

Annual Report 2016

**Addressing climate risk
in a year of hunger**



**Climate
Centre**

Annual Report 2016

Addressing climate risk in a year of hunger

ZIMBABWE'S MUDZI RIVER WOULD NORMALLY DRY UP ONLY IN SEPTEMBER, BUT IN 2016 IT WAS EMPTY IN MAY. PEOPLE WITH NO ACCESS TO A BOREHOLE IN THEIR VILLAGE WERE FORCED TO USE DOMESTIC UTENSILS TO DIG FOR WATER IN THE RIVER BED. FOR THE RED CROSS RED CRESCENT THIS PHOTO WAS ONE THAT CAME TO SYMBOLIZE SOUTHERN AFRICA'S LIFE OR DEATH STRUGGLE AGAINST EL NIÑO-RELATED DROUGHT LAST YEAR. (PHOTO: JUOZAS CERNIUS/IFRC)



**Climate
Centre**

Table of Contents

Acronyms	3
1. Preface	4
2. El Niño/La Niña	7
3. The UNFCCC	9
4. Partners for Resilience	12
5. BRACED	15
6. Forecast-based financing: Peru, Uganda, Bangladesh, Togo	17
7. Attribution	22
8. National adaptation planning	24
9. Games	26
10. Innovation	29
11. Communications	31
12. Finance and administration	34
13. Annual accounts 2016	36
Other information	48

Acronyms¹

A2R	‘Anticipate, Absorb, Reshape’ (UN resilience initiative)
BRACED	Building Resilience and Adapting to Climate Extremes and Disasters
COP	Conference of the Parties (UNFCCC)
D&C Days	Development and Climate Days (at COP meetings)
DFID	(UK) Department for International Development
DGIS	Directorate-General for International Cooperation (at Netherlands Ministry of Foreign Affairs)
DRR	Disaster risk reduction
FbF	Forecast-based financing
GFDRR	Global Facility for Disaster Reduction and Recovery
ICRC	International Committee of the Red Cross
IFAD	International Fund for Agricultural Development
IFRC	International Federation of Red Cross and Red Crescent Societies
IIED	International Institute for Environment and Development
IPCC	Intergovernmental Panel on Climate Change
IRI	International Research Institute for Climate and Society
NAP	National Adaptation Plan
PfR	Partners for Resilience
SOP	Standard operating procedure
UNFCCC	United Nations Framework Convention on Climate Change
UNICEF	United Nations Children’s Fund
UNISDR	UN Office for Disaster Risk Reduction
USAID	United States Agency for International Development
WFP	World Food Programme
WIM	Warsaw International Mechanism
WMO	World Meteorological Organization
WWA	World Weather Attribution

¹ For brevity here acronyms for individual Red Cross Red Crescent National Societies are only given in the text.

1. Preface

AS THE YEAR 2016 drew to a close, we faced what UN Emergency Relief Coordinator Stephen O'Brien would [tell the Security Council](#) was the “largest humanitarian crisis since the creation of the United Nations”. Much though by no means all of this food-security emergency was the result of conflict – in Yemen, Somalia and South Sudan, three countries he had just visited.

But also on Mr O'Brien's acute list was Kenya, with millions of people affected. Attribution scientists later concluded that drought there was actually fairly frequent and that rising temperatures may have added to the problem. The Kenya Red Cross, through its own work on the ground and messages to policy-makers and the media, emphasized the need to do things differently: not just responding after the fact but investing in resilience and acting on warnings.

With a slightly different humanitarian geography in mind, the IFRC [said recently](#) that the lives of nearly 20 million people are at risk in the Horn of Africa and Nigeria in “one of the worst hunger crises in recent history.” This will be repeated, our colleagues argued, without “concerted efforts to build resilience on the continent”. Said Dr Fatoumata Nafo-Traore, IFRC Regional Director for Africa: “As long as we have conflicts and do not take strong measures to mitigate the effects of climate change, food insecurity will be with us. As we respond to the risk of imminent mass starvation in Africa, we also need to invest in community-level capacities and systems, so that local communities are prepared for any future shocks.”

In short, on the ground in the most vulnerable parts of the world, 2016 did not end well; we have called it ‘a year of hunger’, and it was climate – both climate change and variability as much as conflict – that inflicted this suffering. The year started with the remains of the strong 2015–16 El Niño, transitioning to a La Niña that helped explain the drought in Somalia, for example.

And it is with community-level systems that we in the Climate Centre hope to make our contribution. Ironically, at the end of an exceptionally engaged and busy year for us, we allowed ourselves a moment of optimism as we believed we saw international action on climate moving forward; perhaps even gaining momentum.

The historic Paris agreement was not only ratified quicker than hoped, it also crossed the ‘55-55’ threshold that meant the [UN was able to announce](#) it was coming into force much faster than anyone foresaw. The first round of high-level climate negotiations after Paris, COP 22 in the Moroccan city of Marrakech, straddling the US presidential election, ended without major setback.

An [op-ed](#) argued that 2016 saw one of the first real examples of international action bridging humanitarian, development and climate work, in the form of the UN special envoys on El Niño and climate who presented for a blueprint for action, highlighting the need to invest on a much larger scale ahead of predictable crises. We also detected a much stronger emphasis on climate risk in development planning (the World Bank, for example, one of our key external partners, [now integrates climate risk](#) into its investments).

Last but not least, the year *did* see some practical, if limited, examples of climate risks being anticipated before they turned into disasters – an [encouraging story of a bumper harvest from Kitui county in Kenya](#), for example.

As we entered 2017 it seemed clear that overlaps between climate action and humanitarian concerns are bound to grow. There is indeed increased attention, for example, to the interaction between climate, migration and conflict. But after a period of rapid expansion in 2015–17, and as several of the major global programmes we’re involved in, like Partners for Resilience (PfR) and forecast-based financing (FbF), formally move into new phases, we believe the Climate Centre is well positioned to try to address these challenges and contribute to solutions; all the more so as we move or expand in new areas like [health education](#) and [social protection](#).

And we are doing so in ever closer collaboration with the IFRC secretariat, recently welcoming our new Geneva-based climate coordinator, Tessa Kelly, who will help our efforts contribute to the entire Red Cross Red Crescent family. We also intensified collaboration with the ICRC, including a presentation to Geneva staff on the Paris agreement and the way we believe climate affects the International Committee’s work.

In fact, in early 2017 we are looking further ahead still, helping to build scientific foundations for climate decisions for many years to come. The Intergovernmental Panel on Climate Change (IPCC), for example, is commencing work on its special report on ‘1.5 degrees’ as well as its next full assessment cycle, ‘AR6’. So the big picture now? Cautious optimism tempered by concern.



Ed Nijpels
Chairman



Maarten van Aalst
Director



Volunteers from the Timor Leste Red Cross show children and adults in the village of Uerumata, in Baucau district, how to wash their hands using soap and water. The volunteers installed the 'tippy tap' in the village and are visiting households to teach people about good hygiene during the El Niño-related drought. They are also helping to distribute clean water. (Photo: Sam Smith/IFRC)

2. El Niño/La Niña

THE YEAR STARTED with the remains of the strong 2015–16 [El Niño, transitioning into a La Niña](#), both responsible for significant humanitarian impacts. These included the El Niño-related drought in Southern Africa and parts of the Horn of Africa, followed by droughts in other areas of the Horn and the current crisis in Somalia, affected by La Niña. To a significant degree, both were forecast months in advance.

