Increasing people’s resilience through social protection

Martina Ulrichs

This paper draws from existing evidence to highlight how social protection programmes and systems can contribute to building the anticipatory, adaptive and absorptive capacity of vulnerable people who are exposed to climate shocks and disasters.

**KEY MESSAGES**

- The increasing prevalence of climate-related extreme events is becoming an additional factor that exacerbates vulnerability and undermines efforts to reduce poverty. Social protection is a key policy tool to help people manage a range of risks to their livelihoods and wellbeing, including climate shocks.

- Social protection can build anticipatory capacity by linking social safety nets with mechanisms to prepare and plan for climate extremes and disasters. It provides beneficiaries with the capacity to absorb shocks and meet their basic needs in times of hardship. If future risks are accounted for and adequate support is provided, social protection can play a role in building adaptive capacity in the long-term through sustainable livelihood promotion.

- To ensure programmes can effectively reduce vulnerability to climate risks several factors need to be considered to make it ‘adaptive’ or ‘shock-responsive’. These relate to designing flexible and scalable programmes, ensuring the support provided reduces current as well as future vulnerability, and putting in place targeting, financing and coordination mechanisms that facilitate cross-sector responses to different types of risks.
INTRODUCTION

Climate-related shocks and stresses are posing significant obstacles to poverty reduction. Climate change could result in an additional 100 million people living in extreme poverty by 2030, unless climate-informed development interventions prevent some of its disastrous consequences (Hallegatte et al., 2016). In many cases, climate-related events happen on top of economic or political crises within a short timeframe and strain people’s capacity to cope. For example, in Ghana and Mali local floods and droughts accompanied the 2007/08 food and fuel price crisis (Bastagli, 2014). Efforts to reduce poverty and vulnerability will need to be cognisant of the new and increasing stresses placed on the livelihoods of the poor in a changing climate. Equally, efforts to respond better to disasters and climate change have to take account of the socioeconomic factors that make people particularly vulnerable, since climate extremes have the biggest impact on those who lack the resources and capacity to prepare for, respond to and recover from shocks (Cannon and Müller-Mahn, 2010; Shepherd et al., 2013; Wilkinson and Peters, 2015).

Policy responses that aim to address the underlying causes of poverty and vulnerability and are able to reduce the increasing risk of climate shocks and the impoverishing effects of disasters are gaining more traction. Social protection is one policy tool that has proven to effectively protect people’s livelihoods from major shocks, and it has done so predominantly by reducing people’s economic vulnerabilities. These relate to people’s low socioeconomic status or risks that emerge from certain phases in life where additional protection is needed, for example childhood, pregnancy or old age. Social protection helps ensure people can anticipate and absorb these shocks without taking actions that put their livelihoods at risk and can still meet their basic needs. They help people cope with shocks that affect individuals or households (idiosyncratic), like a car crash or illness, as well as shocks that affect almost everyone in a community (covariate). This is achieved through different types of social protection (see Table 1), which can be contributory or non-contributory and subsidised through public funds.
Policy responses that aim to address the underlying causes of poverty and vulnerability and are able to reduce the increasing risk of climate shocks and the impoverishing effects of disasters are gaining more traction. Social protection is one policy tool that has proven to effectively protect people’s livelihoods from major shocks, and it has done so predominantly by reducing people’s economic vulnerabilities. These relate to people’s low socioeconomic status or risks that emerge from certain phases in life where additional protection is needed, for example childhood, pregnancy or old age. Social protection helps ensure people can anticipate and absorb these shocks without taking actions that put their livelihoods at risk and can still meet their basic needs. They help people cope with shocks that affect individuals or households (idiosyncratic), like a car crash or illness, as well as shocks that affect almost everyone in a community (covariate). This is achieved through different types of social protection (see Table 1), which can be contributory or non-contributory and subsidised through public funds.

