



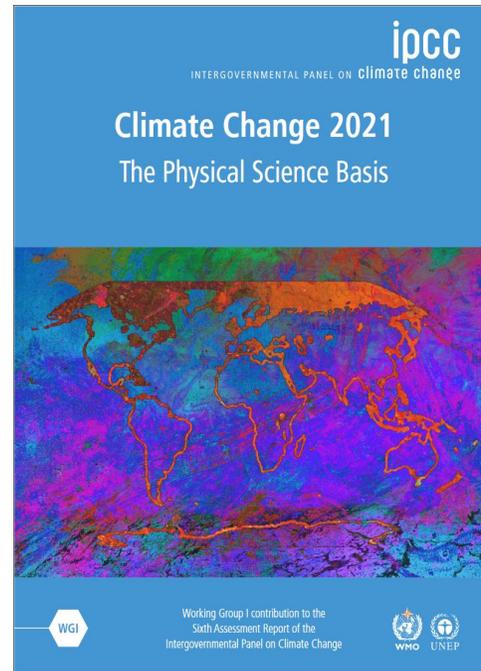
Climate-resilient Economic Inclusion

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Framing Presentation

New Directions in Anti-Poverty Research
Conference, December 6th.



A New Paradigm Shift



- 1) Climate resilient development is fast becoming the new paradigm of global development.
- 2) The recent IPCC report recognizes that failing to act on climate change entrenches poverty and amplifies climate impacts for the most vulnerable
- 3) In recent years, the World Bank has taken action on climate incl;
 - Green, Resilient, Inclusive, Development (GRID) approach to guide all projects,
 - 5-year action plan
 - Emerging strategies within Social Protection (Rigolini, 2022).

Climate change and poverty are inextricably linked, disproportionately affecting the poorest



High Exposure to Climate Shocks

The poor tend to live in locations most impacted by extreme climate shocks, including coastal and drought-prone regions, or urban environments with insufficient infrastructure



Dependence on the agricultural sector for food security

Dependent on agricultural sector, which is adversely impacted by climate change, increasing food prices and agricultural volatility, which can reduce household income, consumption, and the availability of subsistence crops



Dependence on climate-sensitive livelihoods

The poor tend to be dependent upon natural resources, which are increasingly prone to climate shocks, and emission-intensive industries impacted most by transitional policies to reduce carbon emissions

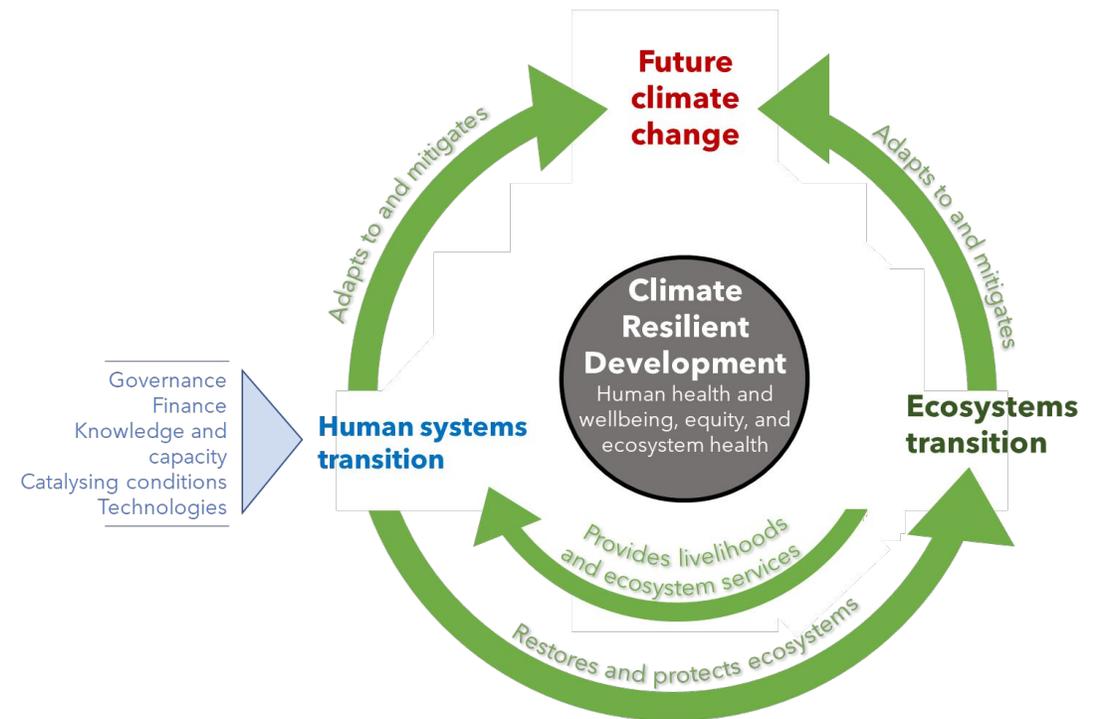
Climate-Resilient Development (CRD) and the importance of EI

1) Climate-Resilient Development (IPCC, 2022):
Process of implementing greenhouse gas mitigation and adaptation measures to support sustainable development for all.

