

MAKING DISASTER RISK FINANCING WORK FOR RISK-AFFECTED PEOPLE



ACCOUNTABILITY GUIDANCE

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About the Centre for Disaster Protection

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TABLE OF ABBREVIATIONS

ADRiFi	African Disaster Risk Financing Program
ARC	African Risk Capacity
DRF	Disaster risk financing
IGP	InsuResilience Global Partnership
ISF	InsuResilience Solutions Fund
V20	Vulnerable Twenty Group of Finance Ministers

SUMMARY

Disaster risk financing (DRF) aims to ensure that money and plans are in place before a disaster occurs. It involves linking information about risk to smart financial models, so that support can predictably and quickly be channelled to the people and places that are most vulnerable to disaster impacts – instead of waiting for unpredictable fundraising that arrives too late. It includes a range of models, from disaster insurance to contingency funds, involving a variety of stakeholders from the public and private sectors.

Accountability is a core principle for making DRF work for risk-affected people. Although DRF actors are widely committed to this, there is not yet a shared understanding of what accountability means and how it should be applied. As the DRF community of practice grows and models mature, attention is starting to shift beyond technical preoccupations to consider how to assure financing that is people centred as well as effective.

This guidance note is therefore intended as a common framework to support practical approaches to meaningful accountability across the sector, with the aim of assuring financing that is in the best interest of the at-risk communities that it seeks to serve. It can be used by anyone involved in DRF, including those promoting, designing, delivering and supporting DRF.

Because of the diversity of DRF instruments and approaches, this guidance does not seek to provide rigid guidelines for every instrument or organisation to follow. Instead, it is a basic framework that users can adapt to make it most relevant and useful.

Based on existing definitions and extensive consultation within and beyond the sector, we define accountability as an umbrella term, involving three dimensions and three directions.

UMBRELLA DEFINITION

Accountability is being responsible for using power and resources properly, taking into account the views of those affected by decisions and actions, and being able to be held to account for the consequences of those decisions and actions

THREE DIMENSIONS

 **Transparency**

Clear, open and accessible disclosure of plans, processes, decisions and actions

 **Participation**

Actively inclusive involvement of those affected by decisions and actions in decision-making, actions and learning

 **Answerability**

Appropriate, consistent, enforceable response to feedback and complaints

THREE DIRECTIONS

 **'Downward' accountability**

To the clients DRF is intended to benefit – ultimately, risk-affected people

 **'Upward' accountability**

To those paying for and/or commissioning DRF products

 **'Outward' accountability**

To sources of public scrutiny or oversight

This guidance note explains what this definition means in practice, showing how it 'docks' into the process of designing, delivering and improving DRF. It provides a set of core criteria, quality indicators and questions to prompt reflection and action at each step of the process.



BACKGROUND

1.1 Rationale and purpose

Accountability is presented as a core principle by many major DRF actors. The reasons for this are both values-driven and instrumental: accountability is an expression of rights and a means to achieve effective DRF.

The defining characteristics of DRF bring distinct opportunities for advancing accountability, but also real challenges for doing so meaningfully. Unlike other forms of crisis finance, the ownership of risk, and predictable allocation of resources and responsibilities are integral to the idea of DRF. Premised on objective data, upfront agreements and clarity of roles, the design and implementation of DRF instruments offer clear potential for engagement and openness about how to manage risk. But it takes work to realise this potential, given the technical and complicated nature of DRF instruments.

For the Centre for Disaster Protection (the Centre), the values and practices linked to accountability are integral to its vision for effective DRF. Elements of accountability – including transparency, participation and learning – are woven into the Centre’s strategy, policy and

guidance tools, including the 7 Keys to Unlock Effective DRF¹. In 2021, the Centre published a working paper² to clarify the concept of accountability and assess how it could be applied. This identified the need for practical guidance to support and assess how accountability is strategically and consistently put into practice.

This guidance has been developed with the active engagement of experts involved in designing, managing and implementing DRF, to create a resource that can be used across a wide range of instruments as part of an ongoing process of learning and improvement. It is intended for use by stakeholders across the sector, including public and private investors and donors providing the ‘money in’ to DRF models; government, inter-governmental and non-governmental entities implementing DRF-based solutions; and policymakers and advocates who are shaping their design and evolution.

DRF instruments are diverse: they involve different configurations of stakeholders (see Figure 4), operate in very different political and risk environments; and seek to solve different problems.³ Therefore, this guidance does

Figure 1: Application of guidance

	Donors/investors	Implementers	Policymakers and advocates
Emergent instruments	A basis for integrating accountability into the design of new instruments		
Existing instruments	A framework for assessing quality and performance and recommending improvements		
Sector development	A tool for assessing sector-wide progress and supporting greater accountability		

1 See <https://www.disasterprotection.org/7-keys-to-unlock-effective-drf>

2 Swithern, S. (2021) ‘Accountability in disaster risk financing’, working paper, Centre for Disaster Protection, London. <https://www.disasterprotection.org/publications-centre/accountability-in-disaster-risk-financing>

3 The guidance focuses, in particular on accountability in DRF instruments that pay out to state institutions (macro-level) or implementing organisations (meso-level), rather than direct insurance for individuals or communities (micro-level); however, the principles and definitions may be applicable for all types of DRF.

not seek to provide rigid guidelines for every instrument or organisation to follow. Instead, it is intended as a shared starting point that users can adapt. We expect that many performance questions (see section 3) will not have straightforward answers. This does not devalue the importance of asking these questions – an objective of this guidance is to promote the discipline within the DRF sector of systematically considering how it is applying accountability. No instrument will be fully accountable, but the exercise of carrying out a routine review should be a starting point for identifying sticking points and designing improvements.