<table>
<thead>
<tr>
<th>Type of social protection</th>
<th>Examples of tools</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Social assistance:</strong></td>
<td></td>
</tr>
</tbody>
</table>
| Non-contributory, means-tested or categorically targeted programmes for vulnerable groups | • Cash-or in kind transfers  
• Input or food subsidies  
• Social (non-contributory) pensions financed through tax or other revenues (e.g. aid budgets) |
| **Social insurance:**     |                   |
| Contributory programmes that protect individuals and households from uncertain risk | • Maternity benefits  
• Unemployment insurance  
• Community-based health insurance  
• Weather-indexed crop insurance |
| **Labour market interventions:** |                   |
| Protective measures for the working-age population | • Skills transfer programmes  
• Employment guarantee schemes  
• Cash for work programmes |

As well as reducing social and lifecycle risks, social protection programmes can also be used to buffer the negative impacts of climate extremes and disasters, either by incorporating more ‘adaptive’ and ‘shock-responsive’ characteristics in the programme design or through better coordination with humanitarian responses (Davies et al., 2009; OPM, 2015). The concept of Adaptive Social Protection (ASP), for example, highlights the contributions social protection programmes (such as cash transfers, temporary employment schemes or weather-indexed social insurance) can make to help people adapt to climate change and reduce disaster risk. The literature on ASP illustrates how conceptual as well as practical linkages between social protection, climate change adaptation (CCA) and disaster risk reduction (DRR) can maximise efforts to reduce people’s vulnerability to short- and long-term shocks in a more integrated way (Béné et al., 2012; Davies et al., 2013; Vincent and Cull, 2012). Social protection instruments can thus be vehicles for protecting those with low adaptive capacity from climate risks, preventing damaging coping strategies and promoting livelihood resilience by increasing people’s ability to withstand shocks (Devereux and Sabates-Wheeler, 2004). A key element of ASP is that it aims to move away from single-stranded approaches to addressing vulnerability by promoting cross-sector collaboration between social protection, DRR and CCA policies and practices.
ANTICIPATING, ADAPTING TO AND ABSORBING SHOCKS THROUGH SOCIAL PROTECTION

For social protection to maintain its protective, preventive and promotive functions in the face of climate shocks, it needs to reduce existing – as well as future – vulnerability. Policy-makers and programme implementers need to assess which elements of social protection programmes contribute to building people’s resilience capacities to anticipate, absorb and adapt to shocks and how these can be incorporated into programme design and efforts to strengthen social protection systems (see Box 1).

The provision of safety nets and social insurance protects people’s asset base and consumption and prevents the impoverishing effects of shocks, whether climate-related or lifecycle-based. Following the 2011 drought in Kenya, poverty increased by 5%, but participants in the Hunger Safety Net Programme (HSNP) were protected from this effect and did not fall further into poverty (Merttens et al., 2013). Different social protection programmes can also provide vulnerable people with the option to avoid damaging coping strategies that can result in longer-term deterioration of their living standards. Mexico’s long-term conditional cash transfer programme Progresa, which targets poor families, allowed households to keep their children in school despite experiencing negative livelihood impacts following a drought (de Janvry et al., 2004). In Kenya, Index-based Livestock Insurance aims to explicitly protect pastoralists from the economic consequences of losing livestock as a result of drought (Burness Communications, 2014). Social protection programmes thus play a role in providing vulnerable people with the capacity to absorb shocks while still meeting their basic needs without suffering major setbacks.

Social protection programmes can also build the adaptive capacity of economically vulnerable working-age adults through livelihood promotion programmes. These entail a combination of interventions such as transfers of inputs, assets or cash that aim to increase recipients’ capacity to generate income and maintain a solid asset base. Programmes aim to promote or ‘graduate’ people to a level where they have enough resources to recover from shocks in the long term without external support (Devereux and Sabates-Wheeler, 2011). In contexts where changes in weather patterns are projected to undermine the sustainability of natural resource-dependent livelihoods (e.g. small-scale farmers in drought-prone areas), social protection can support people in changing or diversifying their main livelihood activities, for example by providing support for off-farm rural enterprises, assisted migration or improved remittance schemes, rather than promoting existing livelihoods (Béné et al., 2013; Davies et al., 2009).

