



## KEY MESSAGES

Over the last few years, a paradigm shift has been taking place in humanitarian, climate and development action. The shift has been toward the concept of anticipatory action ('AA'), also referred to as 'early action'. This concept refers to taking action, based on scientific forecast triggers and early warning information, before a hazard and its effects materialise, in order to prevent and mitigate the humanitarian impacts and enable a more efficient and effective response.

The Risk-informed Early Action Partnership (REAP) is working to take anticipatory/early action to scale at a global, regional, and national level. Key to achieving this is ensuring that risk-informed approaches are country-led and embedded across national systems. This summary report and its associated in-depth case studies were commissioned to explore what constitutes an enabling environment for AA at the national level.

The report and case studies found that AA planning requires:

- **Coherent legal and policy frameworks;**
- **Financing** to deliver predetermined actions and support in a timely and predictable manner;
- **Delivery channels** that can efficiently and effectively deliver timely assistance to the most vulnerable;
- **Collaboration** and coordination across diverse sectors, actors and communities.

Though contexts differ across and within countries, the in-depth analysis of ten countries that forms the basis for this report draws a number of conclusions that are relevant for policymakers and practitioners at the global, regional and national levels.

1. **To take anticipatory action mechanisms to scale, there needs to be a strong foundation of disaster risk management (DRM). National governments, donors and international agencies should do more to lay the foundations for future investments in anticipatory action.** This

foundation is not present in all countries, and without it, it will be challenging to take AA to scale. Such an approach requires thinking about the role AA has to play within the wider DRM system and considering the capacities, tools and general enabling environment that would be required for this paradigm shift, and to ensure that short- and medium-term interventions are always contributing to the broader goal of a government-led effective disaster risk management system which embraces the elements that constitute AA. It also means trying to leverage pre-existing systems and social protection programmes and institutions to deliver anticipatory assistance, rather than creating parallel systems.

2. **There needs to be increased collaboration among implementing agencies from across the humanitarian, development and climate sectors.** Although each initiative generates evidence, the evidence is not being systematically captured and analysed. Pilots from the Central Emergency Response Fund (CERF) and other collaborative initiatives – such as the national drought AA framework in Madagascar and the drought early warning initiative in Mozambique – are examples of effective practices. But more needs to be done, especially via linking AA with wider initiatives around social protection and larger development/resilience projects.
3. **There needs to be increased advocacy around anticipatory action.** Ongoing advocacy is critical to sensitise concepts such as ‘no-regrets’ across governments and other stakeholders with Partners using the same terminology/voice to avoid confusion.
4. **The availability of and access to financing is a major bottleneck to scaling up despite the existence of relevant financial instruments. There needs to be a better understanding of what types of risk financing can be used for anticipatory action.** The shift from *ex-post* disaster response to *ex-ante* AA needs to be backed with sufficient resources and scaling up will require dedicating more funding to expand AA and reach a larger number of beneficiaries. This requires greater technical exchange and coordination between disaster risk financing initiatives and instruments being set up by government and humanitarian actors at global, regional and national levels, in order to understand the strengths and limitations of each approach.

#### LINKS TO INDIVIDUAL CASE STUDIES

**ETHIOPIA:** <https://www.early-action-reap.org/reap-anticipatory-action-enabling-environment-case-studies-ethiopia>

**FIJI:** <https://www.early-action-reap.org/reap-anticipatory-action-enabling-environment-case-studies-fiji>

**GUATEMALA:** <https://www.early-action-reap.org/reap-anticipatory-action-enabling-environment-case-studies-guatemala>

**JAMAICA:** <https://www.early-action-reap.org/reap-anticipatory-action-enabling-environment-case-studies-jamaica>

**MADAGASCAR:** <https://www.early-action-reap.org/reap-anticipatory-action-enabling-environment-case-studies-madagascar>

**MALAWI:** <https://www.early-action-reap.org/reap-anticipatory-action-enabling-environment-case-studies-malawi>

**MOZAMBIQUE:** <https://www.early-action-reap.org/reap-anticipatory-action-enabling-environment-case-studies-mozambique>

**NEPAL:** <https://www.early-action-reap.org/reap-anticipatory-action-enabling-environment-case-studies-nepal>

**NIGER:** <https://www.early-action-reap.org/reap-anticipatory-action-enabling-environment-case-studies-niger>

**PHILIPPINES:** <https://www.early-action-reap.org/reap-anticipatory-action-enabling-environment-case-studies-philippines>

## Anticipatory Action: The Enabling Environment

### Context

Over the last few years, a paradigm shift has been taking place in humanitarian, climate and development action. The shift has been toward the concept of anticipatory action ('AA'), also referred to as 'early action', which describes a set of actions taken based on scientific forecast triggers and early warning information before a hazard, and its impact materialise in order to prevent and mitigate the humanitarian impact of the hazard and enable a more efficient and effective response<sup>1</sup>. The rationale for AA is that pre-emptive, rather than responsive, actions are generally more effective at mitigating the impacts of hazards, thereby reducing or even preventing disasters in at-risk communities.

