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From Forecasts to Action: WFP's Global Anticipatory Action (AA) Strategy 2022- 2025

A strategic framework for preventing climate hazards from turning into humanitarian disasters



World Food
Programme

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Executive Summary

The climate crisis poses a significant risk to food systems, disproportionately affecting the most food-insecure people around the world. Climate variability and extremes also interact with other main drivers of hunger and malnutrition, including conflict and economic shocks (now exacerbated by the COVID-19 pandemic), leading to internal and external displacement, acute food crises, and a growing demand on the humanitarian sector.

A shift from reactive response to a more pro-active risk management approach is required from governments, WFP and the broader humanitarian system to address the impacts of the climate crisis and rapidly reach the most vulnerable. Anticipatory Action (AA) approaches have gained significant momentum in recent years as an impactful and cost-efficient way of preventing predictable climate hazards (e.g., storms, floods, and droughts) from turning into humanitarian disasters.

WFP has been a leader in AA since its inception in 2015. To date, it is supporting AA programmes in 19 countries across Africa, Asia, Latin America and the Caribbean. 1.5 million people are currently covered by WFP Anticipatory Action Plans and/or CERF Anticipatory Action Frameworks and therefore eligible for receiving assistance by WFP and partners in case of a forecast activation ahead of a climate shock. WFP is also playing a leading role in global advocacy efforts, including by participating as both a Board and Secretariat member of the Risk-informed Early Action Partnership (REAP).

Moving forward, WFP's vision is to continue collaborating with governments and partners on scaling-up AA to protect people's lives, food security and livelihoods from the impacts of predictable climate hazards. The approach revolves around two objectives: 1) to enhance governments' capacity to develop and implement AA systems to ensure ownership, scalability and sustainability and; 2) to deliver AA at scale and institutionalize the approach within humanitarian systems, including WFP's emergency preparedness and response systems.

In line with the above-mentioned objectives and within the timeframe of its new Strategic Plan (2022-2025), WFP commits to achieving the following targets: 1) to actively engage in developing AA systems in 40 countries and; 2) to approve 35 Anticipatory Action Plans (AAPs), covering approximately 5 million people. It will do so by: a) enhancing government-owned early warning systems; b) supporting "anticipatory" contingency planning with national and local stakeholders; c) prearranging flexible finance for the implementation of AAPs in case of forecast trigger activations; d) strengthening operational readiness of WFP COs and local partners to be able to deliver timely AA at community-level and; e) supporting policy and advocacy to strengthen the institutional architecture for disaster management and ensure that AA is integrated into humanitarian, national and/or local planning and investment.

Finally, WFP recognises that AA has financial and resource implications. On the one side, it provides an opportunity to increase efficiencies in humanitarian spending and to secure a growing source of innovative and multi-year funding from donor commitments to the G7 and REAP. On the other, meeting these targets and effectively translating strategic considerations into quality AA programme design and implementation will require changing the way WFP does business across the programme and emergency life-cycles.



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1. Background & Rationale

Global Context

The climate crisis poses a significant risk to food systems, disproportionately affecting the most food-insecure people around the world. Climate disasters and extreme weather events can rapidly become deadly emergencies, with high economic and human costs. Moreover, as climate change worsens resource scarcity, spikes food prices and disrupts incomes, it can exacerbate or trigger conflict and poverty.¹ For instance, it is estimated that 410,000 people were killed and 1.7 billion people have been affected by extreme weather and climate-related disasters in the last decade.² In 2020, 30 million were internally displaced due to weather-related disasters, the highest number in a decade.³

Climate variability and extremes also interact with other main drivers of hunger and malnutrition, including conflict and economic shocks (now exacerbated by the COVID-19 pandemic). This creates multiple, compounding impacts at many different points within food systems, resulting in more frequent emergency responses as increasing humanitarian needs cannot be absorbed by international humanitarian or local disaster response resources and capacities. For instance, the Global Humanitarian Assistance Report of 2021, estimates that humanitarian appeals grew by 27% in 2020 reaching a record US\$38.8 billion. Only 52% of these appeals were funded, resulting in the largest funding shortfall ever seen of US\$18.8 billion.⁴ Moreover, it is estimated that the cost of annual humanitarian response required if global temperatures increase by an additional 1°C from current levels, could reach US\$1 trillion.⁵

The **World Food Programme's (WFP) 2022-2025 Strategic Plan (SP)**, which aligns to the 2030 Agenda for Sustainable Development, **recognizes the threat that the climate crisis poses** in amplifying vulnerability, disrupting food systems, economies and societies and ultimately to achieving the SDGs. It highlights how more proactive, integrated and risk-informed approaches are needed to address both the deeply rooted causes of food insecurity and malnutrition of the most vulnerable as well as help governments, communities and households build stronger capacities, systems and institutions to manage multiple risks.

Anticipatory action (AA) approaches have gained significant momentum in recent years, given their potential for a more efficient, effective and sustainable way of managing shocks that upholds the dignity of affected populations. AA leverages scientific improvements in climate and weather forecasting to prevent predictable climate hazards (e.g. storms, floods, and droughts) from turning into humanitarian disasters.