Social protection programmes can further improve the anticipatory capacity of communities and individuals by putting in place systems that reduce vulnerability to specific climate-related risks. The Chars Livelihoods Programme in Bangladesh works with poor people

Box 1: Social protection increases resilience

The Building Resilience and Adaptation and Resilience to Climate Extremes and Disasters (BRACED) ‘3As’ framework breaks resilience down into three capacities: adaptive, anticipatory and absorptive. Social protection contributes to these capacities through its primary functions of protecting basic needs during times of hardship, preventing people from falling further into poverty after a shock and promoting livelihoods to improve their living standards in the long term.

**Contributions to building resilience**

- Builds *anticipatory capacity* to reduce the impact of climate variability and extremes, by helping people prepare and plan for climate extremes and disasters.
- Increases *absorptive capacity* during a shock by providing people with a safety net to meet their basic needs.
- Builds *adaptive capacity* in the long term through sustainable livelihood promotion.

Source: Based on *Devereux and Sabates-Wheeler (2004) and **Bahadur et al. (2015).*
negative livelihood impacts following a drought (de Janvry et al., 2004). In Kenya, Index-based Livestock Insurance aims to explicitly protect pastoralists from the economic consequences of losing livestock as a result of drought (Burness Communications, 2014). Social protection programmes thus play a role in providing vulnerable people with the capacity to absorb shocks while still meeting their basic needs without suffering major setbacks.

Social protection programmes can also build the adaptive capacity of economically vulnerable working-age adults through livelihood promotion programmes. These entail a combination of interventions such as transfers of inputs, assets or cash that aim to increase recipients’ capacity to generate income and maintain a solid asset base. Programmes aim to promote or ‘graduate’ people to a level where they have enough resources to recover from shocks in the long term without external support (Devereux and Sabates-Wheeler, 2011). In contexts where changes in weather patterns are projected to undermine the sustainability of natural resource-dependent livelihoods (e.g. small-scale farmers in drought-prone areas), social protection can support people in changing or diversifying their main livelihood activities, for example by providing support for off-farm rural enterprises, assisted migration or improved remittance schemes, rather than promoting existing livelihoods (Béné et al., 2013; Davies et al., 2009).

Social protection programmes can further improve the anticipatory capacity of communities and individuals by putting in place systems that reduce vulnerability to specific climate-related risks. The Chars Livelihoods Programme in Bangladesh works with poor people who are highly vulnerable to floods. As part of the programme, plinths are built to elevate people’s houses, which protected 95% of recipients from losing their assets after a flood and ensure climate risks do not undermine project progress (Kenward et al., 2012). Social protection programmes can also be used to build community-based DRR. The World Food Programme (WFP) Food Assistance for Assets projects explicitly aim to reduce the risk of disasters by building community infrastructure. Project participants in countries like Lesotho and Bangladesh raise roads, lift homesteads and build flood defence barriers in return for food vouchers or cash. These activities are often coordinated with national disaster authorities and aim to improve preparedness for disasters at the local level (WFP, 2013). Having access to these types of programmes provides people with the capacity to prepare for the eventuality of a climate-related shock in advance of its occurrence.

However, these potential contributions to social protection programmes can make building people’s resilience hinge on a range of factors that make programmes more or less successful. Social protection is not a magic bullet for effective shock response and it does not always lead to the desired impacts. Policy-makers and programme implementers need to carefully consider the characteristics that allow social protection fulfil its key functions and become a more effective response to different types of shocks – whether there are climate-related shocks and disasters or not.

**Policy-makers and programme implementers need to carefully consider the characteristics that allow social protection to fulfil its functions whether there are climate-related shocks and disasters or not, and that also allow it to become a more effective response to different types of shocks.**
In ensuring social protection plays an effective role in increasing people’s ability to anticipate, absorb and adapt to shocks, several factors need to be taken into account in the design of programmes; it will also be necessary to put in place appropriate mechanisms that can improve cross-sector collaboration.

