



GFDRR Work Plan 2018

Bringing Resilience to Scale



GFDRR
Global Facility for Disaster Reduction and Recovery

2017 Global Facility for Disaster Reduction and Recovery

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Notes: GFDRR follows the fiscal year (FY) of the World Bank (July–June). FY18 covers July 1, 2017 to June 30, 2018. Financial contributions and expenditures reported are reflected up to February 2017. All dollar amounts are in U.S. dollars (\$) unless otherwise indicated.

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Executive Summary

G **GFDRR's Strategy**
2018–2021 calls
for renewed
efforts to integrate
disaster and climate risk
management into development
planning.

This Work Plan articulates how the Facility intends to implement the Strategy 2018–2021 (Strategy) during fiscal year 2018 (FY18). By implementing its vision, GFDRR will continue to support developing countries to implement the Sendai Framework for Disaster Risk Reduction, and contribute to the achievement of the Sustainable Development Goals and the Paris Agreement.

Over the past ten years, GFDRR has played a key role in making disaster risk management a development priority. Currently engaged in over 70 countries, GFDRR continues to finance technical assistance that has proven to be instrumental in mainstreaming disaster and climate risk management in development programs. In line with the Strategy, GFDRR will continue to target interventions that have the potential to bring about important policy change and enable countries to access larger resources for investments in resilience. **Under this Work Plan, GFDRR proposes to commit \$80 million in new grants, and to enable in FY18 alone, at least \$2.7 billion in resilience investments by targeted countries.**

Activities in FY18 are planned to drive forward progress along GFDRR's areas of engagement as identified in its Strategy. Building on past engagements, GFDRR will continue to strengthen efforts to make risk information open and accessible through capacity building, open-source tools, and open data platforms. GFDRR will also finance an increasing number of engagements to ensure that resilience to disaster and climate risk is integrated in large infrastructure projects, including through implementation of GFDRR's roadmap for safer schools, building regulations, and safety guidelines. Through the **Climate Risk Early Warning Systems Initiative (CREWS)**, GFDRR will respond to increasing demands in countries for access to and use of hydromet services and early warning. Similarly, GFDRR will expand its engagement in financial protection in support of the **G7 InsuResilience Initiative**. Strengthening resilience at the community level, with a particular focus on adaptive social protection, will also continue to be a key priority for the coming year.

A key initiative planned for FY18 is the scale up of GFDRR's engagements at the city-level. Rapid urbanization and unplanned growth in cities have been identified as core drivers of increasing disaster risk. Urbanization is both a threat and an opportunity: an opportunity if new development and city expansion are managed in a way that integrates due consideration of disaster risk. GFDRR's efforts will aim to help local authorities mobilize investment resources that ensure urban planning turns into effective action. In FY18, GFDRR will aim to support engagements in at least 10 rapidly growing cities, enabling at least \$500 million in resilient development investments from public and private resources. This will be part of a gradual scaling up of the City Resilience Program, which aims to support a total of at least 30 cities within the next three years.

Finally, GFDRR will continue to jointly address disaster and climate risk management in countries with the goal of increasing the proportion of grants that include specific actions by ensuring that **at least 55 percent of GFDRR grants include specific actions to build resilience to climate change**. Additionally, GFDRR will also scale up specific efforts to address gender and empower women through its in-country engagements, with a target of **at least 50 percent of its grants having actions to address gender**.

As in previous years, more than 50 percent of GFDRR resources will target vulnerable countries in Africa and South Asia, and particular attention will be given to Fragile and Conflict States and Small Island nations. The proposed FY18 allocations represent an increase of approximately 10 percent compared to the previous year, with nominal allocations in line with those of the past two fiscal years, with the exception of Africa, which should see an increase as a result of substantial contributions from the European Union and other donors. The Work Plan presents a funding gap of \$13 million that GFDRR expects to close between the drafting of this plan and the start of FY18. This program should enable results summarized in Box 1.

Box 1: GFDRR Core Indicative Targets for Fiscal Year 2018

- 100 percent of new GFDRR grants to be gender informed.
- At least 50 percent of GFDRR grants to include specific actions that address gender.
- At least 55 percent of GFDRR grants to include specific actions that build resilience to climate change.
- Deeper engagements on designing climate-resilient investments in at least 20 countries, enabling at least \$1 billion from IDA, IBRD, CIF, GEF, GCF, and other actors.
- At least 500 hazard, exposure, and risk datasets and geospatial layers to be made openly available to risk managers globally; and an estimate of 2,000 people to be trained to use risk tools for decision-making.
- Safer schools engagements to expand to at least 11 countries, targeting to make an estimate of 50,000 classrooms safer.
- Engagements in at least 10 rapidly growing cities, to enable at least \$500 million in resilient development investments from public and private resources.
- Engagements in hydro-meteorological and early warning projects to continue to grow, and eventually benefit at least 38 million people.
- At least 200 government officials from 15 countries to be trained on the fundamentals of disaster risk financing.
- Community engagements or access to adaptive social protection to expand to 10 countries, reaching at least 5million people.
- At least 350 government officials to be trained for post-disaster assessment and recovery planning.
- At least \$2.7 billion of development investments enabled for disaster and climate risk management from multilateral financial institutions and bilateral donors.

Vision

A world where resilient societies manage and adapt to ever-changing disaster and climate risk and where the human and economic impact of disasters is reduced.

Mission

To facilitate implementation of the Sendai Framework for Disaster Risk Reduction and to contribute to the achievement of the Sustainable Development Goals and the Paris Agreement, by ensuring that all development policies, plans, and investments—including post-disaster reconstruction—are designed to minimize disaster risks and build the resilience of people and economies to climate change.

Why and How Is This Work Plan Organized?

G **GFDRR's vision, mission, and areas of engagement, well aligned with the Sendai Framework, are presented in its Strategy 2018–2021. This Work Plan articulates how the Facility intends to implement this Strategy during FY18.**

The proposed program is built from the ground up based on demand from targeted countries and resources available. It also builds on the Facility's ongoing engagements and provides intermediate targets for each area of engagement.

The first section of the Work Plan presents the program of activities that will enable progress on GFDRR's strategic areas of engagement. These include: (i) promoting open access to risk information; (ii) promoting resilient infrastructure; (iii) scaling up engagements for city resilience; (iv) strengthening hydromet services and early warning systems; (v) deepening financial protection through disaster risk financing and insurance; (vi) building resilience at community level; (vii) deepening engagements in resilience to climate change; and (viii) enabling recovery.

The second section discusses the proposed scaling up of GFDRR's City Resilience Program, which was identified in the Fall Consultative Group (CG) meeting as a priority area of engagement in FY18. This section, therefore, summarizes key actions and targets from a more detailed program note to be presented at the Spring CG.

The final section provides an analysis of the resource requirements for the FY18 program, detailing the proposed allocations to in-country engagements, with dedicated funding to integrate actions for gender and resilience to climate change, thematic initiatives, and analytical work that support the achievement of GFDRR's strategic objectives (see Table 1). This section also includes a short discussion of the sources of funding and the current funding gap for FY18, as well as ongoing efforts to close this gap.

Annexes 1 and 2 provide details on in-country engagements by region, as well as on the strategic areas of engagement (Thematic Initiatives). Annex 3 provides details on GFDRR finances as of February 28, 2017, when this Work Plan was prepared.

How Does GFDRR Work?

FINANCING WINDOWS

GFDRR finances its activities from different sources of funds including the multi-donor trust fund (BKF) and dedicated programs financed by the European Union and Japan.

IN-COUNTRY ENGAGEMENTS

THEMATIC INITIATIVES

The in-country engagements receive support from a number of Thematic Initiatives:

**Innovation Lab | Disaster Risk Financing and Insurance | Inclusive Community Resilience
Safer Schools | Hydromet | City Resilience | Small Island States Resilience Initiative | Resilient Recovery**

Operating Principles:

**Demand-driven | Informing Finance and Policy | Inclusive Approach | Gender
Addressing Climate Risk | Knowledge | Results-oriented**



How Does GFDRR Implement Its Strategy?

G **GFDRR's Strategy**
2018–2021 calls
for renewed
efforts to integrate
disaster and climate risk
management in development
planning. In line with its
mandate, GFDRR will continue
to support developing countries
to implement the Sendai
Framework for Disaster Risk
Reduction, and contribute
to the achievement of the
Sustainable Development Goals
and the Paris Agreement.

To implement its vision, GFDRR builds on its unique position within the World Bank to finance engagements that influence development policies, and inform and leverage larger development programs.

To implement its vision, GFDRR builds on its unique position within the World Bank to finance engagements that influence development policies, and leverage larger development programs. GFDRR is first and foremost a grant making mechanism. To implement its Strategy, the Facility awards grant resources based on established criteria aligned with its operating principles (See page 8). Core to GFDRR's vision is a focus on helping countries bring resilience to scale. As such, a large part of GFDRR activities target interventions that enable larger development programs. In FY18, building on ongoing engagements in over 70 countries, GFDRR expects to enable at least \$2.7 billion in development investments.¹¹

In order to advance strategic areas of engagement, GFDRR's in-country activities receive support from a number of Thematic Initiatives. These initiatives are smaller programs supported by GFDRR that provide grant recipients with specialized expertise and facilitate global engagements. Additionally, GFDRR maintains expertise to help deepen the integration of gender and climate change across its entire program. In order to continue to advocate for disaster resilience, GFDRR also has a small program of innovative analytical work.

