STRENGTHENING RESILIENCE THROUGH SOCIAL PROTECTION PROGRAMS

GUIDANCE NOTE

MARCH 2018

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Top row, from left: The Ewican family is one of the national champions for being a model family under the conditional cash transfer program of the Department of Social Welfare and Development, Philippines; An elementary student crossing a foot bridge in Barangay Katipunan, Pilar, Surigao del Norte, Philippines

Bottom row, from left: Beneficiaries of the Sustainable Livelihood Program of the Department of Social Welfare and Development, Philippines in Barangay Caridad, Pilar, Surigao Del Norte, Philippines; An ethnic minority woman demonstrates traditional weaving at a cultural expo in Bangkok, Thailand

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FOREWORD

The major global agreements adopted by governments in Asia and the Pacific—the 2030 Agenda for Sustainable Development, the Paris Agreement on Climate Change, the Sendai Framework for Disaster Risk Reduction, and the New Urban Agenda—all emphasize the need to advance sustainable development that is resilient to climate change and disasters. In particular, they underline the need to strengthen the resilience of poor and vulnerable groups such as women, children and youth, older persons, people with disabilities, migrants, and ethnic and caste groups. These groups are disproportionately impacted by climate and disaster-related shocks and stresses, and require a range of measures to help manage risk and strengthen adaptive capacity. The measures can range from providing support to smoothen consumption during lean times, enhancing skills and capacity to adopt climate resilience livelihoods, supporting the creation of productive assets to absorb disaster-related shocks, increasing access to disaster risk insurance to manage residual risks, and supporting the development of alternative livelihoods to deal with changes in risk patterns.

Social protection programs—social assistance, labor market, and social insurance—have the objective of reducing vulnerability and when targeted at poor households and vulnerable populations, enhance opportunities to implement resilience-building measures. This is especially the case when social protection programs are designed with consideration of vulnerability due to climate change and disasters, and implemented in close collaboration with programs focusing on early warning systems, resilient livelihoods, and disaster risk financing. To sustain efforts to reduce poverty and advance resilient development in Asia and the Pacific, opportunities for strengthening resilience through social protection programs must be proactively explored. This volume provides guidance for social protection practitioners on how to strengthen resilience through social protection programs which are designed with climate and disaster risk considerations in mind. As social protection practitioners, your leadership is critical in carrying this work forward and determining its success.

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1.1 Why This Guidance Note?

Climate and disaster risk is increasing in the Asia and Pacific region, exacerbating existing vulnerabilities and creating new ones. The adverse effects are felt most by the poor and the marginalized population. The effects include loss of household assets, disruption of livelihoods, and loss of income, and may lead to the poor adopting negative coping strategies, including selling their productive assets, reducing their consumption levels, and making harmful investment choices regarding education, health, and livelihoods, all of which may impact their long-term well-being. The effects may also result in the near-poor sliding back into poverty due to impacts of hazard-related shocks and stresses, and the increase in the number of transitory poor due to increase in intensity and frequency of hazards.

The poor and vulnerable population are typically the recipients of social protection programs which are designed to reduce overall vulnerability. Social protection is defined as the set of policies and programs designed to reduce poverty and vulnerability by promoting efficient labor markets, diminishing people's exposure to risks, and enhancing their capacity to protect themselves against hazards and interruption or loss of income.¹ However, increase in risks from climate change and disasters will imply that the assets, livelihoods, and well-being of the poor will become more vulnerable. This will require solutions to reduce the current and future vulnerabilities of the poor and marginalized in the context of climate change and disasters, strengthen their adaptive capacity, and enhance residual risk management to support them to recover from hazard-related shocks. The solutions may include a range of measures—providing consumption support during lean periods, developing a culture of savings to encourage investments in risk reduction measures, supporting livelihood diversification to adapt to longer-term changes in climate variables, and providing insurance products to manage residual risk. These measures are closely related to measures often supported by social protection programs. Thus, when designed with climate and disaster risk considerations in mind and implemented in close coordination with programs focusing on strengthening livelihoods, financial inclusion, and early warning systems, social protection programs provide real opportunities to strengthen climate and disaster resilience.

Resilience in this document is defined as the ability of a poor household exposed to hazards to resist, absorb, adapt to, and recover from the effects of hazards in a timely and efficient manner, without jeopardizing their sustained socioeconomic advancement and development (see Table 1 for definitions of key resilience-related terms used in this guidance note). It is in this context that this guidance note aims at (i) providing a **common understanding for social protection practitioners on why to strengthen resilience through social protection**, and (ii) proposing a working **framework comprising principles and key considerations for social protection programs to deliver on resilience outcomes**—reduced risk, strengthened capacity to adapt, and enhanced residual risk management strategies to help recover from the adverse impacts of climate change and disaster-related shocks and stresses (see Figure 1).

¹ ADB. 2001. *Social Protection Strategy*. Manila.

Table 1: Definitions of Key Resilience-Related Terms Used in This Guidance Note

Adaptive capacity: The ability of people to adjust to climate change (including climate variability and extremes) to moderate potential damages, to take advantage of opportunities, or to cope with the consequences (adapted from IPCC 2012). ^a	Disaster risk: The potential loss of life, injury, or destroyed or damaged assets which could occur to a system, a society, or a community in a specific period of time, determined probabilistically as a function of hazard, exposure, vulnerability, and capacity. ^b
Climate change: A change in the state of the climate that can be identified (e.g., by using statistical tests) by changes in the mean and/or the variability of its properties and that persists for an extended period, typically decades or longer. Climate change may be due to natural internal processes or external forcings, or to persistent anthropogenic changes in the composition of the atmosphere or in land use. ^a	Disaster risk management: The application of disaster risk reduction policies and strategies to prevent new disaster risk, reduce existing disaster risk, and manage residual risk, contributing to the strengthening of resilience and reduction of disaster losses. ^b
Climate change adaptation: In human systems, the process of adjustment to actual or expected climate and its effects to moderate harm or exploit beneficial opportunities. In natural systems, the process of adjustment to actual climate and its effects; human intervention may facilitate adjustment to expected climate. ^a	Resilience: The ability of countries, communities, businesses, and individual households to resist, absorb, recover from, and reorganize in response to natural hazard events, without jeopardizing their sustained socioeconomic advancement and development. ^c
Disasters: A serious disruption of the functioning of a community or a society involving widespread human, material, economic, or environmental losses and impacts, which exceeds the ability of the affected community of society to cope using its own resources. ^b	Vulnerability: The conditions determined by physical, social, economic, and environmental factors or processes that increase the susceptibility of an individual, a community, assets, or systems to the impacts of hazards. ^b

^a Intergovernmental Panel on Climate Change (IPCC). 2012: Glossary of terms. In Field, C.B., V. Barros, T.F. Stocker, D. Qin, D.J. Dokken, K.L. Ebi, M.D. Mastrandrea, K.J. Mach, G.-K. Plattner, S.K. Allen, M. Tignor, and P.M. Midgley, eds. *Managing the Risks of Extreme Events and Disasters to Advance Climate Change Adaptation*. A Special Report of Working Groups I and II of the IPCC. Cambridge University Press. pp. 555–564.

^b UNISDR Terminology on Disaster Risk Reduction. <http://www.preventionweb.net/english/professional/terminology/>

^c ADB. 2013. *Investing In Resilience: Ensuring a Disaster-Resistant Future*. Manila.

1.2 Who Is This Guidance Note For?

Recognizing that social protection programs may spread across different government agencies in a country, this guidance note is intended for **practitioners across agencies that are involved in designing and implementing social protection programs**. The guidance note is also intended for social protection practitioners from development partner organizations that are involved in supporting governments in the Asia and Pacific region that develop and implement social protection programs through technical assistance and financing.

1.3 What Does This Guidance Note Contain?

Apart from the introductory and conclusion section, the guidance note has two sections:

Section 2 provides a **common understanding on why it is important to strengthen climate and disaster resilience through social protection programs**. The importance lies in both how social protection programs can introduce ex ante measures to reduce risk and strengthen adaptive capacity of poor households and vulnerable populations, as well as provide ex post measures to facilitate effective post-disaster response and recovery.

Section 3 proposes a working **framework** (see figure on page 10) **comprising guiding principles and key considerations that are critical for social protection programs (primarily social assistance programs) to deliver on resilience outcomes**.

Although this guidance note is based on evidence from literature and operational experience, it does not provide an exhaustive review of the literature around the role of social protection in disasters, climate change, and resilience building. Nor does it provide detailed case studies. It is not intended to be a detailed technical note but rather an introductory note to provide an overview of the topic and a working framework to initiate discussions at the country level on policy and programs.

²/WHY STRENGTHEN RESILIENCE THROUGH SOCIAL PROTECTION PROGRAMS?