At the national level, AA planning requires coherent **legal and policy frameworks**, such as disaster risk management acts, national plans on disaster management or risk reduction, hazard- or sector-specific plans, as well as contingency plans and Standard Operating Procedures (SOPs). Legislation plays an important role in areas that facilitate AA at the national level. However, the mandate to take action based on early warnings is not always clearly established. Therefore, legislation could, for example, set out institutional responsibilities for communicating forecasting information, as well as provide the authorisation to act and establish clear and transparent criteria for disbursements and processes to ensure that funds are released quickly (IFRC, 2019). Ideally, the relevant frameworks and policies should explicitly include AA, and plans should specify the pre-determined actions, the targeted hazards, the triggers and funding. Although the discourse on AA is growing, the literature does not yet elaborate on the enabling role of legal and policy frameworks. This could be because AA so far has largely been implemented through pilot or small-scale programmes and that many actions that constitute AA are normally addressed in contingency plans or SOPs.

AA then requires **financing** to deliver predetermined actions and support in a timely and predictable manner. Given that no single financial instrument can address all risks<sup>2</sup>, a comprehensive financial protection strategy such as a disaster risk financing strategy can bring together pre- and post-disaster financing instruments that address the evolving need for funds and are appropriate to the relative probability of events. Common examples include *ex-ante* budgetary instruments such as reserves, contingency reserves, contingent credit, and risk transfer in all forms (Sovereign Risk Pools, Sovereign Cat Bonds, index-based insurance). One of the aims of the case studies and this report is to understand how disaster preparedness and response are financed across the ten selected countries and what disaster risk financing strategies are in place.

Finally, AA can be **delivered** directly to vulnerable communities through different channels. It can go via, for instance, standalone AA funds, insurance or contingency financing mechanisms, or via state institutions through existing social safety nets. The choice of the delivery channel depends on government capacity, national context and practices of agencies implementing AA. As a means to scale up AA, social protection is particularly interesting given the prominence of shock-responsive social protection and adaptive social protection during COVID-19. Such mechanisms can respond to shocks through vertical and horizontal expansion, refocusing existing resources and providing cash transfers without creating parallel structures. This report aims to assess the capacity of national delivery mechanisms to deliver timely action, to

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<sup>1</sup> This definition was used in the Terms of Reference for the REAP 3W (Who, What, Where) Mapping Working Group. 'Anticipatory action' initiatives are understood to cover Forecast-based Financing (FbF), Forecast-based Actions (FbAs) and Early Warning Early Action, among others. However, it remains the case that different sectors and organisations may interpret these terms differently. Recognising the challenges surrounding the terminology of AA, REAP is currently developing a glossary of terms to support harmonisation of the language of anticipatory action.

<sup>2</sup> [https://www.financialprotectionforum.org/third-party/microsite\\_1/resources/Core%20Principle%202.pdf](https://www.financialprotectionforum.org/third-party/microsite_1/resources/Core%20Principle%202.pdf)

determine the extent to which social protection systems are shock-responsive, and to identify mechanisms or instruments that AA delivery may be able to build upon.

The report also looks at some of the current ongoing AA work by REAP Partners and examples of **collaboration**. Given the proliferation of AA pilots initiatives within countries, there needs to be a space for information exchange, shared learning and engagement with government counterparts. The report reviews examples of development and resilience projects present in each country that have a relationship with a component of AA, e.g. forecasting or social protection.

The report builds on the initial outcomes of the REAP 3W Mapping Working Group. The scope of work examines the national, regional and global legislative frameworks and initiatives, and financing and delivery mechanisms that act as enablers and potential entry points to take early action to scale in ten countries: Ethiopia, Fiji, Guatemala, Jamaica, Madagascar, Malawi, Mozambique, Nepal, Niger, and the Philippines.

AA initiatives use mixed terminology such as ‘anticipatory’, ‘early’, and ‘forecast-based’. Different international agencies and NGOs have launched several pilot initiatives over the past few years under different names, such as Forecast-based Action (FbA), Forecast-based Financing (FbF) or Early Warning Early Action (EWEA). In 2022, REAP will develop a glossary of key terms aimed at addressing this issue and fostering greater collaboration across siloes.

