and mature DRR components and DRR integration with the Humanitarian Programme Cycle).

26 The sector selection was based on a combination of the following considerations: volumes of disbursement with DRR objectives (principal or significant) to the sector; share of activities that are scored against the marker in the respective sector; and variety of sectors across the two countries.

27 The aim of this exercise was to get a better understanding of which types of DRR activities tend to attract most funding in humanitarian and crisis contexts. For this purpose, the team searched donor websites and online repositories for relevant project documentation. On the basis of this documentation, each activity was assessed against whether it addressed any of the categories and subcategories included in the taxonomy. Were this study to be repeated in other contexts, cataloguing projects against the taxonomy would be best undertaken as a workshop, with operational staff classifying as part of a broader learning activity on the theme of DRR integration in humanitarian and crisis settings.

28 Because the level of information available about each activity varied substantially (several activities did not have sufficient information to be classified based on the taxonomy) – because of the relatively small number of activities reviewed in each country, and because each activity could, in theory, include several types of DRR interventions – we chose not to calculate total volumes of funding against the categories or subcategories. However, we were able to gain a broad picture of which types of DRR categories are particularly prominent in the different sectors and countries. Results from this analysis are discussed in each of the country sections. Activities where we were unable to find clear relation/contribution to DRR (e.g., general livelihood support programmes) or that responded entirely to societal hazards (e.g., conflict) are excluded from this discussion (see Section 1).

It should be noted that the reliability of this analysis is limited because there is limited public information about some of the projects. Where the team did not have sufficient information to classify an activity according to the taxonomy’s categories and subcategories, we did not apply the taxonomy to that activity. Several team members were involved in applying the taxonomy, and each categorisation was discussed and validated by at least two team members to reduce subjectivity and support consistency in applying the taxonomy.

Open mapping	Recognising that there are other DRR-relevant initiatives not captured by the CRS database ²⁹ , for the selected four sectors, an open mapping was conducted to identify additional funds/activities ³⁰ . Different data formats and the risk of overlap across data sources meant it was not appropriate to combine results from the open mapping with the CRS data.
Focus groups	The results were verified through focus group discussions with development, humanitarian and climate finance experts, selected donors and in-country stakeholders in South Sudan ³¹ .
Peer review	The full draft report underwent an extensive peer review process by country, finance and sectoral experts, among others.

The graphs and tables presenting quantitative data in this report are based exclusively on CRS data. However, the country sections include discussion of additional relevant funding sources and approximate volumes of funding from the open mapping.

Finally, despite significant variations in the humanitarian and conflict prevalence within the two countries, the data reports on all aid activities within the countries. Attempts to disaggregate data by location were not possible because of a lack of geographical detail in many project descriptions.

29 Either because the type of funding is beyond the scope of the CRS because the donor does not (voluntarily) report to the CRS or because the DRR marker is not applied to an activity, even when the activity is captured in CRS.

30 The open mapping included specific searches for known donors of DRR in the two countries as well as searches of other known sources of funding such as domestic budget allocations or multilateral climate funds that we knew were not featured in the series data analysed. The open mapping also included additional projects identified through the International Aid Transparency Initiative system on the [d-portal website](#), which is searchable for DRR marker application.

31 Focus groups were scheduled for WASH and health in Mozambique but did not take place because of a lack of attendees.

SECTION 3.
FINDINGS: DRR
FUNDING AT THE
GLOBAL AND
COUNTRY LEVEL

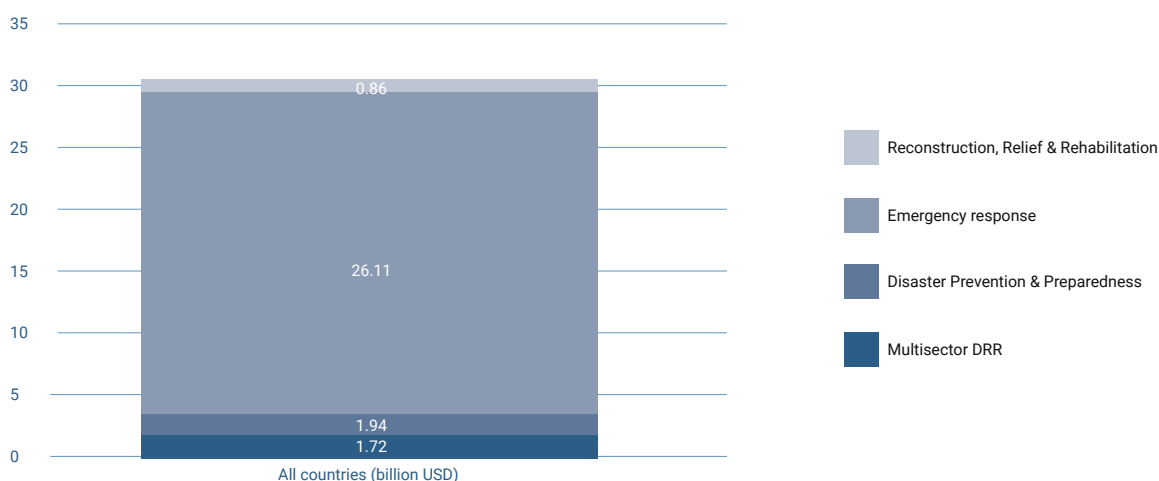


SECTION 3. FINDINGS: DRR FUNDING AT THE GLOBAL AND COUNTRY LEVEL

INSIGHTS FROM ANALYSIS USING THE DISASTER-RELATED PURPOSE CODE

In 2021, a total of \$30.6 billion of international aid recorded in the OECD DAC CRS aid activity database was disbursed towards disaster-related activities, including (as per the CRS descriptions) allocations towards multisector DRR, disaster prevention and preparedness, emergency response, and reconstruction relief and rehabilitation. This sum constitutes about 12 per cent of all international aid recorded for the same year. The vast majority (about 85 per cent, or \$26.11 billion) of this disaster-related funding went towards emergency response activities. Only about 12 per cent (\$3.66 billion) was disbursed for activities focused on multisector DRR or disaster prevention and preparedness. A further 3 per cent (\$0.86 billion) went to reconstruction relief and rehabilitation (Figure 3).

FIGURE 3: DISBURSEMENT BY DISASTER-RELATED PURPOSE CODE, 2021

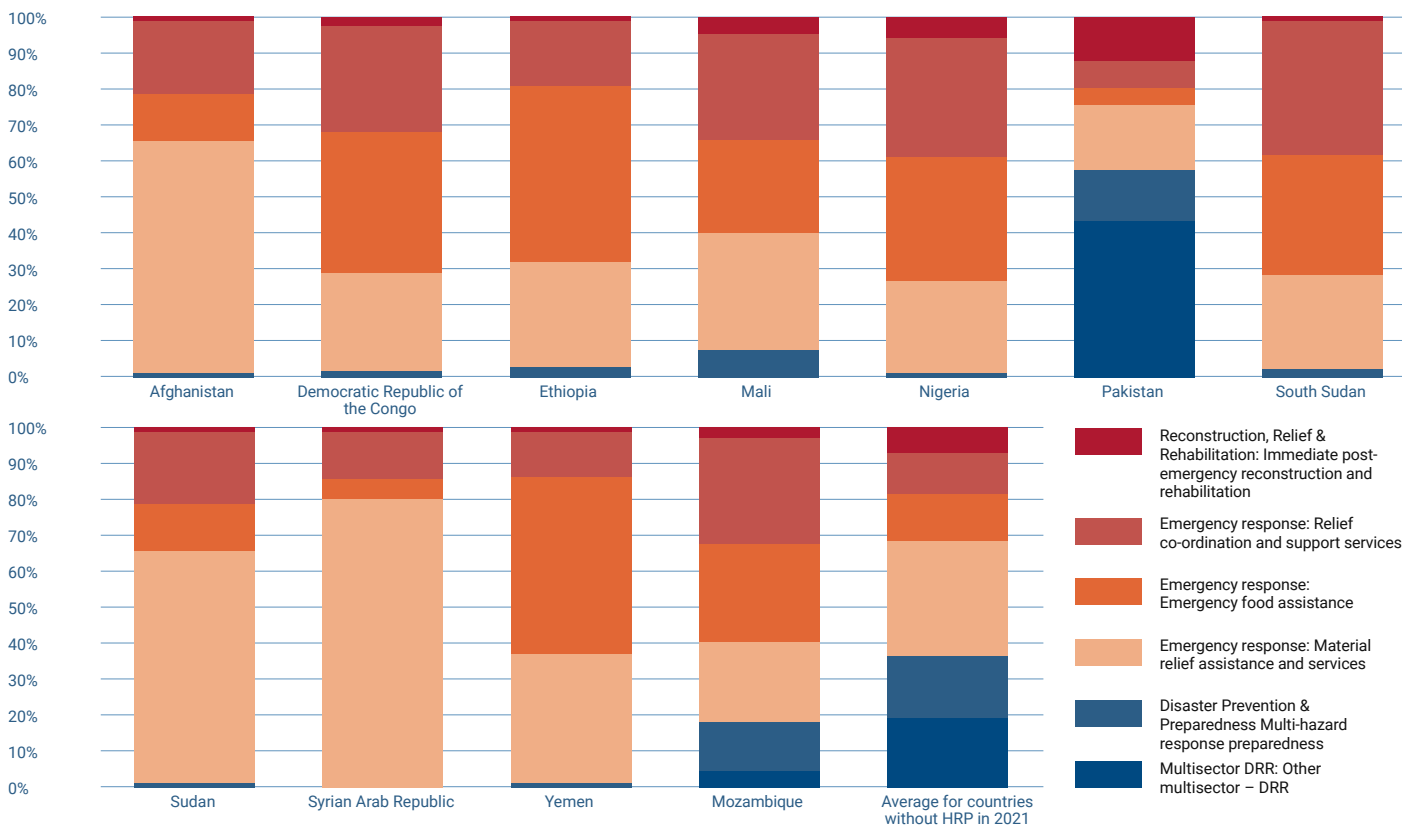


Source: Authors' calculations and figures based on CRS data, accessed January 2023.

While this ratio may have been somewhat skewed in 2021 given the large-scale aid responses to COVID-19, this snapshot is broadly in line with what has been observed for the past decades – small amounts of aid going towards prevention and preparedness compared to the amounts spent on emergency response (see Section 1).

Focusing on the top 10 countries, in terms of people in need, with Humanitarian Response Plans in 2021, the funding allocations to different DRR components are clear: Except in Pakistan, where funding for disaster-related activities goes almost entirely to emergency response (material relief assistance and services, emergency food assistance, and relief coordination and support services). Arguably, this is with good reason – these are severe humanitarian situations.

