



Disaster Response Emergency Fund (DREF)

Document reference number: 031

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Version number: 6.00

Authorization date: 01.06.2025

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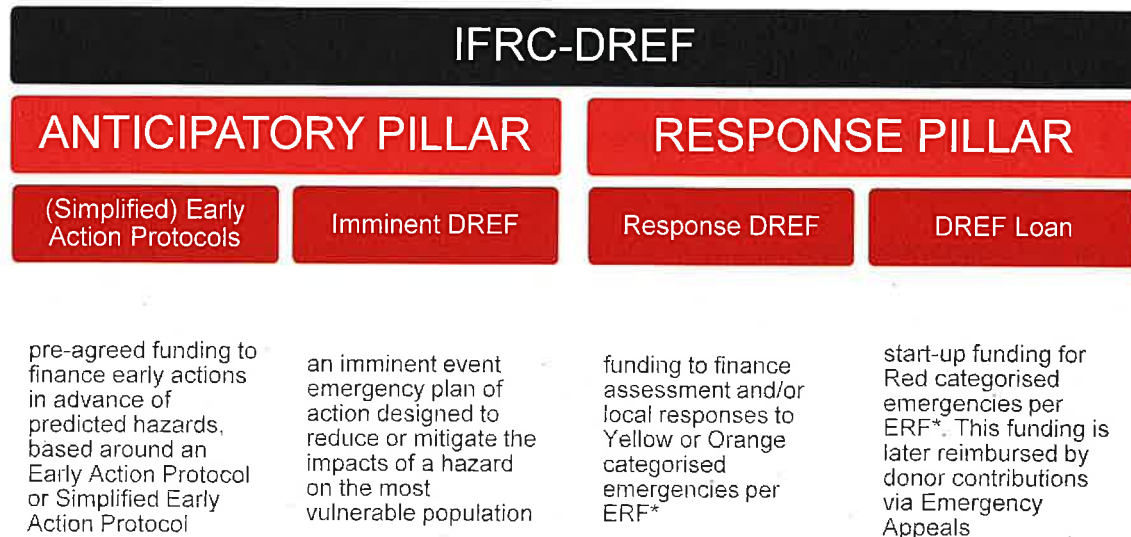
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1 Introduction

The International Federation's Disaster Relief Emergency Fund, which rules were adopted by the General Assembly in 1985, forms one of the Federation's global tools for humanitarian response. In March 2022, the Governing Board approved its renaming to Disaster Response Emergency Fund (DREF).

The Fund is publicly referred to as the IFRC-DREF, shortened to DREF in these procedures.

The purpose of the Fund, is to provide support to National Societies from its two pillars following four application and implementation modalities as described in these procedures:



* Categorisation of emergencies as defined in IFRC's Emergency Response Framework (ERF)

Allocations from the DREF also serve to fund human resources and activities, necessary for the administration of the fund, management of the allocations and quality assurance within these procedures.

The DREF shall not be used to fund ongoing/long term thematic programmes.

These procedures are intended for all IFRC Managers who have a role in supporting National Societies in their application for DREF funding and its implementation in accordance with these procedures. They are complemented with the **DREF Guidelines**.

Application for DREF funding and its implementation shall be exercised with sound **Operation Planning and Monitoring** including (but not limited to):

- Identifying a **DREF Operations Project Manager** within the IFRC Secretariat personnel to oversee the operation.
- The **National Society** shall maintain the lead role in the planning process, with technical support from the IFRC
- The **National Society** shall conduct continuous monitoring of activities, reach and resource utilisation
- The **Country (Cluster) Delegation** shall ensure close and relevant monitoring of the delivery of the operation
- The **Regional Office** shall ensure adequate oversight and monitoring
- The **DREF Operations Project manager** and **PMER** teams shall support the monitoring and quality assurance
- The **DREF Operations Project Manager** shall convene one mandatory implementation monitoring call one month after the DREF allocation approval date (for Imminent DREF and Response DREF) and in the case of Early Action Protocols, one month after the triggering of early actions. Participants to the call shall include:

- The National Society
- The Country (Cluster) Delegation
- The Regional Office
- The DREF Team

For further details, refer to:

- Minimum Standards for Results-Based Management of DREF Operations (DREF Guidelines)
- Section 10: Roles and Responsibilities

Furthermore, the *Head of Country (Cluster) Delegation* shall **strengthen the visibility of the DREF** by organising one mandatory country level joint event with the National Society, which shall:

- Highlight the IFRC Secretariat's support to the National Society in addressing humanitarian needs;
- Showcase the relevance of the DREF as an efficient and localised funding tool;
- Provide key messages on localisation, efficiency and impact;
- Engage partners and donor at country level, ensuring their participation and visibility;
- Reach national media and be actively relayed on social media to enhance public awareness and engagement.

2 DREF Regulations¹

The DREF is to be managed in accordance with the DREF Regulations as adopted by the General Assembly in 1985, and subsequent amendments approved by the IFRC's Governing Board. These regulations include:

- 1) *The Purpose of the Fund is to provide the Secretary General with financial resources which can be used for preparation and implementation of disaster and crisis response, including anticipatory humanitarian action.*
- 2) *The Fund has been created by merging the previous Disaster Relief Emergency Fund with the Special Restricted Reserve by decision of the League's General Assembly.*
- 3) *The DREF's Funding Requirements should be established on the basis of needs. The ambition is to reach CHF 100 million or more annual turnover, through diversification of fundraising approach.*
- 4) *Ceilings for withdrawals from the Fund will be determined by the Secretary General based on the levels of funding received, with the aim to increase support to the small and silent emergencies through the DREF, increase the allocation amounts to respond to medium-scale emergencies, and provide sufficient funding to initiate response to large-scale emergencies.*
- 5) *The ambition for the DREF is to ensure 25 per cent of allocations are made in anticipation of events, in order to reduce humanitarian impact (anticipatory humanitarian action).*
- 6) *Withdrawals from the Fund under Rule 4 shall be reimbursed as soon as possible from contributions to operations.*
- 7) *The Secretary General ensures that DREF procedures and guidelines evolve in alignment with the DREF ambitions, and as funding levels grow sustainably.*
- 8) *The Fund may receive contributions from National Societies, governments, private sector or other sources. Innovative financing approaches are pursued.*
- 9) *The Fund shall be included in the IFRC's Annual Financial Statement as a fund administered by the IFRC and shall be subject to audit by the Federation's auditors.*

3 Disaster Response Emergency Fund

The DREF is managed by the Federation's Secretariat *DREF, Information Management and Quality Team, National Society Development and Coordination (NSDC) Division*, with financial administrative support from the *Finance Business Partnering Unit, Finance and Administration Department*.

¹ Rules for the Fund, adopted in decision 21 of the League's General Assembly in October 1985, modified in 1991 at the 8th General Assembly of the League Decision 25, (Item 11 of the agenda, report of the Disaster Relief Commission); amended at the 2nd session of the Governing Board 10-12 November 2000, under Decision 8 (Item 2.1.2); amended at the 14th session of the Governing Board 25-28 October 2006, under Decision 11, and 45th session of the Governing Board 15-18 March 2022, under Decision 14

3.1 DREF Appeal Structure

- The DREF is reflected in the IFRC's Other Resources budget architecture and operates under Appeal Code **MDR00001**. The DREF Appeal Manager is the *Head, DREF, Information Management and Quality Team*.
- The DREF Appeal is composed of the following projects:
 - **G00457 – DREF Fund/Anticipatory Pillar** – fund type project recording all voluntary contributions to and DREF allocations from, pertaining to its anticipatory pillar
 - **G00263 – DREF Fund/Response Pillar** – fund type project recording all voluntary contributions to and DREF allocation from, pertaining to its response pillar
 - **G00264 – DREF Coordination** – operating budget reflecting the costs related to operating the fund, inclusive human resources, financially resourced from allocations from the Fund project
 - **G00471 – DREF Insurance** – operating budget reflecting the costs related to the development and management of the DREF insurance project, inclusive of human resources, insurance premiums, protected cell running costs, etc, financially resourced from direct funding earmarked for the project
 - **Other projects** – where deemed necessary for the well management of the DREF, the *DREF Appeal Manager* with support from the *Finance Business Partnering Unit* shall agree to open further projects under the DREF Appeal structure.

3.2 DREF Appeal Funding Requirements

- Voluntary contributions to the Fund shall be sought annually and marketed using the DREF Appeal.
- The DREF Appeal shall include the annual Funding Requirements i.e., the total funding needed (estimated carry over balances and new funding) to cover the coordination costs of the fund, other costs related to the management of the DREF and the annual forecasted allocations from the fund.

3.3 DREF Cash Pledges

- To be fit for purpose, the Fund can only accept un-earmarked funding (no earmarking below Fund/Pillar level). All DREF Pledges shall be recorded without earmarking or pledge reporting requirements. *The DREF Appeal Manager* shall endorse all pledges and shall be recorded as Pledge Manager.
- Donors may wish to contribute to the DREF after a DREF allocation made to an operation, by replenishing the decrease in funds resulting from this allocation. Although the donor may indicate the name of the Operation/Appeal for which the replenishment is made, these contributions will not be treated as earmarked funds for said operation.
- Any pledges made by donors to the DREF where the allocation is a DREF Loan, donors shall be informed of the IFRC's appeal principles and requested to redirect their contribution towards the Emergency Appeal – thereby facilitating the reimbursement of the loan.
- Donors expressing interest, may also wish to contribute to the DREF Insurance project

3.4 DREF Appeal Reporting

DREF Appeal minimum reporting include:

- The **DREF Annual Report** describes progress against plan/utilisation of the DREF fund and is published on the IFRC's public website. The DREF Annual Report consists of a narrative and financial report. The financial report, as a minimum, shall include:
 - Appeal Movement statement outlining balances; income, DREF allocations by pillar and expenditure
 - The list of donors who have contributed to the DREF Appeal
 - Summary of Countries/Region (by Appeal Code) having benefited from a DREF allocation
- As a fund administrated by the Federation, DREF is subject to audit and as such, shall be included in the Federation's consolidated financial statements (published on the IFRC's public website).

3.5 DREF Operating budget and Allocations Ceilings

3.5.1 Approval Ceilings

Operating the DREF is subject to having a project expenditure approval request in place, as well as a pre-agreed DREF allocation ceiling, providing the *DREF Appeal Manager* authority to approve individual allocations based on a funding plan.

Approval for both expenditure and allocations ceiling are established with the specific **DREF Fund Allocation Approval Request (FAAR)**.

The request shall include a funding plan consisting of:

- **Available Funding:** opening balance, year-to-date income, and deferred income; reallocations to the administration expenditure budget
- **Potential Funding:** as provided by *Strategic Partnerships and Resource Mobilization Department* which includes firm pledges (written confirmation from a donor in advance of a pledge), soft pledges (verbal indication confirmed back in writing to the donor or application for funds made at the request of a potential funding agency (e.g. ECHO).

Risk Management: potential funding represents a risk to the organisation should the funding not materialise. Consideration should be given to funding trends, previous experience with donors, e.g., extend to which soft pledges or applications tend to be converted into signed cash pledges.