The Work Plan provides specific targets for each area of engagement, which serve as intermediary targets to those proposed in the Strategy. To strengthen GFDRR's Monitoring and Evaluation, a technical advisory group will support the development of a more detailed program logic which will be delivered by end of FY18. In addition, GFDRR will continue to develop overarching resilience indicators as part of its program of analytical work.

GFDRR's Operating Principles

GFDRR's program is implemented in line with its operating principles outlined in the GFDRR Strategy 2018–2021.

- ✓ **Demand-driven approach to ensure maximum impact**
- ✓ **Leveraging and influencing development investments and policies**
- ✓ **Focusing on inclusive design and participation**
- ✓ **Empowering women and mainstreaming gender**
- ✓ **Jointly addressing disaster and climate risk**
- ✓ **Developing knowledge and sharing best practices**
- ✓ **Prioritizing a results-oriented approach**

Empowering Women and Mainstreaming Gender

The GFDRR's *Gender Action Plan*ⁱⁱⁱ endorsed by the Consultative Group in 2016 aims to: (i) ensure that the different needs of women and girls are addressed when considering investments in disaster risk management; and (ii) promote women's empowerment for broader resilience strengthening.

In FY18, GFDRR will continue to implement this plan, by (i) requiring that all new GFDRR grants be "gender informed"; (ii) maintaining a pool of experts to support effective design and implementation of gender-informed projects; (iii) providing training to disaster risk management professionals to support gender analysis in the design of investments; and (iv) financing projects that integrate specific activities to empower and to strengthen the resilience of women.

Indicative targets for FY18 and beyond

- All new GFDRR grants to be gender-informed.
- At least 50 percent of GFDRR grants to include specific actions that address gender.

Strengthening GFDRR's capacity for socioeconomic analysis

Analytical work at GFDRR is driven by operational priorities and requests from countries and cities. GFDRR focuses on creating and improving data, tools, and methodologies to measure resilience, identify opportunities, and design and assess policies that contribute to building resilience.

In FY17, GFDRR substantially strengthened its capacity to conduct socioeconomic analysis for investing in disaster resilience. As part of its analytical work, GFDRR aims to identify ways to: (i) measure progress and identify setbacks of efforts to build resilience in countries; (ii) quantify the impact of investments and policies targeting resilience; and (iii) prioritize actions at country and local level to address climate and disaster risk. These methodologies will help to better target resilience investments, and support impact evaluations of resilience interventions.

In FY18, analytical work will focus on developing: (i) survey design and data collection at the household level to improve the understanding of the long-term impact of disasters on poverty and people; (ii) better and openly accessible data on drought risk at the country level; (iii) subnational application of the national-level resilience indicators identified in the *Unbreakable* report; (iv) effectiveness of risk modeling to determine disaster damage in the days and weeks after disaster events; and (v) continued work on developing monitoring and evaluation measures at the project and national level.

Indicative targets for FY18 and beyond

- At least four household surveys completed to improve the understanding of the long-term impact of disasters on poverty and people.
- At least three countries targeted for subnational application of the national-level resilience indicators identified in the *Unbreakable* report.

Strategic Areas of Engagement for FY18

The following section summarizes the core activities under each strategic area of engagement and how these contribute to targets identified in the GFDRR Strategy 2018–2021. Particular areas will see substantial growth resulting from ongoing efforts over the last few years, as well as from renewed support from donors or initiatives.

Promoting open access to risk information

Investing in analytics and research to make disaster risk information open, accessible, understandable, and usable by development actors will remain a priority for GFDRR. In support of the Sendai Framework, in FY18, GFDRR will launch an Open Data Dashboard for Risk Assessment to enable countries to chart their progress on the availability of key datasets required to regularly and robustly quantify risk. GFDRR's commitment to open-source tools, open data, and the communication of risk continues through ongoing development of the ThinkHazard! platform, the GeoNode geospatial platform, and GeoSAFE (which allows users to undertake simplified risk analytics). GFDRR will also convene the 5th Global Understanding Risk Forum in May 2018 to showcase innovation, influence decision makers, and inspire a global community to translate data into knowledge and action.

Indicative targets for FY18: At least 500 hazard, exposure, and risk datasets, and geospatial layers to be made openly available to risk managers globally; and an estimate of 2,000 people to be trained to use risk tools for decision-making.

Promoting resilient infrastructure

In FY18, GFDRR will strengthen its partnership with the World Bank's transport unit to facilitate knowledge transfer, including by documenting best practices from Nepal, India, Afghanistan, Bhutan, and Bangladesh and expanding efforts across regions and sectors. Additionally, GFDRR will continue to provide technical assistance to improve the design, operations, and maintenance of infrastructure. This will include planned or ongoing investments to make school infrastructure safe and resilient with new country engagements planned in the Dominican Republic, India, Kyrgyz Republic, and Nicaragua.

Indicative targets for FY18: Safer schools engagements to expand to at least 11 countries, targeting to make an estimate of 50,000 classrooms safer.

Scaling up the resilience of cities

The Habitat III Conference that took place in Quito, Ecuador, in October 2016 highlighted the importance and urgency of capacity building to better manage and respond to natural hazards and climate change. At the fall 2016 Consultative Group meeting in Marrakech, it was agreed that GFDRR will scale up its support to local authorities to integrate disaster and climate risk management in their policies and programs to build urban resilience in fast-growing cities. Since then, GFDRR has been working to scale up its City Resilience Program. The program, which builds on GFDRR's ongoing city resilience work, aims to engage at least 30 cities within three years, enabling at least \$1.5 billion in investments (See details in the next section).^{iv}

Indicative targets for FY18: Engagements in at least 10 rapidly growing cities, to enable at least \$500 million in resilient development investments from public and private resources.

Scaling up the resilience of cities

Urbanization can change disaster risk significantly. Urban areas are engines of socioeconomic growth, generating 80 percent of global gross domestic product. Fifty-five percent of the world's population also call cities home, with 90 percent of urban growth taking place in the developing world.^{vii} However, the density of people, jobs, and assets that makes cities so successful also exposes them to natural and human-made shocks and stresses.

Population growth and increased socioeconomic activity drive land-use change, which alters ground-surface conditions and can increase hazard risk. For example, between 1970 and 2010, the total urban surface area exposed to flooding more than doubled, from 18,000 to 44,000 kilometers.^{vi} People can be prevented from falling into poverty simply by applying good development policies that take into account disaster risk and climate change.^{vii}

Over the last few years, GFDRR has seen a gradual increase in requests from local governments to support the development of resilience-oriented policies and legislation, particularly linked to land-use planning, and to drive investment aimed at reducing risk. Over the past year, GFDRR in collaboration with partners has made significant strides in identifying good practices to distill a series of information and management systems that cities can put in place. Various projects have led to the development of risk information and analytical tools^{viii} and the use of innovative approaches to guide resilience

investments, such as the CityStrength Diagnostic. In the lead up to Quito, GFDRR, in collaboration with the World Bank and the Medellin Collaboration, released a report that makes the case for investing in strengthening the resilience of cities.

GFDRR is now ready to scale up this program and will be seeking donor support to engage at least 30 cities over the coming three years, with the aim to enable at least \$1.5 billion in investments. In FY18, the City Resilience Program will build on existing technical and operational expertise to deliver the following activities: (i) pilot 10 city-level engagements to contribute to testing the program's concept and to refining the approach and services delivered; (ii) develop additional tools to measure poverty, welfare, and asset risks at the city level; and (iii) improve knowledge to mobilize additional private capital that could help finance investment in resilient public infrastructure.

Indicative targets for FY18:

- Engagements in at least 10 rapidly growing cities, to enable at least \$500 million in resilient development investment from public and private resources, with an aim to engage 30 cities in three years and to enable at least \$1.5 billion in investments.
- Support to at least one project crowding in private capital to build urban resilience.

Strengthening hydromet services and early warning systems

In FY18, engagements that support the strengthening of early warning systems are likely to grow substantially thanks to support from the CREWS Initiative, with new engagements in the Democratic Republic of Congo, Mali, Niger, and the Caribbean. These engagements are expected to complement larger investments, allowing for quicker preparation of investment projects and acting as a catalyst for funding from other financial partners, such as the Green Climate Fund (GCF), Global Environment Facility (GEF), and the African Development Bank (AfDB).

Indicative targets for FY18: Engagements in hydro-meteorological and early warning projects to continue to grow and eventually benefit at least 38 million people.

Deepening financial protection

Over the coming year, GFDRR is expected to grow its engagement in financial protection as a result of the InsuResilience Initiative, promoted by Germany and the U.K. The initiative aims to close the “insurance protection gap” by helping countries integrate risk insurance in national disaster risk financing strategies. In FY18, GFDRR will continue to provide customized assistance to activities that support policy reforms, as well as the development of financial protection strategies, with new engagement expected in Cabo Verde, Ethiopia, Kenya, and Madagascar.

Indicative targets for FY18: At least 200 government officials from 15 countries to be trained on the fundamentals of disaster risk financing.

Building resilience at the community level

GFDRR’s push over the last few years to strengthen local-level engagement through the Inclusive Community Resilience Initiative (ICR) is translating into a growing number of programs that support community-based disaster risk reduction, institutional decentralization, and social protection systems. These include national programs in Cameroon, Kenya, Madagascar, and Yemen. An important focus for next year will be to support adaptive social protection (ASP) systems, including efforts to document lessons learned and to promote exchanges of information.^{vi}

Indicative targets for FY18: Community engagements or access to adaptive social protection to expand to 10 countries, reaching at least 5 million people.