¹ *Global Report on Food Crises 2021*

² [Climate change: New report shows global response is failing people in greatest need | IFRC](#)

³ [IDMC | GRID 2021 | 2021 Global Report on Internal Displacement \(internal-displacement.org\)](#)

⁴ [Global Humanitarian Assistance Report 2021 \(devinit.org\)](#)

⁵ International Journal of DRR, 2021



Scope & Purpose

With an ever-greater number of climate shocks, **WFP has committed to working with partners to jointly make one billion people safer from disasters**, greatly expand early action financing, improve early warning systems and the capacity to act on the risks they identify through the Risk-Informed Early Action Partnership (REAP), launched at the UNGA in 2019.

As the largest humanitarian agency worldwide, WFP is a well-positioned partner to deliver on these commitments. Leveraging its deep field presence, knowledge of local contexts and expertise working within the immediate food security needs – increased resilience continuum, it can work with government and humanitarian partners to drive a systemic shift from reactive to more proactive risk management solutions.

By mitigating the impact of climate shocks, WFP through AA, has the potential to save more lives and increase the self-reliance of countries including transforming national agriculture, food security, and disaster management mechanisms; improving the effectiveness of safety net programs; and dramatically lowering the cost of recurrent development and humanitarian assistance needs.

This document provides a strategic direction and framework for WFP's work on AA, in support of integrated efforts to address the climate crisis and its interactions with other main drivers of food security. It is structured as follows: section one outlines WFP's current AA portfolio across the countries it operates in, including a summary of key achievements to date. Section two lays out WFP's vision and strategic framework for AA moving forward as a critical way to achieve our SP objectives and contribute to the SDGs. The third and final section summarises the key resources and requirements for ensuring that these strategic considerations translate into reaching our ambitious targets through quality programme design and implementation at the field level.

2. WFP's Work on AA

Overview of current achievements

AA has seen significant advances over the past years. WFP pioneered the approach together with German Red Cross in 2015. During these initial formative years, WFP and the German Red Cross (GRC) collaborated to clarify the differences and complementarities between preparing humanitarian response systems for impending disasters (i.e., emergency preparedness), vis a vis launching preventive and life-saving interventions at community level to reduce the scale of losses and damages from potentially hazardous events (i.e. anticipatory action).

This initial work helped to establish a baseline for AA programmes in WFP and was an instrumental guidepost for other agencies' emerging programmes, such as FAO, START, OCHA, and others. This has helped to expand the innovative AA approach globally and inform key initiatives such as the REAP, which is drawing heavily on the experience and expertise of WFP and the Red Cross system.

Today, WFP is supporting government and communities to manage growing climate risks through AA programmes in 19 countries across Asia, Africa and the Caribbean.⁶ In 2021, 1.5 million people were covered by WFP AAs, thereby eligible for receiving assistance in case of a trigger activation ahead of a forecasted climate shock. Almost US\$ 45 million in multiyear funding was available to build the capacity and implement anticipatory actions in case of activations, including US\$ 30 million pre-arranged AA funds from CERF.

Figure 1. WFP AA Achievements in 2021



In all these countries, WFP is supporting governments to link extreme weather forecasts to preventive AA for slow and/or fast onset hazards, depending on the operational context and needs of the vulnerable populations. These

AAs are being embedded into the national disaster contingency plans as well as social safety nets, where possible, to ensure rapid scale up as necessary. WFP is also working with partners to review Climate and Disaster Risk Management (DRM) policies in target countries to ensure there is a national strategic framework for stakeholders to work in. WFP is also working on co-generating evidence on the impacts and cost savings of AA to present to host country governments and donors and support their budgetary allocation from ex-post disaster response to ex-ante instruments.

What constitutes as Anticipatory Action for WFP?

Anticipatory Actions (AAs) are predefined actions taken: 1) based on defined thresholds from forecasts and risk analyses, 2) in anticipation of predictable hazard impacts, so as to 3) prevent or mitigate the risk or impact.

AAs can be delivered through **Forecast-based Financing (FbF) mechanisms**. FbF enables funding and implementation of community-level action in the critical window between a forecast and an extreme weather event. It consists of: 1) forecast triggers; 2) AAs; 3) pre-arranged financing and; 4) M&E framework.

WFP is also collaborating closely with OCHA and other UN agencies, on the Central Emergency Response Fund (CERF) Rapid Response (RR) window for life-saving AA projects. These interagency frameworks are a strategic opportunity for WFP to engage in AA at scale and an opportunity to mainstream the approach at a corporate level, to effectively lead the UN-wide transformation of humanitarian response from repetitive 'response loops' to more forward-looking and anticipatory risk management.

⁶ The expansion was made possible with financial support from the German Federal Foreign Office, Norwegian Agency for Development Cooperation, Ministry of Foreign Affairs Denmark, the International Fund for Agricultural Development (IFAD), the Adaptation Fund, the Green Climate Fund, and OCHA's Central Emergency Response Fund (CERF).



This expansion over the last five years was also realized in great part through an increase of global attention and advocacy, where WFP plays a leading role. Indeed, WFP has established systematic linkages with the Anticipatory Action Task Force (AA TF), the Monitoring Evaluation and Learning practitioners' group (MEAL), and the Interagency Standing Committee's (IASC) early warning and early action readiness group. Moreover, REAP, relies on WFP as a Board and Secretariat member to help anchor country-level programme findings and experiences in policy, link to complementary risk management activities, facilitate the role of climate-risk finance in the establishment of FbF systems at country level, and promote system change towards increased flexible funding for AA.