## Methodology

The ten countries chosen for this study are a subset of a larger group of 57+ countries included in the REAP 3W Mapping Working Group mapping exercise. The set of ten countries were selected based on the presence of Working Group partners, regional representation, and status of engagement with REAP. For each country, secondary literature was identified via Google, Google Scholar and through the websites of relevant institutions at a global, regional and national level. A very limited number of unpublished documents were also shared by different institutions involved in this study and drawn upon as required. Grey and academic literature was supplemented by semi-structured interviews with 56 key informants, including representatives from REAP Partner regional and national offices. These interviews aimed to fill information gaps from the review of secondary material, and to verify the findings. A questionnaire designed by the REAP 3W Mapping Working Group was used as guidance. In addition to the original terms of reference, two sections on financing and social protection were added as the Working Group identified that they can form significant obstacles to scaling up AA. Information was analysed in line with the following themes: **Legislation and Policy Environment; Financing; Social Protection; AA Initiatives; and Collaboration**. The case studies underwent a peer review process with several REAP Partners.

This study has resulted in important lessons learned for future research into the enabling environment for AA. It would have benefited from a wider range of key informants, both within agencies and outside of the humanitarian sector and including government representatives, development agencies (e.g. UNDP) and banks (e.g. the World Bank). The financing and social protection sections were not part of the initial terms of reference and were written on the basis of a literature review, thereby limiting the scope of analysis. There was also a lack of documentation available for some countries, both due to an absence of prior studies on the topic and to some documents being available only in languages outside that of the study (e.g. in French, Spanish, Portuguese, Nepali).

## Thematic summary of findings

### Legislation and Policy Environment

**Generally speaking, in the national context the existing Disaster Risk Management Act (DRM Act) provides an entry point for AA.** A DRM Act will contain mandates for, *inter alia*, national risk assessments, early warning systems and communication, and forecasting, that are critical to enabling AA. For example, in the Philippines, the DRM Act (RA 10121) recognises the need to “*Establish a national early warning and emergency alert system to provide accurate and timely advice to national or local emergency response organizations and to the general public through diverse mass media to include digital and analog broadcast, cable, satellite television and radio, wireless communications, and landline communications*”. In Madagascar, governmental focal points used the IFRC-UNDP Checklist on Law and Disaster Preparedness and Response<sup>3</sup> to analyse and improve their respective draft national disaster risk management laws.

The adoption of the Sendai Framework for Disaster Risk Reduction 2015-2030 (SFDRR) represented a paradigm shift. It led many countries to adopt a more ‘proactive’ prevention-driven approach and repeal previous relief-centric acts, for instance in Jamaica, Madagascar and Nepal. In addition, some countries updated their national disaster management policies in line with the SFDRR (e.g. Fiji, Madagascar, Nepal). The Philippine’s DRM Act (RA 10121) passed in 2010 is consistent with the international standards set by the Hyogo Framework for Action, the predecessor to the SFDRR. It shifted the government structure from post-disaster response to preparedness/anticipation and risk reduction in general. Other countries, like Niger and Ethiopia, don’t appear to have an overarching DRM Act. For instance, in Niger, there is currently no explicit DRM legislation, but an array of related legal ‘Orders’ and legislation (pastoral and rural codes) for pastoralists, highlighting the importance of that particular community both within the country and in the broader Sahel region. In Ethiopia, the entry point for AA would currently be the National Policy and Strategy on Disaster Risk Management (2013)<sup>4</sup>, the legal document that sets out the details of the comprehensive national disaster management system in Ethiopia.

Furthermore, in some countries like Malawi and Guatemala, the government endorsement or ratification of legal and policy frameworks remains a challenge. Updated DRM Acts appear to be a criterion for access to certain financing instruments and mechanisms, and therefore the national legislation and policy environment is critical to enabling effective AA (refer to the financing section for more information).

Most countries already have a National Disaster Management Policy. Although there are few to no explicit references to AA as a coherent approach, anticipatory elements appear within the broader DRM framework,. In Nepal, which has been undergoing a decentralisation process since 2018, the policy environment is ‘fluid’. Although the national disaster management agency references forecast-based preparedness and response plans in the national disaster risk reduction (DRR) policy, this gives more of a basis for early warning systems and preparedness than for AA.

Some countries have undertaken reforms in the aftermath of devastating disasters. In Malawi, the Disaster Risk Management Policy (2015-2020) was adopted in 2015, largely as a result of the devastating floods earlier in the year. In Fiji, the government undertook a renewal of legal frameworks in relation to climate risks in order to ensure lessons learnt from Tropical Cyclone Winston were incorporated into legislation. A

<sup>3</sup> The Checklist on Law and Disaster Preparedness and Response (2019)  
[https://disasterlaw.ifrc.org/sites/default/files/media/disaster\\_law/2020-08/DPR\\_Checklist\\_Final\\_EN\\_Screen.pdf](https://disasterlaw.ifrc.org/sites/default/files/media/disaster_law/2020-08/DPR_Checklist_Final_EN_Screen.pdf)

<sup>4</sup> This is an amendment of the 1993 national policy on disaster prevention and management. It includes general directions and major implementation strategies, including on a decentralised DRM system, early warning and risk assessment, information management, capacity building, and on integration of DRR into development plans.

new DRM bill will repeal the current 1998 Natural Disaster Management Act, but at the time of writing, it is still under review. In Guatemala, the draft law follows and incorporates the lessons learned from the eruption of Volcano Fuego in 2018.