The **DREF Fund Allocation Approval Request (FAAR)** sign off is determined by the funding gap (risk taking) by the organisation:

- **Up to CHF 200,000:** *DREF Appeal Manager*
- **Between CHF 200,001 and CHF 499,999:**
 - Director Strategic Partnerships and Resource Mobilization: who by signing off confirms that due diligence on the funding plan has been done and that resources will be mobilised
 - Director Finance and Administration: who by signing off confirms that there is enough liquidity to manage cash flow until the mobilised resources are paid
 - USG National Society Development and Coordination (NSDC)
- **From CHF 500,000:** Secretary General

Once the **DREF Fund Allocation Approval Request (FAAR)** has been duly approved by all required parties, the operating budget and allocations ceiling are updated to the IFRC'S Ready system.

3.5.2 Allocations from the DREF

Individual income allocations from the DREF Fund to the respective operating projects and in accordance with the respective DREF modality described further in these procedures, shall be processed by *Finance Business Partnering Unit* supported by an approved **DREF Allocation Request** form. DREF allocations are approved by the *DREF Appeal Manager* within the FAAR ceiling based on an approved DREF Application, as described in the sections hereafter.

Based on needs and where the situation evolves and in accordance with the DREF modality described further in these procedures, there may be a requirement for more than one DREF allocation request per operation.

3.5.3 Monitoring the DREF

The *DREF Appeal Manager* will monitor on regular basis the materialisation of the funding plan (reduction of the gap), the actual versus approved allocations and the balance of the fund with support from *Finance Business Partnering Unit* and *Strategic Partnerships and Resource Mobilization Department*.

As the funding plan forms the basis of all approvals it shall be reviewed on quarterly basis (minimum) to ensure that no deficit arises from soft pledges not being materialised (on annual implementation basis). Status of soft pledges shall be informed by *Strategic Partnerships and Resource Mobilization Department* forecast plans.

DREF allocations to operations shall be issued and approved based on the FAAR.

Where the outstanding balance (difference between approved and actual allocations) reaches

- CHF 12M or below for the response pillar and
- CHF 3M or below on the anticipatory pillar,

the *DREF Appeal Manager* will alert the *USG National Society Development and Coordination* and the *USG Humanitarian Diplomacy and Digitalisation*.

A new FAAR shall be issued to ensure continuation of the DREF allocations to operations (based on available and potential funding).

The absence of a clear funding plan and low funding availability may result in reduced allocations from the DREF to allow a fair distribution of funds to arising needs. Allocations may be reduced to 50% of the modality's threshold and shall be approved by the Secretary General pending the revision of the FAAR.

4 Early Action Protocols

National Societies may access pre-agreed funding from the DREF to finance early actions in advance of predicted hazards, which may be weather or non-weather-related events. The pre-requisite to access this funding is to have an approved **Early Action Protocol (EAP)** with two activations or an approved **Simplified Early Action Protocol (sEAP)**² with one activation.

4.1 National Society EAP Development

National Societies wishing to apply for DREF/Anticipatory pillar funding to conduct Early Actions shall develop an **(Simplified) Early Action Protocol** with support from the respective Country (Cluster) Delegation, who shall inform/involve Regional Office technical focal points as and when required, and/or other Partner National Society.

The **(Simplified) Early Action Protocol** serves as a guideline for the National Society in describing the activities which will be implemented once pre-agreed triggers have been reached. The **(Simplified) Early Action Protocol** includes an analysis of the hazard's main impacts, the prioritized impacts to be addressed, a vulnerability analysis of the population, a trigger statement, the early actions to be implemented, the roles and responsibilities for the implementation of the early actions and a timeline of how they expect events to unfold.

The **Early Action Protocol** shall include the resources needed to implement two activations within the EAP timeframe, whilst **Simplified Early Action Protocol** should only include resources needed for one activation.

4.1.1 EAP budget

The Early Action Protocol shall be supported with a budget using the specifically designed **EAP Budget Template**, outlining the resources needed to implement the three blocks of activities: procurement of pre-positioned stock, readiness and early actions as described in the Protocol, in line with IFRC Costing Principles and conform with eligibility of costs as described in section 8.

The National Society budget may be complemented with IFRC Country (Cluster) Delegation and/or Regional Office support costs for the implementation of the Early Action Protocol.

The **EAP Budget Template** is designed to identify each budget line:

- By blocks of activities: readiness, pre-positioned stock or early action
- By implementing party: National Society, IFRC or Partner National Society
- By year: breakdown of costs by year of implementation for the readiness/pre-positioned stock, and year "early action" for the early action resources

The **EAP Budget template** includes in-built reports which summarise the budget by resources, by year, as well as by IFRC's planning matrix, standard for IFRC publication and reporting. The budget may be prepared in local currency converted to Swiss Francs (CHF), IFRC's reporting currency.

4.1.2 EAP funding thresholds

Funding from the DREF is capped at:

- **CHF 950,000** for **Early Action Protocol** with two activations, where:
 - Funding for the National Society activities (potentially together with a Partner National Society) shall be of maximum CHF 845,070
 - IFRC direct support costs shall be of maximum CHF 46,948
 - the remaining to cover IFRC indirect costs.
- **CHF 220,000** for **Simplified Early Action Protocols**, where:
 - Funding for the National Society activities (potentially together with a Partner National Society) shall be of maximum CHF 187,793
 - IFRC direct support costs shall be of maximum CHF 18,779
 - the remaining to cover IFRC indirect costs.

² Differences between Early Action Protocols and Simplified Early Action Protocols are explained in the DREF Guidelines

The sum of readiness and prepositioning of stocks costs shall not exceed 65% of the total budget. Where Readiness Costs exceed 35% of the budget, it should be clearly justified, highlighted to and endorsed by the Validation Committee.

The funding thresholds are captured in the **EAP Budget Template** (Summary by year sheet) and notified when exceeded.

4.1.3 EAP operating timeframe

The lifespan (validity in years) of the:

- **Early Action Protocol** is established in the protocol, commencing on the date of its approval by the *DREF Appeal Manager* up to a maximum of 5 years (end of calendar month).
- **Simplified Early Action Protocol** is established in the protocol, commencing on the date of its approval by the *DREF Appeal Manager* up to a maximum of 2 years (end of calendar month).

The number of years shall be indicated in the **Early Action Protocol** as well as in the **DREF Allocation Request**.

4.2 Application, Review, Approval

4.2.1 Application

Once developed, the National Society shall submit the Early Action Protocol and budget to the *DREF Anticipatory Action Global Team* at DREF.anticipatorypillar@ifrc.org by copying (as applicable):

- Head of Country (Cluster) Delegation
- Country (Cluster) Anticipatory Action Focal Point
- Partner National Society
- Regional Health, Disasters, Climate and Crisis
- Regional Anticipatory Action Focal Point
- Regional DREF Focal Point

If not already established, the *Head of Country (Cluster) Delegation* or *Regional Health, Disasters, Climate and Crisis* (as applicable) shall appoint the *DREF Operations Appeal Manager* and *DREF Operations Project Manager* and inform the National Society and the *DREF Anticipatory Action Global Team*.

The *DREF Anticipatory Action Global Team* shall establish a SharePoint folder, upload:

- the Early Action Protocol
- the EAP Budget
- the EAP Review Checklist

and share the link to the SharePoint folder with all parties involved in the review at Global, Regional and Country level.

The *DREF Anticipatory Action Global Team* shall select the *Validation Committee*³ members responsible for the technical validation and shall share the link to the SharePoint folder.

4.2.2 Technical Review and Validation

The Country (Cluster) Delegation, Regional Office, Global Disaster, Climate and Crisis, *DREF Anticipatory Action Global Team* and *Validation Committee* shall perform a joint technical review of the protocol and provide feedback on the **EAP Review Checklist**.

The technical review shall take no more than 14 days from the day the link to the SharePoint folder has been shared to all parties. By then, the *DREF Anticipatory Action Global Team* shall share the **EAP Review Checklist** with the National Society via DREF.anticipatorypillar@ifrc.org.

The National Society shall have three months to address the comments, revise and re-submit the Early Action Protocol to the *DREF Anticipatory Action Global Team* via DREF.anticipatorypillar@ifrc.org.

³ The Validation Committee is made up on representatives from IFRC, the Red Cross Red Crescent Climate Centre, the Red Cross Livelihoods Centre, and National Societies with experience in anticipatory action. Aside from the IFRC, the other members participate in the Committee on a voluntary basis.

The *Validation Committee* shall vote the technical validation of the protocol or request final changes/updates from the National Society. Once the technical review is completed, the *DREF Anticipatory Action Global Team* shall circulate the latest version of the documents.

4.2.3 Submission

Once the protocol has been technically validated by the *Validation Committee*, the *DREF Anticipatory Action Global Team* shall inform the *DREF Operations Appeal Manager* as well as the *DREF Operations Project Manager* who shall finalise the documents for approval by:

- Cleaning up the Early Action Protocol from all track changes
- Drafting the EAP Summary (does not apply to Simplified Early Action Protocols)
- Obtaining financial validation of the budget by the Regional Finance and Administration

The *Regional Finance and Administration* shall validate the budget with regards to eligibility of costs, the working modality of the National Society (Working Advance, Cash Transfer or Fund Transfer), eventually Partner National Society, highlighting any potential risks for implementation, especially timing for disbursement of funds when early actions are activated.

The *DREF Anticipatory Action Global Team* receives the final package of (Simplified) Early Action Protocol, EAP Summary (where applicable) and EAP Budget, and initiates the **EAP Review Checklist** sign off by:

- *DREF Operation Appeal Manager* (usually the Head of Country (Cluster) Delegation) supporting the National Society – who endorses the application and budget.
- *Regional Head of Health, Disasters, Climate and Crisis* – who confirms the application and budget have been duly revised by way of the **EAP Review Checklist**
- *DREF Anticipatory Action Global Team* – who confirms that the **EAP Review Checklist** has been duly completed, and all required validations have been provided

4.2.4 Approval

The *DREF Anticipatory Action Global Team* shall also complete the **DREF Allocation Request**, prior to submitting the full package for approval to the *DREF Appeal Manager*.

The *DREF Appeal Manager* approves the **Early Action Protocol**, **EAP Budget**, and the release of funds from the DREF by signing the **DREF Allocation Request**, within the FAAR.

4.2.5 Operational Codes

The *DREF Anticipatory Action Global Team* shares the approval with relevant parties at Headquarters, Regional Office, Country (Cluster) Delegation and Finance, Geneva.

Based on the approved **Early Action Protocol** and **DREF Allocation Request**:

- *DREF, Information Management and Quality Team* – shall proceed with the opening of the Appeal Code and complete appeal details in IFRC's Ready system.
- *Finance Business Partnering Unit* – shall proceed with the opening of the Project Code and process the income allocation from the DREF/Anticipatory Pillar to the newly opened codes.

4.3 Implementation

Upon approval of the Early Action Protocol, the assigned *DREF Operations Project Manager* shall promptly initiate the implementation of the project.

4.3.1 Setting up the project's WBS and initiate the PEAR

The *DREF Operations Project Manager* shall convert the National Society's EAP budget into the WBS structure in IFRC's Ready System. The *DREF Operations Appeal Manager* shall initiate the Project Expenditure Approval Request (PEAR).

4.3.2 Project Funding Agreement⁴

⁴ As applicable per current E-Contract Matrix

The *DREF Operations Project Manager* shall initiate the **Project Funding Agreement** with the National Society for the components/costs to be implemented directly by the National Society, potentially with a Partner National Society.

The **Project Funding Agreement** shall be established in accordance with the IFRC's working modality with the National Society (Working Advance, Cash Transfer or Fund Transfer).

The **Project Funding Agreement** shall be established for the full timeframe of the Early Action Protocol, covering the readiness, prepositioned stock, and early actions (with one or two activations as applicable). It shall include the narrative and financial reports template (as applicable) as well as reporting schedules for the National Society.