WFP's Comparative Advantage

Our experience working on AA to date reinforces the fact that WFP is an unrivalled actor in this space, given its:

- 1. Deep field presence and operational experience.** WFP is the world's largest humanitarian organization addressing hunger and promoting food security, including in very remote locations and situations of conflict and protracted crisis. Apart from its 20,000 staff worldwide, of whom over 90% are based in the countries where the agency operates, WFP combines deep-field presence, innovation and technology to help the wider humanitarian community identify, anticipate, respond and warn the world about the threat of famine. Owing to this on-the-ground experience and "delivery culture", WFP is in a unique position to be able to offer practical support for designing, setting up and implementing effective AA systems and programmes even in contexts of disruption where others are absent.
- 2. Analytical capacity and understanding of local contexts.** WFP's effectiveness in anticipating and responding to crises also depends on its ability to understand the local context, choose the best type of assistance and, to the extent possible, predict the occurrence or reoccurrence of crises. Indeed, WFP has unrivalled expertise in understanding the nature of vulnerability and supporting governments and partners to identify, quantify and map risks and target the people most in need of anticipatory assistance. This information on what trends can affect current operations or create new humanitarian needs are inputted in early warning systems which, in turn, can inform decisions on resource allocation and operational readiness.
- 3. Experience working across the disaster management cycle.** WFP works across the disaster a management cycle, including on AA, disaster risk reduction and emergency response. It is the leading UN agency delivering humanitarian emergency assistance to food insecure populations worldwide. It supports the most vulnerable populations' access to innovative climate and disaster risk financing mechanisms, including AA, climate risk insurance, contingency finance and savings. WFP also supports partner governments in resilience-building interventions and social protection programmes to lift people out of poverty and hunger. This combined expertise makes WFP a partner of choice to build lasting solutions that improve outcomes, efficiently and effectively utilize limited donor resources to assist more people with less money and ultimately reduce the residual needs for traditional response.

4. Leading role in global advocacy and strategic partnerships. WFP has strategic partnerships with national governments, civil society, members of the scientific community, humanitarian and development organizations that are actively engaged in anticipatory action. Through its engagement in global advocacy fora, such as the REAP and AA TF, WFP has enabled AA to become one of the most prominent humanitarian topics worldwide. Moreover, WFP has a long history of supporting governments to incorporate food security and nutrition objectives into national policies and strategies, including disaster risk management, social protection, resilience and school feeding. This puts WFP in a better position to mainstream AA into a default programming modality for government and humanitarian actors.

5. WFP’s Strategic Approach to AA for Climate Shocks

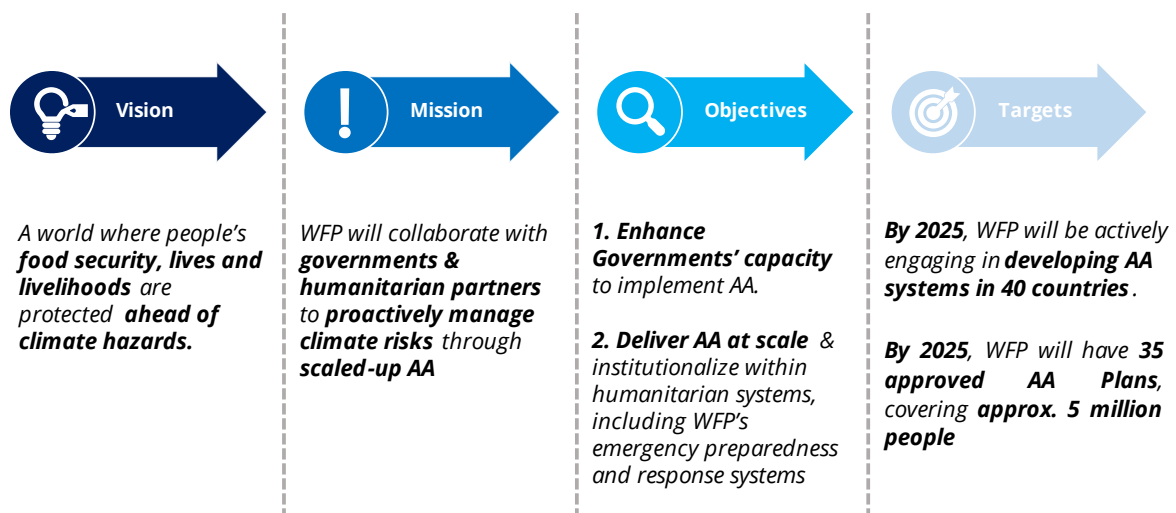
WFP’s Vision for AA

WFP’s vision for this strategy is to protect people’s food security, lives and livelihoods from the impacts of predictable climate hazards. The vision is closely aligned to WFP’s commitments to the REAP, the Food Systems Summit (FSS) and to WFP’s Strategic Plan’s Strategic Outcomes 1 (People are better able to meet their food & essential needs), 3 (People have improved & sustainable livelihoods) and 4 (National programmes & systems are strengthened).

In pursuit of this vision, WFP will collaborate with governments and humanitarian partners to proactively manage climate hazards through scaled-up AA. The mindset of how we respond to predictable emergencies is changing, and WFP remains committed to innovation, to use anticipatory action and financing at scale, to promote a sustainable anchoring of forecast-based protocols across humanitarian and development institutions, and to support partners in developing capacities to achieve systemic change.