**Specific legal, institutional and operational arrangements are needed to permit AA. Under national legislation or policy frameworks, most disaster preparedness and response is financed through the creation of special funds and national budget appropriations.** National Disaster Funds are either mandated directly through legislation (e.g. the Philippines established a National Disaster Risk Reduction and Management Fund appropriated under the General Appropriations Act) or through a national DRM policy (such as Madagascar's *Fonds de Réserve*). In Jamaica, part IX of the DRM Act stipulates that one per cent of revenues from commercial and residential development paid to local authorities annually will go to the National Disaster Fund, which is intended for DRR and response activities. In Nepal, the Disaster Risk Reduction and Management Act has a mandate for a Disaster Management Fund, to be capitalised in its annual budget. It is unclear whether this Act has replaced a range of previous funds that were mandated by various earlier acts, which all focus on response. Each of the individual country case studies analyses how disaster preparedness and response are financed, national and sub-nationally, within the specific contexts.

The review of the countries for this study shows that **AA initiatives are yet to find their way consistently into national policies and legislation.** While some countries may have mechanisms for releasing funds for preparedness initiatives, only a few appear to display any kind of innovation in terms of triggering early action through the release of funds based on forecasts. In the Philippines, a new Disaster Resilience Act is currently under review in the Senate. The draft legislation allows for a declaration of an "imminent state of calamity", providing a legal basis for what some local government executives have been already doing in order to access funding, and thereby offering a path to more explicit AA. In the aftermath of Typhoon Haiyan, the need for prevention and mitigation as opposed to just preparedness and response became clear, and the draft legislation moves in the direction of linking disaster and climate resilience.

**Regional policies and frameworks play a role for Small Island States and Least Developed Countries,** and other areas exposed to cross-border hazards like drought and cyclones (e.g. Malawi, Madagascar, Niger and Guatemala). In the Pacific, the Framework for Resilient Development in the Pacific (FDRP) is aligned with the SFDRR and the 2015 Paris Agreement. In the Caribbean, the Caribbean Disaster Emergency Management Agency (CDEMA) model legislative framework provides guidance to countries for policies and guidelines, e.g. through model provisions for the establishment of a National Disaster Management Fund. Ethiopia has subscribed to the region-wide IGAD Drought Resilience and Sustainability Initiative (IDDRSI) and developed a Country Programme Paper as a framework to improve livelihoods and enhance the resilience of drought-prone communities. The Comprehensive Disaster Management Strategy of the Caribbean Community (CARICOM) is aligned with the SFDRR. The Caribbean Pathway to Resilience Framework that was developed in direct response to Hurricane Irma in 2017 helps to develop a common understanding of resilience in the region, especially in light of climate change.

**In summary, there is an important role for legislation and policy as part of the enabling environment to scale up AA.** In particular, at the national level, the mandate to take action based on early warnings is not always clearly defined. Legislation could, therefore, potentially play a critical role, as a means of mandating institutional responsibilities for communicating forecasting information and the authorisation to act, and by establishing clear and transparent criteria for disbursements and streamlined processes to ensure that funds are released quickly. In the future, when sufficient positive evidence is available, AA could be more explicitly facilitated through law and policy. The IFRC suggests that decision-makers could *"consider developing policies that formally adopt 'early warning early action' as a guiding principle of their*

*disaster management systems and identify AA mechanisms as a key tool for implementing this principle” (IFRC, 2019: 23).* Decision-makers should also consider requiring relevant governmental actors to introduce early action mechanisms into disaster contingency plans and SOPs. It is important that the anticipatory action approaches are embedded into national risk management structures both for sustainability and effectiveness (IFRC, 2019; 2020). However, given the time it takes to lobby for a change in legislation, advocating for change can be sufficient at the policy level if there is sufficient ‘space’ and willingness amongst key actors.

## Financing

**Strategies or legislative frameworks exist in some countries to stipulate the allocation of government budgets to disaster risk reduction and management.** National Disaster Funds are either mandated directly through legislation or through the national DRM policy. Several examples are explored in the individual country case studies, including:

- The Government of Philippines’ General Appropriations Act (GAA) which established a National Disaster Risk Reduction and Management Fund. This Fund requires that a minimum of 5 per cent of the national budget is allocated to DRM activities and local governments are required to allocate 5 per cent of their expected revenue to disaster risk management.
- In Mozambique the legal creation of the Disaster Management Fund (*Fundo de Gestão de Desastres - FGD*) in 2017 was an important step taken by the government towards improving financial protection against disasters. The FGD is expected to receive an annual budget allocation of at least 0.1 per cent of the state budget (minimum annual allocation of approx. USD 4.5-5 million) to be topped up by the World Bank with an annual amount of USD 9 million in the fund’s first two years and with USD 5 million in the following three years.
- Nepal’s mandated centralised Disaster Management Fund, a non-mandated ‘Central Disaster Management Fund’, and provincial disaster management funds.