1.2 The DRF accountability landscape

There is broad acceptance of the importance of accountability among DRF actors, enshrined in commitments which reflect different aspects of accountability. These include:

- The **InsuResilience Global Partnership (IGP)**'s 'pro-poor principles', which seek to put people at the centre of solutions in a rights-based approach. The three guiding principles – impact, quality and ownership all imply accountability – and explicitly call for transparency of risk information and of conduct of mechanisms, and empowerment of end users to jointly design, decide on and implement solutions.
- The **Global Risk Modelling Alliance** (supported by the InsuResilience Solutions Fund and following agreement between the Insurance Development Forum and the Vulnerable Twenty (V20) Group of Finance Ministers), which is committed to a process of democratising risk understanding, including through access to open modelling platforms.
- The **African Risk Capacity (ARC)**'s focus on gender in DRF mechanisms, which calls for greater participation of women from risk-affected communities in decision-making and development of risk information.
- The **Start Network**, which describes accountability as 'non-negotiable' and has published guidance on accountability to affected people in DRF that supports network members to integrate community engagement from the outset of the process through to implementation.

However, widespread and meaningful implementation of accountability has been slower to emerge and has not been a priority for investment or action. This is not unique to DRF, but there are reasons which are particular to the sector, including:

- A **lack of shared understanding** of what accountability means in principle and practice, reflected in the lack of implementation pathways, making it hard to progress beyond broad commitments.
- The **specialised technical and science-based models** underpinning DRF, which make accessible information and engagement difficult.
- The **ex-ante nature** of DRF instruments, which pose challenges for both sustaining upfront engagement, and ensuring timely post-payout course correction.
- The **configuration of stakeholders**, with multiple actors involved in complicated agreements, which means that there is often no direct line of accountability to risk-affected people, and it may not be clear who is responsible for what. Private and public actors have different conceptions of their accountability to clients and to end users.

As a result, an overview of accountability practice across DRF instruments⁴ finds that:

- There is a **lack of publicly available information** on the workings of DRF mechanisms, which indicates a transparency deficit and makes it difficult to assess accountability progress and performance more widely.
- There appears to be an **inversely proportionate relationship between the degree of attention to accountability and the financial size of investments**. Smaller mechanisms such as humanitarian anticipatory action schemes are generally more transparent and more explicit about their participatory aims than are the larger insurance- and debt-based instruments.
- **Strategic end-to-end accountability is rare**. Rather than being integrated throughout the DRF process, efforts tend to cluster around certain points; in particular, participation of local stakeholders in the collection of risk and vulnerability data, and provision of complaints mechanisms.

⁴ See Swithern, S. (2021). *Accountability in disaster risk financing*, Centre for Disaster Protection. <https://www.disasterprotection.org/publications-centre/accountability-in-disaster-risk-financing>

2







CONCEPTS AND DEFINITIONS

2.1 Defining accountability

Accountability is a widely used term, but without consensus about what it means. Drawing on existing understandings in the DRF sector, we propose accountability to be an umbrella term that comprises three connected dimensions and three directions of relationships to stakeholders.

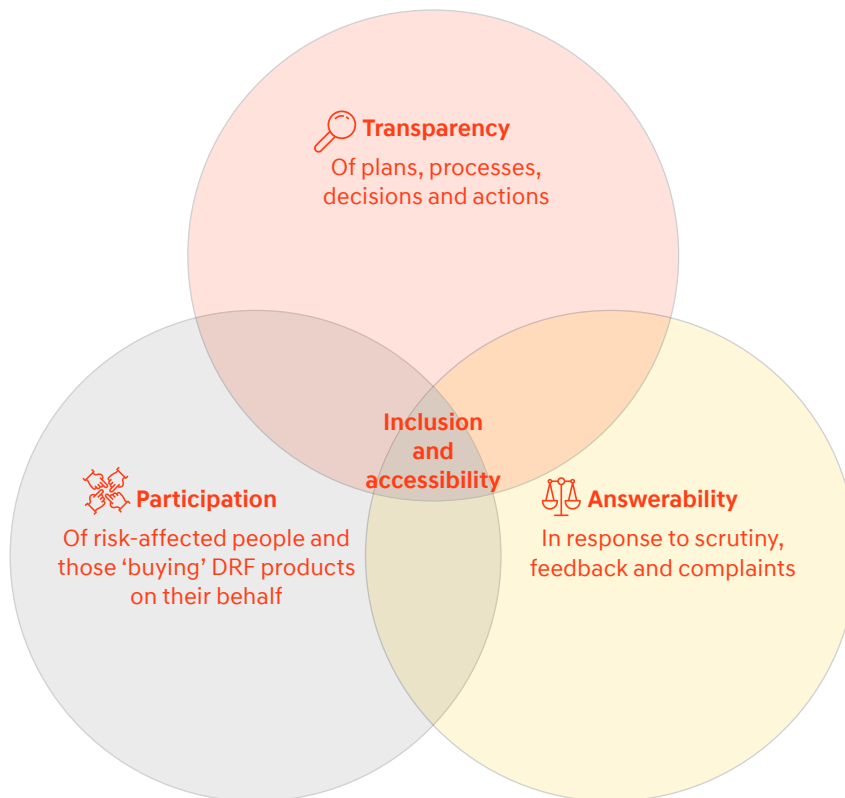
Throughout this guidance, we will refer to these six components wherever appropriate, rather than the umbrella term of ‘accountability’. The relationships between each of these components are important and complex, requiring active consideration if accountability is to be strategic.