Within the timeframe of WFP’s new Strategic Plan (2022-2025), WFP will aim to achieve the following two objectives:

Fig. 2: WFP’s Vision for Anticipatory Action 2022-2025





Objective 1: Enhance Governments' capacity to develop and implement AA. Strengthening national capacities and systems presents opportunities for scale, impact and sustainability – an essential means to respond more effectively to future emergencies and reach the increasing number of food insecure people that are exposed to recurrent climate hazards. First, WFP will provide capacity strengthening support and technical assistance to its government counterparts on AA planning and integration into their national systems (e.g. disaster management, social protection, risk financing, etc). Second, WFP will enable and engage local stakeholders and institutional systems to drive and deliver AA at scale.

The following target, aligned to the new SP timeline, is linked to this objective:

Target 1. By 2025, WFP will be actively engaging in developing anticipatory action systems in 40 countries. This target will contribute to WFP's SO4 and SO5 and to the REAP's target 1: 50 countries have reviewed and integrated their crisis/disaster risk management and climate adaptation laws, policies and plans to ensure that they reduce climate change impacts and exposure on people and the environment.

Objective 2: Deliver AA at scale and institutionalize the approach within humanitarian systems, including WFP's emergency preparedness and response systems. Reaching scale requires transitioning a project-based approach into a programme that is implemented as a main pillar within WFP's and humanitarian partners' emergency response operations. This is a critical step for enabling a predictable and systematic approach to anticipatory action - triggering finance and pre-determined action at the exact moment when they are needed and thereby reducing the uncertainties of resource mobilization after a shock occurs. First, WFP will support the establishment of an internal flexible funding mechanism to enable implementation of WFP-led AAs linked to WFP corporate tools, such as the Corporate Alert System (CAS). Second, WFP will continue engaging in CERF pilots and other joint advocacy networks and platforms to support such a systemic shift within the broader humanitarian and development community.

This objective translates into the following target:

Target 2. By 2025, WFP will have 35 approved Anticipatory Action Plans (AAPs), covering approximately 5 million people. This target is aligned to WFP's SO1 and to the REAP's target 2: 1 billion more people are covered by financing and delivery mechanisms connected to effective early action plans, ensuring they can act ahead of predicted disasters and crises.

Entry Points

WFP will focus on the following five entry points for delivering both objectives and their related targets (see Table 1):

Table 1. Summary of key entry points

WFP Role	ENABLER	DIRECT DELIVERY
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Entry Point	Objective 1: Enhance Gov't Capacity	Objective 2: Deliver AA at scale & institutionalise the approach
	Target 1: By 2025, WFP will be actively engaging in developing AA systems in 40 countries.	Target 2: By 2025, WFP will have 35 approved Anticipatory Action Plans (AAPs), covering approx. 5 million people.
1. Enhancing EWS	<ul style="list-style-type: none"> - Technical assistance to build EWS & forecasting capacity - Support co-production of impact-based thresholds & forecast triggers 	<ul style="list-style-type: none"> - Corporate Alert System (CAS) triggers AA - Support the delivery of last-mile EW information as part of AA
2. Contingency Planning	<ul style="list-style-type: none"> - Support multi-sectoral AAs - Integrate AAs into disaster contingency plans 	<ul style="list-style-type: none"> - Develop AAPs/CERF AA Frameworks - Linkages with complementary WFP programmes (asset creation (FFA), cash-based transfers (CBT), social protection)
3. Prearranged Finance	<ul style="list-style-type: none"> - Linking AA with other sovereign climate & disaster risk financing instruments (CDRFI) - Resource mobilization for AA delivery 	<ul style="list-style-type: none"> - Creation of AA funding mechanism - Development of corporate process and governance of the funding mechanism
4. Operational Readiness	<ul style="list-style-type: none"> - Operational guidance to gov'ts (linkages with preparedness, shock-responsive social protection, emergency response) 	<ul style="list-style-type: none"> - Operational guidance on internal tools & processes (targeting, registration, field-level agreements (FLAs), etc). - Links to CO preparedness plans (including IR-Prep).
5. Policy & Advocacy	<ul style="list-style-type: none"> - Evidence generation / proof of concept - Review and inputs to national DRM policies 	<ul style="list-style-type: none"> - CSP integration, corporate reporting - Engagement in key networks and partnerships (REAP, Anticipation Hub, AATF, Hydromet Alliance..)

1. Enhancing early warning systems (EWS).

Although significant progress has been made in most countries to develop and operate early warning systems, early warning information is often not presented as actionable information, or with the finances needed to implement community-level action.

Development of actionable information requires collaborative engagement between institutions that monitor risk information, forecasting agencies and agencies mandated to provide and finance emergency assistance. This engagement at country-level often tends to be ad hoc and results in early warning information not being systematically used to plan for disaster risk management and humanitarian action. Humanitarian assistance is then largely reactive to climate shocks with support given when many people are already affected by predictable climate events.

WFP will work with partners, including specialised technical service providers, to support national and local stakeholders to address these issues. Depending on the needs and context, WFP can support by:

- a) Assessing existing weather forecasting, EWS capacity gaps and needs and linkages to AA to strengthen governance structures and develop a medium-to long-term support plan.
- b) Strengthening local climate, weather and impact-based forecasting capacities to predict climate-related hazards with adequate lead time and skill.
- c) Co-developing hazard exposure and vulnerability thresholds and associated impact-based forecast triggers that are technically sound, tailored to the needs of the response agencies and linked to response financing scenarios.
- d) Setting-up climate service systems to disseminate actionable forecast and early warning information to different users tailored to their needs.
- e) Facilitating feedback mechanisms from end-users to decision-makers to ensure sustainability and continuous improvement.
- f) Integrating validated AAs, associated triggers and trigger governance mechanisms into both ad-hoc early warning alerts (for rapid-onset hazards) as well as into the Corporate Alert System (CAS) (for slow-onset) to support access to anticipatory action finance, including from the Immediate Response Account (IRA).