Research findings on El Niño

In 2016, with support from the UK Department for International Development (DFID), the Climate Centre conducted research to determine whether El Niño forecasts prompted early actions and reduced the need for additional response. This research was compiled into a report, *Preparing for the 2015–2016 El Niño: Humanitarian Action in Zambia, Somalia, Kenya, Ethiopia and Malawi*.

Organizations generally found the international El Niño forecast to be credible, but scaled down forecasts were regarded as more useful for planning. Most organizations used the El Niño forecasts to update their contingency plans, but implementation of these plans was hindered by lack of funds. Strong coordination, availability and flexibility of funding mechanisms, access to skilled intermediaries to interpret the forecasts, and political will all enabled the use of El Niño forecasts.

Organizations from all five countries highlighted the need for flexibility in funding and programming as key enabler for timely action. Estimating El Niño impacts was regarded as challenging, so organizations used ‘analogue years’ to anticipate them and plan for action, and they are increasingly implementing no-regrets actions that provide benefits whether a hazard materializes or not.

Our research concluded that humanitarian organizations used El Niño forecasts to trigger early action, and humanitarians see triggers and standard operating procedures as a way of streamlining response to forecasts. The research recommended there should be additional effort amongst humanitarians to document the impacts of early action.

When people heard there was such a strong El Niño [forecast], everybody was ready for it... because they didn't want to repeat what happened in 1997, and even 2006. People actually took some precautions because they knew.

– Technical interviewee, 2016 El Niño forecasts report

Our support for the UN blueprint

In November at the UN climate talks in Marrakech (*see below*), the Climate Centre [voiced IFRC support](#) for the developing UN ‘blueprint for action’ on El Niño, and applauded the world body for “bringing the humanitarian and development dimensions of resilience to the heart of the climate negotiations...in Marrakech”.

The blueprint highlights the “need to invest at a much larger scale ahead of crises,” said Maarten van Aalst at a COP 22 side-event, speaking on behalf on the IFRC, “and finance plays an important role.”

At the UN General Assembly in September, the IFRC and Climate Centre had [called for](#) a radical shift in the response to crises linked to El Niño and climate change, saying the devastating El Niño-related drought in Southern Africa had left some 20 million people needing immediate humanitarian aid.

The latest version of the blueprint calls for allocation of resources to early action, and Dr Van Aalst recalled that the IFRC was committed to at least doubling coverage of [forecast-based financing](#) by 2018.



Speaking for the IFRC, Climate Centre Director Maarten van Aalst, at a high-level event on El Niño at the 2016 UN General Assembly, called for a radical shift in the humanitarian response to crises linked to El Niño and climate change. “We need to invest at a much larger scale ahead of these crises, building resilience, and anticipating shocks,” said Dr Van Aalst, pictured with the former Irish president, Mary Robinson, at D&C Days. Ms Robinson was appointed in May with Macharia Kamau of Kenya to be the UN Secretary General’s special envoys on El Niño and climate. (Photo: Climate Centre)

3. The UNFCCC

IT FELL TO all of us last year to start the whole process of making the Paris agreement work, including governments and stakeholders like business, cities and civil society which had provided the impetus for the agreement and are essential for fulfilling its ambitions; there was also the procedural detail of the United Nations Framework Convention on Climate Change (UNFCCC) to consider.

At the Climate Action Summit in Washington, DC in May, Maarten van Aalst moderated a high-level session entitled 'Building Resilience' where Shaun Donovan, Director of the Office of Management and Budget for the Obama administration, gave a keynote address. The summit was the major global public-private conference announced at COP 21. UN Secretary-General Ban Ki-moon told the meeting: "Urgent action is critical for meeting the climate challenge and building a clean-energy, climate-resilient future."

COP 22

Later in the year, the UNFCCC reconvened in Marrakech for the first time after Paris, and Maarten van Aalst [said](#) humanitarians hoped the meeting would herald a reality on both emissions and resilience. The Climate Centre led the organization of Development and Climate Days ('[D&C Days](#)'), held as always in the middle weekend of the annual UN climate talks.

Patricia Espinosa, UNFCCC Executive Secretary, officiating at her first COP meeting, said the entry into force of the Paris agreement on the global climate was a cause both for celebration and a timely reminder of the high expectations raised. "No politician or citizen, no business manager or investor can doubt that the transformation to a low-emission, resilient society and economy is the singular determination of the community of nations," she said.

At the end of the climate talks, the IFRC [welcomed](#) the commitment by governments to implement Paris, saying it looked forward to seeing it translated into action for those most vulnerable to climate change. The Climate Centre also took part in the IFRC's principal side-event at COP 22 on devolving climate finance, jointly organized with the International Institute for Environment and Development (IIED).

Everyone is talking about climate change. People see the impacts on their crops, without necessarily understanding what's happening. When the temperature gets too high, for example, our saffron just fails

– Asia Lachir, farmer and [exhibitor](#) at Marrakech D&C Days

Development and Climate Days

Amid the formal climate negotiations, [D&C Days](#) traditionally offers an opportunity for policy-makers, researchers and practitioners to meet informally to explore key issues and ideas for future action. The [2016 event](#) brought many COP participants together to explore how to bridge the global ambition of the Paris agreement with [local action](#), to build climate resilience. More than 300 people attended the two-day event, whose theme was ‘Global ambition. Local action. Climate resilience for all’, and which also for the first time included the [private sector](#).

At the 2016 Development and Climate Days in Marrakech, the Secretary General of the Togo Red Cross, Remy Komla Afoutou, tries out the virtual reality ride that is partly based on Togo's experience with early warning early action. "This helps us understand the value of innovative collaboration between science and humanitarian practice," he said. (Photo: Alex Wynter/Climate Centre)



The sessions focused on efforts to deliver Paris, ways to ensure equitable decision-making on climate finance, and how to bridge the gap between climate and humanitarian development work.

D&C Days is well known for encouraging innovative thinking and out-of-the-box sessions. This year, the Climate Centre introduced new games, a flash mob on heatwave risks by young volunteers of the Moroccan Red Crescent, a ‘Taste the Change’ session, and a [virtual-reality experience](#) to enable people to understand the complexities behind climate-related decisions, an experience also brought to the COP itself, where it featured prominently on the UNFCCC website beside an item on the opening speech by the UN Secretary General – symbolic of how action on the ground and global diplomacy really came together this year.

Loss and damage

The Climate Centre took an active part in the ‘loss and damage’ discussions which mainly dealt with the implementation of the two-year work-plan of the Warsaw International Mechanism (WIM). Through our continued engagement and other observer groups, we believe the needs of the most vulnerable groups were considered and addressed by the WIM executive. We proposed expert sessions on Red Cross Red Crescent resilience work, FbF, and the [BRACED programme](#).

A key Climate Centre contribution was at a specialist financial committee in Manila where we shared experiences and learning on managing climate risks through social protection and FbF. We also successfully advocated for the IFRC – by virtue of its experience in the area – to be included in a global task force on displacement that has its first meeting in 2017 at about the time of writing.

4. Partners for Resilience

THE STRATEGIC PARTNERSHIP underpinning the [PfR alliance](#) – the Netherlands government, CARE Nederland, Cordaid, the Netherlands Red Cross (NLRC) as lead agency, the Climate Centre and Wetlands International and more than 50 local implementing partners – has been building community resilience in the global South since 2011, combining disaster risk reduction (DRR), climate adaptation and ecosystem restoration in ‘integrated risk management’.