Figure 2: Definition of accountability and its elements

<p>UMBRELLA DEFINITION</p> <p>Accountability is being responsible for using power and resources properly, taking into account the views of those affected by decisions and actions, and being able to be held to account for the consequences of those decisions and actions</p>	
<p>THREE DIMENSIONS</p> <p> Transparency Clear, open and accessible disclosure of plans, processes, decisions and actions</p> <p> Participation Actively inclusive involvement of those affected by decisions and actions in decision-making, actions and learning</p> <p> Answerability Appropriate, consistent, enforceable response to feedback and complaints</p>	<p>THREE DIRECTIONS</p> <p> ‘Downward’ accountability To the clients DRF is intended to benefit – ultimately, risk-affected people</p> <p> ‘Upward’ accountability To those paying for and/or commissioning DRF products</p> <p> ‘Outward’ accountability To sources of public scrutiny or oversight</p>

2.2 Unpacking the three dimensions of accountability

Figure 3: Scope and overlap of the three dimensions of accountability



Transparency, participation and answerability are interdependent dimensions of accountability. For example, participation relies on access to information and requires clear follow-up mechanisms if it is to be meaningful. Similarly, effective answerability mechanisms rely on stakeholders having comprehensible information up front to set clear expectations, and a degree of participation to enable feedback.

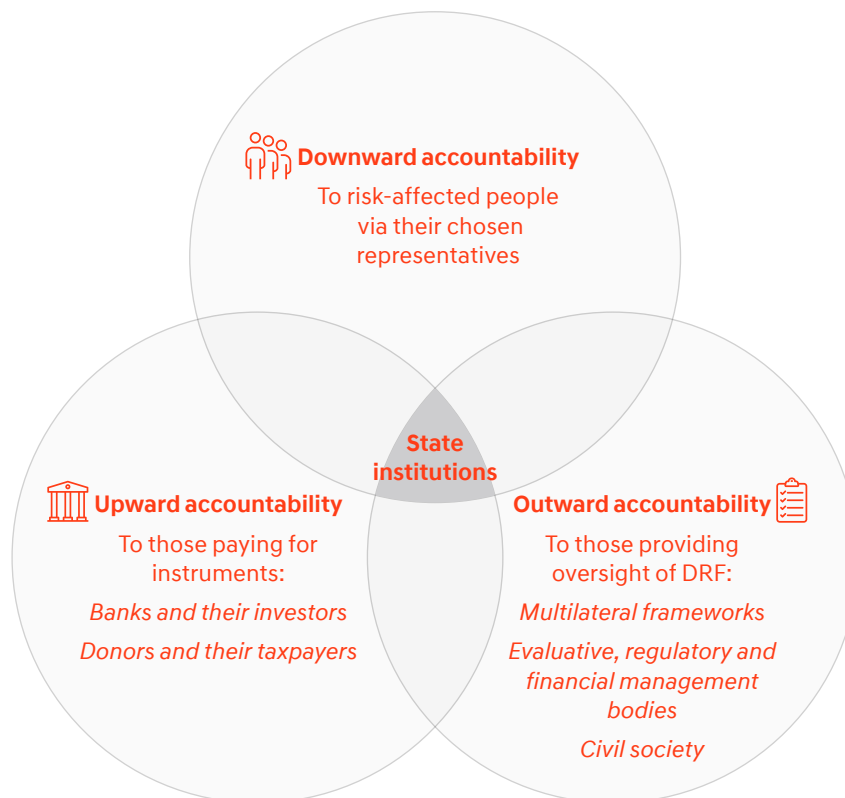
However, we cannot assume that one dimension automatically leads to another. For example, putting information into the public domain will rarely lead to greater participation and answerability without efforts to enable this.