- CRD involves questions of equity and system transitions in land, ocean, and ecosystems; urban and infrastructure; energy; industry; and society and includes adaptations for human, ecosystem and planetary health.

2) Economic inclusion is well placed to contribute to CRD:

- Targeted at the poorest, mostly women; often most impacted by climate change, but also environmental stewards
- Focused on increasing incomes and assets for resilience
- Bundled, multi-dimensional interventions, which tend to have more successful climate outcomes



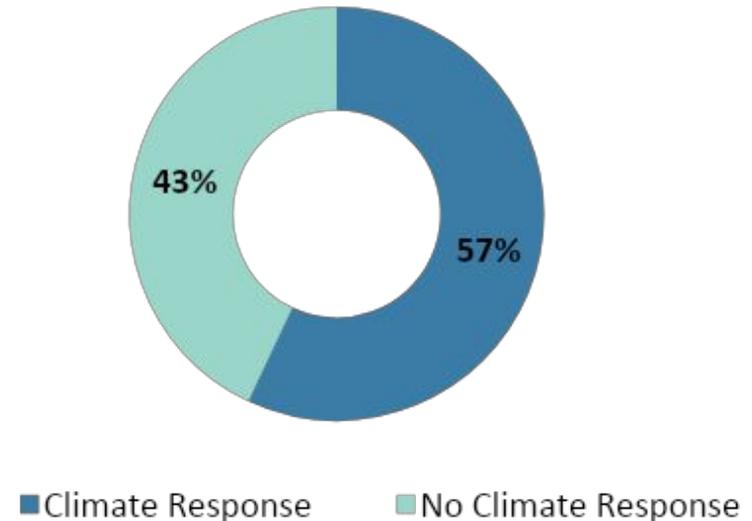
Source: Adapted from IPCC WG2 AR6 (2022)

Where are we?

State of climate-resilient Economic Inclusion

- 57% of WB EI programs (157 programs) already include climate elements, typically focused on shock responses, improving resource management, or agri-food value chains
 - 94% of these operate in rural areas, followed by peri-urban (40%) and urban (36%)
 - Predominantly in Latin America and the Caribbean (73%), Sub Saharan Africa (64%), and East Asia and the Pacific (58%)
- PEI Partners are also leading important innovations in this space e.g., Comprehensive Risk Management (GIZ), greening graduation (Concern), food systems transformation (FAO), CGAP, and BRAC.

World Bank EI Programs,
by Climate Response



Pathways to climate-resilient Economic Inclusion

Interconnected climate-poverty risks

- 1) Entrench poverty and limit climate resilience
- 2) Undermine livelihood and food security
- 3) Hinder climate change adaption and mitigation

PRINCIPLES

MINIMUM REQUIREMENTS

- 1) Do no harm
- 2) Align poverty-climate objectives

STRATEGIC REQUIREMENTS

- 1) Contextualized
- 2) Integrated
- 3) Collaborative

PROGRAM AREAS

- 1) Adaptive safety nets
- 2) Food and ecosystems
- 3) Green livelihoods and jobs

CLIMATE OUTCOMES

- 1) Human Systems Transition
 - Shock preparedness
 - Adaptation
 - Avoiding maladaptation
 - Mitigation
- 2) Ecosystem Transition
 - Ecosystems restoration
 - Natural & ag resources management

Increased Climate-Resilience:

For Individuals, communities and institutions, including improved climate-poverty governance

Source: Author's Creation

Strategic Program Areas w/ Program Examples

ADAPTIVE SAFETY NETS

Programs that enhance the absorptive capacity of households and communities. SSN+ programs targeted to groups most at risk of climate change incl. farmers/fishers, or women, children, etc. (i.e., Niger Adaptive Safety Net Project)

Programs that facilitate disaster risk reduction. Delivered at individual level, with a strong focus on youth and women.