2. Supporting national and/or local disaster risk frameworks and contingency plans that integrate AA.

Pro-active disaster management plans that integrate short-term anticipation, response, and recovery, medium-term mitigation actions and long-term resilience-building measures in a synergetic manner are still largely absent, with consequent inability to reduce the impacts of future shocks. This is linked to multiple factors- depending on the context- including, for instance, limited capacities (human, financial and technical) at local levels to use EW information for planning and decision-making; or fragmented coordination and governance mechanisms to guide the process from early warning trigger to AA, early response and scale-down of emergency operations. Moreover, even where AA Plans exist, they have not yet been fully integrated into institutional systems and operations of key government partners such as disaster management or social protection programmes. This is also the case for WFP internally, whereby early warning alerts included in corporate tools such as the CAS or the Global Hotspot Analysis developed jointly with FAO, are not fully linked to pre-agreed action plans and pre-arranged financing. Likewise, there is yet no systematic and coherent approach for linking AA plans to early response (including those funded by the IRA) to emergency scale-down and recovery plans.

WFP will support its COs and local stakeholders with contingency planning efforts to ensure better linking of weather forecasts to AAs and minimize delays between the time an alert is triggered, and action is taken. Specific actions include:

- a) Facilitating identification of multi-sectoral, low-regret AAs linked to selected triggers that can mitigate or prevent the impact of climate hazards on food security and nutrition. In its capacity for “direct delivery”, including in the context of CERF AA Frameworks, WFP will build on existing programmes and interventions (e.g. CBT, FFA or other safety nets, nutrition interventions) to provide the most appropriate package of support to at-risk populations;



- b) Strengthening existing coordination and governance structures for monitoring triggers, communicate activations, coordinate and implement AAs as well as monitor operations and performance (e.g. technical working groups, disaster management committees or platforms);
- c) Integrate AA Plans into local disaster management and/or contingency plans as well as internally, into the CAS, and Global Hotspot analysis to provide a holistic range of support across the crisis timeline (anticipation, response, recovery) and depending on different impact scenarios (severe, moderate, low).
- d) Support the further development, integration and implementation of AAs into the Humanitarian Program Cycle (HPC) and country Humanitarian Response Plan (HRP), in coordination with AA TF members.

3. Pre-positioning flexible finance.

While funds to support AA are growing, they remain small compared to post-disaster humanitarian spending. Instead, governments rely on post-disaster financing instruments, including budget reallocations, borrowing, taxation, and international aid to respond to predictable emergencies at a much higher cost than acting before.⁷ As a result, governments bear growing contingent liabilities from shouldering a significant share of disaster response and recovery costs, and from delayed disaster recovery and construction because of long waiting periods for available aid funds. Similar constraints are faced by WFP and other humanitarian actors, who often have to rely on short-term, project-based funding that limits the scale and type of actions that can be taken to prevent climate hazards from becoming disasters.

In order to address this barrier, WFP will support the establishment of mechanisms for prearranging, and long-term financing of AA both internally and in the countries it operates in. Internally, WFP is developing such a funding mechanism aligned to the corporate Immediate Response Account (IRA) to enable direct delivery of AAs. Externally, WFP can work together with government stakeholders – and where possible development banks- to identify potential sovereign and/or private-sector sources of funding for AA, link these to existing risk financing instruments (i.e. contingency funding, insurance schemes, contingency bonds etc), enhance fund management arrangements to enable timely disbursement of funds to end-users and ensure cost-efficient coverage of different types and magnitude of hazards. In both cases, this will ensure financial resilience against hazards by reducing the need for more costly humanitarian response while addressing some of the ‘residual risks’ that have not been reduced through longer-term investments in resilience.

4. Strengthening operational readiness.

Local actors often face challenges related to operational readiness to implement AAs at scale and in a timely manner. Similar challenges are also faced by WFP COs who often do not have the adequate resources (human, technical or financial) to invest in their readiness capacity to deliver AAs. This limits the sustainability and scalability of the approach, as implementation of

⁷ [ROI FBF NEPAL REPORT.indd \(wfp.org\)](#)



AAs is delayed, and fragmented. For instance, in both the case of the CERF AA pilot in Bangladesh as well as of WFP Ethiopia's AA activation in 2020, crucial time was lost with the legal and financial work related to the cooperating partner agreements, M&E data collection and other necessary field-level preparations.

WFP will strengthen the readiness capacity of its COs and local stakeholders to be able to implement their pre-defined AAs. This includes support on pre-targeting of beneficiaries, setting up beneficiary information management systems to register and transfer anticipatory assistance, finalising agreements with cooperating partners and financial management measures for timely disbursement of funding to the field. WFP will also work with national stakeholders to identify, engage and strengthen existing institutional systems that can deliver AAs at scale, such as social protection systems, where feasible. Linking to existing national systems, can be a rapid and cost-effective way of delivering anticipatory assistance, including by helping to quickly identify vulnerable populations (e.g. using targeting systems, social registries), building on existing programmes (vertical or horizontal scale-up of assistance) and/or delivery channels (e.g. using existing financial service providers for scaling-up use of cash assistance).