This section describes the linkages between social protection and resilience. The linkages need to be proactively explored by social protection practitioners if efforts to reduce poverty in the Asia and Pacific region are to be sustained in the face of changing climate and disaster risk. Social protection practitioners can use such improved understanding to initiate discussions with decision makers, officials from ministries of planning and finance, national agencies on climate change and disaster risk management, and development partners for the need to increase investments in social protection that contributes to resilience outcome.

2.1 Climate and disaster risk undermines development gains and pose a serious threat to poverty reduction

Impacts of climate change and disasters pose a serious threat to poverty reduction.

Despite progress in reducing poverty, the Asia and Pacific region remains home to a large share of the world's poor. The number of poor in the region as of 2013 stands at 330 million under the \$1.90 (2011, purchasing power parity) a day poverty line, which is around 9% of developing Asia's population and represents 43% of the global extreme poor.² The poor rely on fewer and more vulnerable assets, have limited access to finances, lack opportunities to engage in sustainable livelihoods; and consequently experience greater impacts from shocks, including disaster-related shocks—floods, tropical cyclones, landslides, earthquakes, and tsunamis. **For example, when Cyclone Sidr struck the southwest coast of Bangladesh in 2007 with winds up to 240 kilometers per hour, the most affected districts were also the ones with the highest population densities and poverty rates in the country.³ So too, when Typhoon Haiyan affected eight provinces in the Philippines in 2013, many with high levels of poverty incidence, it was estimated that 10% of the 4 million people displaced and 5% of the 12 million directly affected by the typhoon became newly poor; there would be an additional 1 million poor people in the country, increasing overall poverty incidence by 4%.⁴**

About 45% of the population in the Asia and Pacific region depends largely on rain-fed agriculture for their livelihood and subsistence,⁵ and up to 60% of this group are considered poor.⁶ This population is highly vulnerable to impacts from climate variability and change, manifesting, among others, in too little, too much, or untimely rain. Similarly, the poor and vulnerable population living in informal settlements, which are a defining characteristic of the growing urban areas in the region, are particularly exposed to tropical cyclones and urban floods. Thus, the intended outcome of investments aimed at inclusive and sustainable development is often jeopardized by the adverse impacts of climate change and disasters. **For example, local road networks, which acted as the lifeline infrastructure for the vulnerable rural communities in Nepal, were one of the most affected in the 2015 earthquake, resulting not only in losses in the transport sector but also impacts on the agriculture, health, and education sectors.⁷** In fact, between 1995 and 2016, disasters triggered by natural hazards have affected around 4 billion people, and triggered direct physical losses amounting to \$1.2 trillion equivalent to a loss of approximately \$147 million per day—undermining much of the hard-earned development gains of the region. Thus, unless concerted efforts are made to strengthen climate and disaster resilience with an explicit focus on the poor, objectives to reduce poverty will not be achieved.⁸

The impact of slow-onset and rapid-onset hazards on the poor—chronic poor, transitory poor, near poor, and socially marginalized—results in the destruction of assets (often acquired through years of deferred consumption), losses to livelihoods and incomes, and adverse effects on cash saving. Such impact, for example, may lead to the chronic poor adopting negative coping strategies, including the sale of productive assets, reducing consumption levels, and making harmful investment choices regarding education, health, and livelihoods that may impact their long-term well-being.

² ADB estimates based on World Bank's PovcalNet Database (accessed 4 October 2016).

³ Government of Bangladesh. 2008. *Cyclone Sidr in Bangladesh Damage, Loss, and Needs Assessment for Disaster Recovery and Reconstruction*. Dhaka: Ministry of Finance. http://reliefweb.int/sites/reliefweb.int/files/resources/F2FDFF067EF49C8DC12574DC00455142-Full_Report.pdf.

⁴ S. Jha, P. Quising, and G. Sugiyarto. Economic and Poverty Impacts of Typhoon Haiyan: A Policy Note. Unpublished. As cited in E. Alano and M. Lee. 2016. Natural Disaster Shocks and Macroeconomic Growth in Asia: Evidence for Typhoons and Droughts. *ADB Economics Working Paper Series*. No. 503. Manila: ADB.

⁵ ADB. 2013. Agriculture and Structural Transformation in Developing Asia: A Review and Outlook. *ADB Economics Working Paper Series*. No. 363. Manila.

⁶ See Food and Agriculture Organization of the United Nations (FAO). Farming Systems and Poverty webpages: <http://www.fao.org/docrep/003/y1860e/y1860e08.htm> (East Asia and Pacific) and <http://www.fao.org/docrep/003/y1860e/y1860e07.htm> (South Asia).

⁷ Government of Nepal. 2015. *Nepal Earthquake 2015: Post Disaster Needs Assessment*. Kathmandu.

⁸ EM-DAT: The Emergency Events Database - Université catholique de Louvain (UCL) – CRED, D. Guha-Sapir - www.emdat.be. Brussels, Belgium.

Even the “near-poor” and vulnerable households can be pushed below the poverty line because of disaster impact and stresses induced by climate change. ⁹ For example, studies have shown that while Indonesia’s poverty level has declined significantly in the last decade, about 27% of the country’s population (65 million people) have incomes that are marginally higher than the poverty line and could slide back into poverty if food prices surge or if farm incomes suddenly decline due to prolonged drought from El Niño.⁹ While the absolute value of such losses is likely to be smaller compared to losses incurred by wealthier households, the relative impacts can nonetheless be far-reaching for the poor, thus requiring investments (structural and nonstructural) in resilience-building measures that would allow the poor to resist, absorb, adapt to, and recover from the losses with minimum disruption.

Both rural and urban poverty exhibit common characteristics, including income volatility and informality, seasonal mobility and migration, and socioeconomic marginalization. These characteristics contribute to the shaping of risk. Further, the changing climate and disaster risk context (and the uncertainties associated with it) might be an additional factor impacting poor households’ decisions and economic investments. For example, households might adopt low-risk, low-return investment strategies or shorter planning horizons. The disproportionate impact of disasters and climate change on the poor requires investments that are explicitly focused on them, aim to address their current and future vulnerabilities, and recognize them as active agents in making choices to improve their well-being. However, the poor are not a homogeneous group, and the impacts of disasters and climate change have different effects on different households and even within different members of a household. ¹⁰ For example, one study shows how the livelihoods of women and men are affected differently by climate change in two areas of Viet Nam because typically women have fewer assets to turn to for alternative livelihoods when crops are destroyed, and have fewer employment opportunities away from the home.¹⁰ Thus, investments to strengthen household resilience should include a variety of measures, as appropriate, including measures to smoothen consumption during lean times, strengthen (and where needed diversify) livelihoods to factor longer-term risk considerations, enhance skills to adopt climate-resilient livelihoods, support the creation of productive assets to absorb disaster-related shocks, and increase insurance to manage the residual risk. The resilience investments should link to wider investments: community-level investments for improving local infrastructure, strengthening access to affordable finance, and improving governance by involving the poor in decision-making processes.

2.2 Social protection programs provide enhanced opportunities to strengthen resilience

Social protection programs have an overall objective of reducing vulnerability. When designed with climate and disaster risk considerations—spatial and temporal—in mind, they can be effective in protecting poor people’s income from hazards that affect individuals or households (idiosyncratic), as well as those that affect almost everyone in a community (covariate). Further, when designed with close linkages with early warning systems, social protection programs can help ensure that people can anticipate and absorb the adverse impacts of hazards without taking actions that put their livelihoods at risk and can still meet their basic needs.¹¹ In this context, the following paragraphs outline areas in which social protection programs provide opportunities to strengthen households’ resilience to climate change and disaster risks.

⁹ ADB. 2015. *Preparing for El Niño: Policy Options*. Manila.

¹⁰ Oxfam. 2008. *Viet Nam: Climate Change, Adaptation and Poor People*. Ha Noi.

¹¹ M. Ulrichs. 2016. *Increasing People’s Resilience through Social Protection*. BRACED Knowledge Manager Working Paper. London: Building Resilience and Adaptation to Climate Extremes and Disasters (BRACED).

Social assistance can support the poor and vulnerable households to absorb impacts of hazard-related shocks.

Social assistance programs usually involve the direct transfer of cash or food to those experiencing chronic forms of poverty and/or transitory livelihood hardship, or are categorically vulnerable such as children and the elderly. The transfer could be conditional (where the transfer is contingent on a specific behavior of household members) or unconditional (where the recipient does not require any action to receive the transfer). Cash transfers help poor and vulnerable households meet their basic needs, reduce the impact of hazards, and reduce pressure to engage in coping strategies that weaken long-term adaptive capacity.¹² A recent review of impacts of cash transfer programs shows consistently positive, often significant, outcomes that can contribute to resilience, such as increased total and food expenditures, school attendance, use of health services, dietary diversity, anthropometric measures, and a range of diversified livelihoods.¹³ Cash transfers can provide a cushion and strengthen the adaptive capacity to reduce the vulnerability of households to risks through increased household savings, productive assets, inputs to livelihoods, livestock ownership, and livestock value.¹⁴ Therefore, regular, predictable, and timely cash transfers when designed with climate and disaster risk considerations in mind can play an important role in households' ability to absorb the impacts of hazard-related shocks. So too, family development sessions conducted as part of social assistance programs can help in raising awareness on climate change and disaster risk.

