

## Terms of Reference

# Technical support to the feasibility study on the potential use of Forecast-based Financing in Sudan

Danish Red Cross

**Contact Person:**

Assignment	Technical support to the feasibility study on the potential use of Forecast-based Financing in Sudan
Location	Sudan, remote support
Timeframe	May-June 2021
Duration	25-30 working days

## 1 Background to Assignment

Danish Red Cross (DRC) is engaged in evolving the [Forecast-based Financing \(FbF\)](#) concept and approach in partnership with interested Red Cross partners by support to the development and implementation of the FbF projects. This concept has emerged with the objective of using increasingly accurate forecasts to take action before disasters occur thereby reducing their impact on the vulnerable population. FbF has established mechanisms to automatically allocate funding for early action once forecasts indicate a high probability of an extreme weather event. Based on forecast information and risk analysis, FbF releases humanitarian funding for pre-agreed activities, or early actions, to be taken in the window of time between a forecast and a potential disaster. Early actions in FbF aim to prevent or reduce the humanitarian impact of extreme weather events, enhance preparedness activities and prepare for response. Since 2018, DRC has piloted FbF project activities in selected partner countries. By 2021, DRC is supporting 7 Red Cross Red Crescent National Societies (RCRC NS) (Mali, Malawi, Sudan, Zimbabwe, Kenya, Palestine and Nepal) in either exploring, developing or implementing the FbF concept and approach. Onwards, the ambition of the DRC is to deliver 25% of all supported disaster preparedness responses as anticipatory actions. Also, from 2021 and beyond, the aim is to further develop the approach in cooperation with more RC NS partners.

Jointly the German Red Cross and the Red Cross Red Crescent Climate Centre (Climate Centre)<sup>1</sup> have been providing technical support to RCRC NS, International Federation of Red Cross and Red Crescent Societies (IFRC), and partners to expand FbF as part of disaster preparedness. The Climate Centre and German Red Cross have established 13 FbF pilot projects in various countries around the world ([see here](#)).

The German Red Cross (GRC) and Danish Red Cross (DRC) are initiating the process to engage a study on identifying possibilities to implement an FbF project in Sudan. This project will build on DRC's, GRC's and Sudanese Red Crescent Society (SRCS) ongoing projects on capacity building in the field of disaster risk reduction, WASH, health and food security & livelihood. With the support the feasibility study, DRC and GRC intend to assess what is needed to successfully implement FbF in Sudan. The study should make recommendations under what conditions FbF is viable in Sudan, and to begin exploring different design options for an FbF system (what hazards to address, who to involve, what actions to envisage etc.).

Based on these findings, it can be defined how the Sudanese Red Crescent Society (SRCS), RCCC, GRC and DRC can collaborate to establish an FbF pilot in Sudan in partnership.

To this end, the German Red Cross will engage one consultant in-country to carry out the scoping study in Sudan, accompanied by an international consultant. The Danish Red Cross will engage **expert advisors** to provide technical support to the feasibility study. Jointly, DRC,

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<sup>1</sup> Climate Centre is one of the IFRC global technical reference centres. The Climate Centre's mission is to help the Red Cross and Red Crescent Movement and its partners reduce the impacts of climate change and extreme-weather events on vulnerable people. Close collaboration among IFRC Secretariat, Climate Centre and National Societies regionally and globally is ensured through specific coordinators/focal points and technical advisers.

GRC, consultants and expert advisors will work with national stakeholders in Sudan to develop the structure and main cornerstones of a future FbF project.

## 2 Scope of Assignment

The **objective** of the assignment is primarily to provide the technical support to the consultants carrying out the feasibility study, specifically to the two lead consultants, and thus to work with the SRCS and national stakeholders to identify the feasibility of setting up an FbF mechanism in the NS, identifying opportunities and gaps for each of the elements of an FbF pilot project.