Inclusion and accessibility are central to all three dimensions. This involves taking active measures to ensure that marginalised people are not excluded, and that information, consultation and feedback mechanisms are designed to be accessible. Social exclusion (particularly due to gender, age, disability, language and education) and political exclusion (due to ethnicity or location) are fundamental considerations.

Although all three dimensions are important as end-to-end strategic considerations, they do not all apply to the same degree at each point in the process of designing and implementing a DRF instrument. This is detailed in section 3.

2.3 Unpacking the three directions of accountability

Figure 4: Scope and overlap of the three directions of accountability



Ultimately, DRF must be accountable to those it seeks to serve – namely vulnerable, risk-affected people. Here, this is captured as ‘downward accountability’. Upward and outward accountability should align with and support downward accountability, with the shared aims of ensuring that DRF is pro-poor and benefits the most risk-affected people, as well as being effective and cost efficient.

Unlike microinsurance schemes, macro- and meso-level DRF instruments do not automatically have a direct ‘line of sight’ to risk-affected people, in terms of engaging them as direct clients. In particular, sovereign instruments⁵ tend to work on the assumption that the state as DRF client represents the interests of the people and accountability often stops here. But this does not have to be the case: effective DRF builds in incentives for better planning and accountability for ‘money out’ from the

outset; good accountability involves ensuring this ‘last mile’ of risk protection between a state and its most vulnerable people is clear. In contexts of fragility or social marginalisation, this demands greater direct engagement with people and the civil society groups that represent them.

There are overlaps between downward, upward and outward accountability; for example:

- Where a state uses public funds to contribute to insurance premiums, governments and their taxpaying citizens are both due upward and downward accountability.
- Similarly, public oversight bodies may be associated with the government ministries or multilateral bodies that pay for instruments.

⁵ In other words, macroinsurance schemes where the state is the insured party.

3

APPLYING ACCOUNTABILITY

3.1 Accountability questions at each ‘docking point’

Most DRF instruments share a basic common process – from pre-disaster identification of risks and responsibilities, to allocation of funds and implementation of agreed actions once disaster triggers or thresholds are met, to after-action learning and review.

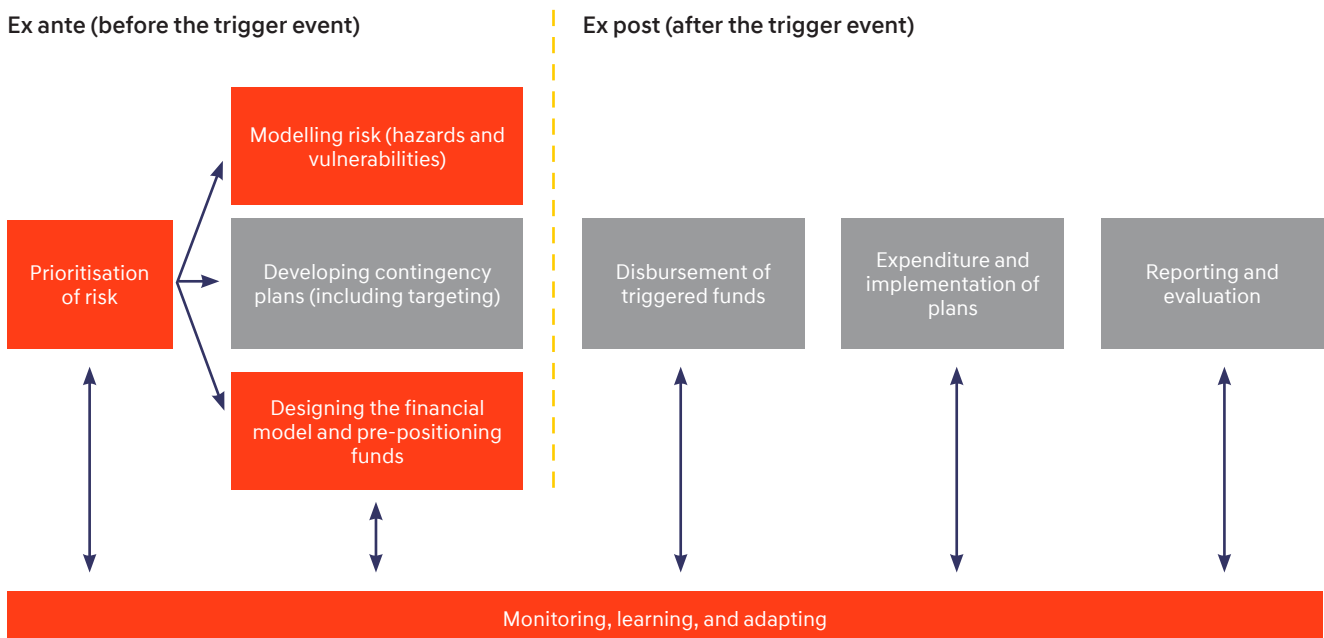
This process offers a set of ‘docking points’ for accountability – points when transparency, participation and answerability should be assured. Each of these docking points raises a set of questions and opportunities for transparency, participation and answerability. Figure

5 sets out these docking points and Figure 6 outlines a series of question prompts to guide users to consider options for including accountability measures.