Deepening engagements in resilience to climate change

In FY18, GFDRR will increase integration of climate resilience in its activities by (i) supporting technical assistance to in-country engagements; (ii) increasing the use of just-in-time assistance for capacity building; and (iii) supporting analytical work focusing on climate resilience, including knowledge notes and best practice notes. Additionally, GFDRR will help develop an interactive platform to allow sharing of nature-based adaptation projects. Work will also continue to advance conceptual work on robust decision-making by piloting innovative methodologies in development programs to

address the high level of uncertainty on future changes in climate conditions, and ensure that investments are not vulnerable to unexpected events or evolutions.

Indicative targets for FY18 and beyond: Deeper engagements on designing climate resilient investments in at least 20 countries, enabling at least \$1 billion from IDA, IBRD, CIF, GEF, GCF, bilateral agreements, and other sources of funds.

Enabling resilient recovery

In FY18, GFDRR will continue to provide capacity building to help countries prepare for post-disaster scenarios, including on post-disaster and conflict assessments, contingency planning and recovery systems. To advance its mission, the team will also continue to develop disaster recovery guidelines; test rapid damage assessment tools; and develop an online platform to share knowledge and lessons learned. Finally, GFDRR will maintain its standby response capacity to help coordinate and support post-disaster response.

Indicative targets for FY18: At least 350 government officials to be trained for post-disaster assessment and recovery planning.

Deepening engagements in resilience to climate change

As outlined in the Sendai Framework, and echoed in the Paris Agreement, making development resilient to disaster and climate risk is urgent. GFDRR has been working to increase the number of its activities that directly address resilience to climate change. GFDRR does this by financing technical assistance to ensure that development programs are designed taking into account risk resulting from a changing climate. A particular focus remains on small island states that are more acutely vulnerable to climate change. In FY18, GFDRR will continue to support small islands to be able access to climate finance and reduce fragmentation.

In FY18, GFDRR will prioritize financing activities that; (i) support transformative policies and strengthen institutions; (ii) enable access to resources for climate action; (iii) scale up climate action in high-impact areas; and (iv) increase the support to the development of knowledge, tools and methodologies.

Indicative targets for FY18:

- At least 55 percent of GFDRR grants to include specific actions that build/increase resilience to climate change.
- Deeper engagements on designing climate resilient investments in at least 20 countries, enabling at least \$1 billion from IDA, IBRD, CIF, GEF, GCF, bilateral agreements, and other sources of funds.

What Are The Resource Requirements?

This section provides details on the proposed allocations to GFDRR's in-country activities, its areas of engagement supported by the Thematic Initiatives, and analytical work. In addition, it includes a short discussion of the sources of funding and the current funding gap for FY18, as well as ongoing efforts to close this gap.

Proposed allocations

GFDRR proposes to commit approximately \$80 million to support its program in FY18. Table 1 provides FY18 projected allocations in dollars. As in previous years, GFDRR plans to allocate approximately 85 percent of its resources to In-Country engagements, while about 10 percent will be used to support the Thematic Initiatives to advance strategic areas of engagement.

Table 1: FY18 Proposed Allocations (\$ millions)

Category	FY17 (Est)	FY18	
In-country engagements	Africa	19	26
	East Asia Pacific	11	11
	Europe and Central Asia	12	6
	Latin America and Caribbean	6.5	7
	Middle East and North Africa	4	4
	South Asia	10.5	11
Sub Total	63	65	
Areas of engagement with support from thematic initiatives	Access to Risk Information	2.5	1.5
	Resilient Infrastructure	0.5	1
	City Resilience	1	2.5
	Hydromet and Early Warning	1	1
	Financial Protection	3.5	2.5
	Community Resilience	1	1
	Resilience to Climate Change	0.5	1
	Enabling Recovery	1	1
Sub Total	11	11.5	
Gender	0.5	0.5	
Analytical Work	2.5	3	
Sub Total	3	3.5	
Total	77	80	
<i>FY18 Funding gap</i>	<i>0</i>	<i>-13</i>	

Note: FY18 allocations are projected to June 30, 2018, and will be finalized after the close of the fiscal year. Figures exclude program management, administration, and World Bank fee. Funding allocations are indicative and subject to change.^x

The proposed FY18 allocations represent an increase of approximately 10 percent compared to the previous year. In general, regional allocations are expected to remain in line with the past two fiscal years. However, the allocation for Africa is expected to increase as a result of a substantial contribution from the European Union and other donors. The allocations for East Asia Pacific, South Asia, Latin America and the Caribbean, and the Middle East and North Africa remain stable. The allocation for Europe and Central Asia is expected to decrease, in part because the region had received a substantial earmarked funding in FY16 and FY17, in response to the severe flooding in the Balkans in 2014. This level of support will decrease bringing the overall regional allocation to FY15 levels. Dedicated funding,^{xi} has been allocated for increasing integration of gender and resilience to climate change, across GFDRR's grant activities, in addition to allocations built into in-country engagements.

The allocation for Thematic Initiatives to support the strategic areas of engagement as well as analytical work remains stable overall but with some variation among the different Thematic Initiatives. Funding allocated to the City Resilience is expected to increase, as this remains a key initiative for FY18. Technical assistance will flow toward testing the program's concept and approach through GFDRR's in-country engagements.

Funding windows

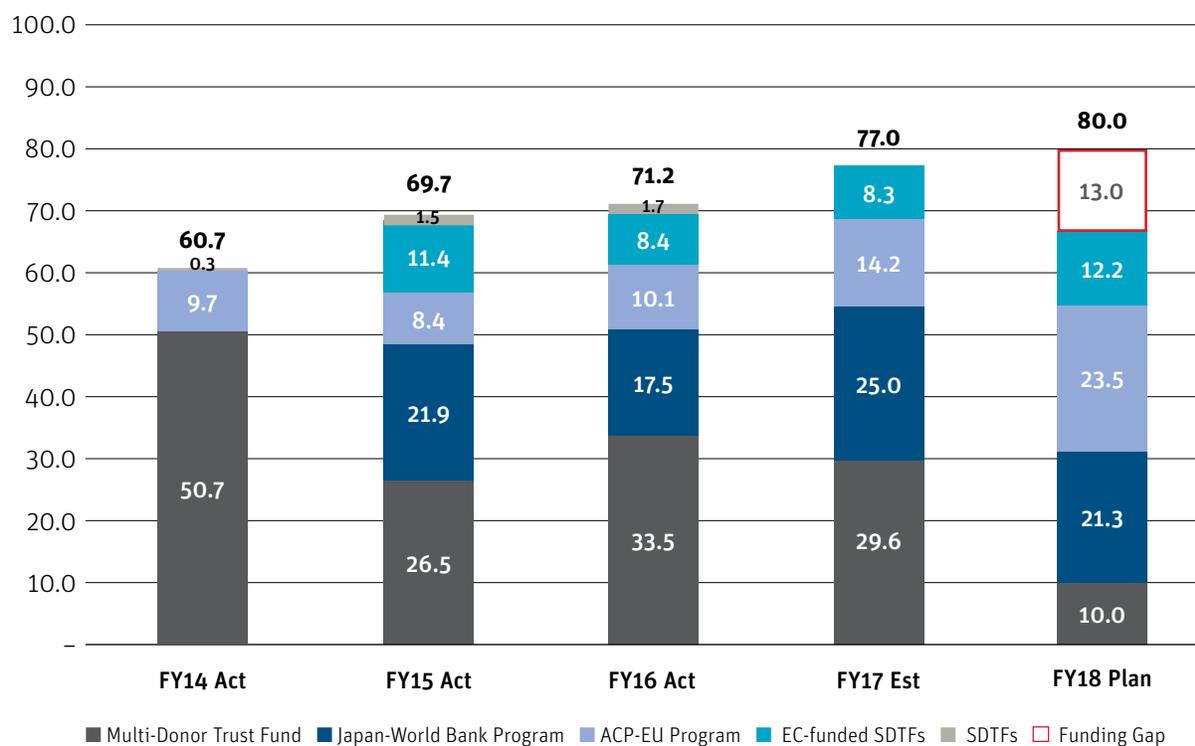
GFDRR plans to fund the proposed Work Plan from its various funding windows. These include the multi-donor trust fund (MDTF) financed by all GFDRR donors, as well as single donor trust funds from the European Union (EU) and Japan. While each fund contributes to support GFDRR's strategic areas of engagement and uses the same grant award and monitoring system, each funding window has its own specificities. The multi-donor trust fund provides support to the in-country engagements, thematic initiatives as well as analytical work. Funding from the EU is channeled in support of the African, Caribbean and Pacific, with particular focus on activities targeting financial protection and on modernizing hydro-meteorological services. Finally resources from Japan will primarily help advance resilient infrastructure, city resilience, and inclusive community resilience projects.

Resource availability and funding requirements

At the beginning of FY18, GFDRR anticipates \$67 million in funds to be available through its various funding windows. Therefore, the proposed \$80 million program presents a funding gap of \$13 million. The GFDRR Secretariat is currently working with donors to close this gap, in particular to ensure a successful launch of the proposed scaled up City Resilience Program.