The **Project Funding Agreement** shall be established and approved following the E-Contract matrix. Once duly signed by all parties, the *DREF Operations Project Manager* shall upload the Project Funding Agreement to E-Contract: the contract data details shall migrate to IFRC's Ready System.

4.3.3 Request for Payment to the National Society

As soon as the **Project Funding Agreement** data has migrated from E-Contract, the *DREF Operations Project Manager* shall promptly initiate the payment request in accordance with the schedule set out in the Project Funding Agreement, in IFRC's Ready System.

4.4 Revisions

Early Action Protocol, plans and/or budgets may be revised under the following conditions:

4.4.1 Operating scope changes

Due to changes in the operating context, intervention rationale, the plan and budget may need to be revised. As the original scope is re-visited a full approval process including *Validation Committee* may be needed. The *DREF Anticipatory Action Global Team* jointly with the *DREF Appeal Manager* will determine the scale of the changes and the need for a full approval process or if approval can be given by the *DREF Appeal Manager* only.

Additional funding may be sought through the approval process.

The **Project Funding Agreement** with the National Society shall be amended accordingly, considering the already transferred and reported funds.

4.4.2 Budget Cost Adjustments

On annual basis, the implementation of the plan and budget should be reviewed, and progress reported on via a **DREF/EAP Update**. This is the opportunity to adjust the budget costs (example adjustments of staff salaries, cost of goods and services etc.). As long as the scope remains in the original intent and the budget adjustments are within the threshold limits by block of activities (see section 4.1.2) or budget group (see section 8 eligibility of costs), the budget may be revised at Country/Regional level, without further approval from Headquarters.

DREF Regional Focal Point and *Regional Head of Health, Disasters and Crisis* notify the *DREF Anticipatory Action Global Team* by submitting the revised version of the Early Action Protocol and EAP budget.

The **Project Funding Agreement** with the National Society shall be amended accordingly, considering the already transferred and reported funds.

Donors shall be informed of all Early Action Protocol changes by way of a **DREF/EAP Update** published on the IFRC's public website.

4.5 Activation, Termination

Termination of the **Early Action Protocol** may incur either at the end of the timeframe, when no trigger for early actions has taken place, or when early actions have been triggered.

4.5.1 Early Actions are not triggered

Annual activities are implemented in accordance with the Early Action Protocol's plan and EAP budget (or revised).

Stocks which have been purchased through the Early Action Protocol remain the ownership of the National Society (or are handed over to the National Society if not yet in their possession).

A **DREF/EAP Final Report** of the operation is published within 3 months of the end of the operating timeframe.

Unused balances are returned to the DREF, the project and appeal codes are closed (see section 4.6 Closure).

4.5.2 Early Actions are triggered

The triggering of early actions is announced by the National Society as per the pre-approved triggers, validated by the *DREF Anticipatory Action Global Team*.

If the National Society wishes to activate using a different trigger or threshold than the one/s pre-approved, the *DREF Appeal Manager* and potentially the *Validation Committee* shall need to approve the activation.

The lead time – estimated time between the trigger and the event impact – is established in the Early Action Protocol.

Upon announcement of the trigger, the *DREF Operations Project Manager* shall initiate the **Request for Payment-Transfer to National Society**, in accordance with the established schedule per **Project Funding Agreement** and payment request from the National Society.

As timing is of essence, the Head of Country (Cluster) Delegation (as applicable) shall prioritise cash availability to honour this request for payment in accordance with the country's cash disbursement authorisations. In case of insufficient cash availability, threshold limits and/or sanctions, per Treasury guidelines, the **Request for Payment-Transfer to National Society** shall be deferred to the Regional Finance and Administration or Treasury, Geneva.

Operating Timeframe adjustment/EAP termination

Where the early actions have been triggered – or once the second round of early actions have been triggered for Early Action Protocols with two activations – the *DREF Anticipatory Action Global Team* shall request the *DREF, Information Management and Quality Team* to adjust the timeframe of the Early Action Protocol:

- Early Action Protocol end timeframe is revised with a new end date established to 12 months (+end of month) from the trigger date, up to a maximum of the original end date of the Early Action Protocol. This period allows the National Society to conclude its financial and legal commitments and liabilities up to maximum 12 months (or earlier). Examples:
 - *Early Action Protocol timeframe 18-Jan-2020 to 31-Jan-2025, Early Actions are triggered on 20-Sept-2022 (for 6 months), the end timeframe of the Early Action Protocol is revised to 30-Sept-2023 (1 year, end of month)*
 - *Early Action Protocol timeframe 18-Jan-2020 to 31-Jan-2025, Early Actions are triggered on 15th June 2024 (for 6 months), the end timeframe of the Early Action Protocol remains at 31-Jan-2025*
- Early Action Protocol end timeframe is revised to the end date of the Early Actions as its timeframe goes beyond that of the Early Action Protocol. Example:
 - *Early Action Protocol timeframe 18-Jan-2020 to 31-Jan-2025, Early Actions are triggered on 11-November-2024 (for 6 months), the end timeframe of the Early Action Protocol is revised to 31-May-2025 (1 year, end of month)*

A **DREF/EAP Final Report** of the operation is published within 3 months of the end of the new operating timeframe.

Unused balances are returned to the DREF, the project and appeal codes are closed.

4.6 Closure

Throughout the operation timeframe the *DREF Operations Project Manager*, with support from his/her respective Finance Officer, shall monitor implementation and spending against budget.

In accordance with IFRC Donor Financial Reporting Procedures a final report may only be published when all expenses have been accounted for, when there are no outstanding commitments or provisions, and National Society has returned all unspent funds. The *DREF Operations Project Manager* will use the 3 months reporting timeframe (deadline for publishing the Final Report) to ensure that the National Society has duly reported on the funds received in accordance with the Project Funding Agreement.

Once the *DREF Operations Project Manager* has confirmed the closing of the operation, the Regional Finance and Administration:

- shall set the project code to FROZEN in the IFRC'S Ready system, thereby preventing any further expenditure bookings
- shall review the transactions against budget, ensure adherence to procedures
- shall issue the **DREF/EAP Operation – Standard Report**, submit to *DREF Operations Project Manager*, *DREF Operations Appeal Manager*, *DREF Regional Focal Point* and Regional PMER with copy to *Finance Business Partnering Unit*
- upon publication of the Final Report, the *Finance Business Partnering Unit* shall initiate the return of the unspent balance to the DREF and close project/appeal codes.

4.7 Scale up/Additional Needs

In a situation where the EAP has been activated and the disaster scales up with additional needs to respond, the National Society may request a **Response DREF** allocation by following the application process under section 6, where the **Response DREF** shall be managed as a new/separate operation (appeal code).

4.8 Publication and Reports

It is the *DREF Operation Appeal Manager's* responsibility to adhere to appeal minimum donor reporting standards. All financial reports shall be issued by Regional Finance and Administration. All reports shall be published by Regional PMER on IFRC's public website.

The following lists the report types and related templates to be used in the management of Early Action Protocols.

4.8.1 DREF/EAP Summary

Within one week from its approval, the **DREF/EAP Summary**, a shortened version of the Early Action Protocol, and Budget, shall be posted on IFRC's public website.

4.8.2 DREF/EAP Update

A **DREF/EAP Update** shall be issued annually, reporting on implementation progress, revisions of plans and budgets (where applicable). The report inclusive of financial report shall be published on the IFRC's public website (report type **DREF/EAP Update**) no later than end of March of the next year.

Note that for any EAP approved after 30th of September, the annual report shall be postponed to the following year.

For the last year, the annual update shall be replaced with a **DREF/EAP Final Report**.

The **DREF/EAP Update** shall also be produced at any time during the lifespan of the EAP or after early actions have been triggered – inclusive financial report – to inform of changes being introduced to the original Early Action Protocol (see section 4.4 Revisions). The **DREF/EAP Update** must be published on IFRC's public website

4.8.3 DREF/EAP Activation

Within 24 hours of triggering, an Activation shall be published in the IFRC's public website under **DREF/EAP Activation**, informing donors that the trigger has been announced by the National Society and early actions activities are initiated.

4.8.4 DREF/EAP Activation Report

Within 3 months of activities completion, a report – inclusive interim financial - focusing on the early actions implemented should be published in the IFRC's public website as **DREF/EAP Activation Report**.

The **DREF/EAP Activation Report** should provide an overview of any commitments that go beyond the operational timeframe.

4.8.5 DREF/EAP Final Report

The **DREF/EAP Final Report** consisting of narrative and final financial shall be published on the IFRC's public website within 3 months of the end of the operating timeframe (which may be revised as per clause 4.5.2. after a trigger). The final report may only be published when all financial transactions have been accounted for (see section 4.5.3 Closure).

The **DREF/EAP Final Report** should also report on any readiness or prepositioning activities done in the last calendar year since the last **DREF/EAP Update** up to the activation.

The **DREF/EAP Final Report** shall also include the National Society's financial report on the use of funds received.

5 Imminent DREF

National Societies may access DREF for anticipatory action in a context where the National Society has had no opportunity to develop an **Early Action Protocol** or **Simplified Early Action Protocol**.

Imminent DREF are for sudden onset disasters only and shall be used in the context of where a disaster has not started to unfold but has a likelihood of happening or a disaster which has started to unfold and has not reached its full impact yet.

5.1 National Society Application

The application by the National Society for **Imminent DREF** is done by completing the **Imminent DREF Request** template. This template is a multi-purpose form which serves as application for funding (plan and budget), acts as a project funding agreement and cash request. With the **Imminent DREF Request**, the National Society shall also confirm the need for Rapid Response Personnel deployment.

5.1.1 DREF Application approval deadlines

The deadlines by which the **Imminent DREF Request** needs to be approved by the **DREF Appeal Manager**

- At earliest one month before the expected impact of the disaster
- At latest three days before the expected impact of the disaster

5.1.2 Imminent DREF Budget

In completing the **Imminent DREF Request**, the National Society shall split the funding into the following two blocks of activities:

- Early Actions – activities which will prevent or mitigate the expected impact of the disaster – the Early Action block shall be of minimum 75% of the total budget
- Early Response – only if the disaster has unfolded and for activities in the first hours and days from the impact of the disaster – the Immediate Response shall not exceed 25% of the total budget.

5.1.3 Imminent DREF funding thresholds

The funding for an **Imminent DREF Request** is set at a fixed amount of

CHF 80,000 for **Imminent DREF** without Rapid Response Deployments, where:

- CHF 75,000 to be implemented by the National Society
- Remaining for IFRC indirect costs, bank charges and other costs related to the transfer to National Society.
- The **Imminent DREF** does not include an allocation for IFRC costs, it is solely for the National Society

CHF 90,800 for **Imminent DREF** with Rapid Response Deployments, where:

- CHF 75,000 to be implemented by the National Society
- CHF 10,000 to support the deployment of Rapid Response Deployment Personnel
- Remaining for IFRC indirect costs, bank charges and other costs related to the transfer to National Society.
- The **Imminent DREF** includes IFRC Costs for the deployment of Rapid Response Personnel

5.1.4 Imminent DREF operating timeframe

The implementation timeframe of an **Imminent DREF** is set at maximum 45 days with no possibility of extensions.

The implementation start date of the **Imminent DREF** is the date at which the **Imminent DREF Request** inclusive of **DREF Allocation Request** have been approved by the **DREF Appeal Manager**.