Second phase kicks off

PfR successfully finalized inception for its next phase in 2016. Building on five years of experience, the alliance is now focusing on dialogues and strengthening National Societies and civil society in Ethiopia, Guatemala, Haiti, India, Indonesia, Kenya, Mali, South Sudan, Philippines and Uganda (Nicaragua has been replaced by South Sudan and Haiti in the new programme).

Now PfR offers a unique vehicle for policy dialogue, linking local needs with national, regional and international policy-making. PfR aims to strengthen the capacity of civil society to pursue dialogues related to the Paris agreement, the Sendai risk-reduction framework, the new urban agenda, and the UN global goals, ensuring that the needs of vulnerable people are incorporated into ecosystem and climate-smart policies, practices and investments.

Countries and regions

Among snapshots from Climate Centre engagement in several countries and regions [include the work in Uganda](#), where two districts have now selected the dissemination of weather forecast information as one of their key priorities for 2017–18. In addition, the Uganda team has been active in the national adaptation planning, promoting a multi-stakeholder approach in which the risks of community and their solutions are central in the discussions. In addition, dialogues have started to explore how school curricula can be infused with integrated risk management approaches for youth.

CARE helped us identify drought-resistant crops that can survive these harsh conditions [the East Africa drought]. The weather has not been friendly, but we're sure of earning something with pineapples... much as the general harvest is not good

– Patrick Okello, PfR beneficiary, [Otuke, Uganda](#)

In the Philippines, the integrated approach is being advocated at different levels – with the Philippine Red Cross at the national level, for example, through inputs into planned legislation on disaster risk. Through FbF, it's expected to be included in a new strategy for financing disaster response and insurance, and in new social protection mechanisms after advocacy work with the Department of Social Welfare and Development.

People displaced by floods in Bihar in 2011, when homes built on river banks were swept away in heavy floods that affected north-east India. Now the second phase of the PFR programme is helping villagers lobby for climate-smart resilience to be built into development programmes. (Library photo: Vinay Sadavarte/IFRC)



At the local level, it's being included in various government plans on climate action, while at the same time dialogue with our Philippine PfR partners were organized with the ARISE network, the Asian Development Bank, ASEAN and others. Together with Plan International, a toolkit to enhance youth action on climate change was developed and rolled out in the Philippines and Indonesia.

In [India](#) and Mauritius, the Climate Centre together with PfR agencies and IFRC delegations have taken a very active role in regional platforms on risk reduction, influencing thematic events linked to risk management and community resilience, and intended to support the implementation of post-2015 frameworks.

Global processes

A key comparative advantage of PfR and the Climate Centre is the ability to bring local experience into national policy processes and connect to the global level. This connection works both ways: leveraging energy from the Paris agreement, for example, at the places where it matters most and bringing local evidence into global discussions.

Among the highlights of 2016 was our [engagement](#) with the UN Secretary General's 'A2R' initiative on resilience, where we have worked with the UN envoys on El Niño and climate, Mary Robinson and Macharia Kamau. Our position within A2R can also, we hope, promote further change since it's aimed at helping countries secure expertise and financial resources for strengthening climate resilience.

PfR was actively involved in several other important global processes: the run-up to the UN climate talks in Marrakech, D&C Days, the current round of discussions on loss and damage, and support to national adaptation planning. In turn, experience from Climate Centre work worldwide is also enriching dialogue under the new phase of PfR.

5. BRACED

THE BRACED PROGRAMME – ‘Building Resilience and Adaptation to Climate Extremes and Disasters’ – aims to reach more than 5 million vulnerable people, using a three-year grant from DFID that supports 120 organizations in 13 countries in East Africa, the Sahel and Asia. To improve the integration of DRR and climate adaptation into development approaches, BRACED seeks to influence policies and practices at the local, national and international level.

Programme-wide learning

The Climate Centre is part of the ‘[knowledge manager](#)’ group – seven participating organizations who pursue several routes to change: building knowledge and evidence on what works to strengthen resilience, rolling it out into practice, and amplifying knowledge beyond our immediate spheres of influence.

Amazing facilitation and games that quickly broke down barriers and got people interacting and talking

– BRACED partner at learning event 2016 in Dakar

Women farmers in western Nepal interviewed by researchers working on the ‘Farms of the Future’ project, in which communities looked at ways of coping with higher temperatures and changing rainfall patterns. The photo illustrated a May 2016 report from BRACED on social protection. (Photo: Neil Palmer/CIAT)



A substantial number of civil society organizations came together to exchange knowledge about how to build resilience around the world, as BRACED gathered [for three days of learning and exploration](#) in Dakar, Senegal in February. This vibrant event was facilitated in collaboration with the Applied Improvisation Network and stimulated joint learning and dialogue.

Twenty [webinars and discussion forums](#) were offered to BRACED partners – leading NGOs and think tanks – and the public, exploring topics from using climate information to sharing experience from communities and policy-makers. The virtual spaces were connected to interactions at the learning event, D&C Days and national and regional events.

We published [fact sheets](#) to support innovative approaches to learning and implementation ranging from ‘forum theatre’ and ‘learning marketplaces’ through techniques for reflection and exchanging knowledge. Lessons on how learning in consortia is facilitated are already being transferred to other contexts such as PfR.

Reality check: where is resilience-building successful?

Through collaborations with journalists, scientists and experts, the team explored how real extreme-events, including intense rainfall in Nepal, Senegal and Kenya and drought in Ethiopia, affected people and their stories of resilience that emerged. These have provided important lessons for practitioners, scientists and donors, and have been widely shared through news articles, academic papers, and webinars.

Social protection

We facilitated knowledge and learning on new ways of increasing resilience at scale through social protection – potentially a vital instrument for addressing climate risks through sustainable systems that enhance both humanitarian action and poverty reduction.

We developed innovative learning tools on synergies between social protection and climate risk management and to enable dialogue on these issues.

6. Forecast-based financing: Peru, Uganda, Bangladesh, Togo²

AT THE END of 2016, forecast-based financing (FbF), supported by the German Federal Foreign Office and Red Cross, was heading for a second phase worldwide.

In a joint article in May by Stephen O'Brien, head of UN OCHA, and IFRC Secretary-General Elhadj As Sy, it was described as new thinking that “changes the way we work”. They wrote that FbF, “an approach that uses science and climate knowledge [with technical support from the Climate Centre] to guide investment in preparedness, is increasingly used within the Red Cross and Red Crescent in collaboration with key partners.”

Peru

In Peru in March, 1,100 families living in areas vulnerable to heavy rains linked to El Niño [received non-food relief](#) from the Peruvian Red Cross in only the second exercise of its kind in the world by the Red Cross Red Crescent, after a [similar distribution](#) in Uganda the previous November.

Seasonal forecasts at the end of 2015 and timely short-term forecasts triggered a distribution that included water purification, fumigation against mosquitoes, sanitation, and hygiene kits to families in the communities of Laynas, Huaquilla, Serran and Pedregal.

The communities were selected as the most vulnerable after a joint assessment by the authorities and the Red Cross, but in the end they were spared damaging rainfall.

Thirty Red Cross volunteers who conducted the distribution also provided advice on early warning, first aid, health and shelter.