GFDRR expects to be able to maintain its current level of engagement over the long term, though funding beyond FY18 is more uncertain. While contribution to the MDTF is expected to remain stable, additional resources under two single-donor trust funds of the European Union and Japan are expected to come to an end in FY19 and FY20 respectively. The GFDRR Secretariat is already engaged with both partners on a possible second phase for these programs. A number of other initiatives, including a possible partnership with the Organization of Islamic Cooperation is also being considered.

Figure 1: Resource allocation by funding window FY14–18 (\$ million)



Box 2: Monitoring and Evaluation

Capturing and reporting development results remains a priority for GFDRR. GFDRR is committed to meeting its obligation to donors to provide quality, and timely reporting on its grants through its Annual Reports, evaluations, knowledge products, and on-line engagements tool.

In FY18, in response to the new Strategy, GFDRR will revise its program logic and develop an accompanying M&E Framework. This will clearly show how GFDRR will measure its results against the targets set for GFDRR’s strategic areas of engagement, as outlined in the Strategy and Work Plan. Additionally, GFDRR will also work toward indicating how its activities contribute to achieving the goals outlined in the 2015 international frameworks, particularly the Sendai Framework.

What Are The Potential Risks/Constraints For GFDRR To Meet Its Objectives and Targets?

The proposed Work Plan builds on GFDRR's ongoing program and long-term engagement in over 70 countries. This has been possible due to predictable and flexible sources of finance. In FY18, GFDRR will finance new activities in 30 countries across multiple sectors, and implemented by local partners. Similar to FY17, GFDRR expects to issue about 70 new grants in FY18. Drawing on experience from previous years, GFDRR acknowledges the potential of several risks for successful achievement of FY18 planned targets. Table 2 outlines these potential risks and mitigation measures for FY18.

Table 2: Potential FY18 Risks and Their Mitigation Measures

Potential FY18 Risks	Mitigation measures
<p>Insufficient demand for planned activities. Often change in national priorities can affect demand for GFDRR grants requested by implementing partners. Since GFDRR operates on a demand-driven approach, this can be an impediment to delivering on GFDRR's FY18 planned program.</p>	<p><i>Strong coordination.</i> GFDRR makes dedicated efforts during the work planning process to coordinate with implementing partners to allocate financing to activities responding to high demand in countries as well as with countries that show strong ownership of the DRM agenda.</p> <p><i>Diversification.</i> GFDRR's portfolio of activities is diverse in nature and scope across its countries of engagements. This makes success of country engagements less exposed to risks from changing demand for certain activities.</p>
<p>Unpredictability of external operating environments in recipient countries. In FY18, about 20 percent of planned engagements are in fragile and conflict states in Africa, Middle East, and South Asia. A foreseeable risk of these engagements is the adverse impact of potential instability or increase in costs to successfully develop and implement projects in such environments.</p>	<p><i>Advanced assessment.</i> GFDRR and its implementing partners invest a great deal of planning when developing operations in fragile and conflict states, to ensure as much as possible that the operations are designed to respond to the complex dimensions of risk.</p> <p><i>Reactive approach.</i> GFDRR actively monitors its engagements on the ground through strong relationships with its implementing partners. In areas where GFDRR identifies lack of progress on certain activities, it takes proactive action to reallocate grants to activities that respond to a risk that is more relevant in the country context.</p>
<p>Partners may lack capacity to adopt and use innovative solutions that GFDRR promotes. GFDRR prioritizes development and testing of new and innovative knowledge and solutions. A risk in the utility of these solutions lies in the capacity of recipients to understand and successfully implement proposed solutions or technologies to build disaster resilience.</p>	<p><i>Open and inclusive design.</i> GFDRR engages local partners throughout the design and implementation process of its innovative products. This ensures that knowledge and solutions developed respond directly to needs on the ground, and are designed appropriately taking into account implementation capacity of its partners.</p>
<p>Impact of GFDRR grants is not sustained beyond the grant-lifecycle. GFDRR grants are small investments that if not targeted strategically, could have minimal impact beyond the project life-cycle.</p>	<p><i>Leveraging large development programs.</i> GFDRR grants strategically finance activities and technical assistance that help embed risk reduction in national priorities to ensure sustainability of its grant-financing.</p> <p><i>Relationship with national and local counterparts.</i> GFDRR collaborates with key agencies and entities at the national and local levels to maintain the dialogue on disaster risk management.</p>
<p>Lack of sufficient funding. GFDRR currently shows a funding gap of \$13 million to deliver on its FY18 program. Inability to receive adequate funding poses a risk to achieving GFDRR's FY18 planned program.</p>	<p><i>Engaging donors.</i> GFDRR actively engages its donors to ensure that the program receives sufficient contributions to deliver on its work program. Efforts also continue to identify new sources of funding to ensure sustainability of planned activities.</p>

Beyond the FY18 Work Plan

GFDRR acknowledges that its donors face pressure on budget allocations due to a number of competing priorities, including slow domestic growth, and the need to contribute to the relief of global crises such as pandemics, forced displacement, and fragile state instability. A potential reduction of GFDRR's annual commitments would lead to pressures on its efficiency ratio and capacity to maintain its current support structure within the Secretariat (i.e. the thematic initiative teams).

To address the medium-term risk, GFDRR will continue to: (i) maintain a small Secretariat; (ii) innovate and exit in-country engagements when disaster and climate has been mainstreamed in those programs; (iii) regularly assess Thematic support and transfer expertise once program objectives have matured; and (iv) identify additional sources of financing including from new and non-traditional donors, for example: Organization of the Islamic Cooperation, private foundations, etc. Conscious of the medium-term risk, GFDRR's focus remains on leveraging public and private resources with its grants, with greater emphasis on both results and cost-effectiveness of its operating model.

ANNEX 1

GFDRR's in-country engagements

The following provides an overview of the proposed FY18 in-country engagements in all regions.

SAR South Asia

Over the last five years, GFDRR investment in the South Asia Region has produced multi-fold growth, with over \$5 billion targeting ex-ante disaster risk reduction. Coastal resilience is central to the program and helped reduce the loss of life during recent cyclones, particularly in India and Bangladesh. Technical assistance has improved investment planning by incorporating the impacts of climate change, more effective community-based disaster response, and early warning.

In Pakistan and Sri Lanka, GFDRR-supported assessments have increased the understanding of fiscal impacts from major floods. In both countries, this work is now informing the targeting of hydro-meteorological risk reduction investments in urban and rural environments and the development of financial protection and response investments. The South Asia Capacity Building for DRM Program, financed by the European Union, remains instrumental to the success of these engagements, providing a regional perspective useful for leveraging knowledge, awareness and investments.

In Nepal, GFDRR's support continues to bring partners together. GFDRR's support has been key to mobilizing support for the Homeowner Reconstruction Program, with contributions of over \$500 million from Canada, the Japan International Cooperation Agency (JICA), Switzerland, the U.S. Agency for

International Development (USAID), the U.K. Department of International Development (DFID), and the World Bank.

In Afghanistan, GFDRR supported the first multi-hazard risk assessment in the Country and one of the first and most comprehensive multi-hazard risk assessments in any fragile country. The Afghanistan multi-hazard risk assessment and disaster profile are enabling the Bank to respond to client demand through innovation working across sectors to achieve development outcomes. The risk information produced through the risk assessment and communicated through Open Data platforms is enabling the World Bank to take a programmatic approach and coordinate interventions within and across sectors, as well as between development partners, already partnering with transport, education, energy, and social protection.

Consolidating and building on existing engagements

In FY18 and beyond, GFDRR's analytical and technical support, through long-term investments, will continue to consolidate coastal resilience in Bangladesh and India. Over the next two years, this will enable the governments to invest an additional \$1–2 billion in measures that protect against a changing climate. GFDRR support has helped to enable the Government of Sri Lanka to benefit from multi-sector

investment planning. This planning is currently informing a \$1 billion investment program to be financed by the Asian Infrastructure Investment Bank, the World Bank, and other donors in FY18. In Nepal, GFDRR will continue to deepen the focus on DRM, while also addressing seismic risk and emergency management in partnership with JICA, Switzerland, USAID, and others. GFDRR's actions, bringing together donors and governments, will likely contribute to mobilizing an additional \$2–2.5 billion in the coming years.

Strengthening local resilience through traditional and innovative measures

In FY18, GFDRR will provide support to strengthen disaster-responsive safety nets across the region, particularly in Bangladesh, Nepal, and Sri Lanka. GFDRR will also support investments in systems to improve urban resilience, building on the lessons learned in Dhaka and Colombo. In particular, activities will target building geospatial platforms that engage communities and government departments and investments in physical risk reduction measures. Additional investment will support government departments to improve the resilience of sectoral infrastructure, emphasizing risk-informed asset management systems, improved design standards, and contingency planning.

FY18 Target

Enable at least \$900 million in investment

EAP East Asia and Pacific

In the past 10 years in the East Asia Pacific Region, GFDRR has supported a diverse range of countries such as Myanmar, Indonesia, the Philippines, and Pacific Island countries to integrate resilience measures in critical infrastructure, including drainage, roads, and transportation. At the policy level, GFDRR is supporting the mainstreaming of DRM and climate resilience in urban planning and investments. Additionally, given the region's frequent disasters, GFDRR has continued to lead engagements that support financial planning to protect populations from losses after recurrent disasters at the national level, for example in the Philippines, and at the regional level through risk pools in the Pacific and in South East Asia. GFDRR grants in FY18 are expected to enable at least \$500 million of estimated financing for ongoing and new engagements in at least 10 countries (Indonesia, Myanmar, and the Philippines, among others) for building resilience to climate and disaster shocks.