**There is great diversity in the type of funding mechanisms for disaster preparedness and response across different national contexts.** Disaster Risk Financing (DRF) aims to increase the resilience of vulnerable countries against the financial impact of disasters, and to secure access to disaster financing before an event occurs (*ex-ante*), thereby ensuring rapid delivery of resources to finance recovery and reconstruction efforts. However, the *ex-ante* DRF instruments available tend to be used for *ex-post* spending after a disaster.

Many countries also have DRF strategies that propose ‘risk layering’ and a diversification of financial instruments. For example, the DRF strategies of Guatemala, Philippines, Malawi and Jamaica generally combine risk retention and transfer instruments.

**Different financial instruments to support anticipatory action and early response are being explored.** This includes regional risk pools and insurance mechanisms, which may trigger pay-outs based on observational data after a hazard has struck. Although not anticipatory, they can still be timely enough to implement actions to mitigate impacts and prevent a humanitarian crisis.

Government emergency funds at national or sub-national level exist in some countries, though these are largely responsive rather than anticipatory and are generally underfunded.

The African Risk Capacity (ARC), a pan-African insurance facility, is a source of financing for many of the countries in the study. It requires contingency plans that are approved ahead of time and can be updated

just before payouts are made. According to ARC calculations, the economic benefits of delivering aid to households in the critical three months after a poor harvest could result in protected economic gains of nearly USD 1,300 per household assisted (ARC, 2013). However, as explored in the detailed case studies, the experiences of the countries under study have been varied.

Jamaica, Guatemala and Fiji are members of sovereign risk pooling initiatives. Jamaica and Guatemala are members of the Caribbean Catastrophe Risk Insurance Facility Segregated Portfolio Company (CCRIF SPC), the world's first multi-country risk pool that provides parametric insurance policies for tropical cyclones, excess rainfall and earthquakes, and quick disbursement and short-term liquidity for financing response and recovery. In the Pacific, the Pacific Catastrophe Risk Insurance Company (PCRIC) is a region-wide effort to address climate and disaster risks. Within this region there is also the Southeast Asia Disaster Risk Insurance Facility (SEADRIF) of which the Philippines is a member. Although SEADRIF payouts are not currently based on *ex-ante* triggers, the Philippines Red Cross looked to see whether funds could be accessed for medium-size disaster events such as Tropical Storm Tembin, for which a CHF 2.5 million appeal had gone unfunded. However, funding for AA in this way might be too operationally complex given the regulations that govern sovereign risk pools in general (World Bank KII).

Other smaller initiatives include the Pacific region's first parametric insurance product, named 'ClimateCare' in Fiji, which was launched in August 2021. In Jamaica, the Livelihoods Protection Policy (LPP) is a weather index/parametric insurance product for low income/vulnerable households and is unique to the Caribbean insurance market. Quick payouts are made in the case of extreme weather events such as high winds and heavy rainfall.

In Ethiopia, various risk transfer initiatives have been piloted that have formed the basis for learning and provide great opportunities to establish linkages and synergies with AA (WFP, 2020). These include risk transfer initiatives such as Weather Index-Based Crop Insurance (WICI); Index-Based Livestock Insurance; WFP-led index-based insurance projects such as SIPE (Satellite Index Insurance for Pastoralists in Ethiopia) and the R4 (Rural Resilience Initiative) programme that uses satellite estimates to trigger payouts as an early response to drought.

There appears to be demand for the World Bank's Catastrophe Deferred Drawdown Options (Cat DDOs). The instrument has a recognised value in supporting a country's efforts to undertake policy reform, strengthening institutional frameworks (such as in Guatemala and Malawi), and arranging access to finance that can be drawn down quickly following the declaration of a disaster (e.g., Philippines, Fiji, Nepal). Cat DDO programmes play an important role in strengthening disaster preparedness (e.g., Madagascar).

As with all financing instruments and initiatives, experiences have been mixed with both positive and constructive learning. These are explored in depth in the case studies for the countries noted here.