Accountability should be a strategic ‘end-to-end’ consideration, so these opportunities and questions should be holistically rather than selectively considered in the design and review of DRF instruments.

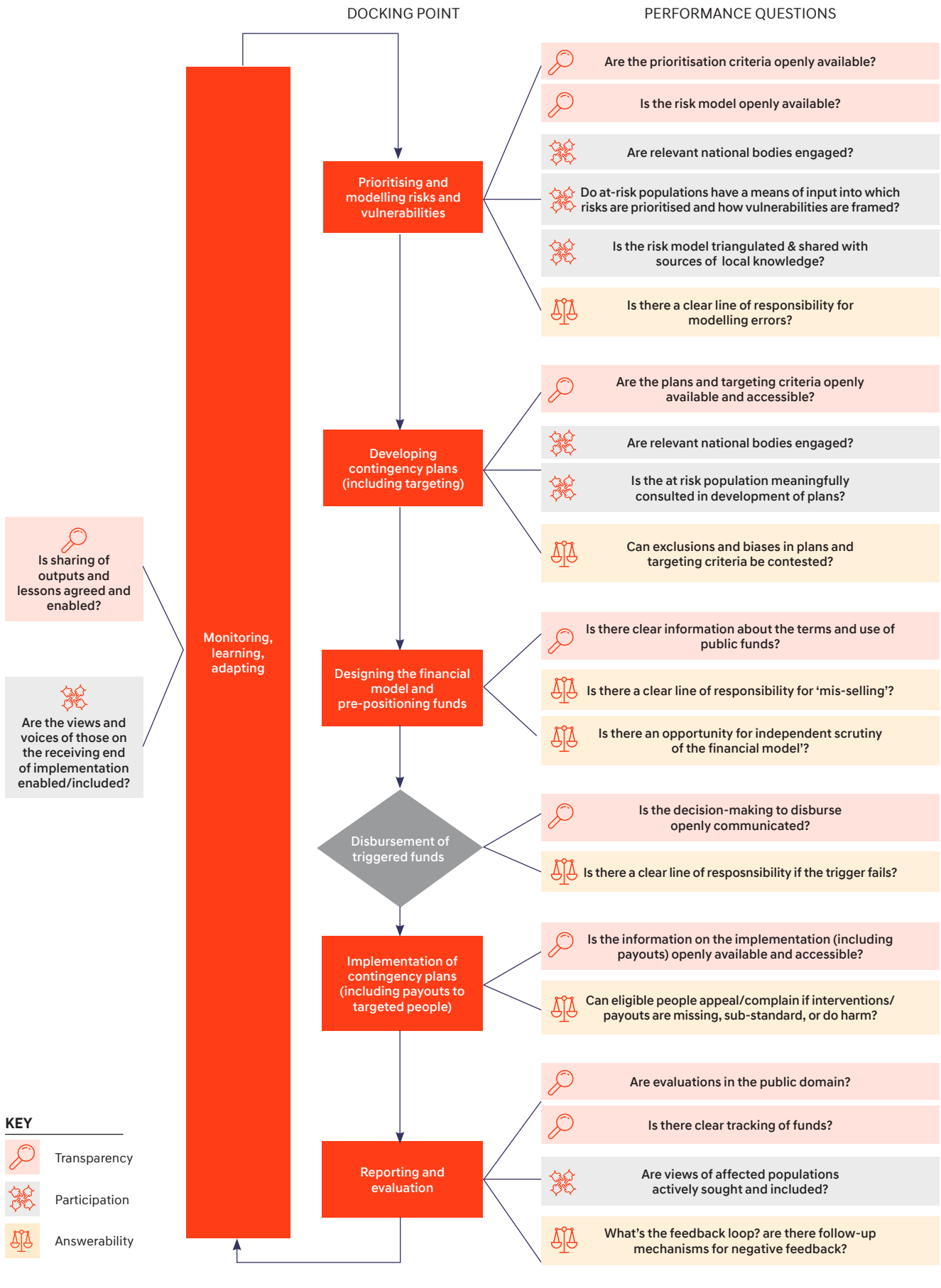
Given the wide range of specialised DRF instruments, these questions will need to be adapted to the particular instrument under consideration (see ‘guidance notes’ in section 3.2).

Figure 5: Accountability docking points in the DRF model



Note: orange boxes denote money-in aspects of DRF and grey boxes denote money-out aspects, although monitoring, learning and adapting relates to both money in and money out.

Figure 6: Accountability performance questions at each docking point



3.2 Quality criteria and performance indicators

Transparency

Definition

Transparency is being open in the disclosure of information (including costs), rules, plans, processes and actions.

It also includes taking measures to enable and promote accessibility and usability of information.

Aims


- Parity of information among stakeholders to enable informed decisions, constructive scrutiny, open learning and active trust.
- Enabling improved accountability of specific instruments and collective effectiveness of DRF investments by shedding light on gaps and overlaps.