FOOD & ECO-SYSTEMS

Programs that support food systems. L&J programs for small-scale farmers/fishers to produce affordable, healthy food and/or promote the adoption of CSA practices (i.e., South Sudan Resilient Agricultural Livelihoods Project)

Programs that protect or restore ecosystems. L&J programs that develop community capacity for landscape restoration of degraded ecosystems, for example, to reduce disaster risk and/or improve ecosystem services. (i.e., Burundi Landscape Restoration and Resilience Project)

GREEN LIVELIHOODS AND JOBS

Programs that facilitate a green transition. L&J programs that offer reskilling, labor intermediation, or migrant services to incentivize transition to climate neutral jobs (i.e., Costa Rica Sustainable Fisheries Development Project)

Programs that develop sustainable value chains. Investments in agri-food value chains that enhance access for opportunities in sustainable sectors (i.e., Rural Employment and Agri-food Transformation Project, Jordan)

Programming Opportunities and Knowledge Gaps

Operationalizing climate-resilient EI:

- 1) Ramping up country engagement
 - Integrating climate objectives and EI design within WB operations
- 2) Strengthening partnership and collaboration within and outside the WB (esp. ENB, AG, Urban)
 - Explore options within PEI's influence pathway to facilitate transformative climate interventions

Operational Innovations & Learning:

- This is a nascent area; need to build an evaluative learning agenda. Identify adaptations in EI program design that can support these objectives, test & assess them, and share lessons
 - What types of responses work best at achieving climate objectives
 - How to combine climate and poverty objectives in EI programs (for specific contexts – urban; for specific groups – women, IDPs, etc.)
 - How to avoid mal-adaptation and support transitions
 - What is the relevant criteria for assessing programs and implementation strategies

THANK YOU

Annex Contents

1. Climate terminology primer
2. Data on active and pipeline economic inclusion programs with climate Objectives
3. List of example operations across global practices
4. Key resources, organizations, and knowledge hubs

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Climate Terminology Primer

Climate Terminology Primer

Climate Term	Definition
Adaptation	In human systems, is the process of adjustment to actual or expected climate and its effects in order to moderate harm or take advantage of beneficial opportunities. In natural systems, adaptation is the process of adjustment to actual climate and its effects; human intervention may facilitate this.
Adaptive capacity	The ability of systems, institutions, humans and other organisms to adjust to potential damage, to take advantage of opportunities, or to respond to consequences.
Maladaptation:	Refers to actions that may lead to increased risk of adverse climate-related outcomes, including via increased greenhouse gas emissions, increased or shifted vulnerability to climate change, more inequitable outcomes, or diminished welfare, now or in the future. Most often, maladaptation is an unintended consequence.
Mitigation* (of climate change)	A human intervention to reduce the sources or enhance the sinks of greenhouse gases (GHGs). Also, human interventions to reduce the sources of other substances which may contribute directly or indirectly to limiting climate change.
Resilience	the capacity of social, economic and ecosystems to cope with hazardous events, trends or disturbances, responding or reorganizing in ways that maintain their essential function, identity and structure as well as biodiversity in the case of ecosystems while also maintaining the capacity for adaptation, learning and transformation. Resilience is a positive attribute when it maintains such a capacity for adaptation, learning, and/or transformation.
Climate resilient development	The process of implementing greenhouse gas mitigation and adaptation measures to support sustainable development for all. Climate resilient development involves questions of equity and system transitions in land, ocean, and ecosystems; urban and infrastructure; energy; industry; and society and includes adaptations for human, ecosystem and planetary health.

All definitions are taken from the IPCC (2021)