**Given the overlaps between the climate change adaptation and disaster risk reduction agendas, climate finance plays an increasingly important role in supporting DRR and DRM related to extreme weather and climate events.** Many projects focus on common issues to the two agendas, such as resilient livelihoods and agriculture, and include activities such as developing risk and vulnerability assessments, creating early warning systems for natural hazards or accessing risk transfer mechanisms, all which are critical to enable AA (UNDRR, 2020). In some countries, climate change-related funding can provide substantial means to pursue aspects of both DRM and AA planning. For example:

- WFP Philippines is part of the Multi-Hazard Impact-Based Forecasting and Early Warning System (MH-IBF-EWS) project funded by the Green Climate Fund (GCF).<sup>5</sup>
- In Malawi, M-Climes is a six-year, USD 16 million project funded by the GCF, the Government of Malawi and UNDP, aimed at supporting the government to take steps in saving lives and enhancing livelihoods at risk of climate-related disasters.
- In Ethiopia, the Climate-Resilient Green Economy (CRGE) Facility was established in 2011 to coordinate climate finance delivery. There is currently a USD 50 million GCF programme that addresses risks of drought and other climate impacts; however, there doesn't appear to be coordination with the national DRM agency.<sup>6</sup>

**Humanitarian response funds provide some flexibility for early response and are funding the implementation of anticipatory action.** Globally pooled funds such as the IFRC's Disaster Relief Emergency Fund (DREF) and the UN's Central Emergency Response Fund (CERF) have components that allow for AA to be funded based on risk analysis and forecasts, coupled with pre-agreed plans.

### Social Protection

Across all countries in the study there is evidence that social protection systems can enable and support effective AA. The COVID-19 pandemic has demonstrated the critical role of government-led social protection in mitigating the impacts of shocks and responding to crises. 222 countries have implemented social protection measures in response, investing over USD 800 billion. **Even before COVID, there was evidence that social protection supports people to cope better when shocks happen, boosting household food security during droughts and reducing the adoption of negative coping strategies such as engagement in casual labour and spending savings.** The social protection response to the COVID-19 crisis is of historic proportion and has demonstrated the sector's potential to respond to covariate shocks. On one hand, social insurance and labour market measures (e.g. unemployment benefits and wage subsidies) played a critical role where these existed, reminding us of their fundamental stabilising function. On the other, although much of the social assistance expansion via new or existing programmes has been temporary rather than sustained, the crisis has accelerated innovations in programme design, utilising recent digital and financial infrastructure developments to scale crisis response in ways not previously feasible. The potential to strengthen linkages between social protection and AA mechanisms is explored in more detail in a joint position paper authored by FCDO and REAP<sup>7</sup> as well as in the country case studies upon which this summary report is based.

However, some key efforts to highlight here include:

- Mozambique's National Basic Social Security Strategy 2016-2024 (ENSSB II) includes objectives related to climatic shocks. The Post-Emergency Cash Transfers (PASD-PE) programme<sup>8</sup> was created to deal with covariate shocks, such as droughts, floods and cyclones, and was recently adapted to respond to the challenges posed by the COVID-19 pandemic. Recently, efforts led by the government (DARIDAS), with the support of WFP, to institutionalise an early warning system in Mozambique also intersect with the development of different local adaptation plans and forecast-

<sup>5</sup> USD 10m from the GCF and USD 10m from the Government. GCF Accredited Entity: LANDBANK; CGF NDA; Climate Change Commission (CCC). For more information see: <https://www.greenclimate.fund/project/sap010>

<sup>6</sup> For more information see: <https://www.greenclimate.fund/project/fp058>

<sup>7</sup> For the full paper see: <https://www.early-action-reap.org/linking-social-protection-and-early-action-game-changer-people-centred-climate-action>

<sup>8</sup> The origins of the PASD-PE programme were in the ENSSB II which strengthened the role of basic social security in shock response. It was created in 2018 with the approval of the Council of Ministers for Presidential Decree n°47/2018 to review Basic Social Security Programmes.

based financing. To optimise the synergies between PASD-PE and this anticipatory framework, WFP is supporting coordination between government ministries (DARIDAS and INAS) to include PASD-PE as one of the responses to aggravated low levels of rainfall that indicate a drought. This marks the institutionalisation of an anticipatory shock-responsive social protection programme, rather than one that responds in the aftermath of a disaster.

- In Madagascar, over the last two years, there have been collective efforts to strengthen the shock-responsiveness of the social protection system. In 2020, a Manual of Operations Social Protection Reactive to Shocks – Drought Response (*Manuel Des Operations Protection Sociale Réactive aux Chocs - Response a la Sécheresse*) was produced by the government to harmonise the implementation of cash transfers and the expansion of national social protection programmes in the south (GoM, 2020).
- Ethiopia's flagship Productive Safety Net Programme (PSNP) is explicitly designed to address shocks and chronic food insecurity. The programme provides predictable food and/or cash transfers to chronically food insecure beneficiaries in exchange for working on public works projects that build the resilience of communities to climatic shocks.
- Jamaica's social protection strategy acknowledges social protection's preventive and mitigative functions, including for disaster preparedness, and sets out a comprehensive vision for social protection offerings that includes provisions for loss of income in the event of a shock (WFP, 2019).
- The Government of Malawi's vision of shock-sensitive social protection (SSSP or 3SP) is articulated in the Malawi National Social Support Programme II (MNSSP II) and the National Resilience Strategy (NRS). SSSP aims to “*advance a social protection system which can meet seasonal needs, prepares for and responds to shocks together with the humanitarian sector, and supports recovery and the return to regular programming*” (WFP, 2020).
- In Niger, as a result of COVID-19, WFP, UNICEF and the World Bank have been working with the government (DNP-GCA) to strengthen the existing social protection system and make the system shock-responsive over the longer term. DNP-GCA's new strategy aims to reinforce coordination and ensure more coherent responses, as well as to strengthen the social protection system through the consolidation and scaling-up of existing activities (WFP, 2021).
- In the Philippines the government recently endorsed a Roadmap to Establish an Adaptive and Shock-Responsive Social Protection (ASRSP) system.