Labor market programs while facilitating employment for households can proactively strengthen resilience of community infrastructure.

Labor market programs, such as cash-for-work programs, facilitate employment for households as the major source of economic support while also strengthening community infrastructure. These programs not only protect poor households' income but, if designed with due consideration of climate and disaster risk, can also reduce exposure and vulnerability of the household or community to hazards. Public works programs, for example, can be designed to build or maintain local infrastructure to higher standards of resilience such as cyclone-resistant school buildings; build infrastructure with a primary objective of strengthening resilience such as construction of seawalls; or rejuvenate the natural resource base, such as mangroves, to protect from storm surges and strengthen local livelihoods. Other traditional labor market programs (such as apprenticeship schemes) can also deliver on resilience outcomes in the longer run by providing alternative risk-informed income generating sources and livelihoods. Similarly, labor guarantee schemes can support livelihoods through guaranteed wages for building public assets that can contribute to strengthening resilience for both the household and the community. Public works programs are often used after disasters to support affected populations early in the recovery process.

Social insurance supports the poor and vulnerability to manage risk.

Social insurance comprises insurance programs that are managed or supervised by governments, and those funded by contributions paid by (or on behalf of) participants or taxation.¹⁵ Depending on the objective of the programs, they provide support to households when an event occurs. An example is weather-index insurance, which focuses on insuring crop or livestock losses by small farmers from disasters triggered by natural hazards, thereby strengthening residual risk management. Further, when combined with social assistance programs, for example with regular cash transfers, it can create an enabling environment for prudent risk-taking by poor households to increase and diversify their asset and/or income base.¹⁶ However, coverage of social insurance programs remains typically low in the region and is not covered in this guidance note.

¹² R. Godfrey Wood. 2011. Is There a Role for Cash Transfers in Climate Change Adaptation? In S. Devereux and J.A. McGregor, eds. *Social Protection for Social Justice*. International Conference, Brighton, Institute of Development Studies, 13–15 April.

¹³ F. Bastagli, J. Hagen-Zanker, L. Harman, G. Sturge, V. Barca, T. Schmidt, and L. Pellerano. 2016. *Cash Transfers: What Does the Evidence Say?* London: Overseas Development Institute.

¹⁴ Number of rigorous evaluations from the "From Protection to Production" (PtoP) project, which is a multicountry impact evaluation of cash transfers in sub-Saharan Africa. The project is a collaborative effort between the Food and Agriculture Organization, the United Nations Children's Fund, Eastern and Southern Africa Regional Office, and the governments of Ethiopia, Ghana, Kenya, Lesotho, Malawi, Zambia, and Zimbabwe. See also S. Davies and J. Davey.

¹⁵ Oxford Policy Management. 2017. *Shock-Responsive Social Protection Systems Research: Literature Review* (second edition). Oxford, UK.

¹⁶ C. Costella and O. Ivaschenko. 2015. *Integrating Disaster Response and Climate Resilience in Social Protection Programs in the Pacific Island Countries*. Washington, DC: World Bank.

Strengthening resilience through social protection will require understanding of changing risk patterns and strengthening linkages with resilience-building measures in other sectors.

In the rapidly changing landscape of climate and disaster risk, the present is not an indication of the future. Thus, today's social protection programs focusing on addressing current vulnerabilities will not be sufficient in supporting poor households deal with future vulnerabilities and strengthening adaptive capacity. A climate and disaster risk-based approach needs to be adopted in the design and implementation of social protection programs. This will require an understanding of the relationship between the evolving multihazard landscape and the key elements—population, assets and livelihoods—that will be at risk from potential impacts of climate change and disasters. For example, slow-onset hazards induced by changes in climate variables (temperature, precipitation, and humidity) will impact the livelihoods and health of the poor, thus requiring measures that strengthen livelihoods and adaptive capacity. Rapid-onset hazards may become more intense, thereby requiring new cost-effective ways of assisting the poor to resist and absorb the impact and recover effectively. Such a forward-looking, risk-based approach will enable the design of ex ante measures as part of social protection programs to support poor households in reducing risk (reducing vulnerability, limiting exposure, and strengthening adaptive capacity) and the introduction of ex post measures that would allow social protection programs to support poor households in effective post-disaster response and recovery. Of course, successful implementation of such measures will require close collaboration with programs on early warning, sustainable livelihoods, technical and vocational education and training, community-driven development to support rural and urban infrastructure etc. Table 2 shows examples of how different social protection programs can strengthen resilience. See Box 1, for guidance on how to initiate discussions on linking social protection and resilience at country level.

Table 2: Examples of How Different Social Protection Programs Can Strengthen Resilience

Potential for strengthening resilience	Cash/In-kind transfer	Conditional cash transfer	Public works
Ex ante support by reducing risk			
Enables increase in household savings to deal with climate change and disaster-related shocks and stresses	○	○	○
Enables accumulation of productive assets	○	○	○
Strengthens resilience of community infrastructure			○
Creates community assets that strengthen resilience			○
Provides input to resilient livelihoods			
Increases awareness on climate and disaster risk	○	○	○
Ex post support by facilitating effective recovery			
Smoothens consumption during lean times	○	○	○
Enables continued access to education and health during disasters	○	○	○
Enables post-disaster recovery of sustainable livelihoods	○	○	
Supports post-disaster recovery of resilient community infrastructure			○
Reduces chances of engaging in negative coping mechanism to deal with climate change and disaster-related shocks and stresses	○	○	○

Source: Asian Development Bank

2.3 Investments in resilient social protection programs can demonstrate coherent responses to global development frameworks

Strengthening resilience through social protection programs can advance implementation of the Sustainable Development Goals, Sendai Framework for Disaster Risk Reduction, and Paris Agreement on Climate Change.

The Sustainable Development Goal 1 – No poverty and corresponding targets 1.3 and 1.5 aim for a substantial increase in social protection coverage of the poor and the vulnerable as well as the adoption of social protection policies to progressively achieve greater equality and resilience building of the poor and vulnerable.¹⁷ The Sendai Framework for Disaster Risk Reduction identifies the need to “strengthen the design and implementation of inclusive policies and social safety-net mechanisms, including through community involvement, integrated with livelihood enhancement programmes, and access to basic health-care services, including maternal, newborn and child health, sexual and reproductive health, food security and nutrition, housing and education, towards the eradication of poverty, to find durable solutions in the post-disaster phase and to empower and assist people disproportionately affected by disasters.”¹⁸ The Paris Agreement on Climate Change calls for climate change adaptation action “to follow a country-driven, gender-responsive, participatory and fully transparent approach, taking into consideration vulnerable groups, communities and ecosystems, and should be based on and guided by the best available science and, as appropriate, traditional knowledge, knowledge of indigenous peoples and local knowledge systems, with a view to integrating adaptation into relevant socioeconomic and environmental policies and actions”¹⁹ (see page ii).

Box: Exploring the scope of strengthening resilience through social protection programs

- ▶ Undertake review of impact of past disasters on lives, livelihoods, and well-being of the poor and vulnerable population, especially the ones covered under ongoing social protection programs. Post-disaster needs assessments reports can help in the review. So too, research undertaken by academia can unpack the underlying relationship between climate and disaster risk and poverty. Studies undertaken on potential impact of climate change can help better understand the future vulnerabilities. Surveys and community-level consultations can provide useful insights on the impacts and coping mechanism adopted by the poor and vulnerable.
- ▶ Undertake analysis of social protection programs—social assistance and/or labor market programs that have been used in the past to respond to disasters. It will be useful to understand what were the impacts of the programs and the challenges encountered during implementation. It will be also useful to have discussions with humanitarian agencies that may have delivered their response support through these programs and understand challenges that they may have faced.
- ▶ Undertake discussions with national agencies responsible for climate change adaptation and disaster risk management policy framework to understand national/sector priorities for strengthening resilience of the poor and vulnerable. Initiate dialogues with agencies responsible for implementing programs on early warning, sustainable livelihoods, community infrastructure, etc.