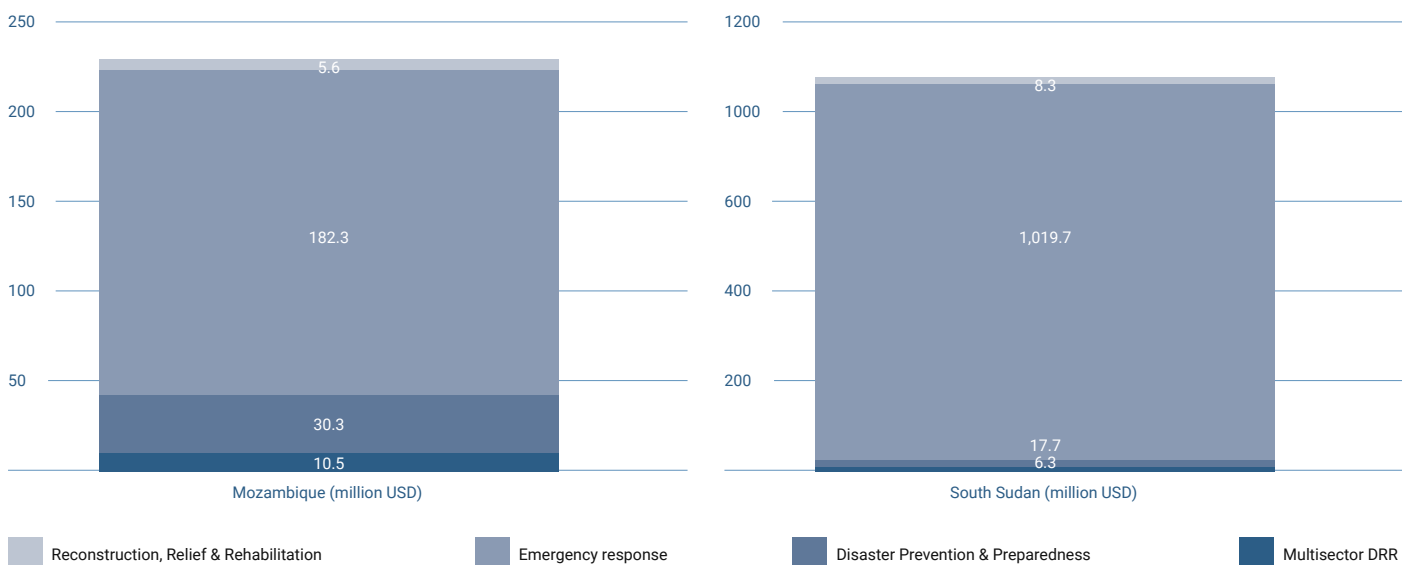
FIGURE 4: TOP 10 HUMANITARIAN RESPONSE PLAN COUNTRIES (IN TERMS OF PEOPLE IN NEED) AND FUNDING ALLOCATIONS TOWARDS DISASTER-RELATED ACTIVITIES (SHARE OF DISBURSEMENT BY DISASTER-RELATED PURPOSE CODE OF TOTAL DISASTER-RELATED AID IN 2021)



SOURCE: AUTHORS' CALCULATIONS AND FIGURES BASED ON CRS DATA, ACCESSED JANUARY 2023.

The global pattern is broadly reflected in the amounts of disaster-related aid disbursements (using the disaster-related purpose code) for our focus countries, Mozambique and South Sudan, in 2021. For South Sudan, the share of disbursements going towards emergency response is even greater than the global total, at about 97 per cent. In Mozambique, about 80 per cent of disaster-related disbursements went towards emergency response; the share going to disaster prevention and preparedness was relatively larger in Mozambique (about 18 per cent) than in South Sudan (about 2 per cent) in 2021 (Figure 5).

FIGURE 5: DISBURSEMENT BY DISASTER-RELATED PURPOSE CODE IN MOZAMBIQUE AND SOUTH SUDAN, 2021



Source: Authors' calculations and figures based on CRS data, accessed January 2023.

INSIGHTS FROM ANALYSIS USING THE DRR POLICY MARKER

DRR objectives can be built into sectoral activities (such as shelter, agriculture or WASH) and can be identified through analysis of the application of the DRR Policy Marker (see Section 2 and Annex 1). Globally, disbursements for activities tagged with the DRR Policy Marker are as follows:

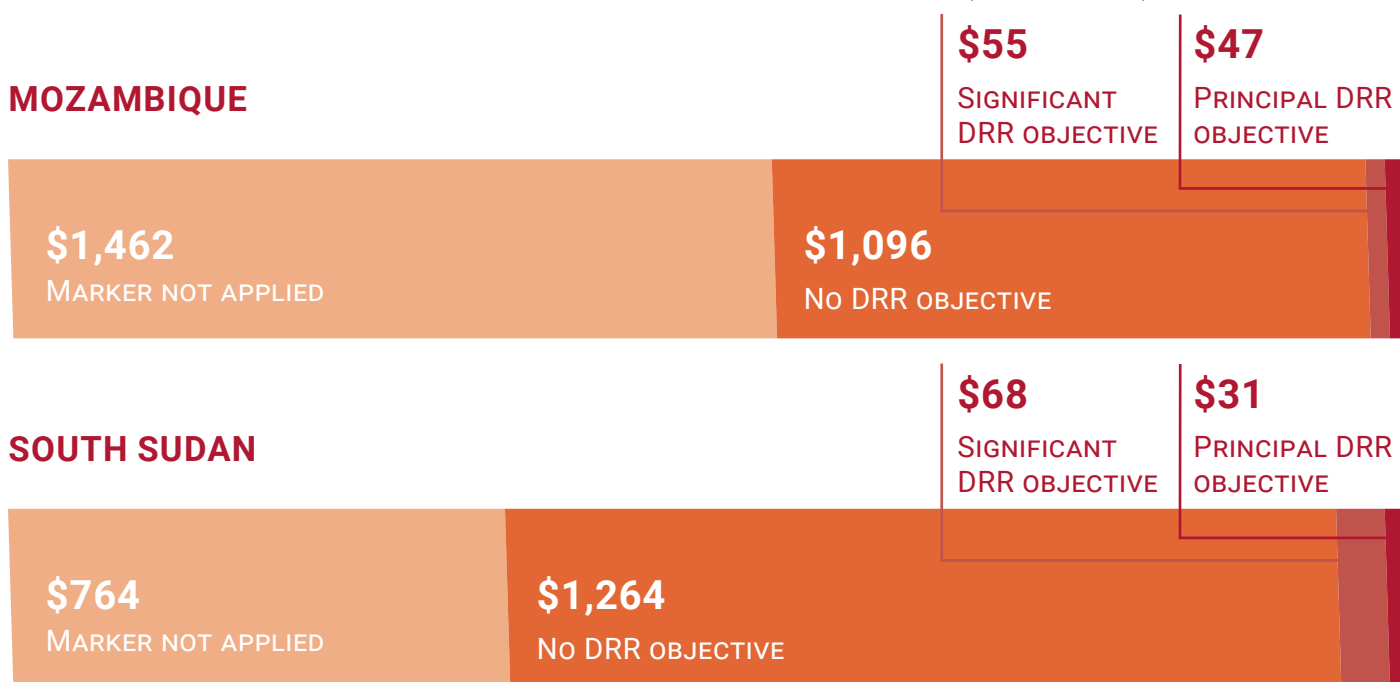
- disbursements towards activities with a “significant” DRR objective amounted to just over \$22 billion;
- disbursements towards activities with a “principal” DRR objective were around \$2.7 billion;
- disbursements towards activities found to have no particular DRR objective totalled around \$64 billion.

It should be noted that these figures are not directly aligned with, or comparable to, the results from the analysis of the disaster-related sector purpose codes presented above.

Figure 6 shows the volumes of aid disbursements by whether they are considered to contribute towards DRR objectives for the two case study countries, Mozambique and South Sudan. In both countries, a large share of funding is considered not to contribute directly to DRR objectives. Moreover, in Mozambique there is a significant share of funding where it is not known if it contributes towards DRR because the marker was not applied (about 55 per cent). Of the aid flows recorded in CRS going to this report’s case study countries – South Sudan and Mozambique – the number of entries that are tagged with the DRR marker is above average, at 70 per cent and 67 per cent respectively in 2021.

In 2021, about \$102 million was disbursed for activities with a significant or principal DRR objective in Mozambique; for South Sudan, the disbursement was towards activities with significant or principal DRR objective amounted to a total of \$99 million in the same year. This constitutes a share of 4 per cent in Mozambique and 5 per cent in South Sudan of total aid recorded in the CRS aid activities database as going to those countries in 2021.

FIGURE 6: DISBURSEMENTS TOWARDS ACTIVITIES BY DRR OBJECTIVE, 2021 (MILLION USD)

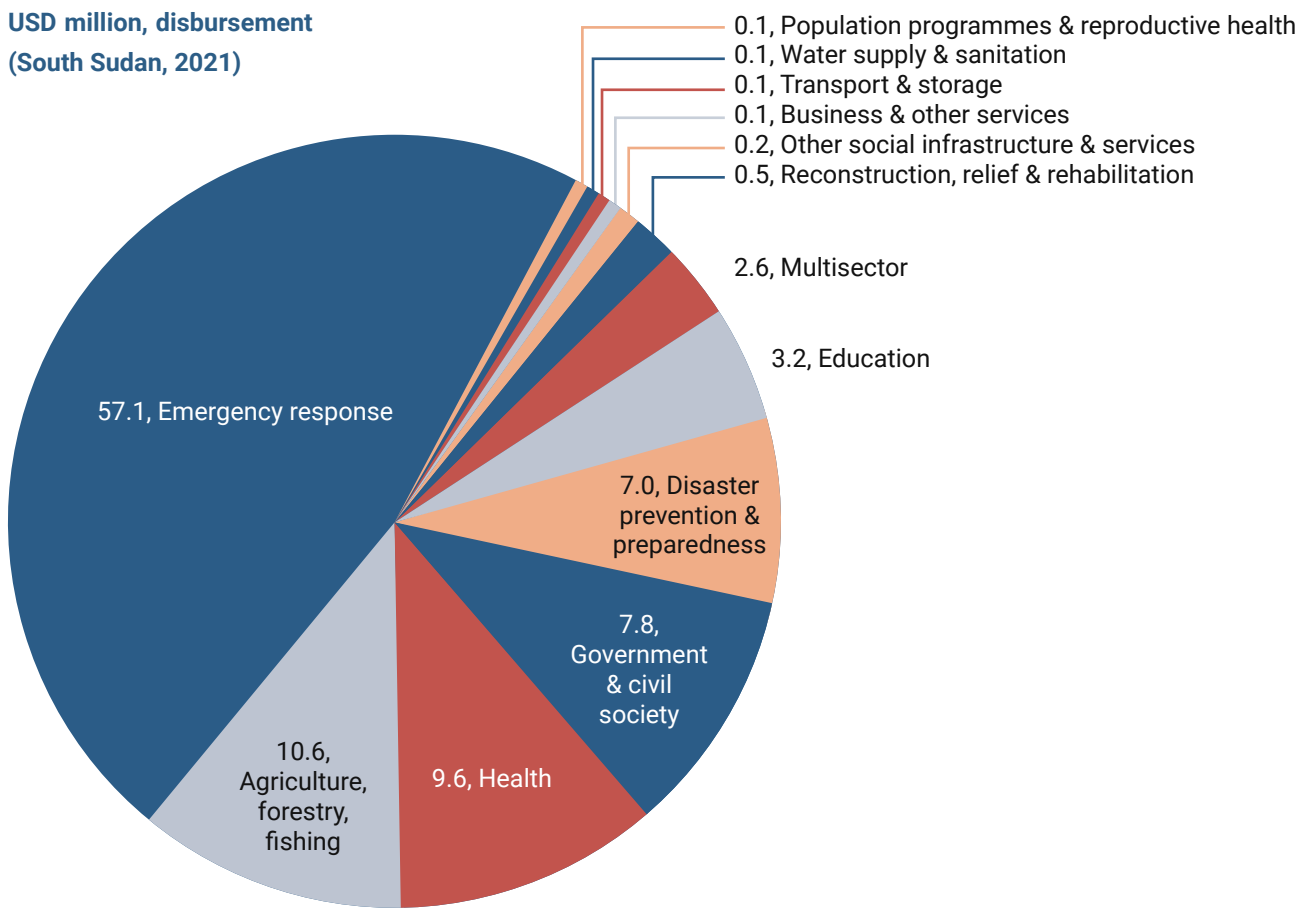


Source: Authors’ calculations and figures based on CRS data, accessed January 2023.

