



Global Forum on Adaptive Social Protection

Protecting lives and livelihoods
in times of crisis

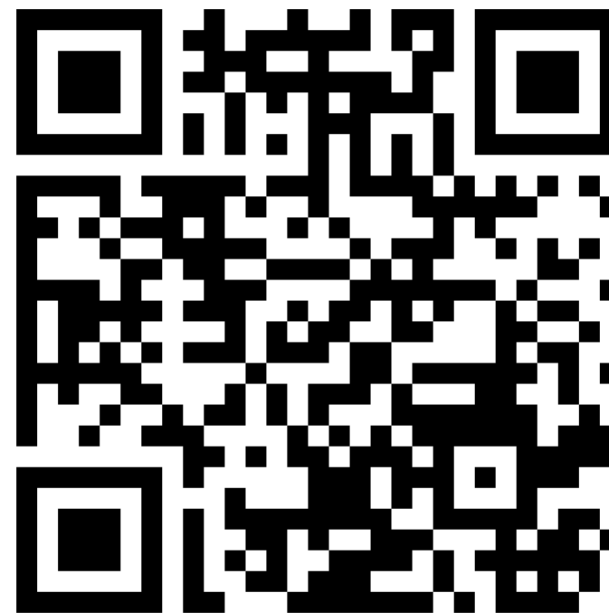
Climate and Disaster Risk Financing and Social Protection: The increasing role of pre-arranged financing for social protection in the Global Shield and beyond

Day 2 – June 14th, 2023 - Parallel Session 2 | Financing



Send your questions via Mentimeter

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Agenda

| Time and agenda | Speaker | Conversation Focus |
|--------------------------------------|--|--|
| Part 1 - Introduction | | |
| Opening | Zoe Scott-Moderator | Setting the scene |
| Welcome | Heike Henn (BMZ) | The role of the Global Shield |
| Part 2 – Round Table | | |
| Block 1 30m | Gov. Rep. Fiji Gov. Rep. Nicaragua Gov. Malawi WFP Global | How has social protection been linked to pre-arranged financing in your country and what have the benefits been? |
| Block 2 30m | Gov. Rep. Fiji Gov. Rep. Nicaragua Gov. Malawi WFP Global | What challenges do governments and organisations face? What solutions were proposed? |
| Part 3 – Final Considerations | | |
| Global Shield and SP | Sara Ahmed | The Global Shield's future contribution |
| Closing Remarks | Zoe Scott-Moderator | Key messages and closing |



Part I - Opening





What is Disaster Risk Finance?

Usual approach to disasters is to wait until it happens, then figure out how to pay for it.

DRF is a different approach:

- Finance arranged before a potential shock, approved in advance, based on a risk (although funds may not arrive before the shock)
- For a specific risk or a recipient
- Guaranteed to be released when agreed trigger conditions have been met



What does this have to do with Social Protection?

Social protection can be a tool for CC adaptation and shock response Covid-19 examples, but none had the finance for scaling up arranged in advance.

This session explores the following questions:

- What are the benefits of linking DRF with SP?
- What real-world examples are there and what are we learning?
- How can the Global Shield help?