Source: Asian Development Bank

¹⁷ Target 1.3: Implement nationally appropriate social protection systems and measures for all, including floors, and by 2030 achieve substantial coverage of the poor and the vulnerable; and Target 1.5: By 2030, build the resilience of the poor and those in vulnerable situations and reduce their exposure and vulnerability to climate-related extreme events and other economic, social and environmental shocks and disasters. Indicator Source. United Nations, 2015, *Transforming Our World: The 2030 Agenda for Sustainable Development*. New York: UN.

¹⁸ Sendai Framework for Disaster Risk Reduction 2015-2030 http://www.unisdr.org/files/43291_sendaiframeworkfordrren.pdf.

¹⁹ Paris Agreement on Climate Change. http://unfccc.int/files/essential_background/convention/application/pdf/english_paris_agreement.pdf.

^{3/} HOW TO STRENGTHEN RESILIENCE THROUGH SOCIAL PROTECTION PROGRAMS?

This section proposes guiding principles and key considerations that social protection practitioners can factor in the development (project preparation) and implementation of social protection programs that aim to deliver on resilience outcomes. Incorporating such considerations may open the possibility for social protection programs to access climate change and disaster risk management-related resources, including technical and financial resources from national and international sources.

3.1 Framework for Social Protection Programs to Deliver on Resilience Outcomes

Strengthening resilience through social protection requires a change in approach from the business-as-usual approach and is based on three underlying principles and guided by four key considerations (see Figure 2).

Source: Asian Development Bank

Underlying principles

► **Risk-informed basis of action.** Climate and disaster risk is a function of (i) the probability of occurrence of natural hazards of varying severity in a location; (ii) exposure of population, assets, and livelihoods to hazards; and (iii) socioeconomic and physical vulnerabilities. Thus, the level of risk faced by poor and vulnerable populations depends not only on the hazard but also on, for example, where they are located (i.e., their level of exposure), and their degree of reliance on climate-sensitive livelihoods (i.e., vulnerability). Moreover, hazard patterns are changing due to climate change, and the levels of exposure and vulnerabilities are changing with rapid global development—resulting in changing risk patterns. Thus, the risk faced by poor population today might change over time and new population might be at risk in the future.

For social protection programs, this translates into the need to understand the spatial and temporal dimensions of current and future risks, and how they interact (directly and indirectly) with the lives and livelihoods of poor communities. Such an understanding will help introduce features that support poor households in reducing risks,

adapting to longer-term changes in hazard patterns, as well as in managing residual risks. When considering risks, the uncertainties associated with assessing hazards and their potential impacts need to be acknowledged and factored in decision-making of social protection programs, for example by planning for flexible design and implementation features that allow the program to expand, when needed. Provision and understanding of risk information will require close collaboration with national hydrometeorological agencies, disaster risk management institutions, and climate change adaptation networks. Equally important is to engage communities in understanding the local perception of risk, especially since different hazards can have different impacts for different groups of people depending on their location, livelihoods patterns, access to early warning information, and voice in local decision-making processes.

► **Suite of strategies to strengthen resilience.** The poor are not a homogeneous group, and the impacts of disasters and climate change have different effects on different groups. For example, the impact of changing hazard patterns on the livelihood and income of households that are chronically poor and may need consumption support, among others, will differ from that of households that are transitional poor and may need support to diversify their livelihood. Equally important is the different degrees of disaster risk (e.g., high-frequency and low-intensity hazard events, high-intensity but low-frequency hazard events), which may demand different strategies or combination of strategies to manage the potential impacts.

Thus, resilience-building social protection programs should provide a suite of integrated strategies to both reduce the potential adverse impacts of climate and disaster risk through ex ante measures, as well as have ex post measures to facilitate efficient response and recovery after an event. Depending on the nature of risks (e.g., rapid-onset disaster or slow-onset stresses) and characteristics of the population group, the strategies could include a combination of measures to smoothen consumption, enhance skills and capacity, support the creation of productive assets, increase access to insurance, and, in some cases, even develop alternative livelihoods, thereby allowing the households to resist, absorb, adapt to, and recover from shocks and stresses.

► **Coordination and capacity across scales and sectors.** Strengthening resilience requires a systems approach with interventions across different scales and with built-in feedback systems. While a focus on individuals and households (the common focus of social protection programs) is important, it may not be sufficient to address the increasing frequency and severity of covariate disaster-related risks that affect the entire community, local area, or even country. Thus, it is important to link household-level resilience-building measures supported through social protection to wider community-level investments for improving local infrastructure, strengthening access to affordable finance, and improving governance by involving the poor in decision-making processes. This will require strong coordination and collaboration with community-driven development programs across different sectors and with local governments and civil society organizations.

Social protection programs to strengthen resilience may be implemented and supported by a variety of different sector agencies at different administrative levels. While each agency may have unique requirements, operating rules, and implementing mechanisms, there could be potential overlap in the intended beneficiaries. Up-front agreements regarding provision of risk information, and decision-making and coordination with different stakeholders (including those in disaster risk management, education, health, finance, statistics agencies, hydrometeorology, and the private sector) will be critically important. Recognizing the continuing divide between humanitarian and development programming, special collaboration should be established with the humanitarian sector (national agencies responsible for humanitarian relief operations, civil society organizations, and development partners), especially if the program is expected to respond to shocks.

It is critically important to understand the kind of capacities needed and by which actor, in order to deliver social protection programs that strengthen resilience. This should include assessing not only the capacities needed by traditional social protection ministries but also capacity gaps and constraints in other ministries, agencies, and actors (disaster risk management agencies, national hydrometeorological agencies, and earth-observation agencies, humanitarian partners, community-based organizations, etc.). Resources are often scarce, particularly for building capacity. However, building a dedicated strategy based on building resilience through social protection allows reorienting and identifying specific capacity needs. Business processes (including end-to-end reviews of processes and delivery) should be reviewed to identify bottlenecks and capacity constraints across ministries and to address them to deliver a more flexible social protection program that strengthens resilience.

Key considerations

The following four considerations should be factored in the design and implementation of social protection programs to ensure that they deliver on resilience outcomes. These considerations are discussed in detail in section 3.2.

1. Improve targeting of beneficiaries by using climate and disaster risk information.
2. Adopt integrated solutions to reduce risk and strengthen adaptive capacity.
3. Introduce flexible design features to strengthen the program's shock responsiveness.
4. Secure financial resources needed for social protection programs to deliver on resilience.

While these considerations will be critical for strengthening resilience through social protection programs, their uptake will equally depend on larger enabling and constraining political factors and macroeconomic environments, especially in the aftermath of a disaster (footnote 15).

3.2 Key Considerations for Social Protection Programs to Deliver on Resilience Outcomes

3.2.1 Key consideration 1: Improve targeting of program beneficiaries by using climate and disaster risk information.

For social protection programs to deliver on resilience outcomes, it is not enough for the targeting mechanisms and tools used (such as proxy means testing, household economic analysis, and community-based targeting) to be designed around variables to capture chronic poverty and current vulnerabilities. It must also capture future vulnerabilities due to climate change and disasters and include variables that allow the identification of transitory vulnerable groups. For example, proxy means testing might be less relevant for identifying households in need of transitory support, since proxies are static and tend to correlate with long-term poverty measures rather than reflecting short-term or intermittent risk and vulnerability and are therefore not appropriate for measuring rapid changes in welfare due to sudden disaster-related shocks.²⁰ Thus, it is important to understand the correlation between the evolving multihazard landscape and the elements—population, assets, and livelihoods—that will be at risk from potential impacts of climate change-related slow-onset stresses and disaster-related shocks. Such an understanding can help distinguish between the chronic poor and transitory poor and thereby improve the design of resilience-building solutions that can be undertaken through social protection programs (see [key consideration 2](#)). Understanding risk will help in identifying geographical hotspots where social protection programs may require scaling up in events of disaster-related shocks.

²⁰ World Bank. 2012. Climate-Responsive Social Protection. Discussion paper. Washington, DC.