Investing in climate and disaster proof infrastructure

To continue tackling such challenges as weak land-use planning and inadequate enforcement of building codes, in FY18, GFDRR will advance the urban resilience agenda through urban flood risk reduction planning and infrastructure in cities in Indonesia, Myanmar, and Vietnam. Similarly, the local Philippine government will invest in comprehensive risk reduction plans, while Cambodia and Lao will mainstream climate and disaster risk management in the transport sector. In several cities in Indonesia, GFDRR will support the development of flood reduction plans. In Vietnam, GFDRR will strengthen capacity in Can Tho by focusing efforts on improvement of quality infrastructure, a geospatial and tabular data catalog, crowd-sourced mapping, and vulnerability reduction investments.

Protecting social and economic losses through national, regional, and local planning

Through GFDRR's support, the East Asia and Pacific Region has advanced in coordinated national and regional action on financial and social protection. In the Philippines, for example, GFDRR's ongoing engagements will help local governments develop comprehensive risk reduction investment plans, which will help mainstream DRM and risk planning in urban development processes. In FY18, this support will continue. In the Pacific, GFDRR will continue to scale up its efforts to build the financial resilience of vulnerable populations in the small island states and will invest in disaster-proofing transport infrastructure. GFDRR will support efforts to expand social protection systems similar to the system in Fiji to other Pacific Island countries. Additionally, GFDRR will share lessons learned from Samoa's transport-resilience activities to other Pacific Island countries.

FY18 Target

Enable at least \$500 million in investments

ECA Europe and Central Asia

Over the past two years, GFDRR has invested \$26 million in Europe and Central Asia, supporting governments to adopt a proactive approach to DRM, frequently placing disaster resilience among national priorities. In some countries, decision-makers have gone beyond risk analytics and are increasingly in an influential position to build institutional frameworks for forward-looking investments in DRM. As a result, this targeted technical assistance has led to a steady growth in DRM-related programs, culminating in \$1.5 billion of DRM investments. In FY18, GFDRR grants are expected to enable ongoing and new development financing of at least \$600 million.

Making disaster resilience central to development

Efforts to integrate risk considerations have been ongoing across all sectors: agriculture, education, energy, and water. The current program strives to combine scalable, risk-reduction investments (particularly in urban settings to optimize multi-hazard preparedness) and local-response capacities. In FY18, GFDRR will continue to facilitate the implementation of the Central Asia Regional Hydromet Modernization Project. It supports the five national hydro-meteorological services to share data and expertise and informs the region's economic development activities in agriculture, energy, and water resources. In Moldova, GFDRR's technical assistance will improve development planning by incorporating disaster resilience considerations that inform climate-smart agricultural activities and by ensuring the proper alignment of civil protection response mechanisms with hydromet services and end-users.

Advancing analytical support for better-informed planning

In FY18, GFDRR will provide analytical and technical support to deepen seismic risk reduction efforts, improve multi-hazard preparedness measures, and push forward financial protection mechanisms, particularly in Central Asia, the Balkans, and Turkey. In Turkey, support will target an expansion of the Istanbul Seismic Risk Mitigation and Emergency Preparedness (ISMEP) Program. In the Kyrgyz Republic, GFDRR will invest in developing robust risk analysis for safer school infrastructure. In FY18, Serbia, which has benefitted from GFDRR's support over the last two years (especially from the European Union and Switzerland), will become the first country in the region to access a Catastrophe Deferred Drawdown Option (Cat-DDO),^{xii} providing up to \$70 million in rapid liquidity after a disaster. Investments in Europe and Central Asia are expected to grow in Armenia, Kyrgyz Republic, Serbia, Tajikistan, and Turkey.

FY18 Target

Enable at least \$600 million in investments

AFR Africa

GFDRR's grant commitments for the region have averaged \$22.87 million per year over the past three years, in great part thanks to support from the European Union (EU) under the Africa Caribbean Pacific-EU Natural Disaster Risk Reduction Program (ACP-EU NDRR),^{xviii} African Regional Economic Communities DRM Program, and ACP-EU Africa Disaster Risk Financing Initiative (ADRF).

Making African countries financially resilient

The Africa Disaster Risk Financing Initiative (ADRF) continues to support governments to build their financial resilience to disaster and climate shocks by creating suitable data to support countries with development of risk financing strategies and knowledge-sharing initiatives in this area. The ADRF has initiated risk-financing dialogues in 13 middle- and low-income African countries to identify key local partners and to build on the elements of disaster risk financing strategies. In FY18, the ADRF will advance on its ongoing support to establish risk financing strategies, instruments, and broader programs, with particular focus on Cabo Verde, Ethiopia, Kenya, Lesotho, Madagascar, Mali, Mozambique, Niger,

and Uganda. Additionally, GFDRR's assistance has enabled the Seychelles to develop a contingent credit line to respond to natural disasters such as cyclones or landslides. In FY18, GFDRR will continue to build on these engagements.

Strengthening urban resilience in Africa

Africa is the fastest urbanizing continent, which is why, over the coming years, efforts will assist cities to better manage climate and disaster risk. In FY18, GFDRR will support analytical studies to better understand the poverty impact of disaster risk and shocks on the urban poor and to support city-level efforts to invest in strengthening urban resilience. Such activities will support cross-sectoral engagements with city leadership on long-term resilience planning and investment with a focus on crowding in resilience financing from development partners and the private sector. This is expected to serve up to five cities and leverage two International Development Association (IDA) operations, initially targeting Beira, Saint-Louis, Addis Ababa, Arusha, Enugu, Dakar, Kigali, and Durban, and with an aim to mobilize at least \$100 million in IDA financing.

Managing coastal risk and advancing early warning systems

Africa is experiencing the risk of rapid coastal erosion. In FY18, GFDRR will support improved coastal protection by advancing the West Africa Coastal Adaptation Program (WACA); supporting a flagship report on investing in the coastal resilience of cities in Sub-Saharan Africa; and providing technical assistance to support the development of coastal city resilience investment plans in up to 10 coastal cities in Africa. These engagements are expected to enable at least \$150 million in development finance for disaster risk reduction. An important building block to understand coastal and city resilience in Africa is to improve hydro-meteorological systems. In FY18, GFDRR will continue to support the Africa Hydromet Program, mainly through the CREWS Initiative with engagements in the Democratic Republic of Congo and Mali, and scale up efforts to modernize hydromet and early warning services through technical assistance. This will enable at least \$50 million in financing from the Global Environment Facility, the Green Climate Fund, and IDA resources.

FY18 Target

Enable at least \$300 million in investments

LAC Latin America and Caribbean

In the Latin America and Caribbean Region, GFDRR's support has been critical to mainstreaming disaster risk management across sectors at the sub-national and national levels of governments, as well as ensuring participation from communities in the design and implementation of projects. Through GFDRR's support, 13 countries in Central America and the Caribbean have mainstreamed DRM in government ministries and departments. In the Commonwealth of Dominica, for example, to improve the resilience and affordability of roads and bridges, GFDRR support is facilitating the development of a risk-based management system for infrastructure assets. In the Dominican Republic, GFDRR's targeted support through in-country disaster economic assessments has led to an increased awareness and understanding of disaster risk, which has enabled the government to mobilize \$100 million in contingency loans for disasters.

Advancing toward sub-national planning for disasters

Latin America is one of the most urbanized regions of the world, with cities experiencing frequent flooding and comprising significant infrastructure vulnerable to earthquakes. GFDRR will provide technical assistance to Colombia and Peru to increase the capacity of their cities to reduce disaster and climate risks. In line with the scale-up of the City Resilience Program, GFDRR will potentially support five cities—including Cap Haïtienne, Guatemala City, and Managua—to strengthen urban risk reduction and response systems, with an aim to mobilize at least \$50 million in resources. Efforts will also explore opportunities to leverage private capital for urban resilience engagements in Brazil, Colombia, Mexico, and Peru.

Prioritizing risk reduction and financial planning

In FY18, additional focus will be on strengthening and enabling policy regulations and on scaling up efforts to build financial resilience—including through contingent financing mechanisms and through mobilizing at least \$250 million in development finance for disaster risk management in at least three countries. For example, in the Dominican Republic, GFDRR's support will increase the government's technical and institutional capacity in disaster risk financing to improve financial resilience. Activities will focus on quantifying the country's disaster risk and on prioritizing options to effectively manage this risk. GFDRR will also promote transformative disaster and climate risk reduction policies in key sectors, based on the government's improved understanding of disaster risk. And, GFDRR will continue to support improving the safety and quality of school facilities, with continuation or initiation of new engagements in at least five countries—including Dominican Republic, El Salvador, Haiti, Jamaica, and Peru.

FY18 Target

Enable at least \$300 million in investments

MNA Middle East and North Africa

In addition to natural disasters (such as, drought, frequent flash flooding, and earthquakes), conflict and instability in the Middle East and North Africa Region threaten economies and lives. GFDRR support has focused on disaster risk and on other prevalent risks, particularly conflict. In Lebanon and Jordan, GFDRR assistance is strengthening urban infrastructure, service delivery, and governance due to the influx of Syrian refugees. In Iraq, GFDRR is supporting energy needs estimates while strengthening the energy sector's resilience to natural hazards. GFDRR support to activities in Egypt and Morocco aims to strengthen DRM capacity and institutional frameworks. In FY18, the region expects to mobilize at least \$100 million for investments in DRM.