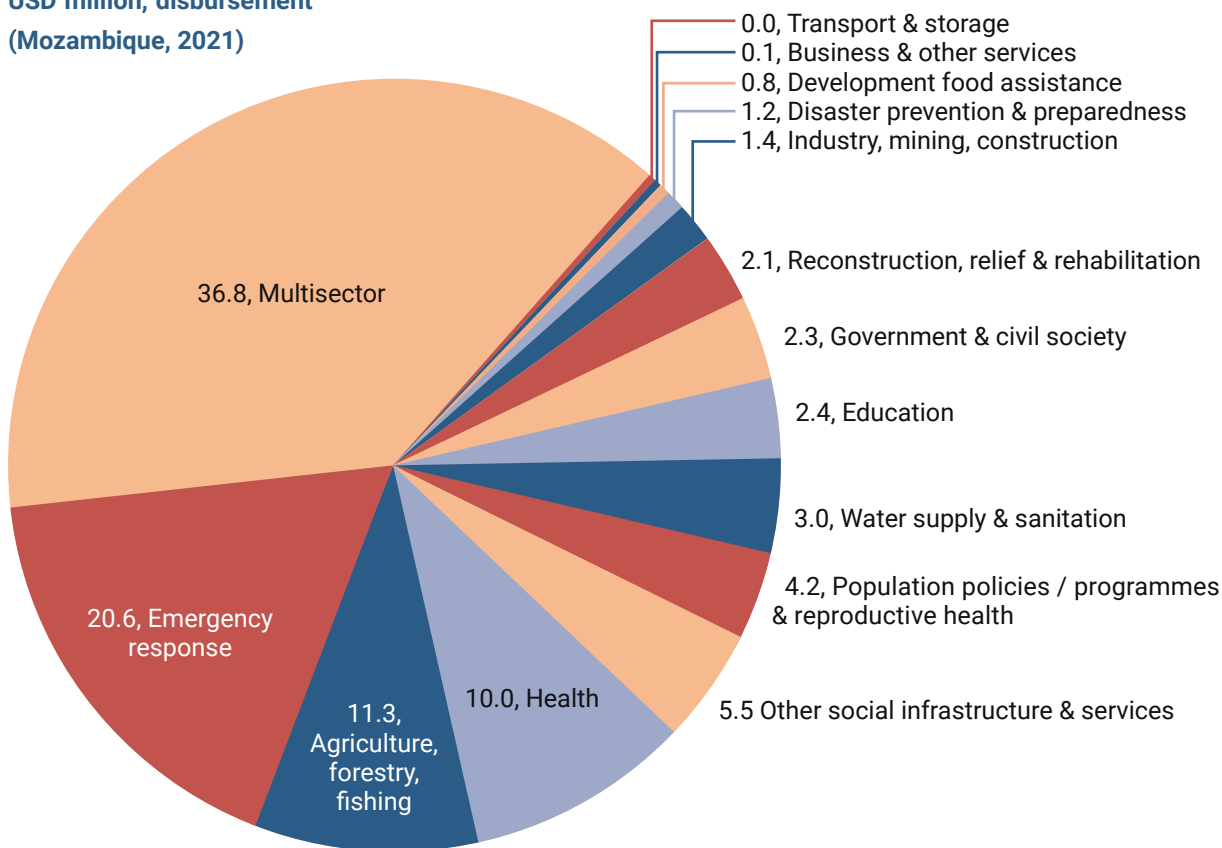
In the case of South Sudan, the vast majority of disbursements – and close to a quarter of disbursements in Mozambique – that are recorded in CRS and classified as having a significant or principal DRR objective went to emergency-response sector activities (see Figure 7). It thus appears from the data recorded in CRS that DRR allocations in South Sudan are largely skewed towards responding to emergencies rather than preventing the creation of new disaster risk, reducing existing risk or strengthening resilience. In particular, the largest share was allocated to the material relief assistance and services subsector, followed by relief coordination and support services and emergency food assistance. Some of the emergency response activities may include more explicit risk-reducing interventions or support efforts to build back better, but the extent to which this is the case is not clear from the information available in the CRS.

FIGURE 7: TOTAL DISBURSEMENTS PER SECTOR FOR AID ACTIVITIES WITH SIGNIFICANT OR PRINCIPAL DRR OBJECTIVE, 2021

USD million, disbursement
(South Sudan, 2021)



USD million, disbursement
(Mozambique, 2021)



Source: Authors' calculations and figures based on CRS data, accessed January 2023.

SECTION 4.
INSIGHTS FROM
SPECIFIC SECTORS



SECTION 4. INSIGHTS FROM SPECIFIC SECTORS

MOZAMBIQUE

HEALTH IN MOZAMBIQUE

The reduction of mortality and morbidity resulting from disease outbreak has been a feature of Mozambique's humanitarian responses. This includes COVID-19, but also repeated cholera outbreaks (2,477 cases in 2020, rising to 3,400 in 2021) and malaria (770,036 in 2020, rising to 785,489 in 2021) (OCHA, 2022, p. 15). Addressing acute malnutrition is also a persistent challenge, as is HIV prevalence (11.4 per cent among adults aged 15 to 49 years [OCHA, 2022, p. 15]), measles and obstetric care.

The degraded health system is particularly severe in conflict-affected parts of the country. In the Cabo Delgado province, for instance, armed conflict has rendered health facilities in the worst-hit areas nonfunctional – making the justification for developing effective DRR financing in fragile and conflict settings even higher. In Cabo Delgado, conflict "...has reduced capacity to detect and respond to disease outbreaks, including cholera, measles and COVID-19, and to provide critical care, such as sexual and reproductive health care, immunization activities, access to antiretrovirals (ARVs) and treatment for tuberculosis (TB)" (OCHA, 2020b, p. 5). And 45 per cent of health facilities in the province lack access to water (OCHA, 2020b, p. 5), so the risk of disease outbreak is high because of a lack of access to safe water and sanitation.

Cholera outbreaks occurred following Cyclone Kenneth in April 2019 and were linked to contaminated drinking water (CARE, 2019). It is also common to see spikes in waterborne diseases during the annual rainy season (November–May) (OCHA, 2022). It is hardly surprising, therefore, that the 2022 Humanitarian Response Plan includes: "Specific Objective 1.2: Provide an integrated WASH and health response in cholera-prone districts to reduce excess morbidity and mortality by the end of 2022" (OCHA, 2022, p. 14).

Global requirements for the health sector grew to \$2.4 billion in 2020, with United Nations appeals peaking at \$39.3 billion. Little more than half were funded, and "it further blurred the lines between emergency aid and social safety nets" (ALNAP, 2022, p. 41). Mozambique was among the priority countries within the Global Humanitarian Response Plan for COVID-19, with the country's funding requirements for COVID-19 alone (as of May 2020) totalling \$62.8 million (OCHA, 2020a).

The links between DRR and health from a humanitarian perspective are provided in Box 2 below.

BOX 2: PRACTICAL EXAMPLES OF THE LINKS BETWEEN DRR AND HEALTH

- Health disasters affect the health of individuals as well as the functioning of health systems. Accordingly, DRR interventions should contribute both to strengthening the general population's health and health system capacity as well as general community preparedness to better manage health crises when they emerge.
- Referral and health-care mapping are essential preventative actions for prioritising health services at the country level or at the closest operational level in acute emergencies (Health standard 1.1).
- Coordination and collaboration with national health-care structures and the ministry of health are the basis for all health-care interventions. Health-care workforce data and readiness information should be shared with health ministries and other relevant bodies both locally and nationally (Health standard 1.2, KA5).
- A key DRR activity is to ensure that health data is updated and ready to use even in crisis situations. This assumes that the data is available and correct.
- DRR is also about improving community awareness and monitoring potential health crises.

Source: Sphere, 2018, p. 5.

FUNDING FOR DRR WITHIN HEALTH ACTIVITIES

The open mapping found a major focus of international aid to DRR in the health sector in Mozambique in 2021 was to support the government in its pandemic preparedness, health system capacity and response to COVID-19. Both the World Bank and the African Development Bank committed and/or delivered finance for pandemic preparedness and response projects that year, including support to the Mozambican government's COVID-19 vaccination campaign.

Under the COVID-19 Strategic Preparedness and Response Project, a total grant of \$115 million was made available by the World Bank "to acquire, manage and deploy COVID-19 vaccines and to strengthen national health systems' preparedness and capacities, as well as to ensure continuity of essential health services, particularly for women, children and adolescents".

In addition to this multilateral finance, original analysis based on the CRS aid activities database found that more than \$10 million of aid to the health sector in Mozambique was disbursed for activities which include a principal or significant DRR (Figure 8). This constitutes only about 3.35 per cent of the total disbursements recorded in CRS for activities in the health sector in Mozambique that year. In turn, this means that for more than 96 per cent of international aid disbursements for health to Mozambique in 2021, the analysis was not able to confirm any DRR objectives. Over half of the total disbursement volume was tagged as not contributing to DRR objectives (labelled "no DRR objective" in Figure 8), while it is unclear whether or not the remainder of the disbursement volume (just over 40 per cent) contributes towards DRR (the share labelled "marker not applied" in Figure 8).

FIGURE 8: DISBURSEMENT BY DISASTER-RELATED PURPOSE CODE, MOZAMBIQUE HEALTH SECTOR, 2021



Source: Authors' calculations and figures based on CRS data, accessed January 2023.

The main donors contributing to disbursements with DRR objectives were the Bill & Melinda Gates Foundation and the European Union, with about \$6.4 million and \$3.1 million, respectively. Other donors which made smaller contributions include national, and in some cases subnational, agencies and other public institutions of Italy, the Republic of Korea, Spain and Switzerland.

An assessment of the CRS aid activities against the taxonomy revealed that the main categories of DRR interventions covered are risk analysis and assessments, including collection, analysis and dissemination of data; capacity-strengthening and awareness-raising; and systems resilience through integration of DRR into development planning, line ministries and sectors. Other types of DRR which several health sector activities with DRR objectives addressed are preparedness for response and disaster response.

WASH IN MOZAMBIQUE

Despite gradual improvements, WASH statistics are concerning: “Only half of Mozambicans have access to improved water supply and less than a quarter (one in five) use improved sanitation facilities” (UNICEF, no date). As a result of needs identified in 2021, the 2022 Humanitarian Response Plan strategic objectives related to WASH include an integrated health response plan tackling cholera and handwashing behaviour-changing programmes.

Conditions in the north of the country are the most severe. The 2021 Humanitarian Response Plan identified an estimated 176,000 people in the northern province of Cabo Delgado who were without access to a primary water source because conflict was disrupting central supplies (OCHA, 2020b, p. 5).

While the WASH Cluster objectives focus primarily on lifesaving and actions to support protection measures, Strategic Objective 2 of the Humanitarian Response Plan includes DRR-related activities within the ambition to “Promote protection of populations and prevent conflict and gender-based violence through provision of inclusive and gender-sensitive water; sanitation; and hygiene services, items and facilities for vulnerable populations, including hosting communities” (OCHA, 2022, p. 65). Given the integrated nature of the 2022 Humanitarian Response Plan, it is worth noting that WASH activities such as restoring WASH hardware in schools and health facilities are undertaken under the Education and Health Humanitarian Response Plan (OCHA, 2022).