Understand the spatial characteristics of hazards to inform geographical targeting

A significant feature of natural hazards is their geographic location.²¹ For example, floods are usually associated with floodplains, mud flows with steep slopes and their immediate surroundings, and tsunamis with coastal areas. Since the impact of most hazards can be spatially defined, mapping their location, while not the whole story, is nevertheless key to understanding the risks and identifying the potentially exposed population. The hazards are largely driven by the natural environment, such as topography, latitudinal and longitudinal positions, altitude, and local and large-scale climate systems. The hazards can be rapid-onset events (e.g., floods, earthquakes, and landslides) or slow-onset hazards (e.g., drought).²² The hazards can occur at different spatial scales. For example, droughts can occur over large areas, whereas landslides can be localized events. A geographical area may be exposed to multiple hazards, each having its own characteristics. One hazard event may trigger another hazard event (e.g., landslides triggered after an earthquake); or the occurrence of one event may be compounded by another (coastal inundation coincides with river inundation, a relatively frequent situation associated with tropical cyclones). Moreover, climate change will likely alter the spatial patterns of meteorological and hydrological hazards. So too, at times, development practices themselves can change hazard conditions or trigger new ones (e.g., clearing vegetation on slopes may increase the likelihood of flash floods and slope failure). Knowledge of such spatial features of hazards is key to improving geographical targeting of social protection programs as it would allow an understanding of the likelihood of occurrence of hazard events at specific locations, which may have a direct (through loss of assets and income) or indirect (through food price volatility, food insecurity, etc.) impact on poverty levels. **For example, the evolution of safety nets in Bangladesh with a sharper focus on districts in the northwest of the country that are prone to annual *monga* (a period of higher unemployment or underemployment and food insecurity due to seasonality in agriculture) reflects a good understanding of the spatial characteristics of hazards.**²³

Enhance knowledge on temporal characteristics of hazards

In planning for social protection programs, it is useful to understand how a hazard event will occur—the duration, frequency, and timing of an event. Duration can vary from seconds to a few minutes in the case of an earthquake, to several years in the case of a drought or an ongoing eruption of a volcano. Moreover, changes in some climate variables—sea-level rise, temperature, and humidity—will take place over a longer period. While the physical duration of the event is not the sole indication of the level of damage and losses, this understanding can provide useful insights for improving targeting of social protection programs (e.g., better understanding of how the different indicators used for proxy means testing, such as quality of housing or asset holding, may be affected by different hazards). Secondly, it is important to understand the frequency or return period of hazard events—how often a specific hazard of a particular intensity is likely to occur in a given location. It is important to note that understanding frequencies based entirely on historical records may not be sufficient, as climate change may alter the future frequency of extreme events. Lastly, some hazards, such as monsoonal floods and tropical cyclones, are seasonal and occur more frequently at certain times of the year. Understanding the temporal features of hazards is important to improve targeting, especially in identifying the transitory poor (e.g., household's dependence in climate-sensitive livelihoods and the potential impacts they face from seasonal stresses and in identifying their transitory needs). It can also help in better designing the type of interventions and planning for the resources required. **For example, the design of the indicators used for proxy means testing under the Benazir Income Support Programme of Pakistan is currently being reviewed to include, among others, indicators related to agroclimatic zones. This will enable better understanding of climate vulnerability and allow targeting populations whose livelihoods are vulnerable to climate-related shocks, such as floods and droughts.**²⁴

²¹ B. E. Montz, G. A. Tobin, and R. R. Hagelman. 2017. *Natural Hazards: Explanation and Integration*. New York: Guilford Press.

²² ADB. 2016. *Reducing Disaster Risk by Managing Land Use: Guidance Note for Planners*. Manila.

²³ F. Bastagli with R. Holmes. 2014. *Delivering Social Protection in the Aftermath of a Shock: Lessons from Bangladesh, Kenya, Pakistan, and Viet Nam*. London: Overseas Development Institute.

²⁴ C. Watson, T. Lone, U. Qazi, G. Smith, and F. Rashid. 2017. *Shock-Responsive Social Protection Systems Research – Case Study: Pakistan*. Oxford, UK: Oxford Policy Management.

Implement risk-informed targeting

Implementing risk-informed targeting processes will require the use of additional information and knowledge, such as earth-observation technology to identify change in hazard pattern, linkages with early warning systems to benefit from seasonal forecast information, engagement with community-based organizations for real-time identification of households that are transitory poor during lean times and those at risk of becoming poor in the near future, and data from mobile phone networks to map population movement in the aftermath of a disaster.

In addition, the program tools need to be dynamic as well as capable of absorbing and responding to the changing context in which they are being used. For example, beneficiary household information recorded in (single or unified) registries can lose their relevance the more time passes since the information was collected.²⁵ This affects the credibility of the program as decisions made based on information in the registry may be out of date. Working to cycles of 3–5 years for updating information in the registry does not reflect the dynamic nature of poverty and vulnerability and is likely to mean that a program using these data is unable to respond accurately or appropriately in real time, as it is out of date within a few months of their collection. While there are inevitable trade-offs (specifically in terms of costs, time, etc.) registries could be more flexible by expanding the number of households in a traditional registry to include, for example, the bottom 40%–50% of households in the community and not just program beneficiaries. This allows for a comparative assessment of relative wealth and vulnerability of households in the same community, allowing for a consistent approach when poor and vulnerable households are facing a disaster—that is, when expansion of a program is required. For example, in Brazil, the Cadastro Único registry includes households with a per capita income below half the national minimum wage, a threshold that is higher than the income eligibility threshold of existing cash transfer programs. Such a design feature allows the rapid identification of potential beneficiaries—even if they were not considered poor before the disaster—and ensures that cash transfer schemes can rapidly respond to shocks.

The registry can be made flexible also by providing meaningful roles for the community to update data to inform real-time program decisions. This could mean a regular community-based process to verify the information in a registry, providing updates on households' status as they change in real time. Engaging the community in participatory risk assessment processes (which helps them identify vulnerable households and population, location of high risk community infrastructure etc.) and letting them decide who benefits from a program can build on their deep contextual understanding of social and economic vulnerability (as opposed to just poverty measures) and manage local dynamics around equity (often overlooked by more administrative processes).²⁶ For example, in Gunungkidul district, Indonesia, the YAKKUM Emergency Unit (a national civil society organization) undertook community-led risk mapping that supported the local government to identify vulnerable households in 86 subvillages (10 villages). The data were endorsed by the village authorities and helped in updating the government beneficiary list for the conditional cash transfer program.²⁶ In the Philippines, in the aftermath of Typhoon Haiyan, the Department of Social Welfare and Development partnered with community-based organizations, such as DAMPA (a federation of 245 community-based organizations in the Philippines and led by women), to revalidate beneficiary lists of the Modified Conditional Cash Transfer program in the typhoon-affected areas. DAMPA staff helped educate beneficiary households about the program and monitor beneficiary compliance with the conditions of receiving cash transfers (footnote 26). However, like other targeting approaches, the effectiveness of community-based approaches in the aftermath of a shock depends to a large extent on whether mechanisms were in place and institutionalized prior to the crisis or set up in the crisis context (footnote 23).

²⁵ A single registry is typically a database of household-level data registered in a single program. The data can include socioeconomic data, identity data, and other relevant pieces of information necessary for a program to determine households' entitlement to benefits, the size of any benefits, etc. A unified registry is a database of household-level data registered across multiple programs. The data held in the system are similar to a single registry and provide the same information for a program to determine households' entitlements, but they also allow program decision-makers to determine how many households are receiving different benefits from which sources in complex, fragmented environments.

²⁶ Huairou Commission. 2017. *Accelerating Sustainable Development: Investing in Community-Led Strategies for Climate and Disaster Resilience*. Brooklyn, New York.

3.2.2 Key consideration 2: **Adopt integrated solutions to reduce risk and strengthen adaptive capacity**

Strengthening resilience to increasing climate and disaster risk will require strengthening the capacity of poor households to resist, absorb, adapt to, and recover from the impacts of hazards without suffering major setbacks. With the needs being different for different groups of poor households, different forms of social protection instruments are required to strengthen resilience, ranging from consumption support, savings, skills training, productive assets, and access to insurance. While the choice of instruments typically depends on wider factors such as larger development priorities, objectives of the social protection program, or the availability of financial resources, when informed by the risk context and adopted in an integrated, carefully sequenced and tailored manner, different instruments can provide different degrees of opportunities for strengthening different aspects of resilience.

Design risk-informed social transfer mechanisms

Social transfers—cash (conditional or unconditional) or in kind—can strengthen the capacity of poor households to deal with the effects of hazards by stabilizing income, enabling households to meet basic needs, and avoiding the adoption of negative coping strategies, such as selling-off of household productive assets for consumption purposes, household food reductions, or withdrawal of children from school, which can lead to long-term poverty traps. However, where livelihoods of the poor are dependent on climate-sensitive sectors (e.g., agriculture, livestock, fisheries, and forestry) for cash transfers to be effective in strengthening resilience, the timing of transfers could be strategically sequenced with the production season to ensure consumption smoothing during lean periods and avoid poor households adopting negative coping strategies. For example, cash transfers provided in the post-monsoon season can provide a breathing space for poor households to not engage in menial wage labor or sell land, and instead to focus on restoring livelihoods in a sustainable manner.

Conditional cash transfers to ensure that children attend schools also can incentivize poor households to not withdraw their children from school after the annual flood seasons. In some cases, the conditions associated with transfers can explicitly aim at strengthening resilience, such as conditions related to maintaining mangroves in cyclone and tsunami-risk coastal areas, setting up a local emergency fund before the annual flood season, or establishing a community early warning system in landslide-prone areas. Thus, timely and predictable transfers designed with a good understanding of risk can provide poor households with the confidence and flexibility to plan their expenditure (including investment in productive assets) during normal times, build the confidence of financial service providers to lend to poor households, allow poor households to secure basic consumption needs on credit during times of stress, and in acute disasters be the deciding factor in household survival.