Strengthening the understanding of risk

Many countries in the Middle East and North Africa Region still do not emphasize DRM and require support to better-understand risk in order to strengthen institutional DRM frameworks. In FY18, a regional baseline of macro-level hazard risk assessments will be developed; the objective is to have informed dialogue with the government counterparts and to provide a basis for implementing disaster risk financing.

Learning from and expanding existing engagements in the region

In FY18, engagements that target city-level resilience are likely to grow substantially. For instance, GFDRR support helped inform the comprehensive urban development plan of Beirut; this activity will expand to selected cities in Egypt, Jordan, and Morocco. To strengthen community resilience, technical assistance will develop new and strengthen existing programs to promote women's roles in risk assessment and risk management. Additionally, GFDRR will provide technical assistance, capacity building, and knowledge exchange on hydro-meteorological and early warning systems in the Middle East and North Africa Region, which experiences frequent flash flooding.

FY18 Target

Enable at least \$100 million in investments

ANNEX 2

Areas of engagement

This annex provides an overview of support from the Thematic Initiatives to advance on its areas of engagement implemented through its in-country activities.

Promoting open access to risk information

At least **500** hazard, exposure, and risk datasets and geospatial layers to be made openly available to risk managers globally and an estimate of **2,000** people to be trained to use risk tools for decision-making

The coming fiscal year will see the culmination of key GFDRR initiatives through its Innovation Lab, including delivery of comprehensive risk information for more than 10 countries in Sub-Saharan Africa. More importantly, it will make available at least 500 hazard, exposure, and risk datasets as well as geospatial layers to global risk managers. Support to up to 50 countries with tools such as Open Data for Resilience, ThinkHazard!, flood mapping in dense urban environments, cell phone signals to determine rainfall intensity in real-time in the Sahel, and other activities are also expected.

In support of the Sendai Framework, the Innovation Lab will launch an Open Data Dashboard for Risk Assessment, which will enable countries to chart their progress on the availability of key datasets required to understand and quantify risk. GFDRR's commitment to open-source tools, open data, and the communication of risk continues through ongoing development of the Think Hazard! platform, the GeoNode geospatial platform, and GeoSAFE (which allows users to undertake simplified risk analytics). Furthermore, GFDRR will also actively promote community and volunteer mapping to OpenStreetMap to map

poverty, public and community buildings, and transport networks in highly vulnerable communities. To increase the use of such tools, efforts will target training up to 2,000 people to use risk tools for decision-making. The Innovation Lab will support the organization of the 5th Understanding Risk Forum to take place in Mexico in May 2018. The last forum, which took place in Venice, Italy, attracted participants from over 100 countries, representing more than 350 institutions.

www.gfdrr.org/innovation-lab

Promoting resilient infrastructure

Safer schools engagements to expand to at least **11** countries, targeting to make an estimate of **50,000** classrooms safer

In FY18, GFDRR will continue to provide technical assistance to governments to improve the design, operations, and maintenance and contingency planning of new and rehabilitated infrastructure. One area of focus will be informing the planned or ongoing investments in school infrastructure to make it safe and resilient. In FY18, the Safer Schools Initiative will begin its second phase of implementation (FY18–20) and focus on developing solutions at scale. In this second phase, the initiative aims to inform \$1 billion in risk reduction investments through engagement in technical assistance activities. New country engagements are planned in the

Dominican Republic, India, Kyrgyz Republic, and Nicaragua. Continuing efforts will inform investments in school infrastructure through ongoing activities to make schools safer and more resilient in 11 countries, making an estimate of 50,000 classrooms safer. At the same time, work will also begin on developing a Global Library of standard typologies of school buildings and retrofitting solutions; a Road Map for Recovery and Reconstruction of schools; and the design of knowledge materials for Safer Schools.

In FY18, GFDRR will also remain engaged with the Government of Peru to roll out its first National

School Infrastructure Plan, which will benefit 42,000 schools and 2.2 million students. This initiative emerged from a \$1.4 million grant that informed the design of a \$1.3 billion seismic vulnerability reduction program. Similarly, in Turkey, support will continue to an EU-financed \$160 million program to construct safe school infrastructure for 40,000 Syrians under Temporary Protection (SuTP). The team will further strengthen its partnership with Global Alliance for Disaster Risk Reduction and Resilience in the Education Sector, Universidad de los Andes, Save the Children, and others.

www.gfdr.org/areas/SaferSchools

Scaling up resilience of cities

Engagements in at least **10** rapidly growing cities, to enable at least **\$500 million** in resilient development investments from public and private resources

Over the past ten years, GFDRR has supported governments to create and to improve the policies and legislation for better land-use planning, and to drive investment aimed at reducing risk. Spatial data, information platforms, and analytical tools have contributed to the development of risk assessment programs in more than 60 cities. The objective of the City Resilience Program (CRP) is to bring more

order and organization to how cities approach urban resilience, based on successful engagements world-wide.

In FY18, the CRP will build on existing in-house technical and operational expertise and deliver a robust pipeline of urban resilience operations. The program will: (i) pilot 7–10 engagements at the city level to test the program’s concept and to refine its approach and services; (ii) develop

additional tools to measure poverty, welfare, and asset risks at the city level; and (iii) improve knowledge to mobilize additional private capital to finance investment in resilient public infrastructure. Beyond FY18, the CRP will target engagements in 30 cities over the next three years, enabling at least \$1.5 billion.

www.gfdr.org/resilient-cities

Strengthening hydromet services and early warning

Engagements in hydro-meteorological and early warning projects to continue to grow and eventually benefit at least **38 million** people

In FY18, the Hydromet Initiative will maintain its focus on assisting governments in designing sustainable integrated systems to deliver reliable hydrological, meteorological, and climate services and warnings. The portfolio will continue to grow, with ongoing engagement in over 30 countries and new engagements in at least the Democratic Republic of Congo, Ethiopia, Niger, Pakistan, Sri Lanka, and Zambia. An increasing focus will be to support implementation of the Climate Risk and Early Warning Systems Initiative (CREWS), which targets the strengthening of multi-

hazards early warning systems in least developed countries and small island states. In FY18, engagements in 11 hydro-meteorological (hydromet) and early warning projects will benefit at least 38 million people.

The Hydromet Initiative will also contribute to partner initiatives led by World Meteorological Organization (WMO), Global Framework for Climate Services (GFCS), and leading national meteorological and hydrological services (NMHSs). The first development partner roundtable was co-organized by GFDRR and WMO in 2016, and defined the guiding principles of collaboration in

hydromet modernization processes. A second development partners meeting in FY18 will aim to advance the international support and to improve the efficiency of hydromet investments and technical assistance activities. To advance a sustainable public-private collaboration, the Hydromet Initiative will support InterMET Asia. It is the biggest annual forum to bring together experts from the public and private sectors who work toward identifying solutions to manage the risks of extreme weather and climate change.

<https://www.gfdr.org/hydromet>

Box 2: Climate risk and early warning systems

The Climate Risk and Early Warning Systems Initiative (CREWS) was officially launched at the 21st Conference of Parties (COP 21) in Paris as part of the solutions agenda and seeks to strengthen multi-hazards early warning systems in least developed countries and small island states. CREWS is jointly implemented by the World Bank/GFDRR, World Meteorological Organization (WMO), and the United Nations Office for Disaster Risk Reduction (UNISDR).

Several CREWS operations are expected to complement larger investments, allowing for quicker preparation of investment projects and acting as a catalyst for funding from other financial partners, such as the Green Climate Fund (GCF), Global Environment Facility (GEF), or Africa Regional Hydromet Program, a partnership of the WBG, WMO, African Development Bank (AfDB), and the United Nations Development Programme (UNDP).

Since the inception of CREWS, the Hydromet Initiative has provided substantial technical support to build the CREWS projects pipeline. FY18 will build on ongoing efforts to provide replicable methods and results. Special effort will go into operationalizing projects in the Democratic Republic of Congo, Mali, and Niger and potentially, a regional project in the Caribbean.

Deepening financial protection

At least **200** government officials from **15** countries to be trained on the fundamentals of disaster risk financing

Through the Disaster Risk Financing and Insurance (DRFI) initiative, GFDRR provides assistance to in-country engagements for ex-ante financial planning to minimize the effects of disasters. In FY18, with particular support from the Africa Disaster Risk Financing Initiative, GFDRR will continue to provide customized assistance to design and implement risk financing strategies, by assessing the fiscal and economic impact of disaster shocks, mapping existing

financial mechanisms, and ultimately implementing policy reforms and developing financial instruments for governments in Cabo Verde, Ethiopia, Kenya, and Madagascar.

