



GBDRRRF

**THE GLOBAL BANK
DISASTER RISK REDUCTION
AND RECONSTRUCTION FUND**

*Public Affairs Section of the
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PRESS RELEASE

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Global Bank Central Emergency Response Fund Marks Another Milestone in Addressing Disasters, Conflict, and Fragility



Los Angeles, CA – December 12, 2019 — Today, in conjunction with the United Nations Climate Change Conference (COP25) held from 2 to 13 December 2019 in Madrid, Spain, the Global Bank Group announces the expansion of [Global Bank](#) programme to include conflict, and fragility. The launching of this expansion marks another milestone in addressing disasters, conflict, and fragility. It builds on the Global Bank Disaster Risk Reduction and Reconstruction Fund – An Umbrella Trust Fund (@GBDRRRF) (GB-DRRRF) and the Global Bank Adaptation and Resilience Action Plan.

The Global Bank Central Emergency Response Fund (GB-CERF) was established in 2019, as a multi-donor partnership and grant-making financing mechanism. Its purpose is to ensure a more **predictable, flexible, and timely** response to disasters, conflict, and fragility.

The objectives of the Global Bank Central Emergency Response Fund are to promote **early action** and **rapid response** to **reduce the loss of life, enhance response to time-critical requirements, and to strengthen** Global Bank Group's core elements of humanitarian response, particularly in underfunded crises, based on demonstrable needs and priorities identified in consultation with the affected State as appropriate.

"There is a growing recognition that countries often face multiple, overlapping risks beyond those stemming from fragility, including climate change and natural disasters and economic shocks," says [Ron Nechemia](#) (@RonNechemia), President of the Global Bank Group (@GlobalBankGroup). He added, "To boost the percentage of coverage, the Global Bank is working toward breaking out of traditional funding models that are no longer sufficient for the complex and protracted crises we face. To this end, Global Bank has proposed a more tailored engagement in different situations of building resilience to ensure that the resources are targeted towards the people, sectors and areas that need them the most; and promote efficiency so that the resources are used as effectively as possible."

GB-CERF ENSURES A MORE PREDICTABLE, FLEXIBLE AND TIMELY RESPONSE TO COMPLEX HUMANITARIAN EMERGENCIES

The Global Bank Central Emergency Response Fund is a ***humanitarian fund*** established by the Global Bank Group ***for all nations and for all potential victims of disasters***. It was designed to spearhead the Global Bank Group's efforts to address ***natural and man-made humanitarian emergencies***. The GB-CERF is primarily focused on what happens a day after survivors have been rescued, and the initial lifesaving aid has been delivered. ***While continuing to meet lifesaving and life-sustaining needs***, the GB-CERF kick-starts funding for sustainable larger-scale critical projects by Global Bank and their partners. Its purpose is to ensure a ***more predictable, flexible, and timely response*** to complex humanitarian emergencies. The rapid and flexible support offered by the GB-CERF makes it a **central pillar** of the Global Bank Group agencies' crisis response.

Key elements of the new fund include:

- > The Global Bank Central Emergency Response Fund **Operates Autonomically** from any other actor's humanitarian objectives, including political, economic, military or other purposes in areas where humanitarian action is being implemented.
- > The Global Bank Central Emergency Response Fund grant element is divided into two windows: one for **Rapid Responses** (approximately two-thirds of the grant element) and the other for **Underfunded Emergencies** (approximately one-third of the grant element).
- > **The Rapid Response window** provides funds intended to mitigate the unevenness and delays of the voluntary contribution by providing seed money for lifesaving, humanitarian activities in the initial days and weeks of a sudden onset crisis or a deterioration in an ongoing situation. In parallel to the Global Bank Central Emergency Response Fund Rapid Response grant, agencies will be looking for other sources of funding to complement the GB-CERF funds.
- > The **Underfunded Emergencies** window supports countries that are significantly challenged by **"forgotten"** emergencies. With technical support from the CERF Secretariat, the GB-CERF Steering Committee selects countries to benefit from the GB-CERF underfunded emergencies window.