**Low coverage by routine social protection, and funding of social protection systems remain key challenges.** Under-provision of social protection is significant, and investment is still low compared to needs. 4.1 billion people (53% of the global population) lack access to any social protection system, with significant variation between regions and groups<sup>9</sup>. Investments in building systems for social protection, early warning and early action in the last decade have not been sufficient to enable them to manage large shocks. A lack of explicit links between social protection policies and programmes and national climate change strategies and plans leads to the insufficient strategic integration of social protection and climate risk management.

An additional barrier related to coverage is that **households affected by shocks are not necessarily those benefiting from existing social protection programmes**. This is the case because of the different target populations, eligibility criteria, and overall objectives of these programmes (Beazley et al., 2019).

**Climate risks are not yet significantly quantified and integrated into social protection programming.** Lack of climate risk analysis can affect decisions on who is covered by social protection benefits, including

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<sup>9</sup> Costella, C., McCord, A., van Aalst, M., Holmes, R., Ammoun, J., Barca, V. (2021) 'Social protection and climate change: scaling up ambition', Social Protection Approaches to COVID-19: Expert Advice (SPACE), DAI Global UK Ltd, United Kingdom.

in response to shocks. Social protection information systems often fail to integrate climate risk information, such as linkages with early warning systems and forecast-based triggers which would enable faster shock response.

However, in many contexts, where social protection systems exist and function relatively well, ample opportunities for integrated programming and financing exist, as outlined in the FCDO-REAP paper referenced above.

### Anticipatory Action Initiatives

**AA initiatives in countries have been generating evidence to help make the case for anticipatory action.** REAP partners have been working on AA across most countries in the study – excluding Jamaica and Fiji – over a number of years, generating important evidence. The evidence base partially consists of return-on-investment studies. In Nepal, a WFP return-on-investment analysis in 14 districts showed that for each dollar invested, USD 34.39 is saved (after deduction of the investment costs, over 20 years) (WFP, 2019). In Madagascar, an FAO analysis showed that, as a result of early intervention, production losses were avoided and increased production corresponded to a monetary value of USD 78 per household, almost half of annual household income. This produced a benefit-cost ratio of 2.5, meaning that for every USD 1 invested by FAO, households gained USD 2.5 (FAO, 2019).

OCHA CERF pilots targeting different hazards, with larger coverage and funding, are underway in the Philippines (typhoon), Nepal (flood), Niger (drought), Ethiopia (drought), Malawi (flood, dry spells) and Madagascar (plague). If triggers are activated in these pilots, they will contribute considerable learning and evidence on institutionalising early action at scale at the national level. There are many small-scale pilots ongoing, but the CERF AA framework pilots provide a great opportunity to gain evidence on AA on an unprecedented scale, both in terms of funding and the number of beneficiaries reached.

### Collaboration

Given the proliferation of small-scale AA initiatives in most countries, there needs to be space in every country for implementing agencies to engage with each other both at a national and regional level, and with a wide range of stakeholders including government agencies spanning Ministries with different AA-related portfolios, such as climate change, social protection and finance.

- In the Philippines, the Anticipatory Action Technical Working Group (AA TWG)<sup>10</sup> brings together members of the government, the UN and INGOs involved in AA. It is well established, whereas in other countries, such groups are in their early stages and display various levels of effectiveness. As of 2021 the AA TWG was added to the disaster preparedness pillar of the National Disaster Risk Reduction and Management Plan by the National DRM Council.
- In Ethiopia, at the national level there is a DRM Technical Working Group, led by the government, under which there is a Forecast-based Finance national taskforce, which is made up of UN agencies, NGO and donor representatives (WFP, 2020).
- In Madagascar, under the leadership of the national disaster management authority, there is a platform to improve the coordination process of all relevant initiatives.

<sup>10</sup> It is currently chaired by FAO, the Department of Social Welfare and Development (DSWD) and the Office of Civil Defense (OCD). The AA TWG is composed of Technical Sub-Groups (TSGs) with government counterparts in each group: Triggers (Department of Science and Technology), Financing (Department of Finance), Early Action (DSWD) and Monitoring and Evaluation (OCD). The Department of Agriculture has also expressed interest to adopt AA into its programming.