By default, the end date of the **Imminent DREF** shall be the end of the month following the approval.

Example:

- **Imminent DREF** approved 22.03.2022
 - 45 days from approval 06.05.2022
- ⇒ *DREF Operation Timeframe:*
Start = 22.03.2022, End 30.05.2022

5.2 Review, Approval, Codes

The Country (Cluster) Delegation shall provide support to the National Society in the completion of the **Imminent DREF Request**.

In acting as a substitute for a Project Funding Agreement, the **Imminent DREF Request** shall be supported with a Bank Letter confirming the banking relationship details.

The Bank Letter may be:

- Submitted by the National Society as part of disaster preparedness efforts (for example at the beginning of the year) and held on record by the Head of IFRC Country (Cluster) Delegation, who will attach the Bank Letter at the time of signing of the **Imminent DREF Request**.
- Or annexed by the National Society to the **Imminent DREF Request** as and when such request is made.

Important: a missing bank letter, or a letter stating different bank details to those of the request may lead to delays in payment.

The duly signed **Imminent DREF Request** shall be signed off and submitted by email by the *Head of Country (Cluster) Delegation* to the *DREF Regional Focal Point* with relevant parties in copy, as a minimum:

- DREF Operations Project Manager*
- DREF Operation Appeal Manager*
- Country (Cluster) Delegation Finance Officer
- Regional Health, Disasters, Climate and Crisis
- Regional Finance and Administration

*If not already established, the *Head of Country (Cluster) Delegation* or *Regional Health, Disasters, Climate and Crisis* (as applicable) shall appoint the *DREF Operations Appeal Manager* and *DREF Operations Project Manager*

When submitting the Head of Country (Cluster) Delegation shall ensure to indicate in his/her email the treasury availability to perform the payment once approved or the need to escalate to the respective Regional Finance and Administration or Geneva per Treasury guidelines.

5.2.1 Review

The *DREF Regional Focal Point* shall establish a SharePoint folder to upload all the documents and share the link with the *DREF Global Team*.

The *DREF Regional Focal Point* shall also complete the **DREF Allocation Request**.

The *DREF Global Team* shall review and the request and validate the application's information with Information Management/GO platform.

5.2.2 Approval

The *DREF Global Team* shall submit:

- The Imminent DREF Request
- The Bank Letter
- The DREF Allocation Request

to the *DREF Appeal Manager* who shall approve the request within 24 hours and the release of funds from the DREF by signing the DREF Allocations Request within the FAAR.

Additional approvals

The *DREF Appeal Manager* shall seek additional approval from *USG NSDC* where:

- The **Imminent DREF Request** has not been submitted to the *DREF Appeal Manager* within the deadlines as outlined above
- Three or more DREF Operations final report(s) are overdue
- The National Society has officially been suspended
- The National Society faces an institutional crisis

For each DREF application and DREF budget requiring additional approval from *USG NSDC, the Director of DCC* will be informed and copied in the communication.

5.2.3 Operational Codes

The *DREF Global Team* shares the approval with relevant parties at Headquarters, Regional Office, Country (Cluster) Delegation and Finance, Geneva.

Based on the approved **Imminent DREF Request** and **DREF Allocation Request**:

- *DREF, Information Management and Quality Team* – shall proceed with the opening of the Appeal Code and complete appeal details in IFRC's Ready system.
- *Finance Business Partnering Unit* – shall proceed with the opening of the Project Code and process the income allocation from the DREF/Anticipatory Pillar to the newly opened codes.

5.3 Implementation

Upon approval of the **Imminent DREF Request**, the assigned *DREF Operations Project Manager* shall promptly initiate the implementation of the project.

5.3.1 Setting up the project's WBS and initiate the PEAR

The *DREF Operations Project Manager* shall convert the National Society's Imminent DREF budget into WBS structure in IFRC's Ready System. The *DREF Operations Appeal Manager* shall initiate the Project Expenditure Approval Request (PEAR).

5.3.2 Imminent DREF Request

The *DREF Operations Project Manager* shall upload the duly signed and approved **Imminent DREF Request** as the Project Funding Agreement (PFA) to E-Contract: the contract data details shall migrate to IFRC's Ready System.

5.3.3 Request for Payment to the National Society

As soon as the **Imminent DREF Request** data has migrated from E-Contract, the *DREF Operations Project Manager* shall promptly initiate the payment request of CHF 75,000 in IFRC's Ready System.

5.4 Revisions

The **Imminent DREF Request** serves as a rapid allocation of funding for a short-term implementation. As such no revisions of the **Imminent DREF** are expected. Depending on the outcome of the disaster additional **Response DREF** funding may be sought – see section 5.7

5.5 Disaster Outcome

The **Imminent DREF Request** provides the National Society with funding in anticipation of imminent and foreseen disasters. The anticipated disaster may or may not incur and as such various scenarios may happen:

5.5.1 Disaster doesn't materialise

Early Actions took place, but there are no Early Response activities. The National Society reports on the use of **Imminent DREF** funding.

A **DREF Final Report** of the operation is published within 3 months of the end of the operating timeframe.

Unused balances are returned to the DREF, the project and appeal codes are closed (see section 5.6 Closure).

5.5.2 Disaster materialises, no additional response

Early Actions took place, and the **Imminent DREF** funding is sufficient for Early Response activities. The National Society requires no additional **Response DREF**. The National Society reports on the use of **Imminent DREF** funding.

A **DREF Final Report** of the operation is published within 3 months of the end of the operating timeframe.

Unused balances are returned to the DREF, the project and appeal codes are closed (see section 5.6 Closure).

5.5.3 Disaster materialises, request for Response DREF

Early Actions took place, as well as Early Response. There is a scale up in response and the National Society requests additional support from the DREF (see section 5.7 Scale Up/Additional Needs).

5.6 Closure

Throughout the operation timeframe the *DREF Operations Project Manager*, with support from his/her respective Finance Officer, shall monitor implementation and spending against budget.

Unless the operation turned into a **Response DREF** a **DREF Operation Final Report** shall be issued within 3 months of the end of the operating timeframe.

In accordance with IFRC Donor Financial Reporting Procedures a final report may only be published when all expenses have been accounted for, when there are no outstanding commitments or provisions, and National Society has returned all unspent funds. The *DREF Operations Project Manager* will use the 3 months reporting timeframe (deadline for publishing the Final Report) to ensure that the National Society has duly reported on the funds received in accordance with the approved **Imminent DREF Request**.

Once the *DREF Operations Project Manager* has confirmed the closing of the operation, the Regional Finance and Administration:

- shall set the project code to FROZEN in IFRC'S Ready system, thereby preventing any further expenditure bookings
- shall review the transactions against budget, ensure adherence to procedures
- shall issue the **DREF Operation – Standard Report**, submit to *DREF Operations Project Manager*, *DREF Operations Appeal Manager*, *DREF Regional Focal Point* and Regional PMER with copy to *Finance Business Partnering Unit*
- upon publication of the Final Report, the *Finance Business Partnering Unit* shall initiate the return of the unspent balance to the DREF and close project/appeal codes.

5.7 Scale Up/Additional Needs

In situations where the **Imminent DREF** may not be sufficient to respond to needs, the National Society may request additional support from the DREF. This request shall follow the application process under section 6, where:

- The project and appeal codes remain the same: **Imminent DREF** and **Response DREF** are considered one operation from start to finish
- The DREF Application plan and budget shall reflect the Early Action/Early Response activities and costs implemented under the **Imminent DREF**
- The **DREF Allocation Request** shall reflect the CHF 80,000 or CHF 90,800 allocated for **Imminent DREF** under the Previous Allocation(s) box, and the additional allocation request
- The **Imminent DREF** allocation forms part of the funding threshold as per **Response DREF** or Emergency Appeal modalities
- The Project Funding agreement with the National Society shall reflect the CHF 75,000 provided for **Imminent DREF** as the first transfer of the National Society total funding.

5.8 Publication and Reports

It is the *DREF Operation Appeal Manager's* responsibility to adhere to appeal minimum donor reporting standards. All financial reports shall be issued by Regional Finance and Administration. All reports shall be published by Regional PMER on IFRC's public website.

The following lists the report types and related templates to be used in relation to **Imminent DREF**.

5.8.1 **DREF Operation**

Within one working day from its approval, the **Imminent DREF Request** shall be posted on IFRC's public website, excluding the second section of the template which serves as agreement/cash request.

5.8.2 **DREF Operation Final Report**

A **DREF Operation Final Report** consisting of narrative and financial describing the implementation of the operation shall be published within 3 months of the end of the operating timeframe. The final report may only be published when all financial transactions have been accounted for (see section 5.6 Closure)

The **DREF Operation Final Report** shall also include the National Society's financial report on the use of funds received.

Where the **Imminent DREF** is scaling up to **Response DREF**, standard Response DREF reporting shall apply. The respective final reports shall describe the early actions activities.

6 **Response DREF**

National Societies may access DREF/Response pillar funding to finance their local responses to small-to-medium scale disasters categorised Yellow or Orange per IFRC's Emergency Response Framework. The National Society may also access funding from DREF/Response pillar to carry out assessments. The DREF/Response pillar funds sudden onset, as well as slow onset disasters with limited scope and activities, as defined in the **DREF Guidelines**.

Regardless of whether the National Society requests the launch an Emergency Appeal for Yellow or Orange categorised disaster, the DREF funding shall be subject to same accountability and reporting whereby National Societies shall submit a DREF Application with plan and budget.

Important: where a Response DREF is provided under an Emergency Appeal, the DREF funding shall be managed separately with its own project code. DREF and Multilateral funding shall not be mixed up. This will allow separate project reporting of the Response DREF within the given timeframes.

To accelerate the response, the National Society may submit an **Emergency Advance Payment**, cash advance by the IFRC for immediate response activities, prior to and pending the submission and approval of a DREF Application.

The DREF Application shall undergo a parallel review and approval process:

- a) Eligibility, Compliance and Risk Management Review ("Compliance Review") shall be carried out by the **Global DREF team** within 24 hours of submission. Where the National Society has not requested an Emergency Advance Payment, the approval of the Compliance Review by the **DREF Appeal Manager**, includes the release of 25% of the DREF Application funding.
- b) Operational Quality Review ("Operational Review") carried out at regional and global level, within 48 hours of submission. National Societies will be requested to provide feedback within 48 hours.

6.1 **Emergency Advance Payment Request**

To enable immediate response activities, pending the submission, review completion and approval a DREF Application, and subsequent Project Funding Agreement sign-off, the National Society may request an immediate **Emergency Advance Payment** of:

- Yellow categorised disaster: fixed amount CHF 30,000
- Orange/Red categorised disaster: up to maximum CHF 100,000 per IFRC's **Immediate Response Protocol**

Within 24 hours of the disaster or event trigger, and before a DREF Application is submitted, the National Society shall complete and sign the **Emergency Advance Payment Request** template with support from the Country (Cluster) Delegation.

The **Head of IFRC Country (Cluster) Delegation** shall review and approve. The **Head of IFRC Country (Cluster) Delegation** shall also inform the **Regional Head of Health, Disasters, Climate and Crisis** as well as the **DREF Global Team**.

This **Emergency Advance Payment Request** template is a multi-purpose form containing National Society obligations, and amount of cash requested, supported with a Bank Letter confirming the banking relationship details.

Important: a missing bank letter, or a letter stating different bank details to those of the request may lead to delays in payment.