The transfers need to be adequate to cover a percentage of a household's basic needs to avoid the household adopting negative coping strategies. In times of disaster when market prices typically increase due to supply constraints, indexation mechanisms allow for sensitive (often temporary) adjustment to transfer sizes. Depending on the spatial and temporal pattern of climate and disaster risk in the area (see key consideration 1), adequate indexation mechanisms should be built in the program design to adjust the size of transfers, while maintaining program objectives. For example, social assistance programs with food security objectives could link the transfer size to the local market price of a staple food product, which could be higher in a post-disaster context due to shortage of supply or higher transportation costs. Of course, the adjustments will also require budget flexibility (see key consideration 4) and, in the case of food transfers, adequate stocks (footnote 23). Moreover, having adequate support also requires planning ahead and taking into account medium- and long-term livelihood risks (footnote 11).

Strengthening resilience requires a transformational approach. Expanding the time horizon for households receiving transfers from short-term projects (less than 1–3 years) toward longer-term programs (5–10 years and more) helps promote transformation—a gradual move from smoothing consumption to engaging in sustainable livelihoods. Over time as the beneficiary households attempt to move out of poverty, the transfers and accompanying capacity building can contribute to different aspects of resilience—smoothing consumptions during lean season, increasing savings

to deal with impacts of frequent hazards, acquiring skills for diversifying livelihoods, accumulating productive assets that have higher resilience, and so on. Even within an annual program implementation cycle, priority should be given to the delivery of transfer over any compliance issues to ensure the beneficiary receives a full dose of transfers. For example, a conditional cash transfer focusing on school attendance should provide transfers for the entire duration of a school year, regardless of whether the pupil attends school after the flood seasons when the school might be inaccessible. As part of the post-disaster response, conditionality may be waived as unconditional cash transfers.

Index-based insurance mechanisms could be built into existing social transfer programs. Key features of these mechanisms could be increasing cash transfers to compensate for the loss of agricultural yield or assets, providing quick insurance payouts in case of shocks to those already targeted by a cash transfer program and using existing cash transfer infrastructure as payout delivery mechanisms, and scaling up assistance beyond the core target group (usually the chronically poor) to include households that are temporarily pushed into poverty as a result of an extreme weather event.²⁷ For example, in Ethiopia, the Rural Resilience Initiative by Oxfam and the World Food Programme provides poor farmers the option to pay for index-based insurance by working on small community projects that build climate resilience and agricultural productivity such as improved irrigation or soil management. In the event of a seasonal drought, automatic insurance payouts to the farmers are triggered if rainfall drops below a predetermined threshold. This enables farmers to afford the seeds and inputs necessary to plant in the following season and protects them from having to sell off productive assets to survive.²⁸

Implement risk-informed social assistance programs

In order to factor risk considerations into the design of social assistance programs, it is important to understand and identify (i) the livelihoods at risks from climate variability and change, and the types of early warning mechanisms available that can inform the design of transfers; (ii) the coping strategies typically adopted by the potential beneficiaries of the program (these may differ based on the geographical and sociocultural context); and (iii) the constraints in delivery of transfers as a result of seasonality or a likely extreme event, and accordingly strengthen cash, voucher, or mobile-money delivery mechanisms. Partnerships with agencies involved in early warning, agricultural extension workers, community-based organizations, and the private sector could be useful in addressing these issues.

Moreover, in the fast-changing context of climate and disaster risk, program beneficiaries need the right information at the right time for them to plan effectively and manage resources to build resilience. This information includes not only basic program material (such as when their transfers can be expected) but also other information that can strengthen, or weaken, resilience-building activities such as rainfall, livelihood, and market trends. With regular, reliable communications, households can manage this effectively.²⁹ Additional information on climate-related risks assists with making informed decisions about livelihoods and is likely to require additional capacity to apply the relevant information. Developing a communications strategy that details how basic social protection program information (i.e., transfer schedule) and also how market, climate, and livelihood information will be delivered to households, even during acute episodes of stress or a disaster, is a necessary supportive measure for effective implementation. Leveraging local methods and structures for information dissemination, especially in hazard-prone areas, will ensure that local households enrolled in the program know where, when, and how to access the information they need, even during acute stages of a disaster. Special orientation sessions and training on climate and disaster risk, risk reduction and adaptation measures, and household disaster preparedness can be included in family development sessions conducted as part of social assistance programs.

²⁷ S. Ziegler. 2016. Adaptive Social Protection: Linking Social Protection and Climate Change Adaptation. *Discussion Papers on Social Protection*. Bonn: Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ). <https://www.giz.de/fachexpertise/downloads/giz2015-en-adaptive-social-protection.pdf>.

²⁸ World Bank. 2013. *Building Resilience to Disaster and Climate Change through Social Protection*. Washington, DC.

²⁹ Reliable communication about any unforeseen delay is therefore important to manage poor household economies that are often living hand-to-mouth and are sometimes reliant on short-term loans to cover their consumption expenditures.

Strengthen labor market programs to build assets and livelihoods that enhance resilience

Labor market programs, such as labor-intensive public works programs, are considered key elements of a social protection strategy. Public works programs have been successfully used to provide transfers to the poor and vulnerable households in exchange for labor during lean periods such as annual floods and drought (e.g., cash for work for rehabilitation of canals) and in the aftermath of large-scale disasters, to implement recovery and reconstruction needs (e.g., cash for work for site clearance). Apart from providing income, the benefits of such programs include building a sense of solidarity and helping overcome trauma among the affected population through active involvement of the communities in the recovery process.³⁰

While the use of public works programs for responding to climate and disaster-related shocks and stresses is a critical contribution for strengthening resilience (provided they are already established before a hazard-related event takes place), the prospects of such instruments to proactively build resilience can be further explored. For example, public works programs in soil conservation projects not only generate incomes for the poor households but can also slow desertification and erosion, generate new forest areas, improve water conservation, and increase agricultural productivity. Similarly, public works programs to improve irrigation can increase areas under irrigation for a second crop, thereby enhancing the scope for a second income for poor households. In addition, public works programs can support building resilience infrastructure (e.g., cyclone shelters) or climate-proofing infrastructure (e.g., raising embankment height). **For example, the Mahatma Gandhi National Rural Employment Generation Act of India, which guarantees 100 days of work and a minimum wage for the rural population, is strengthening resilience by identifying assets that have the greatest potential to enhance resilience and by climate-proofing selected assets.**

Implement risk-informed labor market programs

In order to factor climate and disaster risk considerations in the design of public works programs, it is important to understand the spatial and temporal aspects of current and future risks and identify interventions that will build resilience. For example, public works programs used to extract groundwater in areas at severe risk of extended drought periods can have negative effects in the medium and long term if groundwater recharge is not safeguarded (footnote 27). It is also important to ensure the transfer amount is adequate for the household to cover its basic needs and to allow stepping up investments in productive assets. Capacity building on resilient construction techniques can also become an opportunity to contribute to long-term skills.

Support sustainable livelihoods strategies informed of long-term risk

While certain groups of people will always require some kind of support, as a result of life cycle vulnerabilities (e.g., old age, motherhood, and early childhood), others have the potential to increase their resilience to shocks by improving their livelihoods (footnote 11). Support in building household productive assets, strengthening skills, and diversifying livelihoods are important social protection strategies that can help achieve such objectives.

Poor households accumulate productive assets through regular social transfers—between 15% and 20% of a transfer is typically used to invest in assets.³¹ Larger cash transfers provide better outcomes in accumulating productive assets and livelihood investments. Households that have accumulated productive assets through social assistance programs engage in fewer distress sales than control groups and are more protected against the impact of a hazard.^{32,33} Social assistance accompanied with suitable training and awareness can support the accumulation of a productive assets

³⁰ K. Vincent and T. Cull. 2012. *Adaptive Social Protection: Making Concepts a Reality*. Brighton, UK: Institute of Development Studies.

³¹ M. Grosh, C. del Ninno, E. Tesliuc, and A. Ouerghi. 2008. *For Protection and Promotion: The Design and Implementation of Effective Safety Nets*. Washington, DC: World Bank. https://siteresources.worldbank.org/SPLP/Resources/461653-1207162275268/For_Protection_and_Promotion908.pdf.

³² E. Knippenberg and J. Hoddinott. 2016. *Building Resilience in Ethiopia: Identifying the Impact of the Productive Safety Net Program on Households' Vulnerability and Resilience to Drought*. New York, NY: Cornell University. <http://www.econthatmatters.com/2016/04/building-resilience-in-ethiopia-through-the-public-safety-nets-program/>.