The links between DRR and WASH from a humanitarian perspective are provided in Box 3 below.

BOX 3: PRACTICAL EXAMPLES OF THE LINKS BETWEEN DRR AND WASH

WATER, SANITATION AND HYGIENE PROMOTION (WASH)

Sphere’s WASH standards support the analysis of risks, exposure, vulnerabilities and capacities related to WASH, risk-proofing for infrastructure and associated health issues. Examples include:

- Identifying capacities and infrastructure settings (WASH 1.1, 2.1 and 2.2);
- General public health risks associated with the availability of safe water (WASH 2.2);
- Management of water systems, such as solar pumping or piped water systems (WASH 2.1); and
- Installation of water points at identified evacuation points, including the stockpiling of gender-appropriate hygiene materials (WASH 1.3).

FUNDING FOR DRR WITHIN WASH ACTIVITIES

The open mapping found a range of different funding sources that enabled DRR activities in the WASH sector in Mozambique in 2021. This includes finance made available through the World Bank, in part via its Global Facility for Disaster Risk Reduction and Recovery (GFDRR). A major focus of these investments has been on enhancing urban sanitation, strengthening water security and incorporating climate considerations into WASH infrastructure.

Analysis of the CRS reports that about \$3 million of international aid recorded in the OECD DAC CRS aid activity database was disbursed for aid activities in the WASH sector with a principal or significant DRR objective in Mozambique in 2021 (Figure 9). This includes allocations by the Bill & Melinda Gates Foundation, the European Union, Ireland, Italy, Japan, the Republic of Korea, Spain and Switzerland. The European Union made by far the largest contributions on this list, disbursing about \$2.7 million for WASH activities with a DRR objective. Out of all disbursements recorded in the CRS as going to WASH activities in Mozambique in 2021, about 2.4 per cent are known to be aimed at contributing to DRR objectives, while around 21 per cent had no DRR objective. It is important to note, however, that it was not possible to determine whether about three quarters of total WASH sector disbursements contributed to DRR objectives, as they were not scored against the DRR Policy Marker in the CRS database (Figure 9). Interestingly, analysis against the taxonomy found that activities with a significant or principal DRR objective were primarily focused on risk analysis and risk assessments, including collection, analysis and dissemination of data, and capacity-strengthening and awareness-raising.

FIGURE 9: DISBURSEMENT BY DISASTER-RELATED PURPOSE CODE, MOZAMBIQUE WASH, 2021



Source: Authors' calculations and figures based on CRS data, accessed January 2023.

In northern Mozambique in particular, a main focus of disaster-related interventions in the WASH sector was on the provision of support to conflict-affected populations and internally displaced persons in the form of hygiene kits, emergency latrines and bathing facilities, and WASH messaging. These interventions appear to be primarily emergency response interventions, although some have a more explicit focus on assessing and better managing disaster risk and strengthening preparedness in the assistance of internally displaced people. It was not possible to further narrow down funding by geographic location within the country from the information in the CRS database and the accompanying project documentation; therefore, we are unable to compare DRR funding going to conflict-affected versus other parts of Mozambique. This is a significant gap in our collective understanding of DRR financing in crisis settings.

SOUTH SUDAN

AGRICULTURE IN SOUTH SUDAN

This section discusses agriculture, livelihoods and food security. Agriculture was among the top sectors within the CRS database to include disaster-related activities for South Sudan, hence it is a focus of analysis. Livelihoods and food security are central themes within South Sudan's Humanitarian Response Plan (OCHA, 2021b), therefore we discuss both linked themes below.

Globally, food security has consistently received the largest volume of funding by a long way: "\$6.0 billion in 2021, almost four times the next-largest cluster" (Development Initiatives, 2022, p. 34). Despite high levels of funding, contributions consistently fall below what is required: By 2021, \$11.1 billion was required, accounting for 40 per cent of all needs in country appeals (ALNAP, 2022, p. 94). COVID-19, drought in the Horn of Africa and the war in Ukraine and related supply chain issues have put additional pressure on food security. Between January and April 2022, the Food and Agriculture Organization (FAO) Food Price Index rose by 17 per cent (ALNAP, 2022). The World Bank estimates that every percentage point rise equates to an additional 10 million people in poverty (ALNAP, 2022, p. 94).

South Sudan has been among the countries experiencing the highest increase in severity of food insecurity in 2020/2021, including famine (Development Initiatives, 2022, p. 29). Access to food is inherently political: "...For civilians living in active conflicts, hunger and disease are often a greater threat to life than direct attack – of the five countries at greatest risk of famine during 2018 to 2021 (Yemen, South Sudan, Nigeria, Afghanistan and Ethiopia), the common driver across all of them was violent conflict" (ALNAP, 2022, p. 277). UNSC Resolution 2417 prohibited the use of starvation as a method of warfare and was based in part from reports submitted by OCHA on the situation in South Sudan (ALNAP, 2022). Despite the resolution, there remains "...continued weaponization of access to food" (ALNAP, 2022, p. 182).

The Food Security and Livelihood Cluster component of the 2021 Humanitarian Response Plan (OCHA, 2021) focuses action on Integrated Phase Classification Phase 3, 4 and 5. Food assistance is thus a priority, in an effort to "prevent famine and improve food consumption, dietary diversity and coping strategies for vulnerable people" (OCHA, 2021, p. 52). Furthermore, the Cluster aims to "...enhance and sustain emergency food production through complementary vegetable and crop livelihood inputs and fishing and livestock support. Dependency on food and agricultural inputs will be reduced to support and strengthen households' ability to absorb shocks in collaboration with other clusters" (OCHA, 2021, p. 52). Efforts to enhance rain-fed subsistence agriculture, data on agriculture and crop production, and food and livelihood security also feature in subnational plans, specifically the Abyei Response Plan (Part 5 of the 2021 Humanitarian Response Plan [OCHA, 2021])

The links between DRR and food security agriculture and livelihoods from a humanitarian perspective are provided in Box 4.

BOX 4: PRACTICAL EXAMPLES OF THE LINKS BETWEEN DRR AND AGRICULTURE

FOOD SECURITY AND NUTRITION

- Livelihoods support during an emergency is likely to be more effective if it integrates preparedness activities that contribute to a community's capacities in the longer term.
- Some approaches included in Sphere are Cash for Work; Multi-Purpose Cash Assistance; distribution of seeds to farmers; supporting micro, small and medium enterprises; and strengthening livestock livelihoods.
- The interventions should take into consideration the local market capacities. Livelihoods standards 7.1 and 7.2 support DRR elements of capacity analysis, reducing vulnerabilities and enhancing capacities.
- SPHERE provides further details in "Delivering assistance through markets", explaining how cash-based programming and supply chain analysis are essential DRR components for understanding the strengths and weakness of economies in disaster-prone areas.

Source: Sphere, 2018, p. 5.

FUNDING FOR DRR WITHIN AGRICULTURE ACTIVITIES

The open mapping found that major sources of funding for DRR in agriculture in South Sudan in 2021 included domestic budget allocations, multilateral climate funds, multilateral development banks and bilateral development assistance.

Multilateral climate funds have been funding activities that contribute towards DRR in agriculture in South Sudan. In 2021, this included a programme by the Global Environment Facility’s Least Developed Countries Fund to strengthen the capacity of the South Sudanese government and communities to adapt to climate change. The five-year, \$9 million project entails multiple activities in support of DRR, such as the development of a national land use map that shows climate change and environmental vulnerability; the establishment of hydro meteorological monitoring stations in drought- and flood-prone states; and the development of protocols for climate-resilient restoration of degraded ecosystems.

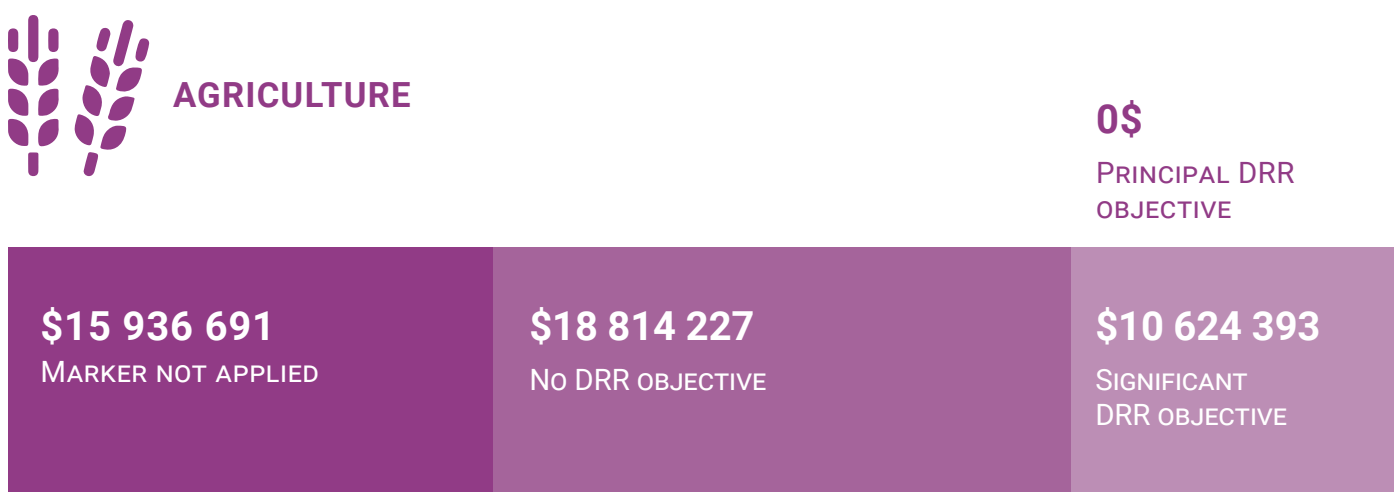
Other relevant projects supported by multilateral climate funds in South Sudan (and active in 2021) include accelerating the financing and implementation of low-carbon and climate-resilient priorities and agriculture and energy, and strengthening climate information systems for climate change adaptation through regional cooperation projects, both funded by the Green Climate Fund.

Furthermore, several agriculture programmes financed through multilateral development banks include specific activities to reduce disaster risk in agriculture. The African Development Bank financed the “South Sudan agricultural markets, value addition and trade development project” (total net loan amount to the government of South Sudan of U.A 10.000.000), for instance, which includes training on climate-sensitive/smart investment and integrated pest management as one of its key activities.

Original analysis based on the CRS found \$10.6 million of international aid disbursements towards DRR-relevant activities in agriculture in South Sudan in 2021 (Figure 10). This constitutes 23 per cent of total aid reported in CRS to the country that year, meaning almost one fourth of agriculture sector aid went to activities with significant DRR objectives in South Sudan in 2021 (Figure 10). The largest bilateral contributions to DRR in agriculture were made by the Norwegian Agency for Development Cooperation, with about \$4.4 million disbursed towards the partnership for building and enhancing resilience of conflict-affected households in South Sudan. Other major bilateral donors include the European Union, Sweden and Switzerland.

Reviewing the aid activities against the taxonomy revealed that the clear focus of these activities was on enhancing the resilience and protection of livelihoods and productive assets – for instance, by supporting training on and implementation of climate-smart agricultural practices.

FIGURE 10: DISBURSEMENT BY DISASTER-RELATED PURPOSE CODE, SOUTH SUDAN AGRICULTURE SECTOR, 2021



Source: Authors’ calculations and figures based on CRS data, accessed January 2023.