Once the *Head of IFRC Country (Cluster) Delegation* has approved the request the *Country (Cluster) Delegation Finance Officer* shall initiate the payment as per the Bank Letter details, with the **Emergency Advance Payment Request** as supporting document. Per Treasury guidelines, the Country (Cluster) Delegation may

- Defer the payment to the Regional Finance and Administration, in case of insufficient available funds or if the amount exceeds the delegation's threshold to execute individual payments
- Defer the payment to Treasury, Geneva, where the transfer is to be made to a country under sanctions

The **Emergency Advance Payment Request** is subject to obligations by the National Society under which the advance cannot be expensed. As such the advance shall be booked to a receivable account.

Once the DREF application has been submitted and approved, the **Emergency Advance Payment** shall be reflected in the Project Funding Agreement as the first tranche payment. The financial transaction shall be reclassified from the receivable account to the project expense account per National Society working modality (Working Advance, Cash Transfer or Fund Transfer).

The **Emergency Advance Payment Request** is granted to National Societies with the obligation to submit a DREF application and have a Project Funding Agreement signed within the deadline stipulated in the **Emergency Advance Payment Request**, failing which the National Society may be required either to reimburse the full amount, be suspended from any further Emergency Advance Payments for one year, or to have the advance payment deducted from ongoing programmes.

6.2 National Society Application

The *Country (Cluster) Delegation* or *Regional Health, Disasters, Climate and Crisis* (as applicable) shall provide support to the National Society in the completion of the DREF Application.

If not already established, the *Head of Country (Cluster) Delegation* or *Regional Health, Disasters, Climate and Crisis* (as applicable) shall appoint the *DREF Operations Appeal Manager* and *DREF Operations Project Manager*.

The application by the National Society for DREF funding shall be performed using the GO Platform by completing the **GO DREF Application template** or by using an off-line **Microsoft Excel DREF Application template**. In the case where the National Society has opted for the off-line version, the *DREF Operations Project Manager* with support from the *Regional DREF Focal Point* shall import the data from Microsoft Excel version to the GO version prior to starting the review and approval.

In situations where the application results from a scaling up from an **Imminent DREF**, the application shall include the CHF 80,000 or CHF 90,800 allocation (see also section 5.7).

6.2.1 DREF Application approval deadlines

The **DREF Application** approved by the *DREF Appeal Manager* within 24 hours from its reception.

To guarantee a Compliance Approval within 24 hours from its reception, the **DREF Application** shall be compliant with these **DREF Procedures** and **DREF Guidelines**.

The 24 hours allows for the Compliance Review and the release of initial funding as further described in Section 6.4.

The full DREF Application's Operational Quality Review shall be completed within 10 days of the disaster for a sudden onset and 21 days from the identified trigger for a slow onset.

Refer to the **DREF Guidelines** for definitions on disaster types and determination of disaster/event triggers.

The timing from submission to the National Society to final approval need to factor the reviews and validations taking place at all levels – Country (Cluster) Delegation, Regional Office and Headquarters.

Country (Cluster) Head of Delegation shall provide all the necessary support to the National Society to ensure prompt submission of the DREF Application, preferably within 5 days from the disaster/event trigger date.

6.2.2 Response DREF budget

The National Society DREF application shall be supported with a budget using the specifically designed **DREF Budget Template** and should include all the resources incurred from the start of the disaster or trigger date for which the National Society seeks reimbursement, as well as the immediate response activities carried out with the Emergency Advance payment, and further resources required to carry out the activities described in the emergency plan of action. It shall also conform with eligibility of costs as described in section 8.

The National Society budget may be complemented with IFRC Country (Cluster) Delegation and/or Regional Office support costs for the implementation of the DREF Operation, as per eligibility of costs per section 8.

The **DREF Budget Template** is designed to allow budgeting in accordance with IFRC's planning matrix/operational outputs and by resources required to implement the emergency plan of action as per IFRC budget groups. The budget may be prepared in local currency converted to Swiss Francs (CHF), IFRC's reporting currency.

6.2.3 Response DREF funding threshold

Funding threshold depends on categorisation of the emergency⁵ and are inclusive of funding already allocated by way of an **Imminent DREF**:

Emergency Type	Funding Threshold
Small-scale Emergency - Yellow	Maximum CHF 500,000
Medium-scale Emergency - Orange	Maximum CHF 1,000,000
<i>Large-scale Emergency – Red (exceptional situation, as usually DREF Loan / Emergency Appeal)</i>	<i>Maximum CHF 1,000,000</i>

Funding Threshold Reduction

In situations where National Societies have overdue reports (both narrative and financial, and in accordance with the Project Funding Agreement deadlines) from previous **Response DREF** operations, the funding threshold shall be reduced as follows:

Number of DREF Operations with overdue reports	Funding Threshold
1 Response DREF Operation unreported	75% of Maximum Threshold
2 Response DREF Operation unreported	50% of Maximum Threshold
3 and more Response DREF Operation unreported	Not eligible for new Response DREF funding

In such cases the funding threshold shall be confirmed with the **DREF Global Team** prior to finalising the preparation of the DREF Application.

6.2.4 Response DREF operating timeframe

The **Response DREF** operating timeframe needs to be realistic and take into consideration the activities to be carried out (e.g. lead time for procurement up to distribution, reporting capacity of the National Society etc.).

The **Response DREF** operating timeframe may vary between 3 to 9 months and shall depend on the scale of the operation. Slow onset disaster may have a timeframe of up to 18 months.

Emergency Type	Operating Timeframe
Small-scale Emergency - Yellow	Maximum 6 months (18 months if slow onset)
Medium-scale Emergency - Orange	Maximum 9 months (18 months if slow onset)

⁵ Thresholds may be revised and increased in the future, proportionally to the ambition and growth of the DREF

The number of months shall be indicated in the **DREF Application** as well as in the **DREF Allocation Request** form.

Costs are eligible from the date of the disaster or trigger date, as long as they are reflected in the DREF budget. However, the official implementation start-date of the **Response DREF** is the date at which the **DREF Application** inclusive of **DREF Allocation Request** have been approved by the **DREF Appeal Manager**.

The end date of the **Response DREF** shall be based on the last day of the last month of implementation timeframe, based on the number of months requested to implement the activities.

Example:

- | | |
|--------------------------------------------|---------------------------------------------------|
| • Date of disaster 12.03.2022 | ⇒ DREF Operation Timeframe: |
| • DREF approved 22.03.2022 | Start = 22.03.2022, End 31.07.2022 |
| • Operating timeframe per request 4 months | ⇒ Eligibility of Costs = 12.03.2022 to 31.07.2022 |

6.3 Review, Approval and Codes – with Emergency Advance Payment

Once the application on GO is finalised the **DREF Operations Project Manager** shall notify the **DREF Regional Focal Point** who shall establish a SharePoint folder and initiate the **DREF Review Check List**.

Upon submission the DREF Application shall promptly undergo an Eligibility, Compliance and Risk Management Review (“compliance review”), whilst an Operational Quality Review is run in parallel (“operational review”).

6.3.1 Eligibility, Compliance and Risk Management review and approval

The **DREF Regional Focal Point** and the **DREF Global Team** carry out an Eligibility, Compliance and Risk Management Review. The budget is checked for any duplications or identified ineligible expenses and adjusted accordingly. A full budget eligibility and validation shall be performed as part of the Operational Quality Review.

The Eligibility, Compliance and Risk Management Review shall take place within 24 hours of the submission.

6.3.2 Compliance Approval

The DREF Application is submitted to the **DREF Appeal Manager**.

The **DREF Appeal Manager** shall approve the **DREF Application** and **DREF Budget** compliance and eligibility.

Additional approvals

The **DREF Appeal Manager** shall seek additional approval from **USG NSDC** where:

- The funding requested is above the thresholds outlined above
- The timeframe of implementation is above the thresholds outlined above
- The request has not been submitted to the **DREF Appeal Manager** within the deadlines as outlined above
- Three or more DREF Operations final report(s) are overdue
- The National Society has officially been suspended
- The National Society faces an institutional crisis

The **DREF Global Team** shares the Compliance approval with relevant parties at Headquarters, Regional Office, Country (Cluster) Delegation and Finance, Geneva.

The Eligibility, Compliance and Risk Management review and approval provides the National Society confidence that the DREF Application shall be approved in full pending requested changes on plan and budget following the operational quality review.

6.3.3 Operational Quality Review

In the meantime, and in parallel to the Regional Office, Technical leads (either Regional or Headquarters), Headquarters Operations Coordination Senior Officers and *DREF Global Team* shall perform the Operational Quality Review. Feedback is provided in the ***DREF Review Check List***.

The *Regional Finance and Administration* shall validate the budget with regards to eligibility of costs, the working modality of the National Society (Working Advance, Cash Transfer or Fund Transfer), highlighting any potential risks for implementation, especially timing for disbursement of funds, and completes the relevant sections of the ***DREF Review Check List***.

The operational quality review should take no longer than 48 hours from the submission of the application. When performing the review, the Regional Office and Country (Cluster) Delegation should ensure to obtain feedback from the National Society within 48 hours.

When applying for DREF and to speed up the approval process, National Societies shall ensure to include all relevant documents such as assessments.

Once the application review is finalised, the ***DREF Review Checklist*** shall be signed off by

- *DREF Operation Appeal Manager (Head of Country (Cluster) Delegation)* supporting the National Society – who endorses the application and budget
- *Regional Head of Health, Disasters Climate and Crisis* – who confirms the application and budget have been duly revised by way of the ***DREF Review Checklist***
- *DREF Regional Focal Point* – who confirms that the ***DREF Review Checklist*** has been duly completed, and all required validations have been provided

The *DREF Regional Focal Point* shall also complete the ***DREF Allocation Request***.

6.3.4 DREF Application Approval

The *DREF Global Team* receives the final package made of:

- DREF Application (extracted from the GO Platform)
- DREF Budget
- DREF Review Checklist
- DREF Allocation Request

The *DREF Global Team* performs a final review, including final check with the Headquarters Operations Coordination Senior Officers, summary of comments, and submits the package to the *DREF Appeal Manager*.

The *DREF Appeal Manager* shall approve the ***DREF Application***, ***DREF Budget*** and release of funds from the DREF by signing the ***DREF Allocation Request***, within the FAAR.

6.3.5 Operational Codes

The *DREF Global Team* shares the DREF Application approval with relevant parties at Headquarters, Regional Office, Country (Cluster) Delegation and Finance, Geneva.

Based on the approved ***DREF Application*** and ***DREF Allocation Request***:

- *DREF, Information Management and Quality Team* – shall proceed with the opening of the Appeal Code and complete appeal details in IFRC's Ready system.
- *Finance Business Partnering Unit* – shall proceed with the opening of the Project Code and process the full income allocation from the DREF/Response Pillar to the newly opened codes.

Note – where the Response DREF is granted under an Emergency Appeal a separate Project Code shall be opened to manage the Response DREF funding from the multilateral funding.

6.4 Review, Approval and Codes – without Emergency Advance Payment

Once the application on GO is finalised the *DREF Operations Project Manager* shall notify the *DREF Regional Focal Point* who shall establish a SharePoint folder and initiate the ***DREF Review Check List***.

Upon submission the DREF Application shall promptly undergo an Eligibility, Compliance and Risk Management Review ("compliance review"), whilst an Operational Quality Review is run in parallel ("operational review").

Where the National Society has not requested an initial Emergency Advance Payment (per section 6.1), the Eligibility, Compliance and Risk Management approval includes the release of 25% funding of the DREF Application. The DREF Regional Focal Point shall also complete the **DREF Allocation Request** for 25% of the DREF Application's budget.