5. Supporting policy & advocacy.

Many countries still lack a legal framework that clarifies roles and responsibilities and that can enforce mandates as they relate to disaster risk management. Even where such frameworks exist, they may not explicitly include AA. Such a legal instrument is needed to strengthen the institutional architecture for disaster management and ensure that AA is integrated into national and/or local planning and investment. This will ultimately guarantee sustainability of a nationally owned and operated AA system.

WFP will support national governments as well as the humanitarian and development community in raising awareness and catalyzing policy reform, institutional innovation and facilitating ownership of AA efforts. Recognizing the roles and mandates of other partners in providing policy support, WFP will work together with them and focus on areas where it has complementary expertise. It will leverage its analytical tools for strengthening the evidence base on the benefits and cost-efficiencies of AA to support decision-making, programme design, learning and investment. It will also facilitate South-South knowledge sharing on best practices and learnings to foster harmonization of policies, replicability and scalability of the approach. Internally, it will integrate AA into CO's Country Strategic Plans (CSPs) to ensure alignment with WFP's contribution to the Zero Hunger agenda within a country and greater sustainability in operational dynamics and resource mobilization. In addition, WFP leads or partakes in several key platforms and technical working groups at global and regional level including the Anticipation HUB, REAP, as well as regional and national FbF technical working groups. Such platforms have been useful in generating awareness, advocacy and knowledge sharing amongst partners and stakeholders on the importance and added value of the AA approach.

6. Resources for Results

Opportunities

Anticipatory Action has financial and resource implications for WFP. As part of their pledges to REAP, WFP and partners have committed to investing \$500 million in early warning system infrastructure and institutions to target early action in 'last/first mile' communities, building on existing initiatives (Target 3). The G7 members have committed hundreds of millions worth of new financing for early action, disaster risk and insurance. This includes a package of support of £120 million in new funding from the United Kingdom and €125 million in new funding from Germany to enable quicker responses for vulnerable people when extreme weather and climate-linked disasters hit.⁸

This provides WFP with an opportunity to secure a growing source of multi-year and innovative funding to address predictable, future disasters that does not compete with resources needed to respond to existing humanitarian needs. Engagement in multilateral networks- such as the REAP and the Anticipation Hub- also provide access to innovative and cross-functional technical and knowledge resources.

Anticipatory action also makes financial sense. By acting based on *forecasted risks* as opposed to manifested needs, AA has high potential to provide a more efficient, effective and sustainable way of managing shocks that upholds the dignity of affected populations while addressing some of the 'residual risks' that have not been reduced through longer-term investments in resilience.

The benefits and effectiveness of AA have been showcased by a growing evidence base. In Kenya, for instance, the estimated long-term impacts of drought-related AA could result in a saving potential of US \$1 billion per year while AA based on 'false alarms' could be taken two to six times before the total costs would reach those of a single late response.⁹ A 2018 WFP Humanitarian Return on Investment (H-ROI) on the FbF system developed in Nepal also confirmed that AA not only saves a significant amount of money in the immediate response (US \$34 per dollar invested over a 20-year period)- but it also further decreases long-term recovery needs and costs¹⁰.

In addition to monetary benefits of AA, different studies (modelled and empirical), found additional benefits of AA:

- early cash transfers are more cost-effective than post-harvest cash transfers in preventing undernourishment in years with low yields (Kenya);
- early cash transfers strengthen the quality and quantity of food consumption among assisted households (Kenya);
- beneficiaries experiencing less psychosocial stress when floods hit (Bangladesh);
- higher crop productivity and less food insecurity during prolonged periods of drought (Kenya and Ethiopia);
- lower livestock mortality during severe cold spells (Mongolia);

⁸ [New G7 action to keep people safer from climate disasters - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/news/new-g7-action-to-keep-people-safer-from-climate-disasters)

⁹ https://assets.publishing.service.gov.uk/media/57a08a0ae5274a31e00003c0/61114_Approach_and_Methodology.pdf

¹⁰ Forecast-based Financing in Nepal, a return on investment study 2019.



- potential to better coordinate and speed up preparedness and subsequent response actions and;
- potential to reduce the national dependency on external support when a disaster occurs (Nepal).

Evidence from WFP's Anticipatory Action Activations:

Bangladesh - Floods

In July 2019, WFP in coordination with the Government of Bangladesh activated a forecast-based financing anticipatory **cash transfers and early warning messaging to 25,000 people three days ahead of a flood.**

Findings show that:

- **cash distribution was timely**, reaching affected households 100 days earlier than previous WFP interventions in the same context
- cash was **withdrawn & spent before/during flood**, mostly to cover food needs
- child & adult food security and well-being, **36% less likely to go a day w/out eating** during the flood
- **higher adoption of preparedness measures** ahead of the floods, lower asset loss and damage, lower debt accumulation and higher earning

Ethiopia - Drought

In April 2021, WFP in coordination with the Government of Ethiopia implemented anticipatory **cash transfers and early warning messaging to 20,475 people** to prevent negative impacts of a forecasted poor March-April-May season.

Findings show that:

- **early warning information was used** to make decisions on how to cope with the impending drought
- Cash was **used within the first 30 days** of receiving each transfer, mostly to cover food needs & repay loans
- **28.2% reduction in emergency livelihood-based coping strategy** index compared to control group.
- Significantly **higher Dietary Diversity Score** compared to control group.
- The combination of **"cash + early warning" was more impactful than "cash only"**.