FbF [was also deployed](#) later in the year in Peru's mountainous Puno region to mitigate a potentially lethal cold snap.

Thank you so much for your early reaction, especially now that we have the first rain in Mono river basin. The FUNES model is our best tool to prevent flood for river communities

– Akintola S. Nelson Akibode, Togo Ministry of Environment

² Country experiences in 2016 treated here in chronological order.

In June and July, in the southern-hemisphere winter, forecasts predicted increasingly severe cold in project sites managed by the Red Cross, and some 200 families received cold-weather footwear, waterproof ponchos, gloves, goggles, hats and blankets.

Given the importance of alpaca rearing in the Andes – often families’ only source of income – and with the ground frozen solid, community members also got animal feed and veterinary kits.

Uganda

In late April the Katakwi branch of the Uganda Red Cross Society ([URCS](#)) carried out a second humanitarian distribution, for just over 2,000 people, in its own FbF programme.

Each of nearly 400 households in the villages of Akulonyo, Apedu, Omatai and Oroboai received water purification tablets, jerrycans, storage sacks and soap.

After the FbF alert the URCS also briefed district authorities on the planned actions, and worked with doctors from a local water NGO to show people how to use the purification tablets and identify early-stage malaria.

District Water Engineer, Phillip Opaté, said he appreciated the Red Cross work in “having an early forecast that informed the community how to prepare in case of emergency”.

Bangladesh

Planning for the operational roll-out of FbF in Bangladesh was finalized in 2016 after [a series of](#) meetings with communities produced a consensus in favour of cash-based preparedness actions in both flood- and cyclone-prone project areas.

FbF in Bangladesh covers a total of 4,500 households (an estimated 20,500 people) in eight vulnerable villages.

In August, the IFRC issued an emergency grant of just under a quarter of a million US dollars to help the Bangladesh Red Crescent Society (BDRCS) assist people affected by weeks of severe monsoon floods in the north and centre of the country that had affected millions of people.

The BDRCS had already reached some 2,000 families with either drinking water or food, and in Nilphamari and Bogra districts they then made cash transfers to a total of nearly 3,000 families as part of the multilateral and German-supported FbF programmes respectively.

The FbF disbursement came after the flood peak and served as a pilot – the first in Bangladesh – for a new money-transfer system via mobile phones being undertaken in conjunction with Bangladesh Post Office.

The Red Crescent cash relief was intended for food, animal fodder, medicine and transport.

(At the time of writing this experience had proved its worth when the BDRCS [distributed a humanitarian cash grant](#) to 2,300 households threatened by Cyclonic Storm Mora, then approaching from the eastern Bay of Bengal and intensifying.)

Uganda Red Cross volunteers in Omatai village carrying out their second humanitarian distribution under forecast-based financing in May 2016; three other villages were also covered as part of the same operation, and the programme has now been expanded to include collaboration with the hydropower sector in a bid to reduce flood risk downstream of dams. (Photo: Denis Onyodi/URCS)



Togo

In September, operational FbF [was triggered for the first time in Togo](#)³, where coordination between the Red Cross and the international Nangbeto dam on the River Mono helped volunteers carry out a limited distribution of water-purification tablets in six of nearly 30 registered project villages a full week ahead of a seasonal flood partly managed by the dam; official warnings were also relayed by radio spots financed by the FbF project.

This cooperation is now formalized in an agreement between the Togo Red Cross and the Communaute Electrique du Benin – the parent company of the dam that’s co-owned with Togo; the southern end of river forms part of the border between the two countries.

Some waterproof plastic bags were distributed to help villagers preserve important documents, while response actions were also undertaken later after the Nangbeto discharge.

The Red Cross anticipated the flood risk by a community-based system of colour-coded wooden poles as depth gauges, and helped refine the ‘FUNES’ digital tool developed with support from the World Bank that incorporates upstream river-level observations by trained Red Cross volunteers.

An ‘Aquatab’ distribution some three months earlier to all 28 FbF project villages was carried out in response to a seasonal forecast.

Simulation exercises were conducted last year in four of the most heavily populated flood-prone areas of the lower Mono basin, while the Climate Centre, and the Togo and German Red Cross held a workshop for dam operators and other officials aimed at enabling FUNES to be transferred to the government as a contribution to the national early-warning system.

³ FbF in Togo is support by the German Federal Ministry for Economic Cooperation and Development and the German Red Cross.



The Nangbeto dam's operations director, Pascal Kpangon, shows Togo Red Cross regional coordinator, Mathilde Gozan, the structure's critical water level. (Photo: Climate Centre)

7. Attribution

THE CLIMATE CENTRE is part of the World Weather Attribution ([WWA](#)) initiative – an international effort led by Climate Central with the University of Oxford, the University of Melbourne and the Royal Netherlands Meteorological Institute to scientifically examine whether climate change has contributed to extreme weather events such as droughts, floods and heatwaves – and one that also contributed to IFRC Secretary General Elhadj As Sy’s [commitment](#) on climate information at the 2014 climate summit in New York.

Raising risk awareness

In 2016, the WWA initiative joined with the Climate and Development Knowledge Network (CDKN) to launch the ‘Raising Risk Awareness’ project that would focus on attribution in countries in East Africa and South Asia. The Climate Centre convened stakeholders, including National Societies and the IFRC, in participatory regional workshops in India, Ethiopia, and Kenya to build the capacity of scientists and decision-makers to conduct attribution studies and understand the implications for their work.

Extreme rainfall in France and Germany

Human-caused climate change was found to have played an important role in the [heavy rains](#) that affected France near the end of May, increasing the chance of such an event by at least 40 per cent. This highlighted how even in developed and well-prepared countries, advanced infrastructure and water management cannot wholly guard against impacts from extreme weather.

In Germany, the same weather system dropped large amounts of rain in a very short period on mountainous terrain causing devastating flash floods, but the methods used to assess this did not provide consistent results, so no conclusions were drawn.

Extreme heat in India

On 19 May, India experienced an [all-time record high temperature](#) of 51°C in the city of Phalodi, Rajasthan, but an attribution analysis did not find that human-induced climate change played a role in these individual heatwaves, probably due to the masking effect of aerosols on warming.

This finding underscores the use of climate information for early warning, early action initiatives to mitigate such disasters

– Dr Abbas Gullet,
Secretary General,
Kenya Red Cross Society

Drought in Kenya

Kenya's [drought emergency](#) left at least two million people in need of food assistance. Scientists found that this type of event actually occurs about twice a decade in the areas studied, but the current drought continued into 2017 so may yet be found to have been statistically more extreme.

...and more torrential rain in Louisiana

The American Red Cross called the 2016 [flooding in Louisiana](#) the worst natural disaster in the US since Hurricane Sandy. WWA scientists partnering with the US government found that human-caused warming increased the chances of the torrential rains by at least 40 per cent. Knowing that this type of event is occurring more frequently today provides valuable insight into how government and humanitarian institutions will need to be prepared.

An aerial view of flooding and devastation in Baton Rouge in mid-August 2016, where the US military rescued residents and provided relief. Scientists from the US National Oceanic and Atmospheric Administration and the World Weather Attribution programme found human-caused climate warming increased the chances of the historically heavy rain that caused the lethal floods by a minimum of 40 per cent. (Photo: Petty Officer Melissa Leake/US Coast Guard)



8. National adaptation planning

SINCE 2015, THE Danish Red Cross, the IFRC and the Climate Centre have together [provided support](#) to the National Societies of Armenia, Georgia, Kenya, Malawi and Nepal, to engage with their governments in the development of National Adaptation Plans (NAPs) to ensure the adaptation needs of the most vulnerable people are considered.