EMERGENCY RESPONSE IN SOUTH SUDAN

Initial analysis of CRS aid activities within South Sudan which had the DRR Policy Marker applied revealed “emergency response” among the highest-scoring categories. The selection of “emergency response” as a theme of analysis may seem contradictory given that our study focuses on disaster risk reduction, prevention and preparedness (Figure 1) rather than emergency response. This approach is in line with the DRR Policy Marker guidance provided by the OECD. However, the use of the DRR Policy Marker for aid activities classified as “emergency response” raises important questions that warrant further investigation. For example, do aid activities for “emergency response” that have the DRR Policy Marker applied constitute emergency response projects which also include elements of longer-term DRR actions or building back better approaches? Or do they represent a mis-tagging of projects with the DRR Policy Marker? For this reason, the analysis explored aid activities tagged as “emergency response” and with the DRR Policy Marker applied.

South Sudan has been confronted by multiple coexisting and compounding shocks and stresses requiring regular emergency responses. Even a cursory look at events in 2020 (the year prior to this study’s analysis) saw that major responses were required each month for food insecurity, subnational violence, flooding and conflict displacement (OCHA, 2021). Since 2019, the health and economic impacts of COVID-19 have been severe, and they continue to be so to this day (OCHA, 2021).

Climate variability and change trends point to exacerbated risks and vulnerabilities in the future, with increased rainfall intensity likely to exacerbate current flooding, increased temperatures and rainfall reductions leading to longer and more severe drought, and climate-related temperature changes accelerating the spread of epidemics (World Bank Group, 2021).

More broadly, despite the formal end to the war in 2018 and the departure of peacekeeping forces, violent and armed conflict has been a persistent occurrence, contributing to “an atmosphere of increased lawlessness and opportunistic violent crime” (ALNAP, 2022, p. 109).

It is unsurprising, therefore, that the HDP nexus features heavily in debates about the design of operational responses in South Sudan and that prevention is a central theme. That said, “investments in conflict prevention are chronically underfunded relative to development and humanitarian investments. Alongside a lack of resourcing is the persistent inability of actors to strike a balance between their development and peace activities” (OECD, 2022b, p. 100). Given the need to secure peace across the country, the adoption of conflict sensitivity approaches is also a recurrent theme (OCHA, 2021).

As Sphere standards elucidate (see Box 5), there is sufficient consensus within the humanitarian community that longer-term DRR actions can and should be integrated into emergency response.

BOX 5: PRACTICAL EXAMPLES OF THE LINKS BETWEEN DRR AND EMERGENCY RESPONSE

“Complex and protracted emergencies can result from different hazards or, more often, from a complex combination of both natural and ‘man-made’ factors of vulnerability. Food insecurity, epidemics, conflicts and population displacement are examples. In such emergencies, DRR and humanitarian response measures go hand in hand. Emergency response programmes should consider DRR components at all times and adapt continuously in response to changing needs, capacities and context (CHS 1.3). This includes understanding vulnerabilities, building on capacities and ensuring inclusive participation of the affected population when facing and preparing for multiple hazards and shocks”.

Source: Sphere, 2018, p. 6 (emphasis added).

FUNDING FOR DRR WITHIN EMERGENCY RESPONSE ACTIVITIES

The open mapping revealed that the 2021–2022 budget allocation for the South Sudanese Ministry of Humanitarian Affairs and Disaster was South Sudanese pound (SSP) 1,085,808,230 (about 0.32 per cent of total budget for the financial year). This included SSP 798,627,319 allocated to administration and finance, SSP 111,324,414 for disaster management, SSP 111,231,639 towards early-warning systems and SSP 64,624,859 for planning and coordination.

Complementing domestic efforts of disaster management, emergency response funding made up a large proportion of international aid going to South Sudan in 2021. Out of all disbursements to South Sudan recorded in the OECD DAC CRS aid activities database for that year, almost half (48 per cent, or more than \$1 billion) went towards emergency response. This is the fourth-highest ratio of emergency response to total aid of all countries globally, with only Syria, Venezuela and Yemen exceeding it.

Of this total emergency response funding, about 6 per cent was considered to have been directed to activities that have a principal or significant DRR objective (Figure 11). The largest donors contributing to this share were the European Union (about \$25.9 million), Sweden (about \$20 million) and the United Kingdom (about \$ 9.5 million). Over three quarters (76 per cent) of emergency response funding had no DRR objective. It should be noted that by far the largest bilateral donor of emergency response aid to South Sudan in 2021 was the United States, which scored all of its funding (about \$580 million) as not contributing to DRR objectives.

FIGURE 11: DISBURSEMENT BY DISASTER-RELATED PURPOSE CODE, SOUTH SUDAN EMERGENCY RESPONSE SECTOR, 2021



Source: Authors' calculations and figures based on CRS data, accessed January 2023.

Within the emergency response activities that the CRS database classifies as having a principal or significant DRR objective (58 records in total for 2021), few could be identified that were explicitly aimed at contributing to the prevention of new disaster risk, the reduction of existing disaster risk or the strengthening of resilience – i.e., the main criteria which need to be fulfilled for an activity to score principal or significant on the DRR marker (see Annex 1). This may be a result of the limited information available about activities in the CRS database and in project documents available online to describe the activities more broadly. In other words, an activity could support these objectives without it being documented in the available records. Another possible explanation may be that the DRR marker is applied inconsistently in relation to emergency response activities. The DRR marker guidance does not list emergency response under the activities that should be scored principal or significant, nor does it provide emergency response scoring examples. However, it also does not explicitly *exclude* emergency response, so whether and how emergency response activities are scored may vary between countries in practice.

Among those emergency response activities that emphasised prevention and preparedness, measures to mitigate the spread of human, animal and plant diseases were a major priority.

LESSONS LEARNT FROM THE ANALYSIS

The analysis presented in this study reveals novel insights about the volume of funding for DRR within selected sectors as well as the types of activities being funded and by whom. Tailored recommendations to advance DRR within the selected sectors and countries would require combining this study's findings with insights from complementary efforts, including technical assessments of DRR needs and capacities at the country and sectoral level. The recommendations within the MTR SF should also be considered: Specifically, to develop resource mobilisation guidance for different sectors and contexts to advance DRR in humanitarian settings (United Nations, 2023). In the context of this study, resource mobilisation strategies could be developed for health and WASH in Mozambique and agriculture and emergency response in South Sudan.

STAKEHOLDER REFLECTIONS ON THE FINDINGS

Outlined below are stakeholder reflections on the findings, which have relevance for contexts beyond those studied:

Focus group participants considered the overall levels of funding for DRR activities within the selected sectors of health, WASH, agriculture and emergency response to be well below par. It was generally agreed that determining what funds would be sufficient would require sector-specific DRR plans informed by a needs overview and in line with a clear vision for what effective DRR integration within each sector would entail. Moreover, only then would the creation of sector-specific DRR resource mobilisation strategies be feasible.

There was consensus that DRR should be more readily integrated into sector and cluster priority actions in humanitarian and crisis settings. This may be a reflection of the participants – their willingness to engage may reflect a positive bias. Overall, there was a strong interest in developing the analysis further through complementary studies. This may include, for example, an exploration of what successful DRR looks like in humanitarian settings – is this about protecting development investments or seeing a reduction in the number of people requiring humanitarian assistance, or perhaps both? What kinds of DRR can be achieved from different types of funding mechanisms and financing instruments, and what funding channels are most effective to achieve impact in different types of humanitarian settings?

For some agencies and donors, whether funding for DRR activities derived from humanitarian, development or HDP nexus funding streams was important; for others, it was irrelevant. For the former, this reflected concerns over where additional funding for DRR in humanitarian settings could, or should, come from. Discussions on possible avenues for future financing of DRR in humanitarian and crisis settings were dominated by hopes for accessing climate adaptation finance, particularly in conflict settings, and scaling up anticipatory action beyond pilot schemes.

STUDY INSIGHTS ON THE DRR POLICY MARKER

The study also revealed insights into the application of the DRR Policy Marker and taxonomy:

Whether and how to apply the DRR Policy Marker to aid activities related to emergency response, and to health, was a source of confusion. Clarification from the OECD that COVID-19-related activities could be classified under the DRR Policy Marker – given that biological threats feature heavily within the Sendai Framework – was considered useful (United Nations Office for Disaster Risk Reduction, 2015; European Union, no date b). However, confusion abounded over the fact that the Sendai Framework does mention response, although it is not the intended policy focus; similarly the DRR Policy Marker (intended to align with the Sendai Framework) does not include response. Inconsistent use of terminology related to Disaster Risk Management and DRR exacerbates this confusion, as has been noted elsewhere (Knox Clarke, 2022).

There was debate over how to interpret aid activities not tagged as contributing to DRR (and those not tagged at all). Some participants held the view that activities helping to reduce humanitarian needs and/or advance development objectives would directly or indirectly support DRR. For example, improved stability, economic conditions and governance reform would create a more amenable environment for managing disaster risk and impacts. For others, the failure of projects to explicitly integrate consideration of natural hazards (and climate change) was a signal that projects were not risk-informed and this required remedy.

There was general disappointment that many donors fail to report systematically against the DRR Policy Marker. This undermines our collective ability to collate comprehensive data and undertake analysis on DRR financing. Many donor stakeholders requested research to better understand what barriers are preventing its use.

Many participants found the prototype DRR taxonomy useful, with potential for application elsewhere – including, for example, in upcoming DRR and climate adaptation financing studies. Moreover, some donors shared that they have their own version of a taxonomy to use to inform decisions over whether to apply the DRR Policy Marker. An assessment of donors’ own taxonomies and marker guidance would be insightful and help guide future iterations of the OECD guidance on how to apply the marker.

THE FUNDING ASSESSED IS THE “TIP OF THE ICEBERG”

Overcoming data limitations is particularly important to enable effective reporting on Sendai Framework Target F (UNDRR, 2015). We explore those limitations below:

Within the picture of official flows, our vision is partial. It is widely reported that there are inconsistencies in humanitarian, development, peace and climate datasets on funding flows, and data gaps abound. Looking ahead, the expectations associated with climate finance mean that reporting on funding commitments and disbursements towards climate change adaptation and mitigation objectives are likely to remain a focus of attention and to be tracked carefully. However, increasing pressure on humanitarian funding has led to the concern that evidence-collection and monitoring, evaluation and learning are likely to be deprioritised (ALNAP, 2022)³². Furthermore, akin to similar research, this study found that it is difficult to trace funding flows from donor to operational agency to recipient; initiatives on improving financial tracking (ironically) can be disjointed³³; available data is often not comparable; and a wealth of data is not publicly available (Willitts-King, Bryant and Spencer, 2019; ALNAP, 2022).

Trackable funding delivered through official flows is a small proportion of the available finance for DRR in humanitarian and crisis settings. For example, international humanitarian assistance is estimated to account for as little as 1 per cent of resource flows to countries affected by humanitarian crises (Willitts-King, Bryant and Spencer, 2019, p. 3). This raises questions about our ability to track and assess the full range of possible funding sources, and also the risk of missing critical forms of support, particularly at the local level: Resources outside the official tracked system are “poorly linked to, understood or even acknowledged” (ALNAP, 2022, p. 70). In short, “the known international resources for crisis response are only a small portion of a larger set of resources that are unseen or do not ‘count’. In other words, known resources are only ‘the tip of the iceberg’” (Willitts-King, Bryant and Spencer, 2019, p. 3).