Required Investment & Resources

WFP's ability to effectively translate these strategic considerations into quality programme design and implementation will require strategic financing and corporate investment. The total budget required for achieving both targets of the strategy, amount to US \$108 million by 2025. The funding gap for this period is approximately US\$ 86.6 million. A breakdown per target is provided below:

Target 1: The costs for strengthening and/or developing anticipatory action systems in 40 countries by 2025 is US \$40.8 million. The funding gap for this period is approximately USD \$28.9 million.

Target 2: Prearranged, flexible funding will be needed to implement AA ahead of climate shocks, with an annual amount of USD \$25 million by 2025.

Table 2. AA Resource Needs (2022-2025). Status as of February 2022.



WFP Global Anticipatory Action Strategy 2022-2025

Breakdown of Funds	2022	2023	2024	2025	Total all years
Target 1: By 2025, WFP supports AA systems-building in 40 countries					
# of Countries	23	30	35	40	40
Capacity Strengthening	\$6,900,000	\$9,000,000	\$10,500,000	\$12,000,000	\$38,400,000
Technical Assistance	\$600,000	\$600,000	\$600,000	\$600,000	\$2,400,000
Total Target 1 Needs	\$7,500,000	\$9,600,000	\$11,100,000	\$12,600,000	\$40,800,000
Available resources	\$4,800,000	\$4,940,000	\$2,200,000	\$0	\$11,940,000
Net Target 1 Needs	\$2,700,000	\$4,660,000	\$8,900,000	\$12,600,000	\$28,860,000
Target 2: By 2025, WFP will have 35 approved AA Plans covering approx. 5million people					
#of approved AA Plans	15	23	27	35	35
#of people covered by AA (including CERF)	2,000,000	3,000,000	3,500,000	5,000,000	13,500,000
Total Target 2 needs (excluding CERF)	\$10,000,000	\$15,000,000	\$17,500,000	\$25,000,000	\$67,500,000
Available resources	\$10,000,000	\$3,800,000	\$3,000,000	\$0	\$16,800,000
Net Target 2 Needs	\$0	\$11,200,000	\$14,500,000	\$25,000,000	\$50,700,000
Total AA Resource Needs					
Total AA Needs	\$17,500,000	\$24,600,000	\$28,600,000	\$37,600,000	\$108,300,000
ISC	\$1,137,500	\$1,599,000	\$1,859,000	\$2,444,000	\$7,039,500
Total Available resources	\$14,800,000	\$8,740,000	\$5,200,000	\$0	\$28,740,000
Total Net Needs	\$3,837,500	\$17,459,000	\$25,259,000	\$40,044,000	\$86,599,500

Without adequate resourcing, the above-mentioned targets will not be met. This includes:

a) Human and technical resources.

Significant technical support is needed from WFP COs and government partners to design, implement and institutionalise AA approaches. This includes support to identifying appropriate AAs, establish impact-based forecast triggers and thresholds, ensure targeting of the most vulnerable, activate partnerships to deliver anticipatory actions in a timely fashion, and assess the impact of each activation.

Currently, technical assistance is provided on a project-by project basis, enabling a rudimentary support structure- with a dedicated team of four short-term staff in HQ and a Regional Coordinator in five out of the six Regional Bureaus (all except RBD). At CO level, national coordinators (where available) often cover a very broad portfolio and/or are linked to short-term project funding only. Given a rapidly growing portfolio of countries in which AA programs are being established, this technical support is insufficient, short-sighted and needs to be institutionalized and expanded to all regions and countries with active AA programs. This will enable seamless connectivity of all AA programs and support access to flexible finance.

WFP aims to establish a Technical Assistance Facility (TAF) which works at the nexus between WFP's Programme Division (PRO) and Emergency Operations Division (EME). The objective of the TAF is to function as a "one-stop shop" to address regional and country-level capacity needs during the different stages of their ongoing or planned AA activities including strategic planning, feasibility studies, development of AA tools, implementation of AA financing, monitoring and evaluation, and support to interagency AA programs such as the UN's CERF AA programmes¹¹. The collaboration across Programme and Emergency Divisions allows for the programmatic support needed to

¹¹Bangladesh (flooding), Burkina Faso (drought), Chad (drought), Ethiopia (drought). Malawi (drought), Nepal (flooding), Niger (drought), Philippines (storms), Somalia (drought);

develop and validate AA Plans, governance of AA finance, and ensure these activities are complementary and inclusive of WFP’s emergency response protocols.¹²

In line with WFP’s Ambition on Climate Action (2021 Draft), the TAF will be an essential instrument for enabling timely and high-quality:

i. Programme coherence. The TAF will enable COs’ access to guidance and tools for embedding AA in their Country Strategic Plans (CSPs), including mainstreaming the cost of national coordinators in Country Portfolio Budgets (CPBs) to avoid relying on ad-hoc, project-based funding that can compromise the smooth implementation of activities from year to year. It will also support COs to articulate and implement linkages with other WFP tools and programmes such as the three-pronged approach (3PA), cash-based transfers (CBT), asset creation (FFA), social protection, climate insurance, etc and/or joint implementation of AA and other disaster risk financing initiatives together with the Red Cross, FAO, OCHA, START Network and other partners. It will also be the platform through which climate and weather forecast information will be incorporated into WFP’s Corporate Alert System (CAS) to develop corporate triggers that automatically release corporate AA funding in areas where AAs have been defined.