Transparency alone does not guarantee these benefits: information disclosure is not an indicator of information use. Accountability therefore involves connecting transparency to participation and answerability.


Quality criterion

Information about DRF processes, decisions, financing and action is accessible to all stakeholders.

Performance indicators

 Information is available in formats, platforms and languages that are accessible to risk-affected people, including marginalised groups.

 Information is provided in a timely and impartial fashion to parties 'buying' or investing in DRF.

 Core information is in the public domain and further details are readily available on demand.

Design/performance question

Prioritising and modelling risks and vulnerabilities

Are criteria for prioritising risks and vulnerabilities openly and accessibly available?

Is the risk model openly available?

Developing contingency plans

Are the plans and targeting criteria articulated and openly and accessibly available?

Designing the financial model and pre-positioning financing

Is there clear information about the terms and use of public funds?

Disbursement of triggered funds

Is the disbursement triggering and decision-making process openly and accessibly communicated?

Expenditure and implementation of plans

Is information on the implementation (including payouts) accessible?

Monitoring, learning and adapting

Is there clear tracking of funds – from 'money in' to ultimate expenditure?


Are lessons and evaluations in the public domain, and are they actively shared with stakeholders?

Guidance notes

Application to different DRF instruments

All **DRF instruments** are based on scientific modelling, which may present transparency challenges in two regards:

- The first is **intellectual property** – models or datasets may belong to private providers. For existing instruments, where this is the case, there may be no immediate route to fully transparent models, but there may be possibilities to share overview data and methods. The aspiration for all future iterations of instruments should be open models and data.
- The second is **accessibility** – highly technical models may be hard to share in a way that stakeholders can understand and navigate. Here, demand for access will need to be understood on an instrument-by-instrument basis, with a view to working towards the relevant type and degree of accessibility.

 **In-practice example: The Global Risk Modelling Alliance (GRMA) was established in 2022 following a strategic agreement between the Insurance Development Forum and the V20. The GRMA aims to democratise risk understanding by providing technical assistance, co-developing models and data for public good, and enhancing access to open risk-modelling platforms.**

Sovereign instruments channel pay-outs to government entities, which may present transparency challenges to **financial tracking**. DRF disbursements usually pay into government budgets that contribute to risk management, so it may be hard to track a specific contribution beyond the point of the DRF payout. Supporting systems for allocating and tracking the use of public finance is a goal that goes beyond the scope of DRF instruments – but it is one that DRF negotiations can contribute to, by setting reporting expectations and by nesting DRF instruments within wider support for public financial management of disaster risk.



In-practice example: The African Disaster Risk Financing Program (ADRFi) of the African Development Bank has a function to support governments to track funding flows. It is currently supporting Malawi and Zimbabwe to do this.

Connections to other frameworks, principles and guidance

The Centre for Disaster Protection's quality assurance guidance⁶ includes transparency as one of three quality criteria for assessing the quality of the 'money-in' dimensions of DRF instruments. Specifically, this involves ensuring parity of information by, making documentation available to stakeholders, so that they can easily scrutinise the terms of the instrument and the availability of better alternatives.

The IGP's Vision 2025⁷ envisions: 'improving access to and understanding of data and modelling for vulnerable countries and communities at different regions, ensuring that information related to climate and disaster risk finance is readily available and user-friendly to the global community'.

The IGP's pro-poor principles⁸ call for instruments to 'ensure the transparency of solutions to build risk awareness and participatory risk management as well as transparent conduct in terms of funding and delivery of resources, and establish processes and mechanisms for meaningful engagement'.

6 Centre of Disaster Protection (2020) 'Disaster risk financing: A guide to our quality assurance service', Centre for Disaster Protection, London. <https://www.disasterprotection.org/publications-centre/disaster-risk-financing-a-guide-to-our-quality-assurance-service>

7 See https://www.insuresilience.org/wp-content/uploads/2022/10/InsuResilience-Global-Partnership_Vision-2025-with-Workplan1.pdf

8 InsuResilience Global Partnership (2019) 'Pro-Poor Principles of the InsuResilience Global Partnership'. <https://www.insuresilience.org/publication/pro-poor-principles-of-the-insuresilience-global-partnership/>

Participation

Definition

Participation is the expression of the right of all those who are affected by a decision to be involved in the decision-making process.

It covers a spectrum of engagement from informing, to consulting, involving and collaborating.

Aims

- Active engagement of representatives of risk-affected people – including marginalised groups – to shape DRF that best addresses their requirements.
- Participation in DRF design and implementation connects to enhanced engagement in wider disaster risk management planning and action.


Participation requires parity of information, thereby linking with transparency. Engagement without follow-


up action can undermine trust, so participation must link to learning and answerability.


Quality criterion

The knowledge and views of risk-affected people are taken into account in the design and implementation of DRF mechanisms.

Performance indicators

 Risk-affected people – including marginalised groups – have meaningful opportunities to provide input into the design and implementation of DRF instruments.

 Relevant local and national authorities of countries signing up to DRF instruments are fully informed and consulted in decision-making.