Funding for DRR can originate from a substantial array of sources, and many of the untracked funding flows may be more amenable to supporting DRR in humanitarian and crisis settings, many of which are underrepresented in official datasets. This includes but is not limited to: diaspora remittances; faith-based giving; direct giving; domestic philanthropy; private sector engagement; national and local civil society funding; and individuals’ and communities’ own monetary and in-kind resources, including survivor/community-led crisis response (sclr) (Willitts-King, Bryant and Spencer, 2019). Many of these nonassessed sources – such as remittances and faith-based giving – can be more flexible than funds from public donors, which is an important quality for anticipatory action or early response.

Work is underway to rectify these gaps³⁴. Remittances in humanitarian settings is one area of research being advanced that’s of particular relevance to this study³⁵. For example, globally, remittances are estimated to increase by 4.7 per cent following a hazard-related disaster and by 0.1 per cent for up to a year following a climatic hazard-related disaster and two years following an earthquake (Bryant, 2019, p. 7). In contrast, studies of conflict escalations in Sub-Saharan Africa found there were no significant increases in remittances (Bryant, 2019, p. 7). Initial insights on the specific dynamics of remittance fluctuations post-disaster and post-conflict suggest that further work is required to better understand their potential to fund DRR in humanitarian and crisis settings at different points in a crisis³⁶. Similar levels of attention need to be dedicated to the full suite of “other” financing to DRR in humanitarian settings.

32 As the 2022 State of the Humanitarian System warns, “This is at the system’s own peril” (ALNAP, 2022, p. 29).

33 Including but not limited to: Total Official Support for Sustainable Development (TOSSD), International Aid Transparency Initiative (IATI), the Office for the Coordination of Humanitarian Affairs (OCHA) Financial Tracking System (FTS), the Humanitarian Data Exchange (HDX) and the Grand Bargain transparency workstream.

34 This is not just a methodological and analytical impediment – in the context of broader discussions about localisation, decolonisation and accountability, it is particularly disappointing that these sources are not yet analysable on the same scale.

35 For example, a study on 2020 remittances as a share of gross domestic product (GDP) in fragile contexts ranked South Sudan 2nd and Mozambique 29th (OECD, 2022b, p. 75).

36 Exercise should be cautioned. There are significant variations and fundamental differences in the decision-making processes behind disbursement (for remittances vs. public and private donors, for example). Thus, there are critical complementary studies to undertake to build up a fuller picture of potential DRR financing in humanitarian and crisis settings.

Finally, tracking funding for aid activities does not provide insights into important questions, such as: How effective have funds been in achieving DRR in humanitarian and crises? Where and how should future resources be invested? And critically, how can funds best be channelled to support at-risk populations' own DRR priorities? The study participants also raised challenging questions about how to hold stakeholders to account for pursuing and achieving DRR in humanitarian and crisis settings, and how doing so might change the way funding is allocated, disbursed, assessed and reported. Complementary studies are required to get answers to such questions.

A future priority could be to conduct research into the decision-making processes which inform the allocation of funding for DRR in light of concerns about disasters as compounding existing or potential wider crisis settings (including on the risk of upsurges in violence). While current funding is often based on the risk of disasters, "The absolute risk of natural disaster may not necessarily need to be high for a natural disaster to have a significant impact – where there is a lack of coping capacity and infrastructure to respond, plus wider political and socioeconomic fragility. The overall risk of crisis is therefore important when considering where ODA with the primary purpose of DRR is targeted and its potential contribution to lessening the need for humanitarian assistance" (Development Initiatives, 2022, p. 80). This aligns with the MTR SF recommendations to improve ODA targeting of disaster prevention and preparedness fund allocations (UNDRR, 2023b).



SECTION 5.
EXPLORING FINANCING
AVENUES AND
RECOMMENDATIONS

SECTION 5. EXPLORING FINANCING AVENUES AND RECOMMENDATIONS

The discussion and recommendations below are intended to provide the United Nations Core Group of the Task Team on Scaling Up DRR in Humanitarian Action, donors and other DRR stakeholders with ideas for further exploration. The suggestions point to incremental changes which, if pursued, could move towards a financing and funding architecture that facilitates improved DRR in humanitarian and crisis settings and accommodates different predictabilities of crisis. They are necessarily broad, indicative of an emerging agenda.

The recommendations draw on the global and national review of literature and evidence, financing expert and donor focus group discussions, and peer review feedback.

INSIGHTS FROM THE REVIEW OF DATA

Insights from the review of data reveal it is necessary to:

- Enhance tracking and publication of information about funding for DRR to improve donor targeting and the accuracy of funding levels required, including by:
 - > Enhancing uptake and precision of the DRR Policy Marker among donors. This will require devising further guidance and capacity-building on how to consistently apply the DRR Policy Marker, specifically to enhance clarity and application (and nonapplication) in relation to emergency response activities.
 - > Conducting research and devising methodologies to track and account for funding and financing for DRR from lesser-tracked flows to better understand the range and extent of finance for DRR in humanitarian and crisis settings. This will require empirical research on case-based studies.
 - > Strengthening governments' capacity to report on domestic DRR expenditure. And relatedly, use of UNDRR's tools and methodologies for climate and disaster risk management, such as Public Expenditure and Institutional Reviews (PEIR) and other methods of financial tracking in national accounting systems³⁷.
- Make clear the connection between enhanced systematic and comprehensive financial monitoring and reporting (including use of DRR Policy Marker and equivalent tags for other reporting mechanisms) and the feasibility and ease of reporting against Sendai Framework Target F (UNDRR, 2015).
- Provide space for donors to communicate any impediments to using tools for tagging and tracking DRR funding so that changes to the guidance and process of application can be made as required.

³⁷ Such as the work on "Tracking the money for climate adaptation and disaster risk reduction". See: <https://www.preventionweb.net/publication/tracking-money-climate-adaptation-and-disaster-risk-reduction>.

INSIGHTS FROM THE COUNTRY ANALYSIS

Insights from the country analysis reveal it is necessary to:

- Increase integration of DRR into sector and cluster priority actions in humanitarian and crisis settings. This requires closing the needs and capacity gaps identified in the United Nations Country Teams. Detailed recommendations can be found in the report *Mapping of Needs, Capacities and Resources to Risk-Inform Humanitarian Action* (UNDRR, 2022).
- Strengthen the inclusion of all DRR components in routine United Nations processes and agreements, such as Sustainable Development Cooperation Frameworks, Humanitarian Needs Overviews, Joint Intersectoral Analysis Framework (JIAF) and Humanitarian Implementation Plans. Clear links should be made to longer-term development strategies, such as integration into Integrated National Financing Frameworks (INFF Facility, 2022).
- Deliver on the recommendations within the UNDRR report *Scaling Up DRR in Humanitarian Action* (UNDRR, 2021), and specifically Section 3.4 Resource Mobilisation. This includes recommendations to promote and scale innovative financing models, capitalise on country-based pooled funds, harness the Grand Bargain's localisation agenda and advocate for national resource mobilisation, among others.
- Deliver on the OECD Progress Review recommendation (OECD, 2022c) to develop HDP financing strategies which emphasise layering and sequencing of funding flows to advance a coherent vision for DRR across all HDP actors. This involves capitalising on the potential for collective action through country platforms and financing strategies which have shown promise in the progress review, including in Mozambique (OECD, 2022c).
- Deliver on the MTR SF (United Nations, 2023) recommendations, including utilising all DRR components to bridge HDP action, securing greater investments in anticipatory action and addressing the humanitarian financing gap in line with commitments under the Grand Bargain.
- Create training material on trilingual financial literacy; specifically, helping to increase knowledge and understanding of financing architecture including humanitarian, development, peace and climate.

INSIGHTS FROM THE GLOBAL ANALYSIS

Insights from the global analysis – which exposes low and insufficient funding for DRR in humanitarian and crisis settings – reveal it is necessary to:

MOBILIZE FUNDS AND DELIVER ON COMMITMENTS

- Generate greater financial commitments to DRR by prioritising engagement of donors whose policy priorities are amenable to enhancing DRR financing in humanitarian and crisis settings. Engagement of donors who already fund DRR components in humanitarian and crisis settings is an obvious and useful starting point. For example, OECD DAC donors provide more than 90 per cent of (reported) humanitarian aid from governments (ALNAP, 2022, p. 58), so they present a clear entry for discussions on enhanced funding for DRR in humanitarian settings. Similarly, those who provide development and climate funds to humanitarian and crisis settings have a necessary interest in longer-term risk reduction.
- Encourage and support fund mobilisation for DRR in humanitarian and crisis settings from donors with rising ambitions in the ODA space. Work with countries who have domestic legal commitments to deliver a specific per cent GNI to ODA, particularly those who have recently established and/or increased budget allocations, to offer enhanced finance on this theme. In addition, work with non-DAC donors and those who have made policy and/or strategic choices which directly alter their financing priorities and make them more amenable to this agenda. The latter may include, for example, donors (and banks) with specific policy and funding targets in humanitarian, climate, and conflict settings.
- Deliver on the MTR SF to expand access to finance and integrate DRR into development and climate finance. Also enhance donor coordination, and support states lacking capacity to access, manage and utilise funding for DRR projects (United Nations, 2023).
- Ensure governments can request that international financial institutions provide special financial support to maintain DRR functions in a range of crisis settings, and that international financial institutions establish and/or expand facilities

through which governments can do so. Technical collaborations with UNDRR will also be required so that knowledge and lessons can be shared across contexts for the betterment of all engagements within a crisis.

- Mobilise additional financing to the UN Trust Fund for Disaster Reduction to provide the necessary support to member states to deliver DRR outcomes in humanitarian and crisis settings.

ADJUST RISK APPETITE AND ENCOURAGE INNOVATION

- Encourage funders to see innovations in DRR in humanitarian and crisis settings as an opportunity to spend a limited portfolio on innovations with high-impact potential. There is much that remains unknown in terms of the types of DRR actions that are viable and appropriate in different types of humanitarian and crisis settings (Peters, 2019); thus flexibility in funding – such as that provided by some private donors – is required to facilitate innovations in financing DRR in difficult operational settings.
- Note that the trend to channel private and philanthropic funding to risk-reduction actions in humanitarian settings is positive and should be encouraged. Private and philanthropic funding has historically engaged in humanitarian response and over the years has been slowly expanding into other aspects of DRR, notably through safety nets and micro-insurance, early-warning systems and technology for weather and climate observations (Girling-Morris, 2022). A range of supportive actions could be pursued, from United Nations agencies and donors sharing their experiences of developing private sector engagement strategies and mobilising private funding specifically for DRR in humanitarian settings, through to private and philanthropic entities establishing dedicated trust funds or funding windows.

LAY STRATEGIC AND ANALYTICAL FOUNDATIONS

- International financial institutions could integrate disaster risks into foundational diagnostics which inform lending and work with governments to learn lessons from risk-sensitive budget reviews to ensure alignment of domestic resource mobilisation and external funding (UNDRR, 2020). Relatedly, trainings could be devised to educate staff on options to integrate DRR within investment and funding portfolios in humanitarian and crisis settings.
- International financial institutions and bilateral donors with substantial experience in investing in DRR in humanitarian and crisis settings should consider establishing a technical hub for knowledge sharing on investment design, implementation and monitoring. A technical hub would benefit from operational agencies – notably, United Nations agencies – being involved, ensuring linkages with the relevant United Nations policy processes and providing access to the latest tools and guidance. Such a hub would then be well placed to call for enhanced inclusion of DRR in humanitarian and crisis settings as a priority area in post-2025 strategies, while also ensuring alignment to Sustainable Development Cooperation Frameworks (United Nations, 2019).