Furthermore, in FY18, ongoing work will start to show result in a regional initiative covering Cambodia, Lao PDR, and Myanmar, where a disaster risk insurance facility is being established that will provide critical bridge financing after disasters. Contingency planning efforts should also become apparent in Serbia

and Kenya, due to steady GFDRR engagement in these countries over the past few years. DRFI will also continue to invest in analytical tools to bring together actuarial, economic, and risk assessment expertise to inform financial decisions around disaster risk financing. The capacity building program rolled out in FY17 is expected to reach at least 200 government officials in 15 countries.

www.gfdr.org/disaster-risk-financing-and-insurance

Box 3: InsuResilience

FY18 will be an important year for the Disaster Risk Financing Initiative (DRFI) to deepen its contribution to the global climate agenda. The G7 Initiative on Climate Risk Insurance, or “InsuResilience” led by Germany, was launched at the G7 Summit in Germany in 2015. The objective is to stimulate the creation of effective climate risk insurance markets and the smart use of insurance-related schemes for people and risk-prone assets in developing countries. The target is to increase access to direct or indirect insurance coverage against the impacts of climate change for 400 million of the most vulnerable people in developing countries by 2020.

With an initial contribution of EUR 20 million from Germany, the Facility’s DRFI Initiative will contribute to these goals through scale up of climate risk insurance activities with existing and new DRFI partner countries. During FY18, GFDRR will launch a first series of country engagements and support diagnostic work around disaster risk insurance in countries to integrate insurance as part of national DRM strategies. Activities over the next year will also focus on technical work with Ministries of Finance in more advanced countries already looking to set up and capitalize their own national or regional insurance facilities. A proposed list of target countries include the Cambodia, Kenya, Lao, Morocco, Myanmar, and the Philippines, though these are subject to change based on discussion with recipient countries as well as donors over the coming year.

Building resilience at community level

Community engagements or access to adaptive social protection to expand to **10** countries, reaching at least **5 million** people

Since the endorsement of the Inclusive Community Resilience (ICR) Strategy in 2015, this thematic initiative continues to grow, with cross-cutting activities aimed at integrating gender, citizen engagement, and social inclusion across the GFDRR portfolio. Over the past year, the ICR Initiative delivered a webinar on disability-inclusive disaster risk management (DRM), and a first training for DRM practitioners on broader social inclusion in DRM. In FY18, GFDRR will build on this to deliver additional learning activities and to develop tools that promote

greater citizen engagement and social inclusion into design of projects financed by GFDRR.

The ICR Initiative will also expand its support to mainstreaming disaster and climate resilience in countries targeting social development and social protection that work directly with poor households and communities. In Afghanistan, the Philippines, and Tunisia, GFDRR will continue to support integration of community-led risk mapping and resilience planning in community driven development and participatory

budgeting processes. In addition, the initiative will scale up its support to community driven development, decentralization programs, and social protection systems in at least 10 additional countries, reaching at least 5 million people—including in Cameroon, Kenya, Madagascar, and Yemen.

FY18 Target Community engagements or access to adaptive social protection to expand to 10 countries, reaching at least 5 million people

www.gfdr.org/inclusive-community-resilience

Box 4: Adaptive Social Protection

An important focus of the Inclusive Community Resilience (ICR) Initiative is supporting the expansion of adaptive social protection (ASP) systems, which the Unbreakable report identifies as one of the most effective ways to strengthen resilience in low-income countries. As the portfolio of ASP activities continues to grow, efforts will also support critical analytical work and knowledge management activities designed to bring greater coherence to and an understanding of adaptive social protection.

Initial tasks for achieving this would include establishing a strong, unifying framework, built upon case studies and practical examples of ASP implementation globally. This would culminate in the production of a comprehensive ASP knowledge paper that will serve as the background piece to a South-South Learning Forum (SSLF) on the topic. The SSLF is a flagship, semi-annual event that provides a platform for government policymakers and practitioners to exchange experiences, share innovations, and advance practices in social protection. In September 2017, around 250 policymakers from 75 countries will gather in Dakar, Senegal, for the South-South Learning Forum.

Resilience to climate change

Deeper engagements on designing climate resilient investments in at least 20 countries, enabling at least \$1 bn

In FY18, GFDRR will continue to advance on its mission of enhancing climate resilience into development policies and investments in vulnerable countries. Through technical assistance, GFDRR will aim to strengthen the capacity and coordination of disaster risk management and climate resilience institutions in countries across all regions and reduce fragmentation of finance and increase efficiency. Support will also target development of knowledge and tools to support better informed decision-making under high uncertainty. All of these activities help vulnerable countries to access international and development resources to make their development more climate resilient.

Four priority areas have been selected to further advance on the climate resilient development agenda (i) support transformative policies and strengthen institutions; (ii) enable access to resources for climate action ; (iii) scale up climate action in high-impact areas such as energy, transport, water management and land-use including agriculture, ecosystem-based adaptation and coastal resilience; and (iv) increase the support to the development of knowledge and piloting of innovative methodologies and tools to make better-informed decisions, considering future changes in climate conditions under high uncertainty.

A particular focus remains on small island states that are more acutely vulnerable to climate change. This will include provision of technical assistance to 12 countries and continued engagement in regional programs in the Caribbean and the Pacific. The SISRI will expand its analytical work to help design resilient investment programs in at least two additional Atoll Islands, integrating lessons learned from Republic of Marshall; and to expand on its work in resilient transport by drawing on St. Lucia and Tuvalu.

www.gfdr.org/rcc

Enabling resilient recovery

At least **350** government officials to be trained for post-disaster assessment and recovery planning

In FY18, the Resilient Recovery Initiative's priorities will remain provision of technical assistance and capacity building for post-disaster and conflict assessments, including the development of innovative tools such as rapid assessments. To advance engagement with governments, technical assistance will continue to strengthen recovery systems, develop disaster recovery frameworks, and promote contingent financing tools in at least three additional countries. The facility will

also activate a Just-In-Time support facility to accelerate recovery and to create a window for contingency planning through World Bank projects.

In FY18, in partnership with the European Union, United Nations Development Programme, and the World Bank, a key focus of the initiative will be to disseminate good practices, guidance notes, and to develop knowledge, including the thematic expansion and roll-out of the Disaster Recovery Framework Guide.

A recovery hub will be launched to share knowledge and lessons learned and to strengthen global recovery alliances and partnerships such as the Global Preparedness Partnership, which was launched in May 2016. Additionally, trainings will be provided to strengthen government capacity prior to disasters, with a target of training at least 350 government officials.

www.gfdr.org/area/Pillar5

ANNEX 3

Financial Report

Annex 3. Financial Report

STATEMENT OF RECEIPTS, DISBURSEMENTS AND FUND BALANCE

Expressed in U.S. dollars

	Notes	For July 2016 –February 2017 period	For the fiscal year ended June 30, 2016	For the fiscal year ended June 30, 2015	For the fiscal year ended June 30, 2014
Opening Balance:		235,847,055	222,200,743		
Receipts:					
Donor Contributions	1	30,259,724	75,811,441	98,766,363	95,217,814
Net Investment and Other Incomes	2	1,207,511	696,566	543,505	441,169
Transfers-in from Development Grant Facility	3	–	500,000	500,000	500,000
Total Receipts		31,467,235	77,008,007	99,809,868	96,158,983
Disbursements:					
Project Disbursements	4	35,550,427	56,804,842	46,362,026	32,503,477
World Bank Administration Fee	5	209,887	1,548,222	2,033,893	3,359,431
Program Management and Administration expenses	6	3,095,045	4,508,630	5,395,535	4,654,750
Tranfers-out from Development Grant Facility	7	–	500,000	500,000	500,000
Total Disbursements		38,855,359	63,361,695	54,291,454	41,017,659
Excess of (Disbursements over Receipts)/Receipts over Disbursements		(7,388,124)	13,646,312	45,518,414	55,141,324
Ending Balance:					
Ending Balance		228,458,931	235,847,055		
Less: Undisbursed Commitments	8	129,111,981	130,157,949		
Uncommitted Fund Balance	9	99,346,950	105,689,106		

NOTE 1: DONOR CONTRIBUTIONS

The following table provides details of contribution received and contribution receivable by donor.

Donor	Contribution Currency	For July 2016 – February 2017 period		Contribution Received			Contribution Receivable *		
		Amount Received in Contri Curr	Amount in US\$	For the fiscal year ended June 30th, 2016		Amount in US\$			
				Amount Received in Contri Curr	Amount in US\$			Amount Received in Contri. Curr.	Amount in US\$
Australia	AUD			4,128,000	2,978,641	4,000,000	3,188,800		
Austria	EUR					2,000,000	2,445,420		
Belgium	EUR	600,000	627,088						
Denmark	DKK			10,000,000	1,459,641	10,000,000	1,417,354		
European Union	EUR	500,000	532,075	11,980,422	13,227,023	20,000,000	25,377,000	35,619,578	37,527,006
Germany	EUR	12,000,000	13,245,500	590,697	664,368	2,253,337	2,617,249	4,000,000	4,214,200
India	USD					166,000	166,000		
Italy	EUR			2,000,000	2,186,796	2,000,000	2,315,200	2,000,000	2,107,100
Italy	USD			1,200,000	1,200,000				
Japan	USD			33,000,000	33,000,000	30,000,000	30,000,000	22,000,000	22,000,000
Luxembourg	EUR	300,000	315,450	1,200,000	1,303,120	400,000	518,185		
Mexico	USD			361,760	361,760	138,240	138,240		
Nigeria	USD			149,238	149,238			150,000	150,000
Norway	NOK	13,000,000	1,538,680	25,000,000	2,975,128	25,000,000	4,024,663		
Saudi Arabia	USD					500,000	500,000		
Sweden	SEK	39,000,000	4,225,444	30,000,000	3,538,988			10,000,000	1,105,644
Switzerland	CHF	7,350,000	7,378,694	4,600,000	4,691,350	9,300,000	9,592,628		
United Kingdom	GBP	895,000	1,196,794	4,300,000	6,545,389	10,146,350	15,965,624		
United States	USD	1,200,000	1,200,000	1,530,000	1,530,000	500,000	500,000		
Total			30,259,724		75,811,441		98,766,363		67,103,951

* The US\$ equivalent of Contribution Receivable is reevaluated based on the exchange rate on March 9, 2017. The actual USD equivalent will be based on the exchange rate on the date of the fund transfer.