**Adequacy of support**

For social protection to effectively protect people from the negative livelihood impacts of shocks, the support provided, be it through child grants, social insurance or protective safety nets, needs to be adequate. This means the size of the transfer and type of support provided has to be able to cover the basic needs of its target population and be delivered in a reliable and timely manner. In Ethiopia, the support provided by the Productive Safety Net Programme (PSNP) was adequate during normal seasons and allowed beneficiaries to increase their asset base. However, during the 2008 drought, the support provided was not enough to protect people. While beneficiaries did fare better than non-beneficiaries, they still fell below their pre-entry levels of poverty (Devereux et al., 2008). In the case of several index-based insurance mechanisms, pay-out levels that are lower than the actual loss in crops of livestock signal insufficient levels of support in case of a shock (Bastagli and Harman, 2015). In Mexico, the pay-out from Cadena, the subsidised agricultural insurance programme, represents less than a quarter of farmers’ investment costs (World Bank, 2013a).

Adequacy of support also requires planning ahead and taking into account medium- and long-term livelihood risks. Building synergies between CCA and social protection can help avoid maladaptation in the future (Davies et al., 2009; Johnson et al., 2013). Increasing a household’s income generation potential in the short term can in some cases increase its future vulnerability. In Ethiopia, for example, evidence shows the PSNP increased off-farm income, yet a large proportion of this stemmed from the sale of natural resources, with potential long-term environmental impact (Weldegebriel and Prowse, 2013). Input transfer programmes, such as Malawi’s starter pack, provide tools to address food security but can also undercut local seed markets and undermine crop diversity, which can increase the vulnerability of the agro-ecological context.

While certain groups of people will always require some kind of support, as a result of lifecycle vulnerabilities (e.g. old age, motherhood, early childhood), others have the potential to increase their resilience to shocks by improving their livelihoods. Selecting the appropriate social protection tools and target groups requires forward-looking risk and vulnerability analyses.
which assess the current and likely future impact of shocks on different groups of the population (disaggregated by gender, age, disability, ethnicity, etc.) (Samson et al., 2010). Reviewing current social protection provision and previous shock responses, appraising shock response capacity and the identification of priority actions then feeds into the development of national social protection strategies (McCord, 2013).

**Flexibility in design to scale-up**

Different social protection tools, such as social cash transfers, public works programmes and school feeding programmes, have been effective instruments in protecting people during times when their food security and basic needs are under threat. They have also been effective in providing humanitarian support to affected populations following disasters. Emergency cash transfers and public works programmes that rebuild damaged infrastructure by paying people cash in hand to meet their immediate needs and revitalise the local economy have been delivered through existing social protection schemes, as in post-Tsunami Aceh (Doocy et al., 2006; Heltberg, 2007).

Social protection can be scaled up in response to a shock by increasing the benefit value or duration of an existing programme (vertical expansion) or by enrolling new beneficiaries (horizontal expansion) (OPM, 2015). Ethiopia’s PSNP, for example, provided an extension of two to three months of support to existing beneficiaries after the 2011 drought, and also released contingency funds to enrol new beneficiaries (Slater and Bhuvanendra, 2013). Lesotho’s Child Grants Programme (CGP) provided one-off emergency cash transfers to more than 16,000 vulnerable households during the food crisis, and enrolled additional eligible households as beneficiaries (Niang and Ramirez, 2014).

The ability of social protection programmes to respond quickly to shocks hinges on the flexibility of their design and implementation mechanisms to expand coverage during times of
crisis and to scale back afterwards. This includes leaving scope to modify the type of support provided and eligibility criteria, ensure sufficient funding is in place during times of crisis to trigger additional support and protect the fiscal allocation for existing social protection provision ex-post (Kuriakose et al., 2012; McCord, 2013). Information management, financing and cross-sector approaches are therefore three key areas of a social protection system that will make it more or less able to respond to shocks and help build resilience. These components of social protection programmes and delivery mechanisms are discussed below.