HARNESS CLIMATE FUNDS

- Greater incentives for accredited entities to implement in high-risk contexts, along with changes in current funding practices, are needed to leverage climate finance in humanitarian and crisis settings in support of DRR (ICRC et al., 2022). This requires funding entities to review their institutional processes for managing risk to reduce the exclusionary bias which prevents climate change funds being directed to humanitarian and crisis settings. It may also require changes to delivery practices, such as adopting flexible budgeting tools and adaptive programming principles, including crisis modifiers (Cao, 2023).
- All HDP stakeholders should put their weight behind calls to adapt climate funds to enable allocation and disbursement in humanitarian and crisis settings for the purpose of longer-term risk-reduction actions. To support this, DRR experts must be ready to harness opportunities when they arise by becoming literate in climate finance and fit for receiving climate finance. Initiatives that involve climate, DRR and humanitarian stakeholders – such as EW4All, which provides accelerated investment across the early warning value chain³⁸ and for which the Green Climate Fund serves as a member of the Advisory Panel – can present such opportunities.

38 <https://www.undrr.org/news/early-warnings-all-initiative-scaled-action-ground>.

- Efforts to link humanitarian–DRR–climate change adaptation at the strategy, policy and planning levels should continue. Strengthened collaboration and cross-fertilisation of expertise may also help to avoid maladaptation from humanitarian actions that risk exacerbating vulnerability and exposure to hazards.
- Strengthen awareness and use of Paris Agreement Article 7.5 to take into account local and indigenous as well as “scientific” knowledge to inform adaptation priorities (ICRC et al., 2022). This may help fill knowledge and data gaps in humanitarian and crisis settings.

UTILISE PREARRANGED FINANCE, INCLUDING FOR ANTICIPATORY ACTION

- Accelerate action on pre-arranged finance. Complex emergencies that are driven by multiple shocks and stressors can be difficult to model and forecast and thus limit the potential for developing prearranged finance for anticipatory action and response (Montier, Weingärtner and Klassen, 2022). Therefore, fast and flexible finance and crisis response funds will remain critical in these contexts (Scott, 2022). Further work should be undertaken to utilise analysis already underway to assess the viability of operationalising different prearranged finance instruments for anticipatory action in different types of humanitarian and crisis settings³⁹.
- Harness insights from: the MTR SF national voluntary reports and thematic studies on investments in finance for anticipatory action (UNDRR, 2023b); and recent work on DRR in the context of the HDP, which details financing instruments for delivering DRR actions in humanitarian and crisis settings – including finance for anticipatory action (e.g., forecast-based finance instruments) and crisis modifiers, among others (UNDRR, 2023a). Take heed of existing recommendations to further investment in impact-based forecasting and anticipatory action systems in conflict contexts, including those where climate risk is high (Wagner and Jaime, 2020, p. 11).
- Mobilise private funds. Private donors and public donors with an appetite for providing more innovative and flexible finance would be well placed to invest in the advancement of prearranged finance instruments. This could be undertaken in collaboration with existing global and regional initiatives such as the Global Shield against Climate Risks, regional communities of practice and technical working groups on anticipatory action (e.g., the MENA Anticipatory Action Regional Community of Practice [IFRC, 2022], the Anticipation Hub [Anticipation Hub, no date], START Network [Start Network, 2023] and the Risk Informed Early Action Partnership [REAP], as well as with specialised organisations, such as the Centre for Disaster Protection [Centre for Disaster Protection, 2022], among others. For private donors, there is ample scope to continue to pursue blended financing instruments and innovations in risk finance and risk transfer, such as debt moratoriums following disasters, contingent financing mechanisms and “resilience bonds”, as highlighted in the MTR SF (United Nations, 2023).

STRENGTHEN ADVOCACY AND AWARENESS-RAISING

- Utilise the ample published material to champion enhanced commitments from development finance institutions and government donors, and draw on existing donor commitments under the Grand Bargain, climate commitments and others (Peters, 2019, 2021; UNDRR, 2023a; United Nations, 2023).
- Make use of the review processes and convening forums for Agenda 2030, such as the Summit of the Future in 2024, 2023 Sustainable Development Goal Summit, and COP28, among others, to convene all stakeholders – such as in closed-door sessions – to unveil the opportunities for enhancing DRR in humanitarian and crisis settings and generate an informal coalition of champions to take messaging through to future events.
- Undertake complementary work to explore the specific opportunities for enhancing financing for DRR in humanitarian and crisis settings, such as in the context of the United Nations Secretary General’s call to restructure the current financial system. This includes targeting the Summit of the Future in 2024 (United Nations, no date) and the Fourth Finance for Development Conference in 2025.
- Continuing dialogue associated with the Bridgetown Initiative represents an important entry point for further commitment-setting on this theme, including through each of the action areas. Other complementary events through 2023 and 2024 include the New Global Finance Pact, Group of 20 Leaders’ Summit and High-Level Dialogue on Financing for Development, annual meetings of the International Monetary Fund–World Bank Group and the UN Climate Change Conference (COP28)⁴⁰.

39 Such as through the Anticipation Hub and InsuResilience Global Partnership joint working group on finance for anticipatory action.

40 For more information, see: <https://www.un.org/sustainabledevelopment/blog/2023/04/press-release-with-clock-ticking-for-the-sdgs-un-chief-and-barbados-prime-minister-call-for-urgent-action-to-transform-broken-global-financial-system>.

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ANNEX 1: DRR POLICYMAKER GUIDANCE

AID TARGETING THE OBJECTIVES OF THE SENDAI FRAMEWORK FOR DISASTER RISK REDUCTION	
<p>DEFINITION An activity should be classified as DRR-related (score Principal or Significant) if:</p> <p>CRITERIA FOR ELIGIBILITY</p> <p>EXAMPLES OF TYPICAL ACTIVITIES</p>	<p>It promotes the goal and global targets* of the Sendai Framework to achieve substantial reduction of disaster risk and losses in lives, livelihoods and health and in the economic, physical, social, cultural and environmental assets of persons, businesses, communities and countries.</p> <p>The activity contributes to:</p> <ol style="list-style-type: none"> a) the prevention of new disaster risk, and/or b) the reduction of existing disaster risk, and/or c) the strengthening of resilience <p>through the implementation of integrated and inclusive economic, structural, legal, social, health, cultural, educational, environmental, technological, political and institutional measures that prevent and reduce hazard exposure and vulnerability to disaster, and increase preparedness for response and recovery with the explicit purpose of increasing human security, well-being, quality of life, resilience, and sustainable development.</p> <p>The activity will score “principal objective” if it directly and explicitly contributes to at least one of the four Priorities for Action of the Sendai Framework:</p> <ul style="list-style-type: none"> ▫ Priority 1: Understanding disaster risk. ▫ Priority 2: Strengthening disaster risk governance to manage disaster risk. ▫ Priority 3: Investing in disaster risk reduction for resilience. ▫ Priority 4: Enhancing disaster preparedness for effective response and to “Build Back Better” in recovery, rehabilitation and reconstruction. <ul style="list-style-type: none"> • Support for design, implementation, and evaluation of strategies, policies, and measures to improve the understanding of disaster risk • DRR considerations integrated into development policies, planning and legislation • Fostering political commitment and community participation in DRR • Multi-hazard risk mapping, modelling, assessments and dissemination • Decision support tools for risk-sensitive planning • Early warning systems with outreach to communities • Developing knowledge, public awareness and co-operation on DRR • Inclusion of DRR into curricula and capacity building for educators • Disaster risk management training to communities, local authorities, and targeted sectors • DRR considerations integrated with the climate change adaptation, social protection and environmental policies • Legal norms for resilient infrastructure and land use planning • Disaster financing and insurance • Disaster preparedness planning and regular drills for enhancing response • Protective infrastructure and equipment • Resilient recovery planning and financing

Source: OECD, 2017.

ANNEX 2: CRS PURPOSE CODES RELEVANT TO DRR AND CONSIDERED IN THE ANALYSIS

720	Emergency Response	
72010	Material relief assistance and services	Shelter, water, sanitation, education, health services (including supply of medicines) and malnutrition management (including medical nutrition management); supply of other nonfood relief items (including cash and voucher delivery modalities) for the benefit of crisis-affected people, including refugees and internally displaced people in developing countries (includes assistance delivered by or coordinated by international civil protection units in the immediate aftermath of a disaster, such as in-kind assistance, deployment of specially equipped teams, logistics and transportation, or assessment and coordination by experts sent to the field). Also includes measures to promote and protect the safety, well-being, dignity and integrity of crisis-affected people, including refugees and internally displaced persons in developing countries. (Activities designed to protect the security of persons or properties through the use or display of force are not reportable as ODA.)
	Basic health-care services in emergencies	Provision of health services (basic health services, mental health, sexual and reproductive health), medical nutritional intervention (therapeutic feeding and medical interventions for treating malnutrition) and supply of medicines for the benefit of affected people. Excludes supplemental feeding (72040).
	Education in emergencies	Support for education facilities (including restoring pre-existing essential infrastructure and school facilities), teaching, training and learning materials (including digital technologies, as appropriate) and immediate access to quality basic and primary education (including formal and nonformal education) and secondary education (including vocational training and secondary-level technical education) in emergencies for the benefit of affected children and youth, particularly targeting girls and women and refugees, life skills for youth and adults, and vocational training for youth and adults.
72040	Emergency food assistance	Provision and distribution of food; cash and vouchers for the purchase of food; nonmedical nutritional interventions for the benefit of crisis-affected people, including refugees and internally displaced people in developing countries in emergency situations. Includes logistical costs. Excludes nonemergency food assistance (52010), food security policy and administrative management (43071), household food programmes (43072) and medical nutrition interventions (therapeutic feeding) (72010 and 72011).
72050	Relief coordination and support services	Measures to coordinate the assessment and safe delivery of humanitarian aid, including logistic, transport and communication systems; direct financial or technical support to national governments of affected countries to manage a disaster situation; activities to build an evidence base for humanitarian financing and operations, sharing this information and developing standards and guidelines for more effective response; funding for identifying and sharing innovative and scalable solutions to deliver effective humanitarian assistance.

730	Reconstruction, Relief & Rehabilitation	
73010	Immediate post-emergency reconstruction and rehabilitation	Social and economic rehabilitation in the aftermath of emergencies to facilitate recovery and resilience-building and to enable populations to restore their livelihoods in the wake of an emergency situation (e.g., trauma counselling and treatment, employment programmes). Includes infrastructure necessary for the delivery of humanitarian aid; restoring pre-existing essential infrastructure and facilities (e.g., water and sanitation, shelter, health-care services, education); rehabilitation of basic agricultural inputs and livestock. Excludes longer-term reconstruction (“build back better”) which is reportable against relevant sectors.
740	Disaster Prevention & Preparedness	
74020	Multi-hazard response preparedness	Building the responsiveness, capability and capacity of international, regional and national humanitarian actors to disasters. Support to the institutional capacities of national and local government, specialised humanitarian bodies and civil society organisations to anticipate, respond to and recover from the impact of potential, imminent and current hazardous events and emergency situations that pose humanitarian threats and could call for a humanitarian response. This includes risk analysis and assessment, mitigation and preparedness, such as stockpiling of emergency items and training and capacity-building aimed to increase the speed and effectiveness of lifesaving assistance delivered when a crisis occurs.
430	Other Multisector	
43060	Disaster Reduction	Risk Disaster risk reduction activities if not sector-specific. Comprises risk assessments, structural prevention measures (e.g., flood prevention infrastructure), preparedness measures (e.g., early-warning systems), normative prevention measures (e.g., building codes, land-use planning) and risk transfer systems (e.g., insurance schemes, risk funds). Also includes building local and national capacities and supporting the establishment of efficient and sustainable national structures able to promote disaster risk reduction.