 The views and interests of risk-affected people are solicited in the oversight of DRF mechanisms.

Design/performance question

Prioritising and modelling risks and vulnerabilities

Are relevant national bodies engaged?

Do risk-affected people – including vulnerable and marginalised groups – have a means of input into which risks are prioritised and how vulnerabilities are framed?

Is the risk model triangulated and shared with sources of local knowledge?

Developing contingency plans

Are relevant national bodies engaged?

Are risk-affected people meaningfully consulted in the development of plans, including selection and targeting of recipients, and ensuring pay-out models factor in financial inclusion?

Monitoring, evaluation and learning

Are the views of risk-affected people actively sought, enabled and included?

Guidance notes

Degrees of participation

Participation spans a spectrum or 'ladder' of engagement – from receiving information about a decision, through to being and active an equal participant in decision-making. Participation can be **nominal** (to give legitimacy to processes); **instrumental** (involving participants' inputs to make a preagreed process more efficient or effective); **representative** (giving participants a voice in decision-

making); or **transformative** (disrupting the status quo of participation in decision-making). DRF instruments should seek to recognise and move beyond nominal participation.⁹

Inclusion is fundamental to participation. As the most marginalised groups are often most vulnerable to disaster risk, ensuring meaningful participation involves taking steps to actively enable their perspective to be voiced and

9 White, S. (1996). Depoliticising development: the uses and abuses of participation, *Development in Practice*, 6(1), pp. 6–15. <http://dx.doi.org/10.1080/0961452961000157564>

listened to. Linking to **gender equity and social inclusion** principles is an important consideration here.¹⁰

Application to different DRF instruments

Meso-level DRF instruments implemented by humanitarian organisations involve different assumptions and opportunities for participation, compared to macro-level instruments. Meso-level humanitarian DRF usually pays out at community level or funds direct programming at the community level. The humanitarian model of accountability also involves the concept of the direct participation of crisis-affected people. Good participation in this kind of DRF therefore involves ensuring that this engagement is clearly built in, and is representative as well as instrumental.



In-practice example: The Start Network applied a new model of longitudinal community data collection in its Senegal ARC Replica Programme. This data supplemented scientific modelling and the methodology allowed complex qualitative data to be easily used, while retaining the narrative benefits of community-derived data. Although designed to inform decision makers rather than to engage communities in decision-making, the method could be used to bring communities' voices into early action programme design.

Sovereign DRF, however, pays out to state institutions on the assumption that the state as DRF client represents and consults the interests of risk-affected people (see section 2.3). Good participation in sovereign DRF therefore involves both:

- Ensuring that relevant state representatives have been well engaged – including from all relevant central ministries and subnational authorities.
- Supporting the 'last mile' of participation between state institutions and at-risk people.

The indirect connection between at-risk communities and sovereign DRF instruments can lead to differences of opinion about whether it is feasible or appropriate to involve risk-affected people. A basic guiding principle

here is that the negotiation, creation and implementation of DRF instruments should be seen as an opportunity to advance people's understanding and ownership of disaster risk. Each of the docking points in Figure 6 provide an opportunity to consider how best to support and promote this, according to the country's governance context.



In-practice example: The Caribbean Catastrophe Risk Insurance Facility has significantly evolved the scope of its stakeholder participation. Since its creation in 2007, the risk model has improved and gained trust through the proactive involvement of national and local authorities, and meteorological organisations.

Connections to other frameworks, principles and guidance

The Centre for Disaster Protection's quality assurance guidance¹¹ includes participation as one of three primary aspects of the money-out side of DRF instruments, specifically around the involvement of different stakeholder groups, including vulnerable communities; and communication to enable a common understanding of the costs, benefits and risks of the approach. The Centre has elaborated its approach in a guidance note on participation in DRF.¹²

The IGP has participation as a core idea, and it was constructed to be a multi-stakeholder partnership that included the voices of risk-affected communities through intermediary organisations. Ownership is one of the IGP's pro-poor principles¹³ with the intention to 'strengthen the capacities of stakeholders, and empower specifically the end users, to jointly design, decide and implement solutions.'

The InsuResilience Solutions Fund (ISF)'s grant procedures manual¹⁴ includes a criterion for eligibility that it must 'ensure inclusion and active participation of local stakeholders in the field of disaster risk management.' As the **Global Shield's** In-Country Process evolves, there is an intention for it to institutionalise the participation of risk-affected communities in the design of DRF packages for its partner countries.

10 The FAO/ARC *Call to Action on Women's Leadership in Climate Action and Disaster Risk Reduction in Africa* (Resurrección et al. 2019) notes how women's lack of participation in decision-making and leadership perpetuates risk, vulnerability and inequality.