The aim is to allow the *DREF Operations Project Manager* to accelerate the start up the project implementation.

6.4.1 Eligibility, compliance and risk management review and approval

The *DREF Regional Focal Point* and the *DREF Global Team* carry out an Eligibility, Compliance and Risk Management Review. The budget is checked for any duplications or identified ineligible expenses and adjusted accordingly. A full budget eligibility and validation shall be performed as part of the Operational Quality Review.

The Eligibility, Compliance and Risk Management Review shall take place within 24 hours of the submission.

6.4.2 Compliance Approval

The DREF Application is submitted to the *DREF Appeal Manager*.

The *DREF Appeal Manager* shall approve the **DREF Application** and **DREF Budget** compliance and eligibility. (S)He shall also approve the release of 25% of the requested funding from the DREF by signing the **DREF Allocation Request**, within the FAAR.

Additional approvals

The *DREF Appeal Manager* shall seek additional approval from *USG NSDC* where:

- The funding requested is above the thresholds outlined above
- The timeframe of implementation is above the thresholds outlined above
- The request has not been submitted to the *DREF Appeal Manager* within the deadlines as outlined above
- Three or more DREF Operations final report(s) are overdue
- The National Society has officially been suspended
- The National Society faces an institutional crisis

The *DREF Global Team* shares the Compliance Approval with relevant parties at Headquarters, Regional Office, Country (Cluster) Delegation and Finance, Geneva.

6.4.3 Operational Codes

Based on the compliant approved **DREF Application** and **DREF Allocation Request**:

- *DREF, Information Management and Quality Team* – shall proceed with the opening of the Appeal Code and complete appeal details in IFRC's Ready system.
- *Finance Business Partnering Unit* – shall proceed with the opening of the Project Code and process the 25% income allocation from the DREF/Response Pillar to the newly opened codes.

6.4.4 Implementation Start Up

Upon approval of the DREF Application, the assigned *DREF Operations Project Manager* shall promptly initiate the implementation of the project (as per Section 6.5) with the National Society.

6.4.5 Operational Quality Review

In the meantime, and in parallel to the Regional Office, Technical leads (either Regional or Headquarters), Headquarters Operations Coordination Senior Officers and *DREF Global Team* shall perform the operational quality review. Feedback is provided in the **DREF Review Check List**.

The *Regional Finance and Administration* shall validate the budget with regards to eligibility of costs, the working modality of the National Society (Working Advance, Cash Transfer or Fund Transfer), highlighting any potential risks for implementation, especially timing for disbursement of funds, and completes the relevant sections of the **DREF Review Check List**.

The operational quality review should take no longer than 48 hours from the submission of the application. When performing the review, the Regional Office and Country (Cluster) Delegation should ensure to obtain feedback from the National Society within 48 hours.

When applying for DREF and to speed up the approval process, National Societies shall ensure to include all relevant documents such as assessments.

Once the application review is finalised, the **DREF Review Checklist** shall be signed off by

- *DREF Operation Appeal Manager (Head of Country (Cluster) Delegation)* supporting the National Society – who endorses the application and budget
- *Regional Head of Health, Disasters Climate and Crisis* – who confirms the application and budget have been duly revised by way of the **DREF Review Checklist**
- *DREF Regional Focal Point* – who confirms that the **DREF Review Checklist** has been duly completed, and all required validations have been provided

The *DREF Regional Focal Point* shall also complete the **DREF Allocation Request**, with the 2nd allocation representing the balance of the DREF Application less the 25%, already allocated.

6.4.6 DREF Application Approval

The *DREF Global Team* receives the final package made of:

- DREF Application (extracted from the GO Platform)
- DREF Budget
- DREF Review Checklist
- DREF revised Allocation Request, where the first 25% released is indicated as previous allocation

The *DREF Global Team* performs a final review, including final check with the Headquarters Operations Coordination Senior Officers, summary of comments, and submits the package to the *DREF Appeal Manager*.

The *DREF Appeal Manager* shall approve the **DREF Application**, **DREF Budget** and the release of 2nd allocation from the DREF by signing the **DREF Allocation Request**, within the FAAR.

6.4.7 Operational Codes update

The *DREF Global Team* shares the DREF Application approval with relevant parties at Headquarters, Regional Office, Country (Cluster) Delegation and Finance, Geneva.

Based on the approved **DREF Application** and **DREF Allocation Request**:

- *DREF, Information Management and Quality Team* – shall proceed with the adjusting of the Appeal Code and complete appeal details in IFRC's Ready system, as required
- *Finance Business Partnering Unit* – shall proceed with the adjusting of the Project Code and process the second (balance) income allocation from the DREF/Response Pillar.

Note – where the Response DREF is granted under an Emergency Appeal a separate Project Code shall be opened to manage the Response DREF funding from the multilateral funding.

6.5 Implementation

Upon approval of the Response DREF Application (per process described under 6.3 with Emergency Advance Payment) or compliance approval of the Response DREF Application (per process described under 6.4 without Emergency Advance Payment), the assigned *DREF Operations Project Manager* shall promptly initiate the implementation of the project.

6.5.1 Setting up the project's WBS and initiate the PEAR

The *DREF Operations Project Manager* shall convert the National Society's Response DREF budget into WBS structure in IFRC's Ready System. The *DREF Operations Appeal Manager* shall initiate the Project Expenditure Approval Request (PEAR). Where applicable the WBS structure shall be updated upon approval of the Response DREF Application.

6.5.2 Project Funding Agreement⁶

The *DREF Operations Project Manager* shall initiate the **Project Funding Agreement** with the National Society for the components/costs to be implemented directly by the National Society. (S)He shall ensure review, approval and sign off in timely manner enabling a speedy implementation of the operation. It is strongly recommended to initiate the drafting of the agreement at the same time as the DREF Application.

⁶ As applicable per current E-Contract Matrix

The **Project Funding Agreement** shall be established in accordance with the IFRC's working modality with the National Society (Working Advance, Cash Transfer or Fund Transfer).

The **Project Funding Agreement** shall be established for the full timeframe of the Response DREF. It shall include the narrative and financial reports template (as applicable) as well as reporting schedules for the National Society.

Where the National Society has received an Emergency Cash Advance, the amount received shall be reflected as the 1st payment in the transfer schedule.

Where the National Society has not received an Emergency Cash Advance, the Project Funding Agreement shall be initiated based on the initial DREF allocation of 25%. Once the DREF Application has undergone the Operational Quality Review the Project Funding Agreement shall be adjusted through an amendment.

The **Project Funding Agreement** shall be established and approved following the E-Contract matrix. Once duly signed by all parties, the *DREF Operations Project Manager* shall upload the Project Funding Agreement to E-Contract: the contract data details shall migrate to IFRC's Ready System.

The **Project Funding Agreement** should be duly signed by all parties and uploaded to E-Contract no longer than 15 days from the approval of the DREF Application.

Where the **Project Funding Agreement** is not signed by both parties within 45 days of the DREF Application approval, said approval may be withdrawn and DREF allocation cancelled. In such situation, the *DREF Appeal Manager* shall inform and request USG NSDC's approval to cancel the DREF Application and donors will have to be informed by way of a **DREF Operation Final Report**.

6.5.3 Request for Payment to the National Society

As soon as the **Project Funding Agreement** data has migrated from E-Contract, the *DREF Operations Project Manager* shall promptly initiate the payment request in accordance with the schedule set out in the Project Funding Agreement, in IFRC's Ready System.

6.6 Revisions

DREF Operations may be revised under one or more of the following conditions:

6.6.1 Additional DREF funding

Based on humanitarian needs, the National Society may request additional funding within the funding thresholds as outlined under section 6.2.3.

The request undergoes the same process as the original request from 6.1 above.

6.6.2 Timeframe extensions

Where there is a need to extend the operating timeframe, a request shall be made by the National Society/*DREF Operation Manager* to the Regional Office by latest 15 days before the operating end date.

Extensions shall be reviewed and submitted by the *DREF Regional Focal Point* to the *DREF Global Team*, detailing the reasons for the need to extend and the proposed new end date (end of the month).

Extensions without additional DREF funding shall be reviewed and approved as follows:

- *DREF Global Team*: for requests submitted at any given time until at least 15 days before the operating end date.
- *DREF Appeal Manager*: for requests submitted within the last 15 days of the operation timeframe.

Extensions which include additional DREF funding shall undergo the same process as the original request from 6.1 above.

6.6.3 Change of operating scope

When there is a significant change of scope/deterioration of the situation, potentially a budget revision and/or additional funding required, the revised plan and budget need to be submitted to the *DREF Appeal Manager*.

The request undergoes the same process as the original request from 6.1 above.

Where the budget revision results in a decrease, the original DREF allocation shall be adjusted with a part DREF reimbursement.

Where applicable the *DREF Operations Project Manager* shall update the WBS structure in IFRC's Ready System to reflect the revised approved DREF Budget and initiate the revision of the Project Expenditure Approval Request (PEAR).

6.7 Closure

Throughout the operation timeframe the *DREF Operations Project Manager*, with support from his/her respective Finance Officer, shall monitor implementation and spending against budget.

In accordance with IFRC Donor Financial Reporting Procedures a final report may only be published when all expenses have been accounted for, when there are no outstanding commitments or provisions, and National Society has returned all unspent funds. The *DREF Operations Project Manager* will use the 3 months reporting timeframe (deadline for publishing the Final Report) to ensure that the National Society has duly reported on the funds received in accordance with the Project Funding Agreement.

Once the *DREF Operations Project Manager* has confirmed the closing of the operation, the Regional Finance and Administration:

- shall set the project code to FROZEN in the IFRC'S Ready system, thereby preventing any further expenditure bookings
- shall review the transactions against budget, ensure adherence to procedures
- shall issue the **DREF Operation – Standard Report**, submit to *DREF Operations Project Manager*, DREF Operations Appeal Manager, *DREF Regional Focal Point* and Regional PMER with copy to *Finance Business Partnering Unit*
- upon publication of the Final Report, the *Finance Business Partnering Unit* shall initiate the return of the unspent balance to the DREF and close project/appeal codes.

6.8 Scale up/Additional Needs

Where the situation evolves and the National Society requests for international assistance by way of an IFRC Emergency Appeal, the DREF Operation becomes an Emergency Appeal (keeping the same appeal code), and all DREF allocations to the appeal/project(s) are converted into a loan and all conditions per section 7 apply.

6.9 Publication and Reports

It is the *DREF Operation Appeal Manager's* responsibility to adhere to appeal minimum donor reporting standards, with support from technical focal points. All financial reports shall be issued by Regional Finance and Administration. All reports shall be published by Regional PMER on IFRC's public website.

The following lists the report types and related templates to be used in relation to Response DREF.

6.9.1 DREF Operation

Within one working day from its approval, a **DREF Operation** and Budget shall be posted on IFRC's public website.

6.9.2 DREF Operation Update

A **DREF Operations Update** (6-month update) is required for any operation with a timeframe of more than 6 months.

A **DREF Operations Update** is also required in the following situations, subject to *DREF Appeal Manager* approval (see section 6.5 revisions)

- An additional DREF Allocation is requested
- There is a need to extend the timeframe
- There is a significant change in the scope of the operation requiring a budget revision

Once approved the **DREF Operations Update** (and where applicable revised budget) shall be published within one working day from its approval.