**Information management systems**

Having information to hand on who is likely to be affected before a shock hits facilitates the timely delivery of social protection or humanitarian response. In contexts where social protection programmes are growing and synergies between the sector and that of disaster response are yet to be fully harnessed, social protection programmes can contribute to building these national information systems during their targeting phase. This has implications for how and what kinds of population data are collected. Much social protection provision is targeted using combinations of demographic categories, community-based targeting and means-testing, often with a geographic focus. To maximise relevance for households vulnerable to shocks, these criteria need to correlate with data on vulnerability to covariate shocks (Kuriakose et al., 2012). They will have to include information on those likely to be affected by climate extremes or disasters, taking into account seasonality and regionality of shocks, since those eligible for social protection programmes may not share the same characteristics as people affected by disasters.

National information systems that are available and accessible before or during a crisis situation can facilitate the horizontal expansion of social protection programmes. Kenya’s HSNP demonstrated that including data on non-beneficiaries in areas vulnerable to food insecurity and putting in place payment mechanisms before the crisis allowed rapid humanitarian response through one-off bank transfers to people affected by the 2015 drought. Brazil’s Cadastro Unico also collects information on all those with a per capita household income below half the national minimum wage, which includes those not eligible for social protection but who can be considered vulnerable. The information is updated at least every two years, which makes the Cadastro Unico a useful source for monitoring poverty dynamics and changes in the circumstances of those registered (Bastagli, 2014). These systems are not necessarily without challenges. Systems geared towards poverty-targeted programmes may be easier to ‘piggyback’ on than categorical targeting mechanisms, yet need to be updated frequently to reflect changes in poverty and can thus be a challenge in resource-constrained contexts (Bastagli, 2014; Slater et al., 2015).

**Financing**

Having appropriate financing mechanisms in place to facilitate scalability and secure social protection budgets in times of shocks increases the adaptive and shock-responsive potential of programmes. In resource-constrained contexts, financing the expansion of social protection during times of crisis can pose a challenge to timely and adequate response. Reserve
funds or risk financing mechanisms can be used, however, to cover the liabilities of disasters or humanitarian crises, and can then finance the expansion of social protection. The PSNP Risk Financing Mechanism facilitated a quick response to extend additional support to beneficiaries affected by a disaster. During the 2008 drought and food price crisis, the PSNP contingency fund made it possible to provide additional transfers to 4.43 million beneficiaries (Slater and Bhuvanendra, 2013). Flexibility in budget lines assists in reallocating funds in crisis circumstances, for example to post-disaster response and reconstruction (Bastagli, 2014). Regional risk-sharing insurance mechanisms like the African Risk Capacity allow for risk-pooling for food crises caused by drought and the quick disbursement of funds triggered by a satellite-measured rainfall index (Bailey, 2013).

Making funds available on time can be facilitated through new types of lending mechanisms, such as the World Bank’s Programmatic Development Policy Loans, which can be used to accelerate disbursement, while easing the transition from emergency planning to longer-term social safety net programmes and investment loans. Yet these lending mechanisms are still concentrated mainly in middle-income countries. One initiative to improve rapid humanitarian response and support programming of social protection systems building in low-income countries and fragile states is the multi-donor Rapid Social Response programme, which includes interventions on scaling up targeted safety nets and expanding labour market initiatives (Bastagli, 2014).

**Cross-sector collaboration**

At the heart of approaches to promote adaptive and shock-responsive social protection lies better cross-sector collaboration to improve the response to the different types of risks people face. A comprehensive strategy for reducing chronic as well as transitory vulnerability to shocks requires complementary interventions and a clear allocation of roles and responsibilities between different actors. By including social
protection programmes in disaster risk management strategies ex-ante and linking these programmes to the network of institutions involved in disaster response, coordination of efforts ex-post can be facilitated (World Bank, 2013b).

Experience from Bangladesh highlights that embedding safety nets within national DRR policy and including risk of disaster in the design of agricultural policies reduced the vulnerability of the poorest to floods (Pelham et al., 2011). In Niger, a national contingency plan includes different interventions to ensure access to food to protect household assets through public works and food distribution, as well as developing early warning indicators. The Programme for Climate Resilience integrates sustainable land and water management as well as social protection measures, such as weather index-based insurance mechanisms, for agricultural and pastoral production (Harris, 2013). Rwanda’s Green Growth Strategy explicitly links CCA with DRR and social protection and has incentivised cross-sector collaboration through multi-sector fund disbursement. Social protection can also help build adaptive capacity at the community level through the creation of assets that contribute to DRR and environmental rehabilitation.