11 Centre for Disaster Protection (2020) 'Disaster risk financing: A guide to our quality assurance service', Centre for Disaster Protection, London. <https://www.disasterprotection.org/publications-centre/disaster-risk-financing-a-guide-to-our-quality-assurance-service>

12 O'Sullivan-Winks D. (2020) 'Creating power for people facing risk: the role of participation in disaster risk financing', guidance note, Centre for Disaster Protection, London. <https://www.disasterprotection.org/publications-centre/creating-power-for-people-facing-risk-the-role-of-participation-in-disaster-risk-financing>

13 InsuResilience Global Partnership (2019) 'Pro-Poor Principles of the InsuResilience Global Partnership'. <https://www.insuresilience.org/publication/pro-poor-principles-of-the-insuresilience-global-partnership/>

14 See <https://insuresilience-solutions-fund.org/content/kfw-insuresilience-solutions-fund/7-downloads/isf-grant-procedures-manual-version-1.1.pdf>

Answerability

Definition

Answerability is the provision of a fair and adequate response and redress to those who are negatively affected by decisions and actions.

It involves establishing clear and accessible processes for receiving and answering feedback.

Aims

Those responsible for DRF instruments can be held to account for decisions that are detrimental to risk-affected people.

Quality criterion

Responsibilities are clear for all parties engaged in ‘money-in’ and ‘money-out’ of DRF instruments – and effective mechanisms and processes are in place to enable them to be held to account for these responsibilities.

Design/performance question

Prioritising and modelling risks and vulnerabilities

Is there a clear line of responsibility for modelling errors?

Developing contingency plans

Can exclusions and biases in plans and targeting criteria be contested and addressed?

Designing the financial model and pre-positioning financing

Is there a clear line of responsibility for identifying and responding to mis-selling of DRF products?

Is there an opportunity for independent scrutiny of the financial model, including quality assurance and value for money assessment?

Disbursement of triggered funds

Is there a clear line of responsibility and redress if the trigger fails?

Expenditure and implementation of plans

Can eligible people complain if interventions or payouts are missing, substandard or do harm? Are these means of complaint accessible to marginalised groups?

Monitoring, evaluation and learning

Is there a clear feedback loop, including follow-up mechanisms for negative feedback and closure of the loop to inform affected people what action has been taken?

Performance indicators



Risk-affected people have access to effective channels for feedback and complaints.



Parties paying for DRF have access to effective processes for feedback and complaints.



Oversight bodies have effective pathways to facilitate resolution of problems.

Guidance notes

Application to different DRF instruments

Although different types of DRF instruments have different configurations of responsible parties, with different degrees of connection to at-risk communities, the principles for applying answerability are the same. In brief, this involves checking that there is a clear line of responsibility for any errors, failures and harm associated with any part of the process. Those negatively affected by such decisions, actions or negligence should have a clear pathway to seek satisfactory response and redress.

Any grievance processes should be linked to operational learning, to inform ongoing improvement of instruments so that they strengthen rather than undermine instruments and stakeholders' trust in them.



In-practice example: Measures taken in response to non-payouts show the possibilities for last resort answerability. These range from legal action against microinsurers that failed to make payments, to the ex-gratia payment made by ARC in Mauritania in 2019, when the ARC model failed to trigger a payment. Ex-gratia payments risk undermining the function of DRF, so – as in the case of ARC – need to be linked to a process of learning and improvement.

Connections to other frameworks, principles and guidance

Although grievance mechanisms are a common feature of DRF instruments, answerability is not currently a key feature of DRF frameworks and principles. This reflects the underdevelopment of strategic end-to-end answerability and that there is a particular absence of effective models for holding decision makers to account for any adverse actions or negligence at the money-in end of the process.

The Centre for Disaster Protection's quality assurance guidance¹⁵ does not specifically include the aspect of answerability, though it is connected to the aspect of management in the review of project management processes, which examines how clearly defined stakeholder roles are.

The ISF's grant procedures manual¹⁶ stipulates that at project level each partnership and its individual member organisations must have a process for effective, accessible and transparent procedures to receive and resolve complaints. Feedback and complaints should be encouraged among all stakeholders and resolved without delay.

World Bank Group instruments are covered by its Grievance Redress Service¹⁷, established in 2015 as part of a commitment to transparency and accountability. It is an avenue for people and communities to submit complaints if they feel a World Bank-supported project has (or is likely to have) adversely affected them, their community or their environment.

15 Centre of Disaster Protection (2020) 'Disaster risk financing: A guide to our quality assurance service', Centre for Disaster Protection, London. <https://www.disasterprotection.org/publications-centre/disaster-risk-financing-a-guide-to-our-quality-assurance-service>

16 See <https://insuresilience-solutions-fund.org/content/kfw-insuresilience-solutions-fund/7-downloads/isf-grant-procedures-manual-version-1.1.pdf>

17 The World Bank (2022) 'Annual Report FY22 Grievance Redress Service', World Bank, Washington. <https://documents1.worldbank.org/curated/en/099411001302365502/pdf/IDU0e19d100a05a4604888082390083774824110.pdf>

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Cover image: Women involved in community meeting to discuss village reconstruction. Yogyakarta, Indonesia.

Project: JRF

Credit: Nughrohu Nurdikiawan Sunjoy, World Bank