These five National Societies, in effect, are testing ways to position the Red Cross Red Crescent as a partner in policy and planning processes that might otherwise be seen as somewhat removed from their traditional lobbying and advocacy.

For example, the Armenia Red Cross now runs a climate forum that brings together stakeholders working on climate-related issues, while the Kenyan Red Cross has been able to ensure the findings of their assessments are used in adaptation planning and government support for climate action.

In 2016 a regional training workshop for Europe and Central Asia was organized in Budapest by the IFRC and facilitated together with the Climate Centre and the Austrian Red Cross.

The Climate Centre also worked with National Societies to conduct local capacity building events, including in-house staff training on climate change and vulnerability with the Nepal and Georgia Red Cross, and advocacy training with the Armenia Red Cross. NAP stakeholder engagement meetings were also held at national level in Georgia and Nepal.

It was very useful here [Marrakech writeshop] for us to be able to compare notes with other National Societies doing similar work

– Medea Margania-Avalliani, Secretary-General, Georgia Red Cross Society

With the NAP project ending in 2017, the focus was on synthesizing the lessons learned from the five different countries at a [writeshop](#) alongside COP 22 in Marrakech. This produced a [case-study publication](#), while the National Society participants took advantage of their presence at the COP meeting to strengthen their ongoing relationships with government counterparts.

A Nepal Red Cross case study presented at a Climate Centre writeshop on national adaptation planning, held in Marrakech alongside the 2016 UN climate talks, included work by the National Society in Himalayan foothill villages like Bansar (*pictured*) on climate-smart vulnerability and capacity assessments. (Library photo: Nepal Red Cross)



9. Games

IN A WORLD characterized by increasing complexity and uncertainty, there is a need for innovative ways to help people anticipate and adapt to events around them. Interactive tools like [games](#) have become part and parcel of the Climate Centre's outreach work with the Red Cross Red Crescent and a wide range of partners.

Facilitation champions

We have created new tools on emerging themes that now include preparedness for urban floods and social protection. These and existing tools were used in capacity-building initiatives around the world, including a training session organized with the International Fund for Agricultural Development (IFAD) in West Africa that reached at least 250 people, and a workshop that brought together humanitarians and 'facilitation champions' of the Applied Improvisation Network.

Policy engagement

A World Bank annual retreat involved 150 senior managers in playing 'Decisions for the Decade' to explore climate risk and uncertainty. In the Asia-Pacific region, our tools were used during high-level regional meetings including the [Asian Ministerial Conference on Disaster Risk Reduction](#) in Delhi.

They also helped shape workshops at the local level – on climate action in the Philippines, for example. The UN Food and Agriculture Organization commissioned a game on 'shock-responsive social protection', played at the UN climate talks in Marrakech.

*Games are
a good
vehicle to
communicate
complex
messages*

– Tovohery
Randriamiha-
mina, water
and sanita-
tion engineer,
Madagascar
Red Cross
Society

Communities

The Climate Centre [teamed up](#) with the Madagascar Red cross to adapt climate games to local context to enable communities to simulate climate impacts in a safe environment and develop their own solutions. At least 1,300 people took part while 80 Red Cross staff and volunteers facilitated.

Malagasy Red Cross staff and volunteers play the 'Dissolving Disasters' game with the community of Ankjanimanga, in Madagascar's Sofia region in October 2016. The MRC teamed up with the Climate Centre in adapting climate games for the local context so villagers could experience climate impacts in a safe environment and develop their own solutions. (Photo: Malagasy Red Cross)



Youth

Together with UNICEF and other partners we have created '[Handwashing with Ananse](#)', an educational approach which engages children in school through storytelling, songs, dance, acting and play. Ernest Nyame of the Ghana Red Cross became an IFRC '[global innovation pioneer](#)' as part of this and is now planning to expand the work to reach 20,000 children.

Together with Plan International, the Philippine Red Cross and other partners, we have also created 'Y-adapt' – Youth action on developing adaptation plans for tomorrow – a curriculum consisting of games and play. This helps youth to understand climate change and to take practical action to adapt to the changing climate in their community.

Games and evaluation

How do we know whether these initiatives create the change we aim for? We are partnering with the International Institute for Applied Systems Analysis as well as Emerson College's Engagement Lab to evaluate the impact of our tools. Together with the UK Overseas Development Institute and the Extra Ludic company, we have created a game to evaluate players' behaviour and test the impact of self-help groups.

10. Innovation

THE YEAR 2016 offered new areas of innovation for the Climate Centre. Understanding and addressing the humanitarian consequences of extreme events and climate change remains the impetus behind these innovations, which included new ways to inspire learning and dialogue, and harness the power of humanity.

Virtual reality, data sculpture

Blending interactivity with innovative approaches to [data visualization in virtual reality](#), the Climate Centre brought FbF to a new level. Imagine your body becoming integral to the intellectual process of understanding and using data. You become the interface, linking science to decisions through a memorable, immersive experience of climate-risk management.

In the first phase, participants respond to floods by ringing a bell to alert humanitarian teams, then stamping papers for emergency funding, and finally loading boxes of aid onto vehicles for affected communities.

Based on historical data on flood impacts as depicted in a virtual [data sculpture](#), players first establish a danger level so that when future flood risks emerge, the FbF system automatically triggers funding for preventive measures.

Machine learning

Many river basins are not covered by sufficient data, equipment, institutional arrangements or funding to deploy predictive models for early warnings. The Climate Centre, the Global Facility for Disaster Reduction and Recovery (GFDRR), and other partners have invested in machine learning to understand and anticipate links between rainfall upstream and flooding downstream of dams. Our self-learning algorithm, [FUNES](#), was developed using only four years' worth of data, and successfully predicted the 2016 floods in Togo (*see above*).

In a world where “disaster risk reduction”, “resilience” and other jargon prevails, the virtual-reality experience makes things real and adds to the urgency of deploying methods like forecast-based financing before a catastrophe happens

– Jemilah Mahmood, IFRC Undersecretary General for Partnerships

Flash mobbed

During a seemingly normal session at the UN climate talks in Marrakech, participants sense that something unusual is about to happen. A [disruptive yet peaceful group](#) of people rush in and start a performance that blends music, movement and message. A simulated heatwave has arrived, and with it inspiration on how to manage the growing threat of extreme temperatures to city-dwellers.

Another new way to communicate risk is 'edible data'. With culinary and visual arts as its medium, data cuisine sessions brought to D&C Days a sensory exploration of climate data and its implications for humanity. If a pie chart can be made of an actual pie to represent proportions, what else can we do to enrich data-based events with food?



At the 2016 Development & Climate Days event in Marrakech, Moroccan Red Crescent volunteers and facilitators from the US Applied Improvisation Network form a flash mob illustrating heatwave precautions. For the first time in the history of D&C Days, the private sector was involved in the form of the 'We Mean Business' coalition of influential businesses and investors working for a transition to a low-carbon and resilient economy. (Photo: Alex Wynter/Climate Centre)

11. Communications

THE YEAR 2016 was highly newsworthy and an exceptionally busy one for the Climate Centre's external communications: we published just short of [140 web stories](#), by far the most since the news service began in its current form five years ago.