Working closely with key staff from DRC, GRC, SRCS, and in close consultation with the consultants, the expert advisors will be expected to:

1. Provide regular advice to the country-based consultant on the feasibility study process, as a member of the Steering Group for the feasibility study and answering questions as they come up.
2. Advise on the availability and preliminary analysis of risk information / data, hazards, vulnerability and impacts of past extreme events (e.g. on food security, agriculture etc.). Contribute by researching internationally available risk information and data.
3. Advise on the availability of international forecast models for the hazards identified in the feasibility study, ideally indicating forecast skill, and assess in which fields further analysis on forecast ability is required.
4. Advise on what questions to ask the meteorological services and other stakeholders that could be involved in trigger development and how to interpret the answers, to deduce information of suitability of available national forecasts
5. Advise on data needed for potential trigger development and whom to ask for it, where to look for it. Contribute to data collection, where possible.
6. Advise on the conflict situation in Sudan as part of the context analysis indicating the factors to be taken into account in and could compromise the design, implementation and activation of an FbF system.
7. Coordinate closely and regularly with an international consultant with an expertise in FbF and feasibility studies.

The [FbF Manual](#) can be used as a guide to many of the above activities. Furthermore, the EAP template of IFRC and minimum criteria for EAPs, as well as the existing project proposals, EAPs and reports can be used as reference.

## 3 Implementation

### 3.1 Key Stakeholders

The following is an initial list of key stakeholders identified for this process:

- DRC HQ and DRC Khartoum Office staff, GRC HQ and GRC Khartoum Office staff and SRCS staff, and other RCRC actors (e.g. IFRC, ICRC);

- National and regional technical agencies as applicable.
- Key NGOs (WHH, COOPI, NRC, Norwegian Refugee Council, Danish Refugee Council, Mercy Corps, AcoGaps etc.), UN agencies (UNOCHA, WHO, WFP etc.), universities and other research institutions as applicable.

It is expected that other key stakeholders will be identified during the course of the assignment.

### 3.2 Timeframe

May – June 2021 (25-30 working days)

The technical support of the assignment is to be conducted remotely.

### 3.3 Governance

A Steering Group comprised of GRC, DRC, Climate Centre and SRCS will have overall responsibility for the successful planning and execution of the assignment to:

- Review proposed methodology to carry out the study
- Assist to finalise the desired deliverables
- Maintain the scope of the assignment
- Track assignment performance and accountability
- Help resolve difficulties and advice on risk mitigation where necessary
- Act as a review body for outputs
- Assist in the appropriate dissemination and promotion of the outputs

The assignment and technical support will be managed by the DRC Headquarters or Khartoum Office.

The expert advisor(s) will be required to give a brief interim progress report to the DRC HQ or Khartoum Office and Steering Group Members after the first two weeks of the assignment.

### 3.4 Responsibilities and duties

The Danish Red Cross provides the contacts of field personnel, partnering societies and consultants involved in the feasibility study. The expert advisors will liaise closely on a technical level as needed with DRC focal points, GRC FbF advisors, consultants, as well as DRC/GRC HQ and Khartoum offices.

### 3.5 Process/Methodology

The expert advisors shall identify and compile relevant data and reports and carry out research as needed to address the elements of technical support to the feasibility study as depicted in section 2. The focal point as member of the steering group shall regularly guide the process and facilitate contact to other advisors.

## 4 Expert advisory profile

The expert advisors will have the following competencies:

- Demonstrated knowledge of forecasts and trigger development, especially regarding floods and droughts
- Highly developed analytical and communication skills. Demonstrated ability to provide clear and client-oriented advice.
- Previous experience with FbF, early warning early action, climate services and conflict settings highly desirable.
- Previous experience in advising FbF feasibility studies or related research is an advantage.
- Knowledge of the Red Cross system highly desirable.

## 5 Application Procedure

Interested organizations should submit their dossier by May 7<sup>th</sup>, 2021 to

The application should include:

- Curriculum Vitae of the proposed experts, their fields of expertise and respective input
- Brief letter of motivation summarising relevant experiences and qualifications for the assignment
- A time schedule for how the expert advisors consultant proposes to complete all tasks
- Financial proposal
- An example of previous work