- > The **Advisory Board** comprising of up to 18 independent experts who broadly represent the humanitarian community appointed by the president of Global Bank Group and donors to provide policy guidance and expert advice to the CERF Steering Committee on the implementation of the GB-CERF's mandate as a whole, including on the speed and appropriateness of its allocations and on the use and impact of the fund.
- > An Annual Donor Conference will ensure regular replenishment of the Global Bank Central Emergency Response Fund.

GLOBAL BANK TO CONTINUE INVESTING IN BUILDING RESILIENCE

The Global Bank Central Emergency Response Fund is built on the Global Bank Disaster Risk Reduction and Reconstruction Fund – An Umbrella Trust Fund's experience of crisis response and the need to respond to a perceived gap in the Global Bank Group architecture. The GB-CERF has provided Global Bank with the flexibility to support countries facing shocks within Global Bank's cycles requiring that additional resources be made available faster than possible under the regular Global Bank allocation framework.

The Global Bank Central Emergency Response Fund has evolved from focusing on the physical impact of natural disasters to also include two other types of crises— fragile, conflict, and violence (FCV); and public health emergencies. The GB-CERF is set up as a pilot under the Global Bank Disaster Risk Reduction and Reconstruction Fund – An Umbrella Trust Fund to address repercussions of a natural catastrophe or man-made disaster in the countries of operation.

Initial Resource Mobilization

The Global Bank Central Emergency Response Fund is funded through voluntary contributions. While the GB-CERF is expecting to receive the bulk of its funding from governments, efforts are also likely to focus on reaching out to non-traditional contributors, including from the private sector and philanthropic foundations. The GB-CERF will launch its initial resource mobilization in January 2020 and expecting to gather pledges rapidly.

The need and desire to ensure successful resource mobilization led to the creation of a High-Level Advisory Board on Humanitarian Financing (HABHF) by the President of the Global Bank Group, Ron Nechemia, in February 2019.

About GB-DRRRF

The Global Bank *Disaster Risk Reduction* and Reconstruction Fund – An Umbrella Trust Fund (GB-DRRRF), established in 2017, is a multi-donor partnership and grant-making financing mechanism. Its purpose is mainstreaming climate change into development to help achieve the [Sendai Framework targets by 2030](#) – a decade-long plan to help make the world safer from disasters caused by natural hazards — and to support the implementation of the [Global Climate Agreement in Paris](#), and prevent disasters undermining progress on the [Sustainable Development Goals](#). The rapid and flexible support offered by the [Global Bank Disaster Risk Reduction and Reconstruction Fund](#) makes it a central pillar of the [Global Bank Group](#) agencies' humanitarian response architecture.

More detailed information can be found on the GB-DRRRF's website <http://www.gbdrfff.org/>

About Global Bank

Owned by the Global Bank Group, The Bank for International Development and Reconstruction, known as the Global Bank borrows in the international capital markets (the “BIDR,” or the “Global Bank”) and is the Global Bank Group’s long-term sovereign lending institution. As a development bank with an agenda driven by G-7/G-8 and G-20-priorities, its leading priority is to promote global economic and social development. Unlike the multilateral development banks (MDBs), Global Bank is not restricted to operating only in developing countries.

The Global Bank Group represents, develops, and supports the collective interests of the Global Bank and any of its business interests globally. Global Bank is a full-fledged private sector global development bank, **in formation**, – the *world’s second global development bank* – positioned next to the *World Bank Group* and next to the preeminent regional development banks. It combines the characteristics of a multilateral development bank with those of a private financial institution. The primary objective of the Global Bank is to reduce poverty in middle-income countries and creditworthy poorer countries by promoting sustainable development. To this end, Global Bank finances primarily public sector infrastructure projects and sustainable development through the provision of sovereign loans to developing countries. Global Bank’s financial objective is not to maximise profit, but to earn an adequate income to ensure its financial strength and to sustain its development activities.

For information about the Global Bank, please visit <http://www.global-bank.org>

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