Web news

A detailed summary (with links) of the stories we covered in 2016, including opinion pieces by Maarten van Aalst, is available in our [review of the year](#); a consistent theme throughout 2016, rarely out of the headlines for long, was the progress of El Niño/La Niña, starting with the IFRC's emergency appeal in January for severe drought in Ethiopia. In July a [cluster of agency reports](#) emphasized that El Niño continued to be associated with major humanitarian impacts worldwide.

Twitter

Mainly through using hashtags and retweeting – and also in all likelihood because of the importance of our climate mandate – the Climate Centre in May became the most-followed IFRC reference centre on [Twitter](#), with, at that time, 1,850 followers, although we do not directly compete with other Red Cross Red Crescent Movement components. In September we welcomed our 2,000th follower, and at the time of writing we have passed 2,500 followers. Our audience now includes a good cross-section of the professional community of interest, and at least 120 Movement components like National Society HQ, branches, youth wings, disaster managers, and the ICRC and IFRC.

Photography

We published ten new photogalleries in 2016 on our [Flickr platform](#), many of them consisting of work by our own team (as opposed to commissioned professionals) and all of it under Creative Commons licensing and available to the public and the Movement. Some of this material is also syndicated by the IFRC via its own audio-visual platform targeted at the commercial media.

...shattered temperature records, intense heatwaves, exceptional rainfall, devastating drought and unusual tropical cyclone activity

– World Meteorological Organization, [media statement](#) on the likely future facing humanity, on March anniversary of its foundation in 1950

Drone filming

As part of the forecast-based financing project the German Red Cross supported the acquisition of a DJI Phantom 4 drone, housed with our Kampala-based camera operator Denis Onyodi, who covered the rollout of FbF there in 2015. In September the Ugandan Red Cross and the Climate Centre organized [the first-ever deployment in Africa of a drone by the Red Cross Red Crescent](#), and footage from this test flight at the Bidibidi reception centre in northern Uganda revealed that a swathe of countryside was becoming a vast refugee camp as hundreds of people every day crossed the border from South Sudan.

The Bidibidi reception centre for South Sudanese refugees in northern Uganda filmed by a drone on a test flight organized by the Uganda Red Cross in September 2016. It was the first-ever deployment in Africa of an unmanned aerial vehicle by the Red Cross Red Crescent, and the footage illustrated that a swathe of countryside was turning into a vast refugee camp as hundreds of people every day cross the border from South Sudan. (Photo: Denis Onyodi/URCS)



Denis's [edit of the shoot](#) is now our most-viewed item on our [Vimeo platform](#), with more than 1,500 plays at the time of writing, and was syndicated worldwide by the IFRC and Associated Press Television. We now hope to expand drone operations to include coverage of climate-related issues and landscapes.



12. Finance and administration

We thank all our supporters warmly for their belief in us, their generosity, and their collaboration.

Our donors

In 2016, the bulk of the Climate Centre's income was received from the Dutch Ministry of Foreign Affairs (DGIS), the UK Department for International Development, and the German and Norwegian Red Cross and their government back donors. We were also supported by:

- American Red Cross
- British Red Cross
- Danish Red Cross
- German Red Cross
- Netherlands Red Cross
- Norwegian Red Cross
- Swiss Red Cross.

The other financial contributors to Climate Centre programmes were the Norwegian University of Life Sciences, the World Meteorological Organization, IFAD, CDKN, UTC, the Natural Environment Research Council, the World Bank, and the European Commission.

Organization

The Climate Centre is an independent foundation under Dutch law and has three board members responsible for management. One of the board members is nominated by the NLRC, one by the IFRC, and the third sits as an independent chair selected jointly by the NLRC and IFRC (*see full list below*).

The Climate Centre remains grateful to its hosts, the Netherlands Red Cross in The Hague. Each year the centre receives support from many different departments of the NLRC and benefits from the expertise of its human resources, legal and financial departments.

Governing board

Name, function and position in 2016:

- E.H.T.M. Nijpels, Crown Member, Netherlands Social and Economic Council, and Chair of the Netherlands Energy Agreement Assurance Committee, former Netherlands Minister of the Environment
- Garry Conille, Under Secretary General, IFRC
- Gijs de Vries (Treasurer), Director General, NLRC.

The board met in September and December 2016.

Management and team

The Climate Centre's head office is located in The Hague. Many of its team members are based around the world, facilitating regional or in-country support to IFRC offices, National Societies and partners. We have a strong network of counterparts in a range of IFRC offices, National Societies, and partner institutions, as well as several expert consultants.

In 2016, the Climate Centre again welcomed new members to the team from all over the world, bringing a variety of expertise and helping to bridge policy, science, and practice across our programmes, including two shared staff in the IFRC offices in India and Indonesia.

The Climate Centre's director is Dr Maarten van Aalst, who combines a background in atmospheric science with extensive experience in the management of climate risk in policy and practice; he is also an IPCC Lead Author and holds adjoint positions at the International Research Institute for Climate and Society and the UCL Department of Science, Technology, Engineering and Public Policy.

The management team of the Climate Centre comprises:

- Maarten van Aalst, Director
- Pablo Suarez, Associate Director for Research and Innovation
- Fleur Monasso, Manager, Capacity Strengthening and Partnerships
- Carina Bachofen, Manager, Policy and Partnerships
- Erin Coughlan de Perez, Manager, Climate Science
- Julie Arrighi, Manager, Climate Science.

13. Annual accounts 2016

Balance sheet as at 31 December 2016 (in euro)

After appropriation of the result

Assets	12/31/16	12/31/15	Liabilities	12/31/16	12/31/15
Fixed assets					
Tangible fixed assets (1)	13,079	7,368	Unrestricted reserves		
Current assets			– going concern reserve (4)	582,245	552,346
Accounts receivable and prepayments (2)	738,535	787,019	Restricted funds		
Cash and cash equivalents (3)	939,696	432,044	– donor restricted funds (5)	22,566	22,566
			– mission reserve	9,200	-
			Total equity	614,011	574,912
			Short-term liabilities (6)	1,077,299	651,519
	1,691,310	1,226,431		1,691,310	1,226,431

Statement of income and expenditure for 2016 (in euro)

Income	Actual 2016	Budget 2016	Actual 2015
Income from own fund-raising			
Gifts and donations (7)	710,167	782,787	552,595
Government grants (8)	1,815,382	2,571,989	1,298,541
Other income and expenditures	18,683	-	3,517
Total available for Climate Centre's objectives	2,544,232	3,354,776	1,854,653
Expenditure			
Climate Centre operations			
- own activities (9)	2,568,450	3,310,576	1,793,277
- general operating costs (10)	63,318	18,993	125,348
Total expenditure for Climate Centre's objectives	2,505,132	3,329,569	1,918,625
Balance for the year	39,100	25,207	-63,971
Appropriation of balance for the year			
- donor restricted funds	-	-	-3,226
- mission reserve	9,200	-	-
- going concern reserve	29,900	25,207	-60,745
	39,100	25,207	-63,971

Brief summary	Actual 2016	Budget 2016	Actual 2015
Donor restricted funds			
- Income	-	-	
- Expenditure	-	-	3,226
	<u>-</u>	<u>-</u>	<u>-3,226</u>
Mission reserve			
- Income	9,200		
- Expenditure	-	-	-
	<u>9,200</u>	<u>-</u>	<u>-</u>
Going concern reserve			
- Income	2,535,032	3,354,776	1,854,653
- Expenditure	2,505,132	3,329,569	1,915,399
	<u>29,900</u>	<u>25,207</u>	<u>-60,745</u>
	39,100	25,207	-63,971

Notes

The 2016 financial statements have been prepared in accordance with the provisions of the Guideline for annual reporting C1 “small not-for-profit organizations” (*Richtlijn Verslaggeving Organisaties zonder winststreven*) edition 2015. They aim to give an understanding of income and expenditure and the overall financial position of the International Red Cross Red Crescent Climate Centre.