³³ K. Bentele. *The Impact of State Safety-Net Programs and Household Assets on Poverty during the Great Recession*. Boston: University of Massachusetts. <https://web.stanford.edu/group/recessiontrends/cgi-bin/web/resources/research-project/impact-state-safety-net-programs-and-household-assets-poverty-during-grea>.

base that is resilient to climate and disaster risk. For example, social protection programs can promote diversification of livelihoods (e.g., shifting from raising chicken to raising ducks in flood-prone areas); and facilitating the timely (seasonal or exceptional) depletion of assets, where appropriate (e.g., household livestock can be de-stocked at appropriate times before a drought to preserve household income and avoid livestock deaths). So too, linkages can be established with complementary sustainable livelihoods-related interventions aimed at improving business development skills (e.g., nonfarm livelihoods) and introducing new technology (e.g., water harvesting). Livelihood-related interventions can be linked to programs targeted at the labor market (e.g., to build community infrastructure), financial inclusion (e.g., agricultural insurance), and access to information (e.g., early warning) in order to mutually reinforce benefits.

In cases where the explicit objective of a social protection program is to support livelihoods, special consideration should be given to ensure that long-term characteristics of climate and disaster risk are understood and inform the livelihood-related interventions. **For example, livelihoods that are becoming unsustainable due to slow-onset stresses (e.g., salt water intrusion affecting agricultural in coastal areas) should be avoided and alternative livelihood strategies should be explored. Similarly, supporting livelihood strategies without understanding their linkages with wider systematic risk can unwittingly increase future vulnerability (e.g., increasing off-farm income through the sale of natural resources may result in longer-term environmental impact).**

Implement resilient livelihood strategies

Implementing resilient livelihood measures would require a good understanding of how household assets and livelihood strategies will be affected by current and future vulnerabilities; identifying vulnerabilities in the livelihood value chain; strengthening partnerships with information and technology providers (e.g., agricultural extension service to introduce drought-resistant seeds and support in interpreting weather forecasts); and linking with financial institution. It will also require good communication systems to provide poor households with information on climate-related risks, which can assist them in making informed decisions about livelihoods and accompanying capacity building to apply the relevant information.

3.3.3 Key consideration 3: Introduce flexible design features to strengthen the program's shock responsiveness

Likely increase in intensity and frequency of covariate disaster-related shocks will require formal safety net programs to be in place that can respond quickly to shocks through vertical and/or horizontal expansion and close integration and alignment with humanitarian response processes. The ability to respond requires ex ante introduction of flexible features in the design of the program.

Introduce features to support vertical and horizontal expansion of the program in response to disaster-related shocks

In event of a disaster, timely provision of post-disaster response and early recovery-related support are critical for saving lives, supporting the affected population in livelihood recovery, preventing the adoption of negative coping strategies among the affected poor, and thereby reducing the overall impact of the disaster. While labor market programs (see key consideration 2) are used in many cases to provide income for affected populations, the infrastructure of social assistance programs (e.g., cash transfers) can also be leveraged to effectively deliver support in the event of a disaster. If social assistance programs are operational in the disaster-affected area, they can be used to provide existing beneficiaries with additional transfers (vertical expansion) either by increasing the duration of transfer or the amount of transfer and/or by making it easier for beneficiaries to comply with any program conditions by temporarily waiving conditions in a conditional cash transfer program. **For example, following Tropical Cyclone Winston in Fiji in February 2016, which affected 540,400 people, the Government of Fiji, with support from the World Bank,**

responded by topping up the cash transfers for beneficiaries of all the national social protection programs: \$300 for Poverty Benefits Scheme beneficiaries and \$150 to beneficiaries of other schemes (footnote 15). In Ecuador, the Bono de Desarrollo Humano conditional cash transfer program has an emergency grant that can be activated to provide beneficiaries with additional financial support at times of crisis (footnote 15).

Social assistance programs can also be used to add new beneficiaries temporarily in the aftermath of a disaster (horizontal expansion) if pre-existing targeting and delivery systems are agreed beforehand. **For example, in Chile, non-beneficiaries of the Solidario program who were affected by the 2010 earthquake were also supported if their monthly income was below \$836 (footnote 15).** Examples from other parts of the world show that where existing social protection programs have been used to respond to disasters by scaling up, the post-disaster response has been timely and efficient. **For example, in Ethiopia, the typical time lines involved in responding to a disaster were significantly reduced from 9 months to 2 months when the country's social protection program was used as a delivery mechanism for cash transfers during drought.** In countries with very high disaster risk, options to set up a stand-alone scalable emergency cash transfer program that utilizes the administrative system of existing social assistance program(s) can be further explored. In contexts where a cash-based response is not appropriate, in-kind transfers such as food transfers can also be scaled up in a similar manner.

Implement vertical and horizontal expansion of social assistance programs

To introduce shock-responsive features in social assistance programs, which will deliver results in an efficient manner, ex ante planning is required at the design stage. It requires overlaying climate and disaster risk information on top of other indicators used for program targeting to identify the geographical hot spots (e.g., high-flood-risk areas, dry zones, and coastal areas that are often affected by tropical cyclones) where the program may need to scale up in the event of a disaster. If the disaster affects existing program beneficiaries, it will be important to agree beforehand whether regular program conditions for receiving a transfer would be waived to expedite the delivery of transfers during post-disaster response and for how long; and if additional transfers will be provided to reduce the losses suffered, and, if so, for how long and how much. Similarly, in order to facilitate horizontal expansion, it will be important to assess the exposure, vulnerability, and capability of the poor and near-poor households that are residing in such high-risk program areas and are currently not covered by regular program activities but may need to be included in the program in the event of a disaster. For such cases, deciding how the new households would be targeted, how they receive cash transfers, for how long, and how much is important. To further improve shock-responsiveness features, it will be important to agree on the condition that would act as a trigger for the scale-up (e.g., weather forecasts or declaration of emergency by the government). Depending on the type of indicators used for the trigger, responses could be ex ante (allowing actions to be taken before the disaster takes place) or ex post (actions to be taken only after the disaster has happened). It will be critical to discuss the potential resources required for such an expansion and the possibility of having contingent financing in place, which could be immediately accessed once the agreed conditions for scale-up have been met (see key consideration 4). It will be also important to complement top-ups with an information campaign to make households aware of the payments and their purpose (footnote 15). Political and power dynamics can play an important role in decisions related to vertical and horizontal expansion and their ultimate success.

Agree ex ante on use of social assistance program infrastructure by humanitarian partners

The impact of large-scale disasters may be beyond the capacity of the government to respond to effectively and may need additional support from national and international humanitarian partners to reach out to the most affected population. Where possible, the execution of such a humanitarian response being provided by development partners should dovetail with that of the government through social protection delivery mechanisms. Organizations using cash transfers in emergencies can be encouraged to use the infrastructure of existing social assistance programs to identify beneficiaries, payment mechanisms, registry systems, and so on. Using parallel systems and instruments makes delivery of services more fragmented, undermines the integrity of national systems, increases the administrative burden on the government, and confuses beneficiaries, especially during the critical response phase. **For example, in the aftermath of Typhoon Haiyan in the Philippines, partners such as the World Food Programme and UNICEF chose to deliver their emergency cash transfer to affected populations in selected areas by topping up payments to the beneficiaries of the country's flagship conditional cash transfer program, Pantawid Pamilyang Pilipino**

Program.³⁴ Following the 2015 Nepal earthquake, UNICEF similarly used the existing social assistance system of the government as an effective way to quickly reach a large cohort of the population that was in need of support (footnote 15).

Use of social assistance program architecture to deliver humanitarian responses being provided by development partners requires putting in place ex ante agreements with partner organizations that are expected to play a role in humanitarian response. It will be important to agree what a continuum of support is composed of in the local context for households affected by both chronic and varying degrees of transitory needs, how benefits can be harmonized across agencies, how existing social protection delivery mechanisms can be used, and which agencies will take responsibility for complementary actions based on recognized comparative advantages.

3.2.4 Key consideration 4: **Secure financial resources needed for social protection programs to deliver on resilience outcomes**

For social protection programs to effectively deliver on resilience outcomes, it is critical that the program budget is designed to support measures that would strengthen the adaptive capacity of poor households and be responsive to accommodate vertical and/or horizontal expansion needs to deal with disaster-related shocks. This will require longer-term funding, especially to support measures that can reduce risk and strengthen adaptive capacity; and introducing contingency budget features in program design, alignment with the wider emergency-related contingency budget mechanisms of the government, and having access to liquidity through contingent credit facilities for it to expand when needed.