6.9.3 DREF Operation Final Report

A **DREF Operation Final Report** consisting of narrative and financial describing the implementation of the operation shall be published within 3 months of the end of the operating timeframe. The final report may only be published when all financial transactions have been accounted for (see section 6.6 Closure).

The **DREF Operation Final Report** shall also include the National Society's financial report on the use of funds received.

Where the Response DREF is part of an Emergency Appeal, the DREF Operation shall be reported on separately.

7 DREF Loan

A start up funding may be provided from the DREF to Red categorised emergencies for which IFRC has launched an Emergency Appeal has been launched. The DREF is treated as a reimbursable loan.

In the event of a red categorised emergency for which no Emergency Appeal is launched, the processes under section 6. Response DREF are applicable.

7.1.1 DREF Loan Request and approval

The request shall be formalised with the DREF Allocation Request template submitted to the DREF Appeal Manager, preferably at the same time the Emergency Appeal Funding Ask (FAD) is submitted to the Secretary General for approval, at the latest at the time of launching the Emergency Appeal.

Once approved by the DREF Appeal Manager, the DREF Global Team shares the approval with relevant parties at Regional Office, Country (Cluster) Delegation and Finance Business Partnering Unit.

Based on the approved DREF Allocation Request, the Finance Business Partnering Unit shall process the income allocation from the DREF/Response Pillar to the Emergency Appeal/Project Codes previously opened as per the IFRC's Emergency Appeal Guidelines.

7.1.2 DREF Loan Threshold

Whilst the amount of DREF loan remains at the discretion of the Secretary General, by default the DREF Loan to a single country/National Society shall be of maximum CHF 2,000,000.

7.1.3 DREF Loan Reimbursement

The DREF Loan shall be reimbursed when the Emergency Appeal has received cash contributions⁷ for a value of 200% of the DREF Loan.

Example: DREF Loan CHF 1,500,000 minimum cash contributions required CHF 3,000,000

From the Emergency Appeal launch date⁸, during the first 6 months of the operating timeframe, the **DREF Appeal Manager** and **Finance Business Partnering Unit** shall monitor the Emergency Appeal contributions and proceed to the reimbursements and inform the Emergency Appeal Manager.

Beyond 6 months and where the cash contributions towards the Emergency Appeal have not reached the 200% reimbursement threshold a complete or partial reimbursement plan shall be agreed between the **DREF Appeal Manager** and the Emergency Appeal Manager.

In the case where no or only partial reimbursement of the DREF loan could be made during the Emergency Appeal operating timeframe, any balance of funds at the closure of the Emergency Appeal should be returned to the DREF up to the value of the outstanding loan.

7.1.4 Additional / Renewed Loans

Following the first DREF Loan, another allocations request may be initiated:

⁷ Cash Contribution – as per IFRC income policy – cash contributions are recognised from the moment a pledge is registered, validated, and reflected as income in the financial accounts

⁸ Launch date – is the date at which the Emergency Appeal was officially published to the donors, as per Emergency Appeal Process and Reporting Guidelines

- a) During the initial 3 months of the Emergency Appeal, additional DREF allocations may be requested up to the maximum threshold per 7.1.2. The combined requests (first and additional) form one Loan and shall be reimbursed within 6 months from the launch of the Emergency Appeal as per above 7.1.3. – this may be for instance where the disaster is of a much larger scale than initially anticipated
- b) Where an Emergency Appeal needs to be re-launched to renew donor interest (for instance significant change in need and scale up of the operation), and where the initial DREF Loan has been fully reimbursed, a new DREF Loan may be requested (with subsequent additional loan(s)) up to the maximum threshold per 7.1.2. The reimbursement of the new DREF Loan becomes effective once the Emergency Appeal has received cash contributions for a value of 200% of the DREF Loan within 6 months from new DREF Loan approval date following the process described above 7.1.3.

Note – at any given time the Emergency Appeal shall have no more than CHF 2,000,000 loan.

7.1.5 Reclassification from yellow/orange to red

In a situation where a country Emergency Appeal was initially categorised yellow or orange, and the National Society already benefited from a **Response DREF**, all additional DREF allocations, from the date of reclassification shall be treated as a **DREF Loan**. The total of grant and loans shall not exceed the **DREF Loan** threshold per section 7.1.2.

To manage the grant and the loan separately, the **DREF Loan** shall be allocated to a project benefiting from multilateral funding under the Emergency Appeal, whilst the **Response DREF** shall maintain its separate project code.

Example

- An orange categorised Emergency Appeal is launched on 15.02.2024
- The National Society applies for Response DREF of CHF 750,000, approved on 25.02.2024, allocated to Project Pcc001
- On 07.04.2024, the Emergency Appeal is re-classified to red.
- On 07.04.2024, an additional DREF Allocation Request is submitted for CHF 1,250,000, approved on 08.04.2024, allocated to Project Pcc002.

Only the DREF allocation processed after 07.04.2024 – CHF 1,250,000 shall be treated as a loan.

8 Multi Country Emergency Appeals

In the event of a crisis affecting more than one country, the IFRC may for fundraising and reporting purposes decide to:

- Launch a Regional or Inter-Regional Emergency Appeal (one Emergency Appeal code with multiple country projects)
- Launch a Grouped Emergency Appeal (multiple Emergency Country Appeals codes grouped under one single Groupe Emergency Appeal code)

This may lead to a combination of same or different disaster categorisation for the countries under one Emergency Appeal.

To enable each of the National Societies to respond to the disaster in their respective countries and on their specific needs, a DREF Allocation Request shall be submitted per National Society/Country.

However, as funding is sought through Emergency Appeals, a cap is set at maximum CHF 5 million DREF funding per Emergency Appeal.

8.1.1 Multi-Country Emergency Appeal yellow/orange

In the context where a multi-country Emergency Appeal is categorised yellow or orange each country/National Society may apply for a Response DREF following the DREF Application and allocation thresholds per section 6.2.3 up to a maximum of CHF 5 million total for the Emergency Appeal.

8.1.2 Multi-Country Emergency Appeal red, various country categorisation

In the context where a multi-country Emergency Appeal is categorised red, but certain countries declared yellow or orange, others red. The following principle shall apply:

- Country category yellow/orange: each National Society may apply for a Response DREF Application and allocation threshold per section 6.2.3.
- Countries categorised red: a request for DREF Loan up to CHF 2 million per country.

The combination of all Response DREF and DREF Loans shall not exceed CHF 5 million.

8.1.3 Multi-Country Emergency Appeal red, all countries red

In the context of an all-red classification, DREF loans may be applied up to CHF 2 million per country, up to a maximum of CHF 5 million for all countries.

9 Use of DREF funding, eligibility of costs

In elaborating Early Action Protocols, **Imminent DREF** or **Response DREF** budgets *DREF Operations Project Managers* need to follow the IFRC's costing principles of full cost recovery, meaning that all costs associated in the implementation of the plan need to be included in the budget.

Some budget lines may be restricted as described hereafter.

9.1 General principles

DREF provides financial support enabling early action and immediate response. As such, it serves to cover the short-term emergency needs and is not aimed to provide funding for longer-term response or rehabilitation, long-term capacity building or organisational development, nor coverage of unfunded Emergency Appeals.

The following provides a general guidance on activities eligible for DREF funding, while more details are available in the ***DREF Guidelines***.

- Assessment (e.g. pre-disaster assessment of capacity to respond to imminent crisis; needs assessment, etc.)
- Readiness for Early Actions (e.g. procurement of stocks, National Society ongoing costs and services that are deemed indispensable for subsequent trigger-based activation of the Early Action Protocol)
- Communication (e.g. attracting national and international media attention as early as possible, etc.)
- Mobilising Resources (e.g. mobilisation training and protection (including insurance) of volunteers, surge personnel, equipment, pre-positioned stock, etc.)
- Response (e.g. evacuations, search and rescue, distribution of relief items or cash etc.)
- Monitoring and Evaluation (e.g. beneficiary satisfaction surveys, lessons learned, etc)
- Other (e.g. psychological support for responders, NS and IFRC allocation of personnel dedicated to the implementation of the operation, NS capacity building for the specific operation, etc.).

9.2 Procurement

The *DREF Operations Project Manager* with technical support from Country (Cluster) Delegation and/or Regional Office, is responsible for DREF implementation, including procurement of items and services. The *DREF Operations Project Manager* shall ensure that procurement up to delivery is processed during the operating timeframe.

Procurement of relief items may be carried out either by the National Society or the IFRC, as defined in the National Society Capacity Review and Risk Assessment (CRRA) carried out by the IFRC

In accordance with the ***IFRC Procurement Procedures***^[1]:

- National Societies procedures may apply when local procurement is carried out by the National Society with DREF funding, conditional on compliance with provisions stipulated in Sections 1.2, 1.3.3, of the IFRC Procurement Manual.
- In situations where the National Society has been assessed under the CRRA, the agreed terms of the CRRA shall apply and in situations where the National Society has not been assessed under the CRRA, *RO GHS&SCM* may conduct a review to confirm if the National Society has comparable procurement standards to IFRC, as stated above, and has the capacity to carry out the procurement, and then the

^[1] IFRC Procurement Procedures consist of the Procurement Policy, the Procurement Directives, and the Procurement Manual

IFRC Country (Cluster) Delegation based on explored risks may request an approval from the Regional Director for the NS to undertake the DREF procurement. The Regional Head of *RO GHS&SCM* shall be consulted to set financial limit of such procurement

- If National Society is to carry out the procurement, the agreed working modality, shall be confirmed by RO GHS&SCM during development of the DREF Application.
- The agreed procurement process shall be clearly stipulated in the DREF Checklist. The sourcing strategy (local purchase versus international (mobilize from IFRC warehouse stock or purchase from established FA supplier) to be defined in consultation with GHS & SCM RO unit. For any additional approval and financial limit of procurement, the DREF Checklist shall include the request and approvals of the IFRC Country (Cluster) Delegation, Regional Director and Regional Head of *RO GHS&SCM*.
- IFRC procedures apply when the procurement is carried out by the IFRC, or where the National Society carries out procurement with Emergency Appeal funding.
- In situations where a DREF Operation becomes an Emergency Appeal, the *DREF Operations Project Manager* shall immediately inform the respective RO GHS&SCM procurement authority (PA) to ensure implementation of IFRC procurement procedures.

9.3 Relief Items Stocks

DREF funding may be used:

- **Early Action Protocols:** To purchase stock aimed to be used for early action activities, as defined in the Early Action Protocol.
- **Imminent DREF:** To purchase items to be used for immediate response only. DREF funding is not eligible for pre-positioning stock under early actions block of activities.
- **Response DREF:** To purchase stock in replenishment of National Society preparedness stocks which have been used for the Response DREF operation. Replenishment may be carried out after the initial emergency phase, when there are less time constraints, however, the procurement needs to take place during the operating timeframe (inclusive of delivery, receipt of goods). Any delays in procurement/delivery must be notified to the *DREF Appeal Manager* in due time and extension of timeframe considered. Extension of timeframe may not be approved where the procurement has not been initiated

9.4 DREF Operations – In-kind goods donations

Request for international assistance is mobilised through Emergency Appeals. In the absence of such request, the National Society may receive support from the DREF. As such **Early Action Protocols**, **Imminent DREF** and **Response DREF** as solely resourced from the DREF.

There may be occasions where a Partner National Society (donor) also wishes to support the National Society with In-kind donations for the same operation. In such cases the IFRC shall not treat the In-kind donation in its financial statements and consider the In-kind donation as a bilateral contribution.