Principles of valuation and presentation

General

The financial statements have been drawn up on the historic costs. Unless stated otherwise, the assets and liabilities are posted at nominal value. Balance-sheet items in foreign currencies are converted at the rate on the date of the balance sheet, and the ensuing gains or losses in exchange are recorded in the statement of income and expenditure under the heading “investment revenues”. Unless stated otherwise, all amounts are given in euros.

The Climate Centre is a statutory body based in The Hague, Netherlands, and is registered with the Chamber of Commerce under number 27267681.

Financial Instruments

Financial instruments of the entity include receivables, cash items and also trade creditors and other payables. Financial instruments are initially stated at fair value, including discount of premium and directly attributable transaction costs. After initial recognition financial instruments are valued in the manner as described below.

Tangible fixed assets

These are stated at acquisition cost less cumulative depreciation. Depreciation is calculated as a percentage of the acquisition cost, according to the straight-line method on the basis of useful life.

Accounts receivable

Receivables are carried at amortised costs using the effective interest method (for the entity equalling the nominal value) less any bad debt provision deemed necessary.

Trade creditors and other payables

Trade creditors and other payables are carried at amortised costs using the effective interest method (for the entity equalling the nominal value).

Principles for determination of the result

Costs and revenues are allocated to the period to which they relate. The entity's pension plan is a defined contribution pension plan. Obligations for the contribution to this plan are recognised as an expense in the statement of income and expense as incurred.

Government grants

Grants that the provider has made dependent upon the costs of a project are included in the statement of income and expenditure for the year in which the subsidized expenditure was incurred.

Salaries

The Climate Centre follows the Dutch Red Cross collective agreement (CAO).

The Dutch Red Cross has its own collective agreement (CAO) that is concluded with trade union FNV Abvakabo since 2006. Regarding the remuneration of employees the following is set: The starting point for determining the salary scale function is the function. To this end, all the functions arranged into a number of groups, called functional groups. Each function contains a number of features that are approximately equivalent. The severity of a function is determined by a job description. For each function there is a certain salary scale with a minimum and maximum salary. The Climate Centre scales have been developed with the Dutch Red Cross and have been approved by the board.

Notes to the balance sheet as at 31 December 2016 (in euro)

Tangible fixed assets (1)	2016	2015
Acquisition cost at 1 January	7,368	4,637
Investments (computers)	10,112	6,673
Disinvestments	-	-833
Depreciation charged for year (33.33%)	<u>-4,401</u>	<u>-3,109</u>

Book value at 31 December	13,079	7,368
----------------------------------	---------------	--------------

Accounts receivable and prepayments (2)	2016	2015
Receivables re activities	584,767	769,199
Receivables from related parties	50,000	-
Accrued interest and other receivables	<u>103,768</u>	<u>17,820</u>

Total	738,535	787,019
--------------	----------------	----------------

Almost all receivables have a remaining term of less than 1 year.

Cash and cash equivalents (3)	2016	2015
Current accounts	<u>939,696</u>	<u>432,044</u>

Total	939,696	432,044
--------------	----------------	----------------

Equity

In accordance with the aforementioned guidelines, the Climate Centre's equity is broken down into restricted funds and unrestricted reserves. Restricted, earmarked funds are that part of equity to which a third party has dictated a specific use, and the Climate Centre can only use these funds for that purpose. The remaining equity is reported as unrestricted. The going-concern reserve will be allocated as unrestricted funding to carry out activities according to the mandate of the Climate Centre, as described in the articles of association.

Going concern reserve (4)	2016	2015
Balance at 1 January	552,346	602,188
Appropriation of balance for the year	<u>29,900</u>	<u>-49,842</u>

Balance at 31 December	582,245	552,346
-------------------------------	----------------	----------------

Restricted funds (5)	2016	2015
Donor-restricted funds		
Balance at 1 January	22,566	48,351
Changes in accounting policies	-	<u>-24,435</u>
Balance at 1 January after changes in accounting policies	22,566	23,916
Appropriation of balance for the year	<u>-</u>	<u>-1,350</u>

Balance at 31 December	22,566	22,566
-------------------------------	---------------	---------------

	Balance 1-Jan	Appropriation of balance		Balance 31-Dec
		Income	Expenditure	
IASC	18,452	-	-	18,452
Audiovisuals	4,114	-	-	4,114
	22,566	-	-	22,566

The donor-restricted funds include the portion of equity that may be used only for certain purposes, either because a third-party (donor) has stipulated the restriction or because the money was collected for a specific purpose. Allocations to the donor-restricted funds are determined according to the specific purposes for which gifts and donations are given.

The Climate Centre's policy is to spend the restricted funds within three years of the stipulation being made.

Mission reserve	2016	2015
Balance at 1 January		
Appropriation of balance for the year	9,200	
Balance at 31 December	9,200	

The mission reserve is a reserve for the mission of the Climate Centre, particularly focused on policy, innovation, and analysis. The funds placed in this reserve will be used for unfunded activities that further the mission of the Climate Centre, and it is our aim that funds invested in this reserve should be spent within five years of being invested in the reserve.

The board has stipulated the restriction of the mission reserve.

Short-term debts (6)	2016	2015
Accounts payable	88,375	177,106
Taxes and social security premiums	21,925	14,784
Pension	38,900	30,498
Other creditors	304,072	283,601
Project related funds	624,026	145,530
Total	1,077,299	651,519

Project related Funds	Balance 1-Jan	Received	Expenditure	Balance 31-Dec
PfR II	-	1,270,000	791,663-	478,337
Plan Games	629	-	322-	307
IDAMS (European Commission)	1,556	-	1,556-	-
Norwegian University of Live Sciences	13,975	5,854	19,829-	-
Norwegian Red Cross (Policy and Science)	589	138,869	135,290	4,169
IFAD	42,173	105	17,705-	24,573
UNICEF	2,623	34,750	37,373-	-
PLACARD	28,321	-	6,630-	21,692
Ireland Resilience	18,283	-	16,481-	1,802
Fractal II	25,448	58,381	52,925-	30,904
FbF Dar El Salaam	8,003	-	8,003-	-
Amcross Heatwave Nairobi	3,931	-	3,931-	-
Chronic Crisis	-	96,552	54,577-	41,974
Danish Red Cross National Allocation Plan project	-	65,376	51,961-	13,416
FAO SP Games	-	5,951	1,222-	4,730
WB Challenge Fund Dar Es Salaam	-	7,264	5,140-	2,124
	145,530	1,683,102	1,204,606-	624,026

Assets and liabilities not recognised in balance sheet

Liabilities not recognised:

At the time of issuing the financial statements an (internal) investigation is ongoing if the Foundation is an entrepreneur for the VAT.