Source: OECD, no date a.

ANNEX 3: ESTABLISHING A TAXONOMY FOR DRR ACTIVITIES

The taxonomy was developed as follows:

1. The first step involved conducting background research on existing ways that key institutions (OECD DAC, 2017) Swiss Agency for Development and Cooperation (SDC, 2018), European Union (European Union, no date a) and CEDRIG (SDC, no date) identify and classify DRR activities. This was done by building on existing knowledge and DRR activity classifications.
2. While a variety of ways to classify DRR activities exist, it was decided to opt for a taxonomy based on the activities identified within the Sendai Framework for Disaster Risk Reduction 2015-2030 (UNDRR, 2015), as this represents the basis of DRR policy and consists of a comprehensive and balanced list of activities. Of the activities listed in the Sendai Framework, only those applicable to the national and local level were considered. A total of 59 DRR activities were catalogued under the four different Sendai Framework priorities. The taxonomy includes numbering that corresponds to the respective Sendai Framework priority and associated activity as detailed in the Sendai Framework text.
3. The different Sendai Framework activities were then grouped into categories. It is important to note that while some of the taxonomy headers focus on one specific Sendai Framework priority (e.g., preparedness), others include activities that are present across various Sendai Framework priorities. One such example is capacity-building and awareness-raising, which is included in multiple Sendai Framework priorities, with focus on capacity-building for different aspects, e.g., capacity for risk analysis (Sendai Framework Priority 1) or assessment of technical capacity to deal with risk (Sendai Framework Priority 2) or awareness for response and recovery (Sendai Framework Priority 4). As project documents rarely go into the details of capacity-building or coordination but rather stay at a generic level, this generic grouping should better correspond to the project descriptions and therefore support the application of the taxonomy for the purpose of this study.
4. In the process of applying the taxonomy to CRS aid activity data, it was revised and consolidated in several iterations, such as by expanding it to include additional categories (such as “disaster response”) or subcategories (such as “enhance knowledge and capacity of DRR at the individual-level, including community members and local stakeholders”). Other subcategories were combined because they had significant overlap or their wording was clarified to distinguish them better.

It should be noted that several subcategories were not applied to any of the activities in the sectors (agriculture, emergency response, health and WASH) and countries (Mozambique and South Sudan) that are featured in this study. However, they may be relevant to other sectors. We therefore retained them in the taxonomy in case others want to use or adapt the taxonomy for future studies.

PROTOTYPE DRR TAXONOMY

This DRR taxonomy is a prototype, crafted to support the data analysis for this study. The taxonomy focuses on the DRR components associated with risk reduction, mitigation, prevention and preparedness, as per Figure 1 (thus the emergency response category is not elaborated). The DRR taxonomy is focused on activities (not outcomes) and has scope to be matured and used for many other purposes, including, for example, the MTR SF recommendation for member states to “tag and track DRR-related expenditures based on a taxonomy of qualifying end uses” (UNDRR, 2023b, p. 100)⁴¹.

ID	Categories	ID-sub activity	Subcategories (Activity/output-based)	Sendai Framework code ⁴²
A	Risk analysis and assessments, including collection, analysis and dissemination of data.	A1	Collect, analyse, manage and use data for DRR (such as baseline data and assessments of disaster risk, vulnerability, capacity and exposure).	1(a), 1(b)
		A2	Develop and update risk information (such as mapping and modelling the components of disaster risk).	1(c)
		A3	Evaluate, record, share, account for and seek to understand, disaster losses and impacts.	1(d)
		A4	Make information on exposure, vulnerability, risk and disaster as well as loss-aggregated information available and accessible (including dissemination and enhanced use of data).	1(e)
		A5	Promote access to data related to risk analysis and assessments using information and communications technology (ICT).	1(f)
		A6	Enhance knowledge and capacity to understand risk analysis and assessments (including, for example, of government officials, civil society, communities and the private sector).	1(g)
		A7	Incorporate traditional, Indigenous and local knowledge in disaster risk analysis and assessment.	1(i)
		A8	Undertake research, technical assistance, evaluations and studies related to DRR.	1(g), 1(i)

⁴¹ A description of how the taxonomy was developed can be found in Annex 3.

⁴² Relationship to the Sendai Framework – national- and local-level priority actions (the number denotes the Sendai Framework priority [from 1 to 4], the letter denotes the priority actions).

B	DRR strategies and risk-informed sectoral policies, strategies, plans and guidelines.	B1	Apply risk information to develop and implement DRR policies and related documentation (as they relate to formal disaster risk governance arrangements).	1(n)
		B2	Mainstream and integrate DRR in sectors through laws, regulations and policies and by defining roles and responsibilities.	2(a)
		B3	Adopt and implement national and local DRR strategies and plans (as they relate to formal disaster risk governance arrangements).	2(b), Target E
		B4	Develop mechanisms for assessment and reporting on progress on national and local DRR plans.	2(e)
		B5	Work to explicitly include intersectional dimensions into the design of policies and plans to manage risk (with focus on, for instance, at-risk groups or specific population segments).	3(k)
C	Capacities and awareness-raising.	C1	Strengthen technical and scientific capacities (focusing on individuals with formal functions/responsibilities for DRR).	1(j), 1(g)
		C2	Enhance disaster risk knowledge through education (this includes formal curricular and informal education).	1(l)
		C3	Develop and implement strategies and associated campaigns to raise awareness on DRR, including through social media and community mobilisation.	1(m)
		C4	Assess and enhance technical, financial and administrative capacity to deal with identified risks.	2(c)
		C5	Enhance knowledge and capacity for DRR at the individual level (such as community members and local stakeholders).	1(g)

D	Cooperation on DRR and establishment of coordination forums.	D1	Promote and improve dialogue, cooperation and coordination for DRR.	1(h)
		D2	Enhance collaboration and coordination mechanisms to disseminate DRR information at the local level.	1(o)
		D3	Establish and strengthen coordination forums such as national and local DRR platforms.	2(g)
		D4	Empower local authorities through regulatory and financial means to take the necessary actions on DRR (including working with civil society, communities, the private sector. etc.).	2(h)
E	DRR laws, standards and codes.	E1	Mainstream disaster risk assessments into land-use policy development and implementation, including urban planning and nonpermanent housing.	3(f)
		E2	Adopt and comply with legal frameworks which outline the role of community representatives in design and delivery of DRR laws and regulations.	2(f)
		E3	Parliamentarians to develop/amend new laws and set budget allocations for DRR.	2(i)
		E4	Establish mechanisms and incentives for compliance, including for land use and urban planning, building codes and relevant standards.	2(d)
		E5	Promote development and adherence to quality standards for DRR.	2(j)
		E6	Revise and develop new building codes and standards, particularly in informal settings, and reinforce capacity to implement and enforce these.	3(h)
		E7	Review and strengthen national laws and procedures on international cooperation on international disaster relief and recovery assistance.	4(p)

F	Systems resilience through integration of DRR in development planning, line ministries and sectors.	F1	Enhance resilience of national health systems and developing capacity of health workers on DRR.	3(i)
		F2	Design and implement social welfare and social safety-net mechanisms (including, for example, through livelihood programmes).	3(j)
		F3	Increase business resilience and protection of livelihoods and productive assets throughout supply chains and integrate DRR into business models and practices.	3(p)
		F4	Promote resilience of new and existing critical infrastructure, including water, education and health facilities.	4(c)
		F5	Promote disaster risk resilience of workplaces through structural and nonstructural measures.	3(e)
		F6	Promote and integrate DRR throughout the tourism industry.	3(q)
		F7	Protect or support the protection of cultural and historical institutions and sites.	3(d)
		F8	Take action to prevent human, animal and plant diseases.	3(i), 3(p)
G	Ecosystems and integrated natural resource management.	G1	Mainstream disaster risk assessment into rural development planning and management, including through/in management of coastal areas, rivers, wetlands, etc., while preserving ecosystems.	3(g)
		G2	Strengthen the sustainable use of ecosystems and implement integrated natural resource management that incorporates DRR.	3(n)
		G3	Design, promote and implement nature-based solutions for DRR.	3(n)

H	Financial resource allocation, risk transfer and insurance.	H1	Allocate resources for DRR to all levels of administration.	3(a)
		H2	Promote use of specific financial instruments for disaster risk transfer and insurance, risk-sharing and retention and financial protection for public and private investment.	3(b)
		H3	Strengthen disaster-resilient public and private investments through structural, nonstructural and functional prevention and risk reduction measures, including through retrofitting and Environmental Impact Assessments (EIAs).	3(c)
		H4	Promote investments in innovation and technology development in DRR.	1(k)
		H5	Promote integration of DRR in financial and fiscal instruments (such as through Public Financial Management).	3(m)
		H6	Undertake actions which seek to secure the financial sustainability of programmes, mechanisms and systems.	3(b), 3(o)
I	Early-warning systems (EWS).	I1	Invest in, develop, maintain and strengthen early-warning systems and related technologies.	4(b)
		I2	Enhance operationalisation of EWS and links to delivery mechanisms, including anticipatory actions.	4(b)

J	Preparedness for response.	J1	Prepare, review and/or update preparedness and contingency policies, plans and programmes with the participation of all sectors and stakeholders.	4(a)
		J2	Adopt policies and actions that support public service workers to establish/strengthen coordination and funding mechanisms and procedures for relief assistance.	4(e)
		J3	Strengthen technical/logistical preparedness capacities of the system to respond.	4(f)
		J4	Promote disaster preparedness, response and recovery exercises, including evacuation drills, trainings and area-based support systems, (including access to shelter, food and nonfood items [NFIs]).	4(h)
		J5	Establish mechanism of case registry and database of mortality.	4(n)
		J6	Develop guidance for preparedness for reconstruction, such as on land-use planning and standards improvement.	4(k)
		J7	Strengthen capacity of local authorities on preparedness for response, including evacuation.	4(m)
		J8	Systems and capacities in place for stockpiling and pre-positioning.	4(d)
K	Disaster response.	K1	All response and response-related actions.	
			Note: This category should be used for any activities that are specifically related to delivering emergency response (it might include, for example, coordination mechanisms, rapid needs assessments and education in emergencies, etc.).	

L	DRR in recovery, rehabilitation and reconstruction.	L1	Ensure continuity of operations and planning, including social recovery and basic services in the post-disaster phase.	4(g)
		L2	Promote incorporation of DRR in post-disaster recovery and rehabilitation, facilitating links between relief and development and developing measures such as land-use planning, standards improvement and sharing of expertise, also applying this to temporary settlements.	4(j)
		L3	Enhance recovery schemes for psychosocial support and mental health services.	4(o)
		L4	Promote cooperation of institutions, authorities and stakeholders in post-disaster reconstruction under the coordination of authorities.	3(i)
M	Displacement and relocation.	M1	Formulate public policies of prevention or relocation of settlements.	2(k)
		M1	Adopt policies and programmes addressing human mobility to strengthen resilience.	3(l)
		M3	Consider relocation of facilities and infrastructure to areas outside risk range.	4(l)