Allocate resources to implement risk reduction measures

Introducing risk reduction measures (e.g., promoting diversification of resilient livelihoods by shifting from raising chicken to raising ducks in flood-prone areas, facilitating destocking of livelihoods before a drought period, etc.) does not always require additional financial resources and often produce co-benefits (e.g., planting and maintaining mangroves in coastal areas as part of conditional cash transfer program in order to reduce impacts of storm surges, can also support in generating local livelihoods and main ecosystems). In cases where additional resources are required (e.g., raising embankment height as part of public works programs, building capacity on resilient construction techniques), initiatives should be undertaken to mobilize such resources from national and international finances for climate change and disaster risk management. Mobilization of private sector resources can also be explored in the context of corporate social responsibility.

Introduce features related to project contingency financing to effectively respond to low-impact events

The use of climate and disaster risk information during the program design phase can help identify resilience-building measures and associated finances required that can be provided through social protection programs to strengthen the resilience of beneficiaries to slow-onset stresses induced by climate change and shocks from frequent disasters. Since there are uncertainties associated with extreme events, the program design needs to include flexible budget lines or contingency budget lines for reallocating funds to deal with shocks (that are frequent but less damaging) and provide a continuum of support to households in need of assistance as a result of disasters. This continuum of support recognizes the need for prompt responses and avoiding bureaucratic delays (need for verification, administrative accounting, disbursement scheduling, etc.) when responding to disasters. **For example, the Chars Livelihoods Programme in Bangladesh includes an annual contingency budget built into the project design for disaster response. If not spent within the year, the budget has to be redistributed into the regular program activities. Since the**

³⁴ G. Smith and V. Barca. 2017. Building on Social Protection Systems for Effective Disaster Response: The Philippines Experience. Oxford, UK: Oxford Policy Management.

program has a specific focus on reducing vulnerabilities of poor households living in the chars to regular flooding, the need for this contingency fund has decreased over time (footnote 23). Also, the Productive Safety Net Programme of Ethiopia includes a risk financing mechanism, managed at the federal level, to facilitate the rapid mobilization of additional resources in an emergency and depends on an established early warning system that triggers the risk financing when needed (footnote 23).

Strengthen linkages with wider contingency reserves and credit facilities

While project-level contingency is important, it is probably only adequate for responding to small-scale events that do not affect large numbers of program beneficiaries. For medium-impact events, it is important to align with wider disaster-related contingencies or reserves held at different administrative levels—village, district, province, and national levels—or to have access to liquidity through contingent credit facilities or establishment of trust funds. **For example, in Kenya, alongside the development of National Safety Net Program financing in the regular budget, the government has set up a multidonor National Drought and Disaster Contingency Fund, established as a trust fund under the Ministry of Finance, to finance the scaling up of the National Safety Net Program in the event of a shock (footnote 23).**

Improvements in disaster risk management legislation and policy frameworks in the Asia and Pacific region have led to a strengthening of such financing mechanisms (e.g., relief and/or calamity funds) and the associated terms and conditions. Aligning with the rules of such financing will facilitate channeling of resources from a contingency budget through social protection programs to the affected population, thereby allowing an expansion of the program when needed to reach new beneficiaries or deepen support to existing beneficiaries. For example, for small-scale disasters, locally owned contingency or relief funds can be used. Such funding is usually operated at the discretion of local administration although the rules of disbursement are agreed ex ante. These funds can be used to align with existing social protection programs to provide assistance where most needed. This will ensure greater local ownership of the use of funds, faster response when it is needed most, and response at a more sensitive scale that larger programs may not be able to accommodate. Triggers based on robust early warning systems can be used to release the funds before an event takes place, thereby reducing the potential impacts of the event. In addition, governments may have signed up for contingent financing with multilateral development banks, which gives them access to immediate liquidity once agreed conditions are met. In such cases, it will be important to explore the potential of channeling such resources through the delivery mechanisms of social protection programs.

Implement features to secure financing

In order to access dedicated funding for climate change and disaster risk management, such as funding from various climate finance sources, the program should adopt risk-informed approaches – conceptualization, design and implementation.³⁵ For successfully applying shock-responsive financing approaches, rules need to be agreed ex ante with all stakeholders, and that ensure objectively verifiable indicators are included to allow for the release of resources as needs increase. Advancements in the use of technologies for weather forecasting, damage and loss assessment, and market information (among others) allow robust triggers to be established that can justify the need for additional financing required to expand programs in response to climate- and disaster-related shocks and for the timely release of resources. It is important to ensure that all stakeholders—program owners, ministry of finance, national and local disaster risk management agencies, and other relevant agencies—agree ex ante on the thresholds that will trigger disbursements and how the measurement of these thresholds are to be made. Equally important is to have discussions with relevant agencies that can provide the information for the necessary triggers—national hydrometeorological agencies and earth-observation agencies—and to understand the advantages as well as limitations of the current technology and capacity.

³⁵ Climate finance refers to local, national, or transnational financing, which may be drawn from public, private, and alternative sources of financing. Climate finance is critical to addressing climate change because large-scale investments are required to significantly reduce emissions, notably in sectors that emit large quantities of greenhouse gases. Climate finance is equally important for adaptation, for which significant financial resources will be similarly required to allow countries to adapt to the adverse effects and reduce the impacts of climate change (Source: United Nations. <http://unfccc.int/7001.php>).

REPUBLIC OF THE PHILIPPINES
CARAGA ADMINISTRATIVE REGION XIII
PROVINCE OF SURIGAO DEL NORTE
MUNICIPALITY OF PILAR
BARANGAY KATIPUNAN

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4/ CONCLUSION

Climate change and disaster risks are increasing in the Asia and Pacific region, and will continue to disproportionately impact the poor and vulnerable population. Interventions are required with an explicit focus on strengthening resilience of the poor and vulnerable. Social protection programs that focus on the poor and marginalized can significantly contribute to achieving resilience outcome—i.e., strengthen capacity of poor and vulnerable population to resist, absorb, adapt to, and recover from the adverse effects of climate change and disasters in a timely and efficient manner, without jeopardizing their sustained socioeconomic advancement and development. However, this would require social protection programs to be designed with climate and disaster risk considerations in mind and implemented in close synergy with programs on sustainable livelihoods, early warning systems, and financial inclusion.

This introductory note provides guidance to social protection practitioners on how to strengthen resilience through social protection programs. It introduces three key underlying principles for successful implementation of social protection programs that aim to deliver on resilience outcome. These principles include (i) undertaking risk-informed basis of action, (ii) need for a suite of integrated strategies to strengthen resilience, and (iii) strengthening coordination and capacity across scales and sectors. It further describes four key considerations that should be factored in the design and implementation of social protection programs from resilience perspective. These considerations are the following:

1. Improve targeting of beneficiaries by using climate and disaster risk information.
 - ▶ understand the spatial characteristics of hazards to inform geographical targeting – location of hazards
 - ▶ enhance knowledge on temporal characteristics of hazards – duration, frequency, and timing of hazards
2. Adopt integrated solutions that reduce risk and strengthens adaptive capacity.
 - ▶ design risk-informed social transfer mechanisms – adequate, timely, and predictable transfers designed with a good understanding of risk
 - ▶ strengthen labor market programs to build assets and livelihoods that enhance resilience
 - ▶ support sustainable livelihoods strategies informed of long-term risk characteristics
3. Introduce flexible design features to strengthen the program's shock responsiveness.
 - ▶ introduce features to support vertical and horizontal expansion of the program in response to disaster-related shocks
 - ▶ agree ex ante on use of social assistance program infrastructure by humanitarian partners
4. Secure financial resources needed for social protection programs to deliver on resilience.
 - ▶ allocate resources to implement risk reduction measures
 - ▶ introduce features related to project contingency financing to effectively respond to low-impact events
 - ▶ strengthen linkages with wider contingency reserves and credit facilities

Implementation of considerations will require a host of actions—particularly, actions related to producing risk information, understanding current and future vulnerabilities of poor household and strengthening linkages between social protection programs and wider development and resilience programs. This calls for recognizing the importance of partnerships with agencies involved in producing hazard information, providing early warning systems, agricultural extension workers, and community-based organizations.

Strengthening Resilience through Social Protection Programs

Guidance Note

Climate and disaster risk is increasing in the Asia and Pacific region, exacerbating existing vulnerabilities and creating new ones. The adverse effects are felt most by the poor and the vulnerable. Social protection programs, when designed with climate and disaster risk considerations in mind, provide enhanced opportunities to strengthen climate and disaster resilience.

This guidance note underscores the importance of strengthening climate change and disaster resilience through social protection programs and proposes a working framework for social protection programs to deliver on resilience outcomes—reduced risk, strengthened capacity to adapt, and enhanced residual risk management strategies to help recover from the adverse impacts of slow-onset and rapid-onset hazards.

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