The outcome of this investigation is still pending.

Notes to the statement of income and expenditure for 2016 (in euro)

Gifts and donations (7)	Actual 2016	Budget 2016	Actual 2015
PNSs: Netherlands Red Cross	25,000	197,000	28,665
German Red Cross	47,855		65,884
Danish Red Cross	51,961		34,667
American Red Cross	5,377		34,093
Swiss Red Cross	13,637		13,960
British Red Cross	32,674		34,784
Norwegian Red Cross	135,290		154,089
Other PNSs			1,621
	311,793	197,000	367,763
Norwegian University of Live Sciences	25,937	22,387	10,069
IDAMS (European Commission)	26,099	20,000	17,618
World Bank	12,285	-	12,024
IFAD	17,705	16,400	22,256
Global Framework for Climate Services (WMO/IFRC)	20,024	25,000	29,407
Plan international	-	-	18,094
Unicef	37,373	10,500	49,194
ASSAR	9,815	15,550	14,378
PLACARD	6,630	22,200	1,148
Proud of my Purok NPL	8,386	30,000	3,540
RPII	21,752	-	-
Fractal II	52,925	63,750	7,104
Attribution	147,416	360,000	-
ASP Sahel Adaptive Protection Program	5,527	-	-
Malawi Social Protection	5,279	-	-
FOA SP Games	1,222	-	-
Total	710,167	782,787	552,595

Government grants (8)	Actual 2016	Budget 2016	Actual 2015
Partners for Resilience (Dutch Government)	791,663	1,417,249	476,103
CDKN (Climate Development Knowledge Network)	-	-	115,323
Forecast Based Financing (German Government)	538,740	563,000	332,160
Strengthening community resilience Ethiopia (Dutch Government; Chronic Crisis)	54,577	130,000	75,884
BRACED (UK Government)	397,447	461,740	299,071
El Nino research (UK Government)	32,954	-	-
Other Government grants	-	-	5,988
Total	1,815,382	2,571,989	1,298,541
Climate Centre operations (9)			
Own activities	Actual 2016	Budget 2016	Actual 2015
Salaries attributed to projects	1,615,579	2,349,776	978,704
Other employment expenses	370,023	960,800	135,306
Consultants/volunteers	445,259		512,772
Office and housings costs	120,203		152,831
Campaign materials	17,186		14,064
Other direct costs	200		400-
Total	2,568,450	3,310,576	1,793,277

Climate Centre Operations (10)			
	Actual 2016	Budget 2016	Actual 2015
General operating costs			
Employment expenses			
Salaries	319,645	524,011	245,844
Salaries foreign staff	910,890	1,493,270	208,339
Long term consultants	-		444,206
Social security charges	45,611	74,772	36,386
Pension contributions	43,746	71,716	34,685
Attributed to projects	1,615,579-	2,349,776-	978,704-
	295,686-	186,007-	9,244-
Other employment expenses	73,465	} 205,000	25,089
Consultants/volunteers	113,448		69,178
Office and housings costs	41,646		37,377
Other general costs	3,810		2,948
Total	63,318-	18,993	125,348

During the financial year, the average number of (part time) employees without long term consultants amounts to 6 (2015: 8). No board member has received a salary, loans or guarantees.

The Hague, 15 August 2017

Board of Governors

Mr E.H.T.M. Nijpels
 Mr G. De Vries
 Mr. G. Conille

Chairman
Treasurer
Member of the board

Other information

Independent auditor's report

To the board of governors of the Red Cross Red Crescent Climate Centre:

A. Report on the audit of the financial statements 2016 included in the annual report

Our opinion

We have audited the accompanying financial statements 2016 of the Red Cross Red Crescent Climate Centre at The Hague.

In our opinion the accompanying financial statements give a true and fair view of the financial position of the Red Cross Red Crescent Climate Centre as at 31 December 2016 and of its result for 2016 in accordance with the Guideline for annual reporting C1 "small not-for-profit organizations".

The financial statements comprise:

1. the balance sheet as at 31 December 2016
2. the statement of income and expenditure for 2016, and
3. the notes comprising a summary of the accounting policies and other explanatory information.

Basis for our opinion

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. Our responsibilities under those standards are further described in the 'Our responsibilities for the audit of the financial statements' section of our report.

We are independent of the Red Cross Red Crescent Climate Centre in accordance with the Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore we have complied with the Verordening gedrags- en beroepsregels accountants (VGBA, Dutch Code of Ethics).

We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

B. Report on the other information included in the annual report

In addition to the financial statements and our auditor's report thereon, the annual report contains other information that consists the board report.

Based on the following procedures performed, we conclude that the other information is consistent with the financial statements and does not contain material misstatements. We have read the other information. Based on our knowledge and understanding obtained through our audit of the financial statements or otherwise, we have considered whether the other information contains material misstatements.

By performing these procedures, we comply with the requirements of the Dutch Standard 720. The scope of the procedures performed is substantially less than the scope of those performed in our audit of the financial statements.

The board is responsible for the preparation of the other information, including the board report in accordance with the Guideline for annual reporting C1 "small not-for-profit organizations.

C. Description of responsibilities regarding the financial statements

Responsibilities of the board for the financial statements

The board is responsible for the preparation and fair presentation of the financial statements in accordance with the Guideline for annual reporting C1 "small not-for-profit organizations". Furthermore, the board is responsible for such internal control as the board determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

As part of the preparation of the financial statements, the board is responsible for assessing the company's ability to continue as a going concern. Based on the financial reporting framework mentioned, the board should prepare the financial statements using the going concern basis of accounting unless the board either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

The board should disclose events and circumstances that may cast significant doubt on the company's ability to continue as a going concern in the financial statements.

Our responsibilities for the audit of the financial statements

Our objective is to plan and perform the audit assignment in a manner that allows us to obtain sufficient and appropriate audit evidence for our opinion.

Our audit has been performed with a high, but not absolute, level of assurance, which means we may not detect all material errors and fraud during our audit.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. The materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

We have exercised professional judgement and have maintained professional skepticism throughout the audit, in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements. Our audit included e.g.:

- Identifying and assessing the risks of material misstatement of the financial statements, whether due to fraud or error, designing and performing audit procedures responsive to those risks, and obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtaining an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control;
- Evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the board;
- Concluding on the appropriateness of the boards use of the going concern basis of accounting, and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause a company to cease to continue as a going concern;

- Evaluating the overall presentation, structure and content of the financial statements, including the disclosures; and
- Evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Because we are ultimately responsible for the opinion, we are also responsible for directing, supervising and performing the group audit. In this respect we have determined the nature and extent of the audit procedures to be carried out for group entities. Decisive were the size and/or the risk profile of the group entities or operations. On this basis, we selected group entities for which an audit or review had to be carried out on the complete set of financial information or specific items.

We communicate with the board, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant findings in internal control that we identify during our audit.

The Hague, 15 August 2017

MDM accountants B.V.

W.S.

R. Munnikhof AA

Colophon

Published in 2017, by

Board of the Red Cross Red Crescent Climate Centre
PO Box 28120
2502 KC The Hague
The Netherlands

Text

Red Cross Red Crescent Climate Centre

Production, editing and coordination

Red Cross Red Crescent Climate Centre

Design

Eszter Saródy

