

FbF Guide # 7

Forecast-based Financing Financial Mechanism

[THE CHARACTERISTICS OF FLEXIBLE FUNDING](#) - from *Early Action Early Warning - Mechanism for Rapid Decision Making*, IFRC 2014.

Funding for early action should be:

- agreed in advance and quick to release;
- held as close to the operational level as appropriate: decentralised to the district or community; or delegated to the implementing partner;
- linked to specific triggers, or where these cannot yet be agreed in advance, mobilised by swift and light processes on the basis of available evidence and shared analysis;
- supplementary to core programme funding;
- linked to specific activities, which themselves are contextualised rather than standardised;
- tied to people and organisations that are already on the ground with demonstrated capacity, contextual understanding, and actual programmes on which to build;
- transparent and accountable about what resources can be brought to the table in a pre-crisis phase in support of activities within the government plans, and about what surge capacities are there once the government has triggered a response, based on the mutually supported EW system and mutually agreed triggers;
- linked to government budgets, at local and national level.