India’s large-scale Mahatma Gandhi Employment Guarantee Scheme has reduced distress migration and improved water availability and soil fertility through water conservation, irrigation provisioning, land development and drought proofing activities (IIS and GIZ, 2013).

Humanitarian actors can also use social protection administrative frameworks to ‘piggyback’ on existing delivery systems. In Honduras, the World Bank enabled rapid disbursements using existing delivery channels of the Honduran Social Fund following Hurricane Mitch (Grosh et al., 2008). In response to Typhoon Haiyan in the Philippines, emergency aid ‘piggybacked’ on the 4P social protection programme to deliver emergency cash transfers to almost 100,000 affected households. Here, timely delivery was ensured through collaboration between different national and international agencies, with clear
roles and responsibilities and effective coordination mechanisms (Smith, 2015). Linking humanitarian response to weather forecasts could also help trigger early action to reduce disaster impacts. In Somalia, the famine caused by drought in 2011 was preceded by 11 months of early warnings, as well as predictions of a famine just a few months before it took place (Hillbruner and Moloney, 2012). Linking humanitarian response more effectively to climate information could prevent disasters and improve the preparedness of systems (Coughlan de Perez et al., 2015).

In contexts where social protection programmes are yet to be scaled up, humanitarian response in times of crisis can assist in expanding coverage for future integration into national social protection systems post-crisis, as was done in Lesotho’s CGP following the 2011 food crisis (Niang and Ramirez, 2014). Having institutional and financial arrangements in place post-disaster will facilitate access to information systems, identification of affected population and rapid mobilisation of additional resources. This requires the not unsubstantial challenge of addressing bottlenecks in cross-sector collaboration between disaster response actors and social protection staff, if they operate under different institutional and funding mechanisms with competing political interests (Cherrier, 2014; World Bank, 2011).
The growing impact of climate-related shocks poses a threat to poverty reduction. Unless development interventions can incorporate new risks into their programme design and implementation, poverty reduction efforts may stall. Social protection protects people from shocks, prevents damaging coping strategies and promotes livelihoods to lift people out of poverty. To ensure social protection programmes can fulfil these functions in the face of increasing risks posed by climate extremes and disasters, a number of factors need to be taken into account to make them more ‘adaptive’ or ‘shock-responsive’. These relate to designing flexible and scalable programmes, ensuring the support provided reduces current as well as future vulnerability and putting in place targeting, financing and coordination mechanisms that facilitate cross-sector responses to different types of risks.


IIS (Indian Institute of Science) and GIZ (German Development Corporation) (2013) ‘Environmental benefits and vulnerability reduction through Mahatma Gandhi National Rural Employment Guarantee Scheme’. New Delhi and Bonn: IIS and GIZ.


Background Note for the High Level Panel on Humanitarian Cash Transfers. London: ODI.


WFP (World Food Programme) (2013) *Building resilience through asset creation*. Rome: WFP.


The BRACED Knowledge Manager generates evidence and learning on resilience and adaptation in partnership with the BRACED projects and the wider resilience community. It gathers robust evidence of what works to strengthen resilience to climate extremes and disasters, and initiates and supports processes to ensure that evidence is put into use in policy and programmes. The Knowledge Manager also fosters partnerships to amplify the impact of new evidence and learning, in order to significantly improve levels of resilience in poor and vulnerable countries and communities around the world.

Cover image: © Asian Development Bank

The views presented in this paper are those of the author(s) and do not necessarily represent the views of BRACED, its partners or donor.

Readers are encouraged to reproduce material from BRACED Knowledge Manager reports for their own publications, as long as they are not being sold commercially. As copyright holder, the BRACED programme requests due acknowledgement and a copy of the publication. For online use, we ask readers to link to the original resource on the BRACED website.

Designed and typeset by Soapbox, www.soapbox.co.uk