ii. Field support. RBs and COs will be able to access both a roster of experts containing profiles of pre-selected candidates that meet the complex and highly technical nature of the work, as well as benefit from new and existing partnerships with global, regional and local technical service providers. In addition, a repository of guidance material to develop and/or scale-up AAPs and forecast based-systems and access AA funding streams such as the CERF AA window, World Bank Famine Action Mechanism, and WFP anticipatory finance will be available. This also includes a knowledge exchange platform for sharing country experiences and lessons learnt on ensuring operational readiness for delivering AA at scale and in a timely manner (e.g. establishing field-level agreements, completing beneficiary targeting, aligning financial delivery mechanisms from HQ to the field, implementing AA M&E frameworks, etc). Finally, the TAF will serve as the main channel to support COs to access internal AA funding through a rigorous preparation and pre-approval process; monitoring of early warnings and validation of forecast triggers.

Figure 3. WFP’s Ambition on Climate Action



b) Predictable and flexible financing.

Prearranged, flexible and multi-year funding is needed to ensure resources are available, reliable and can be quickly released where climate risks are forecasted. Without this, it will

¹² A second proposal submitted outlines the contingency finance needed in 2021 to support AA;



not be possible to deliver AAs at scale, and, generate evidence of the benefits of AA needed to further invest in and mainstream AA approaches in national systems and CSPs.

So far, funding for the implementation of AA at scale and based on need has been limited by short-term, country or region-specific contributions. This current funding structure for AA implementation means that WFP faces the following two risks: i) either WFP cannot implement AAs in certain locations where there is a trigger activation because funding is earmarked for other locations- thereby missing an opportunity to prevent hazard impacts on lives and wellbeing; or ii) WFP cannot spend AA funding within the contribution timeline as AAs are not expected to trigger every year in a particular context- thereby preventing using available funding to meet existing as well as future needs.

WFP aims to establish an internal flexible-funding mechanism to enable implementation of WFP-led AA as per the country-level AA Plans. The most appropriate structure is being determined in direct consultations with WFP's Emergency (EME) and Finance Divisions (FIN) and in relation to WFP's other emergency accounts such as the Immediate Response and Preparedness Account. This is expected to add value to current arrangements in terms of ensuring scale by spreading risk- given that not all countries are expected to be equally or simultaneously affected by imminent hazards- and also by ensuring greater transparency and accountability of resources by limiting interruptions to/side-tracking of WFP's work on AA.

This is also echoed by recommendations from the Strategic Evaluation of Funding WFP's Work (2020): "WFP should strengthen its advance financing mechanisms so that they ensure predictable and timely resourcing for the full scope of WFP's work, including emergency (preparedness, anticipatory action and response), resilience and development activities...It will be important for WFP to engage in innovative financing in a structured way – both at policy and technical levels – so as not to fall behind other organizations and miss out on potential opportunities to help fill the funding gap. Such engagement will require dedicated resources (both human and financial) and support from across the organization."

The internal AA funding mechanism will contribute to the following dimensions of WFP's Ambition on Climate Action (2021 Draft):

- i. Resource Mobilisation.** COs will be able to rapidly access resources from the internal funding mechanism to implement life-saving AAs when their validated AAPs are activated by a forecast trigger. This includes resources to scale-up the reach of AAs delivered through other funding instruments such as CERF, or national disaster risk financing systems. Access to the internal AA funding will be guided by specific protocols and governance measures that are being developed together with EME. The AA funding mechanism will complement investments in AA systems-building supported under the TAF and/or relevant CSP activity budgets.
- ii. Thought Leadership.** WFP will be able to continue to position itself as a leader in AA through the generation of a robust knowledge and evidence base linked to its implementation of AA at scale. This is needed to show-case the approach's added value and increase the "risk appetite" of WFP and governments to invest their own resources (policies, operational and



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financial) to implement AA at scale, and reduce reliance on external humanitarian funding. Learning on good practice and evidence of impact will be regularly presented in platforms that bring together global, regional and national bodies and actors active in AA, including REAP, Anticipation Hub, AATF, Hydromet Alliance, etc.

Acronyms

3PA	Three-Pronged Approach
AA	Anticipatory Action
AAPs	Anticipatory Action Plans
AATF	Anticipatory Action Task Force
CAS	Corporate Alert System
CBP	Country Budget Portfolio
CBT	Cash-based Transfers
CERF	Central Emergency Response Fund
CO	Country Office
CSP	Country Strategic Plan
DRM	Disaster Risk Management
EME	Emergency Operations Division
EWS	Early Warning Systems
FbF	Forecast-based Financing
FFA	Food for Assets
FIN	Finance Division
FLAs	Field-level Agreements
FSS	Food Systems Summit
H-ROI	Humanitarian Return on Investment
HQ	Headquarters
IFRC	International Federation of Red Cross Red Crescent Societies
IRA	Immediate Response Account
M&E	Monitoring and Evaluation
PRO	Programme Division
PoU	Prevalence of undernourishment
RB	Regional Bureau
REAP	Risk-informed Early Action Partnership
SDGs	Sustainable Development Goals
SO	Strategic Outcome
SP	Strategic Plan
TAF	Technical Assistance Facility
UNFCCC	United Nations Framework Convention on Climate Change
UNGA	United Nations General Assembly