The following table provides details of contribution received by main fund

Main Fund	Contribution Received			Contribution Receivable
	For July 2016 – February 2017 period	For the fiscal year ended June 30, 2016	For the fiscal year ended June 30, 2015	
Track II-MDTF (TF070611)	532,075		2,984,937	
Track III-MDTF-Callable (TF070868)		217,120	518,185	
ACP-EU (TF071630)			12,691,000	16,277,348
Japan Program (TF072129)		30,000,000	30,000,000	20,000,000
Core MDTF (TF072236)	9,876,525	29,388,657	39,886,240	2,150,000
Africa DRF SDTF (TF072281)			12,686,000	10,535,500
EU-SAR SDTF (TF072458)		4,536,800		6,321,300
EU-SERBIA NDRMP SDTF (TF072528)		4,760,643		1,864,339
EU-DRAF SDTF (TF072535)		3,929,580		2,528,520
Parallel Core MDTF (TF072584)	19,851,124	2,978,641		7,426,944
Grand Total	30,259,724	75,811,441	98,766,363	67,103,951

NOTE 2: INVESTMENT AND OTHER INCOME

Net investment and other incomes in the amount of US\$1,207,511 in July 2016-February 2017 period consists of GFDRR's share in the interest income earned by the Bank's trust fund portfolio including realized gains/ losses from sale of securities and other incomes.

NOTE 3 AND 7: TRANSFER IN AND TRANSFER OUT FROM DEVELOPMENT GRANT FACILITY

In July 2016-February 2017 period, no fund was transferred from DGF program.

NOTE 5: WORLD BANK ADMIN FEE

In July 2016-February 2017 period, the World Bank charged an administrative fee of US\$209,887 as agreed in the signed Admin Agreement

NOTE 4: PROJECT DISBURSEMENTS (DISBURSEMENTS OF THE PROGRAM OPERATIONAL ACTIVITIES)

Project Disbursements in the amount of \$35,550,427 were made from the Program for July 2016-February 2017 period. The following table provides details of the project disbursements by main fund.

Main Fund	For July 2016-February 2017 period	For the fiscal year ended June 30, 2016	For the fiscal year ended June 30, 2015
Track II-MDTF (TF070611)	11,124,340	19,856,999	19,375,189
Track II- SDTF-Spain (TF070806)	356,056	732,052	50,586
Track II-SDTF-Australia (TF070807)	756,715	1,221,418	1,518,116
Track II-SDTF-Japan (TF070809)	942,199	510,200	338,172
Track III-MDTF-Callable (TF070868)	1,667,373	6,100,374	14,309,095
Track III MDTF - TA (TF070948)	265,994	922,118	1,954,389
Track II-MDTF-South South (TF070952)	-	-	-
ACP-EU (TF071630)	5,304,939	10,582,918	6,163,126
Japan Program (TF072129)	6,861,559	8,058,687	1,726,555
Core MDTF (TF072236)	5,732,960	5,755,773	519,148
Africa DRF SDTF (TF072281)	1,873,336	3,062,970	407,650
EU-SAR SDTF (TF072458)	426,493		
EU-SERBIA NDRMP SDTF (TF072528)	46,208	1,334	-
EU-DRAF SDTF (TF072535)	192,257		
Total	35,550,427	56,804,842	46,362,026

NOTE 5: PROGRAM MANAGEMENT AND ADMINISTRATION DISBURSEMENTS

Program management and administration expenses for July 2016-February 2017 were in the amount of \$3,095,045. In addition to the administrative fee paid to the Bank as administrator, the Program also pays for costs incurred to support GFDRR Secretariat program management and administration.

The following table provides details of the program management and administration disbursement by expense category.

Expense Category		For the fiscal year ended June 30, 2014	For the fiscal year ended June 30, 2016	For the fiscal year ended June 30, 2015
Staff Cost	(1)	2,383,087	3,620,035	4,243,240
Short Term Consultants/ Temporary		294,527	350,051	567,940
Travel	(2)	268,345	195,276	313,746
Other Expenses	(3)	149,087	343,269	270,609

(1) Staff Costs included salaries and benefits for GFDRR staff and Extended Term Consultant and Extended Term Temporary.

(2) Travel included travel expenses of GFDRR staff, candidates/interviewees for GFDRR positions, and participants in GFDRR- sponsored events.

(3) Other Expenses included overhead expenses, contractual services (e.g. editing, graphic design, translation, publishing and printing), representation and hospitality.

NOTE 8—UNDISBURSED COMMITMENTS

Commitments in the amount of \$129,111,981 are outstanding as of Feb 28, 2017. These are the remaining balance of the funds that GFDRR has approved and committed to implementing units and recipients.

The following table provides details of undisbursed commitments by main fund.

Main Fund	As of Feb 28, 2017
Track II-MDTF (TF070611)	21,261,316
Track II-SDTF-Australia (TF070807)	3,206
Track III-MDTF-Callable (TF070868)	856,525
Track III MDTF-TA (TF070948)	1,187,381
ACP-EU (TF071630)	21,957,456
Japan Program (TF072129)	35,635,065
Core MDTF (TF072236)	33,998,332
Africa DRF SDTF (TF072281)	6,090,037
EU-SAR SDTF (TF072458)	3,705,693
EU-SERBIA NDRMP SDTF (TF072528)	454,703
EU-DRAF SDTF (TF072535)	3,412,804
Parallel Core MDTF (TF072584)	549,463
Total	129,111,981

The following table provides details of undisbursed commitments by region.

Region	As of Feb 28, 2017
AFRICA	30,636,968
EAST ASIA AND PACIFIC	19,109,388
EUROPE AND CENTRAL ASIA	11,632,309
LATIN AMERICA AND CARIBBEAN	9,972,684
MIDDLE EAST AND NORTH AFRICA	3,951,588
SOUTH ASIA	12,843,015
GLOBAL	40,966,029
Total	129,111,981

The following table provides details of undisbursed commitments by execution type.

Execution Type	As of Feb 28, 2017
Bank-Executed TF	115,587,883
Recipient-Executed TF	13,524,098
Total	129,111,981

ENDNOTES

- i IDA: International Development Association, IBRD: International Bank of Reconstruction and Development, CIF: Climate Investment Funds, GEF: Global Environment Fund, GCF: Global Climate Fund.
- ii Details on how GFDRR measures “leveraging” is available here: forthcoming.
- iii GFDRR’s Gender Action plan is available at <https://www.gfdr.org/sites/default/files/gfdr-gender-action-plan.pdf>
- iv A program document has been developed on the City Resilience Program and is available here: <https://www.gfdr.org/sites/default/files/5.%20Draft%20Program%20Document%20for%20Scaling-Up%20City%20Resilience.pdf>
- v See the *World Bank Development Indicators 2016*, <https://issuu.com/world.bank.publications/docs/9781464806834?e=0/35179276>
- vi For example, in Indonesia, river flood risk may increase 166 percent over the next 28 years due to rapid expansion of urban areas, and coastal flood risk may increase 445 percent over that same period. Approximately 38 percent of Africa’s population (297 million people) currently live in urban areas, but the proportion of urban population is expected to rise to 54 percent by 2030. Africa’s urban population is expanding into existing and new urban areas at the fastest rate in the world (3.5 percent per year) and driving a significant amount of land-use change. For more information, see the GFDRR report, “The making of a riskier future: How our decisions are shaping future disaster risk.” <https://www.gfdr.org/sites/default/files/publication/Riskier%20Future.pdf>
- vii See the GFDRR report, “Investing in Urban Resilience.”
- viii Including through the development of risk assessment programs in more than 60 cities.
- ix Annual progress reports are developed to report on ICR activities across GFDRR’s portfolio.
- x GFDRR’s Program Management and Administration (PMA) expenditures are capped at 10 percent of total contributions received. PMA resources not used at the end of specific programs are reallocated to program operations. The same applies to investment income earned during the program period.
- xi GFDRR provides small grants referred to as Just-in-Time assistance to provide specialized advice or training requested by developing countries to help them address specific climate resilience or weather-related DRM issues.
- xii The Cat-DDO provides a government immediate access to funds after a natural disaster, a time when liquidity constraints are usually highest. Cat-DDOs are typically used to finance losses caused by recurrent natural disasters. It is most effective as part of a broader risk management strategy in countries highly exposed to natural disasters.
- xiii The ACP-EU NDRR Program also supports activities in Caribbean and Pacific countries.



www.gfdr.org The Global Facility for Disaster Reduction and Recovery (GFDRR) is a global partnership that helps developing countries better understand and reduce their vulnerabilities to natural hazards and adapt to climate change. Working with over 400 local, national, regional, and international partners, GFDRR provides grant financing, technical assistance, training, and knowledge sharing activities to mainstream disaster and climate risk management in policies and strategies. Managed by the World Bank, GFDRR is supported by 36 countries and 10 international organizations.