How to consider climate risk

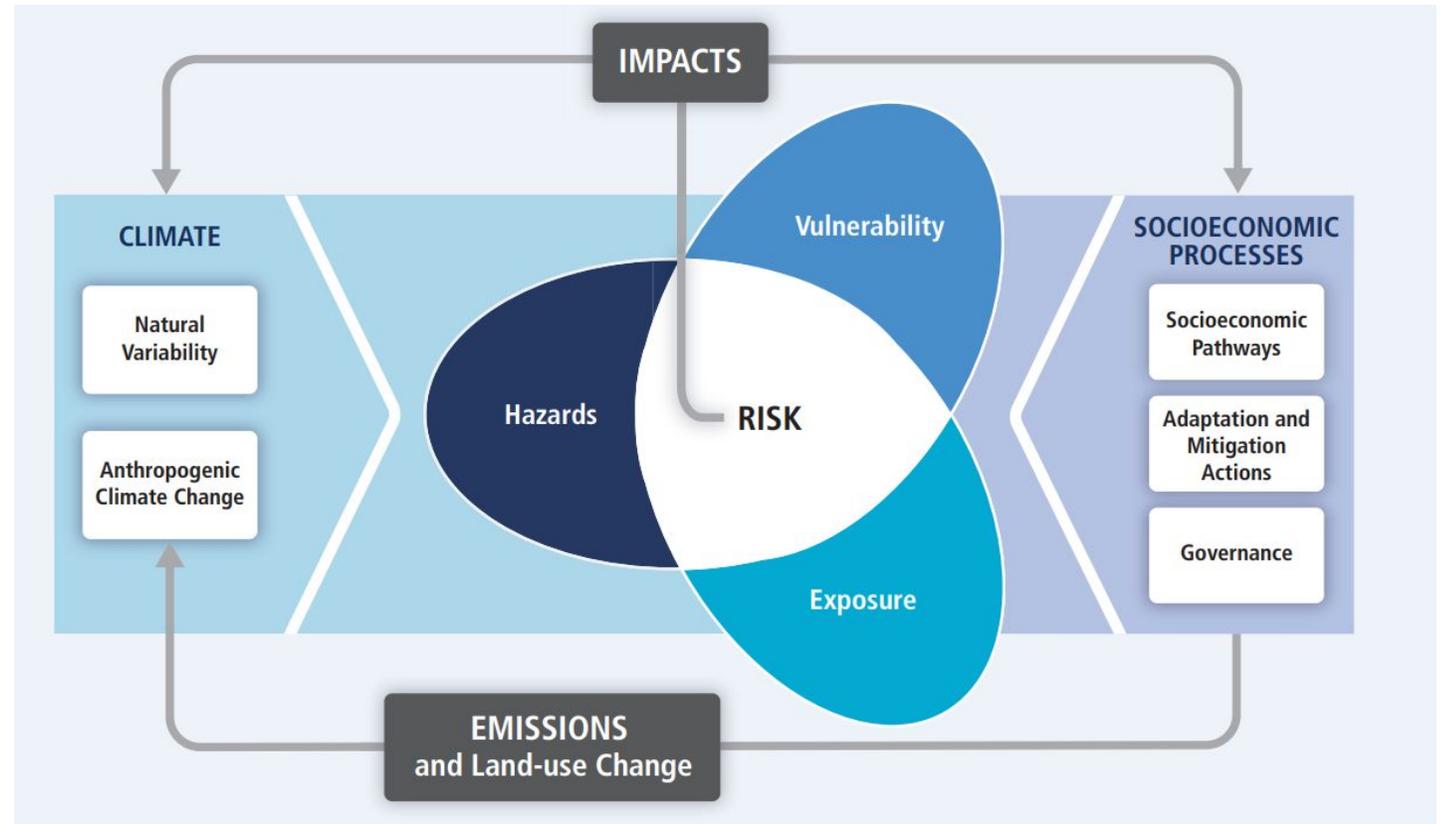
Climate risk is a dynamic concept; hazards interact with exposure and vulnerability to produce climate risk

Exposure: the presence of people, livelihoods, species or ecosystems; environmental functions, services and resources; infrastructure; or economic, social or cultural assets in places and settings that could be adversely affected.

Hazard: the potential occurrence of a natural or human-induced physical event or trend that may cause loss of life, injury, or other health impacts, as well as damage and loss to property, infrastructure, livelihoods, service provision, ecosystems and environmental resources.