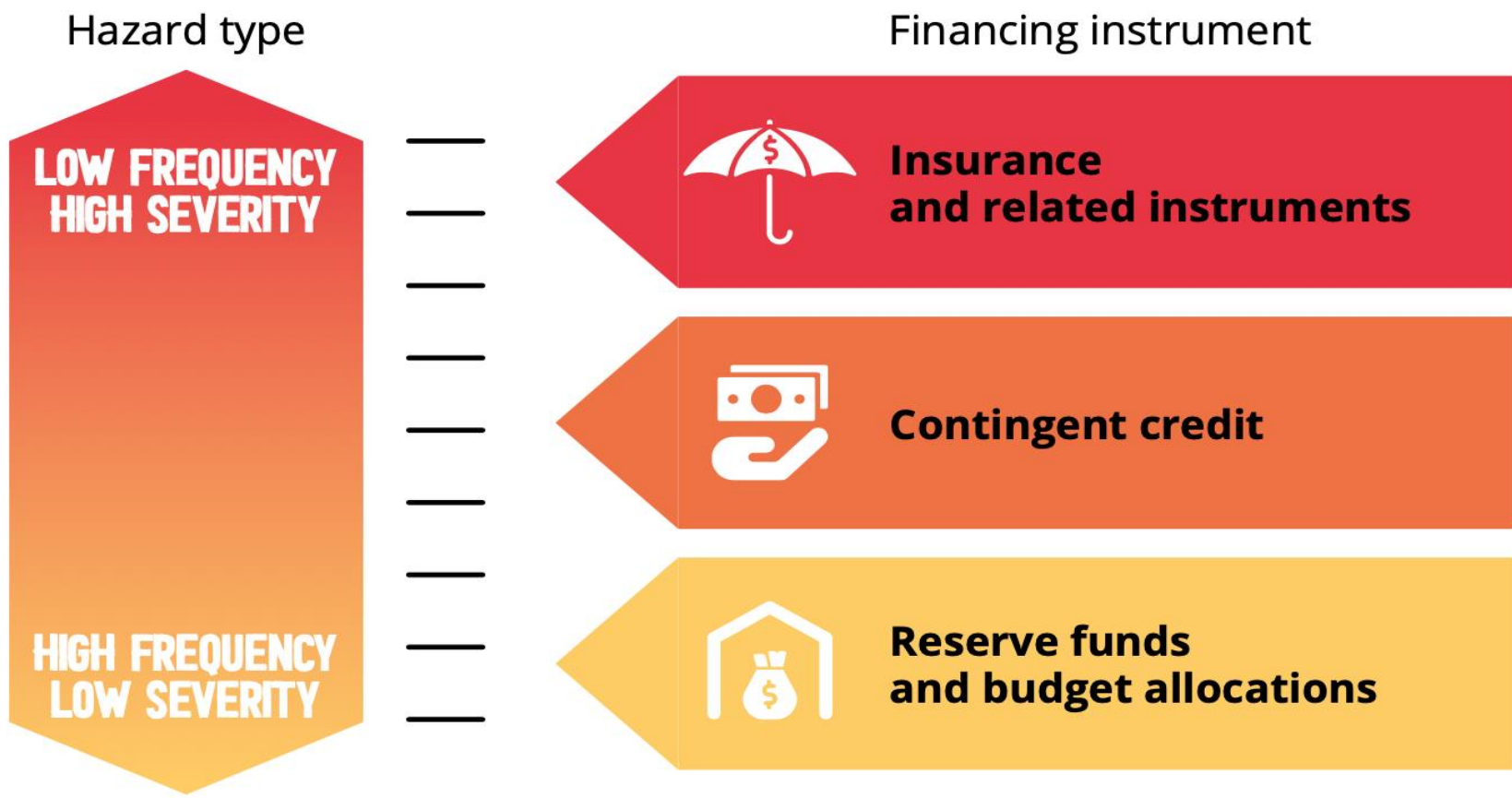
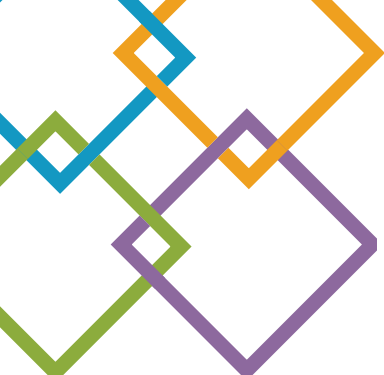
Potential benefits

DRF can offer SP:

- Faster finance
- Predictable finance
- Creates incentives and structure for *ex ante* design and planning
- Provides access to resources beyond humanitarian funding

SP can offer DRF:

- Better targeting of payouts to poor and vulnerable people
- Quicker distribution
- Cost-effectiveness/value for money
- Improved design
- Increased government ownership