- In Mozambique, there is a Technical Working Group led by the main government actor for drought (DARIDAS) which works on the establishment of the drought EWS, linking it to AA and encouraging harmonisation among the different actors. The group brings together stakeholders such as INAM, the Ministry of Agriculture, the Ministry of Gender, Children and Social Action and various humanitarian agencies in three subgroups on triggers, AA and financing.
- In Malawi, the Climate Change and Disaster Risk Management Technical Committee brings together the DRR and climate change adaptation (CCA) communities. In addition, a FbF taskforce, led by the national disaster management agency (DoDMA) has recently been formed.
- In Southern Africa, the regional roadmap for AA is currently being finalised and coordinated with the South African Development Community (SADC). The aim is to harmonise trigger methodologies, coordinate AA initiatives, scale up financial resources, and support joint advocacy for AA.

## Key takeaways

### Overarching

- AA must be built on a strong DRM foundation, which may include national- or local-level contingency plans, national funding, and capacity within the national DRM agency (as seen in the Philippines). In countries without a strong DRM foundation, there are many challenges to embedding AA, as was highlighted by stakeholders in Mozambique and Malawi. It must be part of a national risk management strategy to specifically address 'residual risk' and be integrated with DRR and CCA investments/measures that address more systemic challenges. In the countries studied, AA initiatives appear to have few or no connections to relevant development/resilience projects on other components of AA at the national and/or regional levels (e.g. the CREWS initiative in Fiji and Niger).
- There is a lack of awareness of how preparedness differs from AA, especially for drought (for all countries reviewed). Understanding AA takes time and engagement depends on the enabling environment. For example, in Mozambique, progress has been slow compared to the Philippines and Bangladesh.
- Advocacy around AA has been generally neglected and its value underestimated. There needs to be ongoing advocacy to sensitise concepts such as 'no-regrets' across all Ministries and at different levels of government. If there is no buy-in, then pilots can be derailed at the last minute.
- There is insufficient evidence in most countries to convince governments to use their own funds for AA – especially with the element of uncertainty in forecasting for typhoons/cyclones (e.g. Philippines).
- AA looks different in each country. In Jamaica, it has space within the risk management framework to deal with 'residual risk', but the government's priorities are to protect existing and future infrastructure from climate risk. In Fiji, there needs to be a better understanding of what AA could look like, given the number of remote islands, for example.

### Legislation and Policy Environment

- Overall, countries often have an enabling legal framework and policies in place, but explicit integration and implementation of anticipatory approaches are weak, especially at the national level. There can also be a disconnect between national- and local-level policy and implementation, especially in countries with a federal, decentralised structure such as the Philippines, Nepal and

Ethiopia. In such countries, obstacles can appear at the local levels due to, *inter alia*, lack of capacity, understanding, and financing.

- Development agencies like the World Bank and UNDP play a very important role in establishing the enabling environment and, as such, need to be part of the discourse. They can influence the legislative landscape; for example, the World Bank Development Policy Loans has pushed for DRM legislation in Guatemala. The World Bank also plays an important role in both social protection (Madagascar and Niger) and DRM financing. UNDP provides technical assistance in the development of national/local DRM plans, for instance in Malawi.

## Financing

- Sustainability is integral to AA initiatives, through investments in strengthening the resilience of national capacities and systems. However, sustainable approaches could also benefit from more explicit attention and funding.
- Larger financing mechanisms are needed as is greater diversity of the kinds of mechanisms used.
- The role that financial instruments could play in general preparedness needs to be clarified.
- The issue of how anticipatory action is paid for needs to be given attention - currently costs tend to be paid for predominately by donors

## Social Protection

- Integration of anticipatory approaches into social protection programmes shows promise as a means of scaling up and institutionalising early action at a national level. However, this cannot be seen as a panacea and its success is contingent on the strength of existing operational systems on both sides, thus requiring considerable time and resource investment.

## Collaboration

- Differing terminology used by Partners can give rise to communication and advocacy challenges. Speaking with 'one voice', especially when dealing with the government, is likely to yield long-term benefits.
- There have been limited attempts to date to bring the climate and DRR communities together in several of the countries.
- AA cuts across different technical areas such as forecasting, financing, social protection, and others, but actors tend to work in silos including within their own organisations. Some agencies are limited by their mandates and sometimes their own traditional way of thinking. Implementing partners need to work closer together. There needs to be improved coordination between different agencies and initiatives. Although each initiative generates evidence, it is not always clear how this evidence is used in successfully influencing the government. However, Oxfam Philippines has looked at concrete examples of how evidence had been used by the local government to influence at national levels.
- There needs to be space for governments/implementing partners to learn from different country experiences. Madagascar and Fiji could learn from a drought EWS initiative in Mozambique for example, and Jamaica could learn from the Philippines.