



- This note presents the role of the Central Emergency Response Fund (CERF) in response to climate-related disasters, as one piece of a mosaic of finance solutions offered by the international community. It outlines key information about the creation of a CERF climate 'account' ahead of the 2023 General Assembly and COP28.

CERF's role in the climate-financing landscape

- The climate crisis is already a humanitarian crisis. As global warming continues to drive more frequent and more extreme weather events, the gap between humanitarian needs and the capacity to respond will only grow. This means that humanitarian actors will need to adapt to support vulnerable communities in a world where resources will be scarce.
- CERF is an essential enabler of global humanitarian action. As the UN's global emergency fund, CERF is managed by the Emergency Relief Coordinator (ERC) on behalf of the Secretary-General and can respond in any country at any time through prepositioned donor contributions at the global level. CERF funding allows front-line responders to launch anticipatory humanitarian actions ahead of predictable shocks, kick-start relief efforts immediately when a new crisis emerges and to scale up and sustain protracted relief operations to avoid critical gaps when no other funding is available.
- Since 2006 CERF has provided more than US\$8.5 billion to enable UN agencies and their implementing partners to provide timely life-saving humanitarian action in more than 110 countries and territories.
- CERF currently fills an important niche in the climate-crises landscape in addressing the humanitarian impacts of climate shocks and working to reduce vulnerability.
 - More than a quarter of all CERF funding has historically been provided in response to climate-related disasters¹. In 2022, the proportion of CERF funding for climate-related response increased to a third of its overall allocations.
 - As the biggest funder of anticipatory humanitarian action globally, CERF spearheads the scale up of anticipatory action initiatives delivering critical and timely assistance to the most vulnerable people ahead of predictable climate shocks, mitigating humanitarian impact and need, and preserving lives, livelihoods, and human dignity. This approach has also been shown to protect development gains.
- CERF can play an important and expanded role in the global effort to ensure that resources dedicated to climate action reach the most vulnerable people impacted by climate-related emergencies in their time of greatest need.
- Humanitarian action funded by CERF plays a key role in helping to minimize and address the loss and damage caused by climate-related emergencies, and build communities' resilience to future shocks. The Fund's time-tested comparative advantages and strategic added value include:
 - Timely and quick response to climate shocks, reaching the most vulnerable people globally.
 - Access in the most fragile contexts to people in need not served by governments or existing climate financing channels.
 - Enabling principled and coordinated field-led action.
 - Supporting local and international humanitarian organizations and their coordination and leadership structures.
 - A catalyzing function to scale coordinated, collective anticipatory action.

¹ Since its inception in 2006, CERF has allocated more than US\$2.1 billion for response to climate hazards, which enabled life-saving assistance for some 462 million people in 86 countries.

- A tried and tested – but also continuously improving – risk management system.

Mobilizing dedicated financing for CERF's climate-related response

- A dedicated CERF climate 'account' – to receive *additional/new* funds to support its anticipatory and ex-post response to climate-related emergencies – will provide a predictable, quick, efficient and impactful channel for reinforcing CERF's climate action. The account will provide an opportunity for all donors to channel via CERF financing to the most vulnerable people affected by climate-related emergencies, including those in contexts of fragility, conflict, and violence.
- The proposed climate 'account' will be within CERF's current administrative and operational framework, and within the parameters of its existing mandate and decision-making procedures.
- Donor contributions to this CERF climate 'account' will be pooled, and the funds will be attributed through a replenishment principle to the CERF climate-related disaster portfolio (anticipatory action and response). This will provide donors assurance that new contributions are used exclusively to minimize and address the impact of climate-related disasters.
- CERF will provide specific and enhanced climate-relevant reporting to highlight its role in responding to a climate crisis, and to account for the results attributable to the investments made through the new climate 'account'. This reporting could include enhanced information on how CERF-funded projects contribute to increasing communities' resilience to climate shocks, in line with the General Assembly's emphasis on the links between relief, recovery and resilience.
- CERF will not change its life-saving mandate set by the General Assembly and repeatedly reaffirmed by consensus, nor its needs-based decision-making processes. CERF allocations will continue to enable humanitarian partners to kick-start relief efforts immediately in response to – or in advance of – humanitarian disasters, be they driven by climate or other factors, with decision-making focused on addressing prioritized humanitarian needs and in line with established principles.

The importance of additionality and scale

- While the new approach may not immediately yield vast sums of new funding, it is a clear signal that CERF aims to enhance its role in supporting communities most impacted by the climate crisis, and in contributing to minimizing and addressing relevant aspects of loss and damage caused by climate-related disasters. Any donor providing additional climate finance through the CERF climate 'account' in 2023 can help set a precedent leading to necessary change.
- Future climate contributions to CERF will have to reach a significant scale to achieve the desired step change in CERF's climate response.
- If achieving the required volume, the climate investments will allow CERF to respond more commensurately to the growing climate-related humanitarian needs and accelerate the scale-up of anticipatory action to get ahead of predictable climate shocks in the most vulnerable contexts, while at the same time ensuring sufficient resources to respond to other types of emergencies.
- The *additionality* of climate funding contributions to CERF is paramount for establishing a CERF climate 'account'. Existing humanitarian donor envelopes for CERF should not be redesignated as climate funding since it would not generate added value. On the contrary, it would create limitations within the existing CERF resources.