Costs associated directly with the In-kind donations (customs, in-country transport, distribution) may be covered from the DREF funding, as long as the in-kind goods were part of the plan and associated costs included in the DREF budget

9.5 Assets & Vehicles

Purchase of assets for the National Society needed for the implementation of the operation such as vehicles, generators, office equipment etc. up to CHF 10,000 are eligible with DREF Funding for **Early Action Protocols** and **Response DREF**.

Purchase of assets for the National Society with DREF funding for **Simplified Early Action Protocols** and **Imminent DREF** are not eligible.

Assets for IFRC are not eligible.

Assets meant for permanent structures are not eligible (e.g., construction).

Vehicles from the IFRC leasing programme which are being re-directed from current use to respond to the operation may be charged to the operation.

9.6 National Society Overheads

Indirect costs or overheads born by the National Society may be included in their budget funded by DREF, providing that they are based on a transparent costing policy approved by the National Society's governance. These overheads only relate to the costs incurred by the National Society.

In view of the emergency nature of the DREF, these overheads are eligible up to a maximum of 5% of the total budget.

These thresholds are applicable for all modalities: **(Simplified) Early Actions Protocols, Imminent DREF and Response DREF.**

9.7 Imminent Crisis/Response Operations Staff Costs

IFRC Staff (including Technical Support) and/or National Society staff dedicated to the implementation of the operation shall be funded by the DREF in accordance with IFRC's Costing Principles, where the National Society staff budget shall not exceed 5% of the total direct costs an IFRC staff budget shall not exceed 4% of the total direct costs of the applications of Imminent DREF and Response DREF.

This does not apply to Early Action Protocols.

9.8 Rapid Response Personnel Deployments

To support, plan and coordinate the operation, the National Society may request the deployment of Rapid Response Personnel to strengthen its capacity to respond.

For Imminent DREF and Response DREF, the deployment of at least one Rapid Response Personnel from the region is encouraged. to ensure quality of the operation cycle from needs assessment to planning, implementation, monitoring, reporting and extracting lesson learned. It will also enhance the capacities and experience of Rapid Response Personnel in the regions and build a stronger roster for future regional emergencies. The final decision rests with the National Society. In the event a National Society declines the offer of support, it should provide justification for its decision and demonstrate performance capacities to implement the DREF supported operation.

Depending on the deploying National Society's resources and capacity of financing the deployment, the DREF allocation shall support the funding of the deployment (either partially or in full).

Rapid Response Personnel deployments should be limited to a maximum of 3 months, an extension for an additional 4th month can be granted in exceptional circumstances as per the Guidelines for IFRC and NS deployment of Rapid Response Personnel (V1 – Nov 2019).

In the situation of a sudden onset response, the Rapid Response Personnel should be deployed at the early stages of the DREF operation (within the first month of the operational timeframe).

In the situation of a DREF for slow onset and where justified, a National Society can request Rapid Response Personnel during several stages of the DREF operation. This means Rapid Response can be deployed before a situation of concern reaches crisis levels, provided there is solid evidence for believing a crisis will develop, or after a protracted situation has been going on for a long period.

9.9 Not Eligible

- Development of Early Action Protocols with the respective National Societies
- Readiness costs that are not deemed indispensable for subsequent activation of an Early Action plan
- Preparedness activities for long term disaster management plans
- Costs not associated with the operation or for activities already budgeted under National Society or IFRC ongoing/annual programmes
- Long-term response, recovery and rehabilitation interventions
- National level disaster management or capacity building training not related to the specific operation and responding Red Cross branches
- Stocks not aimed to be used for the response or early action operation and/or that have a shelf life shorter than the anticipatory action plan lifespan or longer than the response plan
- Costs of staff who are not dedicated to the operation

10 Roles and Responsibilities

The following provides an overview of roles and responsibilities with regards to these procedures:

Role	Responsibilities
DREF Appeal Manager	<ul style="list-style-type: none"> The DREF Appeal Manager is the Head, DREF, Information Management and Quality Team, NSDC Division, Geneva (S)He is responsible for the overall management of the DREF Appeal (MDR00001), including funding and expenditures. (S)He reviews the applications for DREF funding, ensures that costs to be covered are eligible and in accordance with the DREF guidelines. Based on a pre-approved Funding Allocation Request (FAAR), (S)He shall approve all the DREF allocations to DREF Operations or Emergency Appeals. Where applicable (S)He will obtain additional approvals. The DREF Appeal Manager ensures global coherence and consistency in the allocation of funds.
DREF Regional Focal Point	<ul style="list-style-type: none"> The DREF Regional Focal Points are the regional designated focal person for any DREF related matters. The DREF Regional Focal Points are responsible for coordinating the review and processing of DREF requests within the region, ensuring compliance with DREF procedures and guidelines. The DREF Regional Focal Point act as the key liaison between country/regional operations and the Global DREF Team and DREF Anticipatory Action Global Team. The DREF Regional Focal Point establish a SharePoint folder to upload all relevant documents, initiates the DREF Review Checklist, ensures that all submissions are complete and shares/coordinates with stakeholders as required.
DREF Global Team	<ul style="list-style-type: none"> The DREF Global Team ensures timely and consistent global review and approval of DREF applications and acts as the focal point for maintaining operational quality and risk management at a global level. The DREF Global Team performs final checks on all DREF requests and submits to the DREF Appeal Manager for approval, with recommendations. Once the DREF Application is approved by the DREF Appeal Manager, the DREF Global Team communicates the approval with relevant parties, including Headquarters, Regional Office, Country (Cluster) Delegation, and Finance, Geneva.
DREF Anticipatory Action Global Team	<ul style="list-style-type: none"> The DREF Anticipatory Action Global Team is responsible for the review and validation of (Simplified) Early Action Protocols and Imminent DREF within the anticipatory action framework. The DREF Anticipatory Action Global Team establishes a SharePoint folder to upload all relevant documents, initiates the EAP/sEAP Review Checklist, ensures that all submissions are complete and shares/coordinates with stakeholders as required.

	<ul style="list-style-type: none"> • The DREF Anticipatory Action Global Team selects the Validation Committee members, organizes joint reviews and obtains the committee's final vote. • The DREF Anticipatory Action Global Team performs final checks on all (S)EAP and submits to the DREF Appeal Manager for approval, with recommendations. • Once the (S)EAP is approved by the DREF Appeal Manager, the DREF Anticipatory Action Global Team communicates the approval with relevant parties, including Headquarters, Regional Office, Country (Cluster) Delegation, and Finance, Geneva. • The DREF Anticipatory Action Global Team monitors early action triggers and obtains activation validation.
National Society	<ul style="list-style-type: none"> • Initiates the response, implements the operation • Initiates the application for DREF in accordance with one of the modalities with support from the Country (Cluster) Delegation, as applicable • Develops the plan and budget • Reports (narrative and finance) in accordance with the DREF Project Funding Agreement and working modality
Head of Country (Cluster) Delegation / DREF Operations Appeal Manager	<ul style="list-style-type: none"> • Supports the National Society in their application for DREF • Promptly informs the Regional Office of any request for support initiated by the National Society, and any subsequent updates • Designate the Project Managers as IFRC Focal point to support the National Society • Holds IFRC responsibility and accountability for the implementation of the operation as per the Emergency Response Framework • Responsible for timely standard Donor Reporting • Prioritises cash availability at country level to respond and/or informs, with support from Country Finance, the Regional Finance and Administration • Reviews the DREF Operation reports (updates, final) both narrative and financial to confirm accuracy of implementation
DREF Operations Project Manager	<ul style="list-style-type: none"> • Acts as focal point to support the National Society in their application for DREF (plan and budget) • Ensures that the Project Funding Agreement is established and approved in timely manner • Promptly initiates requests for transfer of funds to the National Society • Supports the National Society in implementation and monitoring of the operation • Supports the National in timely reporting • Reviews the DREF Operation reports (updates, final) both narrative and financial to confirm accuracy of implementation
Regional Office (In these procedures refers to all functions involved with DREF applications)	<ul style="list-style-type: none"> • Holds IFRC responsibility and accountability for the implementation of the operation as per the Emergency Response Framework • Promptly informs the DREF Global Team of any request for support initiated by the National Society/Country (Cluster) Delegation

	<ul style="list-style-type: none"> • Provides support and technical guidance to the Country (Cluster) Delegation in the DREF application as well as during implementation • Validates the DREF Application's budget • Provides technical quality assurance on relevant sectors at regional level • Regional Finance and Administration validates the DREF Application's budget; provides support to the Country (Cluster) Delegation/DREF Project Manager in treasury matters to enable swift transfer of funds to National Societies • Regional PMER publishes all standard reporting related to DREF as described in these procedures
Headquarters	<ul style="list-style-type: none"> • Operations Coordinator reviews the request for coherence and consistency with global quality standards. • DREF, Information Management and Quality Team, creates and maintain the operations Appeal Code and related appeal data. • Finance Business Partnering Unit provides support to the DREF Appeal Manager, in the management of MDR00001 appeal • Finance Business Partnering Unit creates the operation's Project Code, processes the income allocation from the Fund to the operation's project code

11 Abbreviations/acronyms

Abbreviation	Meaning
DREF	Disaster Response Emergency Fund
EAP (sEAP)	Early Action protocol (simplified)
USG NSDC	Under Secretary General National Society Development and Coordination
RO SCM	Regional Operational Supply Chain Management
DCC	Disasters, Climate and Crisis

12 Templates

Name	Description
(Simplified) Early Action Protocol	a guideline for the National Society in describing the activities which will be implemented once pre-agreed triggers have been reached
Early Action Protocol Summary	a shortened version of the (Simplified) Early Action Protocol used for formal publication
EAP Budget Template	Budget template for National Societies applying for DREF/EAP funding
EAP Review Checklist	Quality control feedback form, completed by reviewers and signed off by the DREF Appeal Manager, thereby approving the EAP plan and budget

GO DREF application template	An on-line application platform through IFRC's GO
DREF application	A word version of the DREF application which may be completed off-line and subsequently uploaded to the GO platform
DREF Budget Template	Budget template for National Societies applying for DREF/Other Operations funding
DREF Review Checklist	Quality control feedback form, completed by reviewers and signed off by the DREF Appeal Manager, thereby approving the DREF plan and budget
DREF Allocation Request	An income reallocation request approved by the DREF Appeal Manager. It also serves to open project/appeal codes.
Imminent DREF Request	A standard template by which a National Society may access CHF 75,000 for Imminent DREF. It is an all-in-one document combining the National Society request and budget. It also serves as the Project Funding Agreement.
Emergency Advance Payment Request	A standard template by which a National Society can request an Emergency Advance Payment: an amount of cash advanced by the IFRC pending the submission of a DREF Application.

13 Related documents

File number	Name	Version
	DREF Guidelines	Current
	Emergency Response Framework	Current
	Procurement Manual	Current
	Surge Guidelines	Current

14 Document revision history

Version	Date	Details
1.00	14-July-2006	
2.00	17-Sept-2008	To reflect: Zone set up, DDDM Function, OCT Function, new Fund Target and new reporting requirements
3.00	01-July-2011	To reflect new Geneva structure and DREF criteria
4.00	01-Nov-2018	To include Grants to Forecast based action Fund (FbAF) as a new criterion of use of the DREF
5.00	05-Dec-2019	Revision of Procedures and guidelines subsequent to consultation and review
6.00	01-Jun-2025	Revision of Procedures following the merge of the FBAF (Forecast Based Action Fund) and DREF (Disaster Relief Emergency Fund); review modalities of working