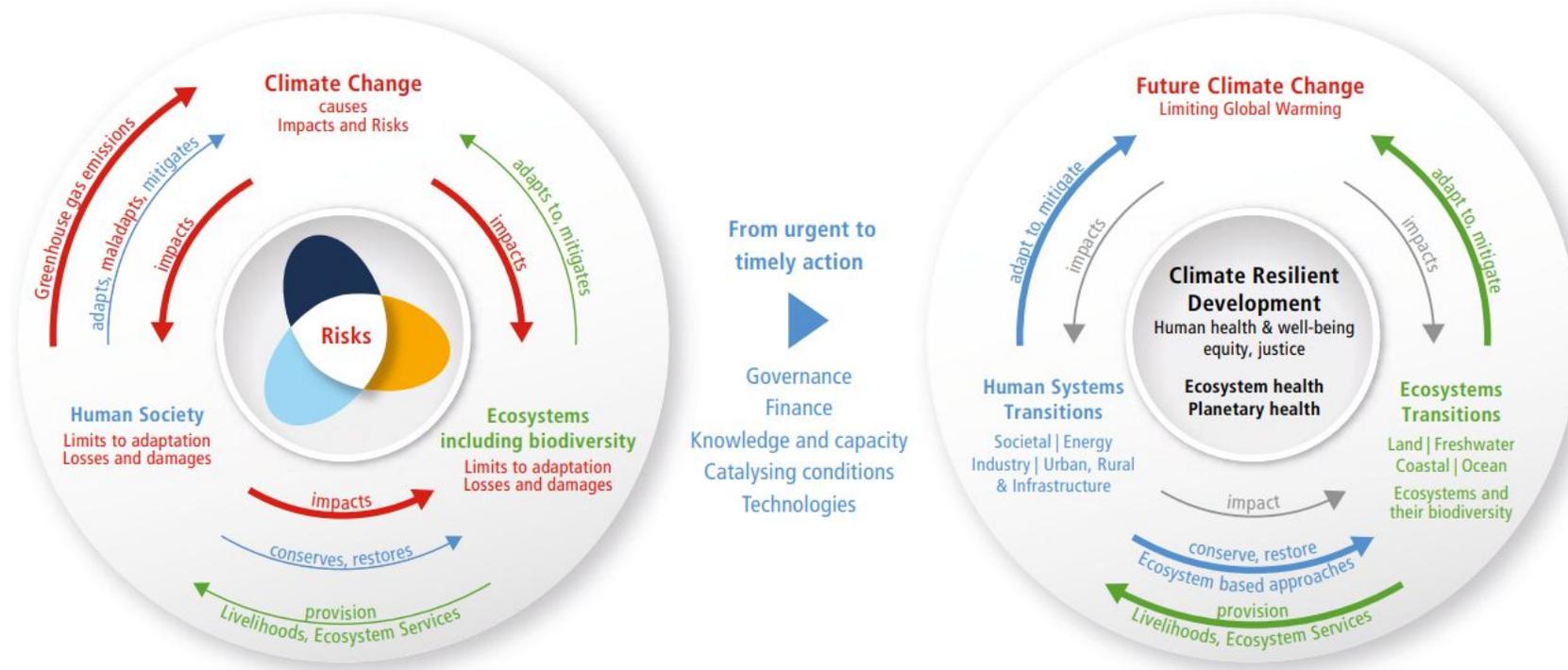
Vulnerability: the propensity to be adversely affected, encompassing a variety of concepts and elements, including sensitivity or susceptibility to harm and lack of capacity to cope and adapt.

Climate risk = Hazard (event) + Vulnerability (Susceptibility) + Exposure (location)



Moving from risk to climate-resilient development

Hazards, exposure and vulnerability are influenced by 3 systems: Human, ecosystems, and the climate system



The risk propeller shows that risk emerges from the overlap of:



- Thus, policy responses should target human and ecosystems transitions
- This can be achieved by leveraging governance, finance, knowledge, technologies and catalyzing conditions to drive change
- An emphasis on human health and wellbeing, and equity and justice is necessary to ensure the impacts of responses are shared evenly

Source: IPCC WG2 AR6 (2022)

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List of Example WB Operations

Example EI Operations

Project Name	Country	GP
Productive Safety Net for Socioeconomic Opportunities Project	South Sudan	SPJ
Urban Productive Safety Net and Jobs Project	Ethiopia	SPJ
Republic of Congo Lisungi Emergency COVID-19 Response project	Congo, Rep	SPJ
Multi-Sectoral Crisis Recovery Project for North Eastern Nigeria	Nigeria	URS
Lowlands Livelihood Resilience Project	Ethiopia	AG
Jordan Rural Livelihoods in Lagging Regions Project	Jordan	AG
Sustainable Rural Economy Program	Mozambique	AG
Mindanao Inclusive Agriculture Development Project	Philippines	AG
Landscape Restoration & Resilience	Burundi	ENB
Costa Rica Sustainable Fisheries Development Project	Costa Rica	ENB

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Resources, Organizations, and Knowledge Hubs

Resources, Knowledge Hubs, and Data dashboards

- BRAC: [Ultra-poor Graduation Initiative](#)
- CONCERN: [Ending Extreme Poverty](#)
- [CGAP](#)
- ILO: [Social Protection Dashboard](#)
- IPCC: [Climate Change 2022: Impacts, Adaptation, and Vulnerability](#)
- Manchester University: [Social Assistance Explorer](#)
- Social Protection.org: [Publication database](#)
- UNCDF: [Local Climate Adaptive Living Facility \(LoCAL\)](#)
- UNDP: [Climate Resilient Social Protection](#)
- University of Notre Dame: [Global Adaptation Initiative](#)
- WBG: [Aspire: Atlas of Social Protection Indicators of Resilience and Equity](#)

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