

Step 6: Set impact threshold

Generally, the purpose of the DREF is to fund humanitarian operations by national societies. Hence, the anticipatory pillar of the DREF provides funding for anticipatory action for events of a strength that have caused significant humanitarian impact in the past. In order to demonstrate that the selected hazard has caused humanitarian impacts in the past, information on the previous impacts of the selected hazard in the country should be provided. Please revisit [chapter 5: Collect risk, early action and impact data](#), if you still need to collect impact data.

Guiding questions

- From your impact assessment, which years show humanitarian impact, e.g. because a significant number of people was affected, a significant number of houses destroyed?
- In which years did the National Society respond to a hazard, e.g. with a DREF but also other humanitarian funding?
- Which years or events were perceived as disastrous by communities, branches, experts or other stakeholders?
- When was a disaster declared for the selected hazard?

The discussion should result in a decision at what impact level you would want to activate your EAP. For example, you could use reference events stating that you are targeting events like a cyclone with windspeeds greater than a certain amount, which happened in the past in your country.

Note that both EAPs (full and simplified) target the same type of events: those that have caused humanitarian impact in the past. The return period of the event, e.g. of five years can be used as a rule of thumb if there is a lack of data. However, in the EAP this will usually not suffice but you need to show that the suggested magnitude has caused humanitarian impact in the past. Exceptions are cases where only really little data is available.

The full EAP (section 4.3) asks you to do the following:

- explain why you selected a certain magnitude of the event,
- how your impact level was defined,
- how much impact can be expected based on the strength of the event,
- indicate to which return period the selected impact level corresponds



Why does FbF target only events that have caused humanitarian impacts in the past?

FbF or anticipatory action is not the silver bullet to solve all challenges in disaster risk management. FbF aims at managing residual risk that cannot be addressed by long term investments in disaster risk reduction. For example, in a flood prone area you would rather try to build a dyke or put houses on poles if the houses are flooded on an annual or bi-annual basis than setting up an FbF system for those recurrent events. On the other hand, you are unlikely to have enough funding to build a dyke so high that it will also reduce the risk of a major flood. FbF can be critical to evacuate people and their livelihoods before that kind of major flood.



Setting impact magnitudes

The image can help in explaining which events we target with anticipatory action and FbF . You can see that people can cope with recurrent floods (green line) by building their houses on poles. Stronger events (orange and red lines) that occur less often will then also have impact and require action, e.g. evacuation of people and their assets.