Source: Adapted from Arsht Rock (2022)¹¹





Part I – The Global Shield and Social Protection

Heike Henn, BMZ



Part II

Round Table Discussion

Pre-arranged financing for social protection

Mr. Amit Kumar Garg – UNCDF Fiji

Mr . Erwing de Castilla Cisne – Government of Nicaragua

Mr. Mulder Mkutumula – Government of Malawi

Mrs. Ana Solórzano – WFP Social Protection



1. Fiji micro-insurance
2. Nicaragua macro insurance from a risk pool
3. Malawi macro insurance

3. Malawi contingency fund
4. WFP AA global experience

Financing instrument





Block 1:
How has pre-arranged finance been linked to social protection and what are the benefits?



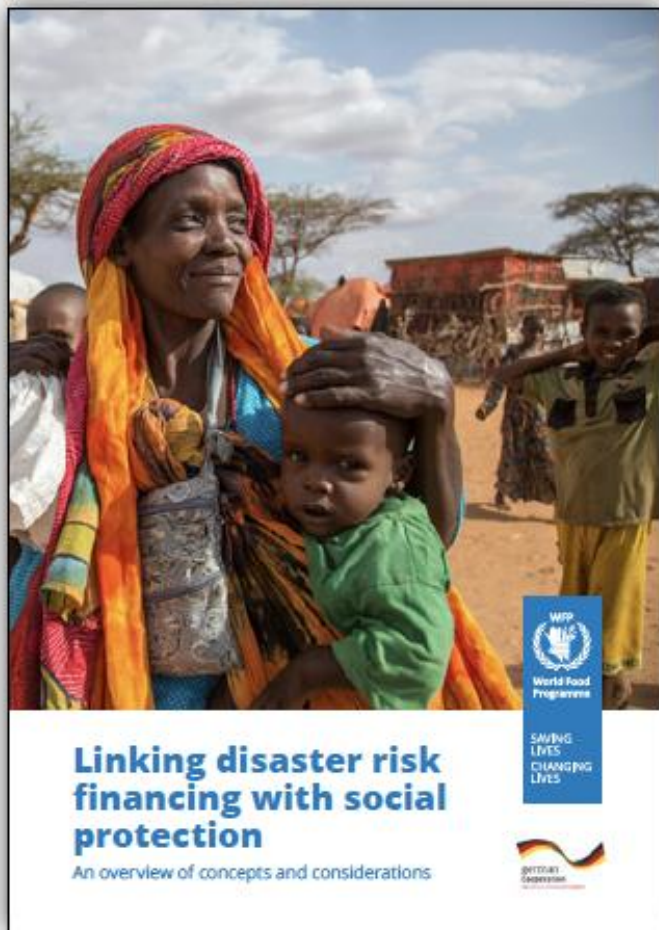
Block 2:

What were the major challenges and barriers?

Were solutions found?



Part III – Final Considerations



Scan to access
the publication



Related Publications on Social Protection and Climate Action

Integrating Anticipatory Action and Social Protection

This document provides an overview of ways to integrate anticipatory action and social protection, WFP's added value in this agenda and key steps for a successful integration.



Social protection and Microinsurance

Series of five country case studies on the design of microinsurance programmes and their linkages with social protection in Bangladesh, Fiji, Ethiopia, Madagascar and Zambia.



Payouts from WFP-supported Climate Risk Insurance Programmes

A look at how WFP is making climate risk insurance solutions work for food insecure populations. In 2022, three major payouts had been triggered in countries with WFP-supported insurance programmes to support people and governments recover from climate impacts.



Sovereign Climate Risk Financing and Insurance

This factsheet provides a brief introduction to Sovereign Risk Finance and Insurance and how WFP is leveraging these innovative tools to better manage climate-related disaster risks.



Thank you!

14th June 2023



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13–15 June 2023 • Berlin



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for Economic Cooperation
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