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An introduction to **Adaptive Social Protection**

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What is Adaptive Social Protection?

Adaptive Social Protection aims at assuring & promoting peoples' **resilience** in the face of multiple **covariant risks** induced by **natural** & climate **hazards**, through **integrating** social protection, climate change adaptation & disaster risk management.

own definition, drawing on Hallegatte et al. 2017

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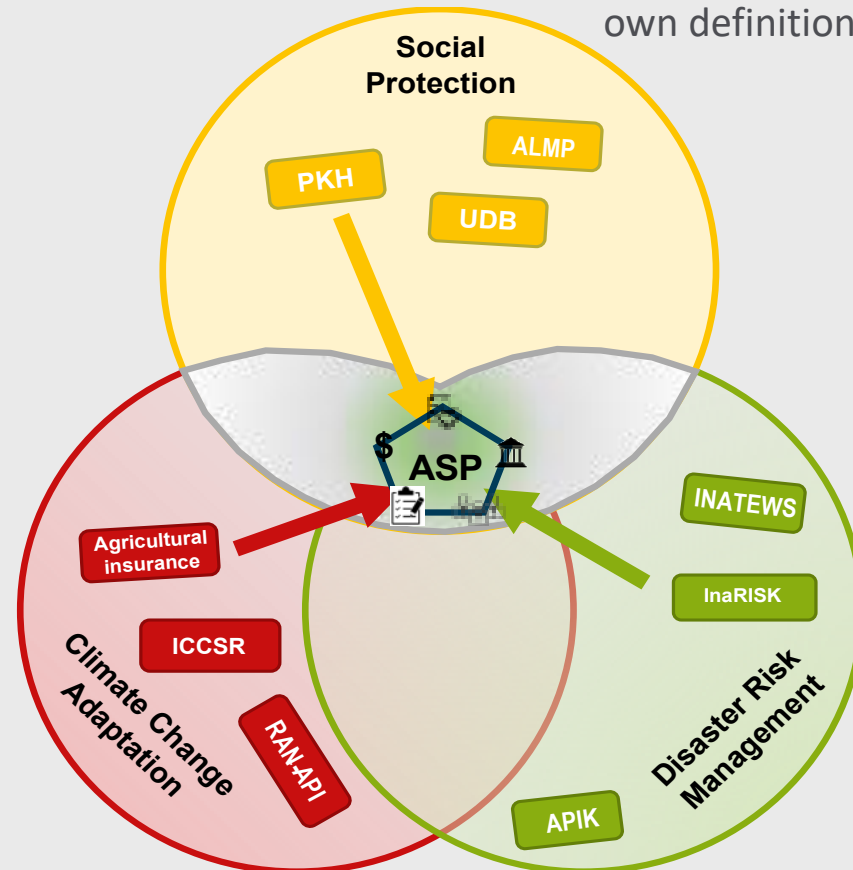
own definition, drawing on Hallegatte et al. 2017

- ❑ Response to increased & more complex risks which often exceed capacities of traditional, sectoral approaches
 - ❑ Heat stress results from interplay of climate change, urbanization, demographic change, disaster response, ...
- ❑ Foster coherence and seize benefits, e.g. efficiency
 - ❑ E.g. combined survey/registry

How can ASP be achieved?

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ASP implementation linked to **building blocks**:

- ❑ **Cooperation & coordination** of relevant actors
- ❑ **Strategies & legislation** outlining clear objectives and targets for ASP
- ❑ **Programs & effective delivery mechanisms** to implement strategies and reach those in need
- ❑ **Data & information** on risks, people's needs, and effectiveness of interventions
- ❑ **Financial resources & instruments** for ASP planning and implementation

Thailand; Design tweaks to subsidies, social insurance & labour market policies to respond to fast-onset floods induced by tropical storm Nock-ten (2011)

- ❑ 65 of 76 provinces affected; 815 deaths; 2.5 million people displaced; economic damage of manufacturing: USD-32 billion (total: 46.5 billion, ca. 70%)
- ❑ Temporary **wage subsidy** to enterprises that retained employees; employees entitled to receive 75 % of wages while factories stopped operations
- ❑ Increased time to **register** for **unemployment** benefits from 30 to 60 days
- ❑ temporary **reduction** of social insurance **contributions** from employers & employees from 5 to 3 %
- ❑ “Friends Help Friends” **supported** employees to work in unaffected businesses; ca. 13,000 employees moved to ca. 100 alternative employers

Thank You!



Munich Climate Insurance Initiative (MCII)

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- What is the current state of ASP efforts in the Philippines? Where do you already see ASP elements in institutions, strategies, programs, data& finance
- What are opportunities of working towards an ASP approach in the Philippines?
- Where do you see challenges of implementing ASP? Which limitations of an ASP approach do you see?

Thailand. Shock typology – fast-onset floods (2011). Shock responsive instruments – design tweaks to subsidies, social insurance and labour market policies.

The landfall of Tropical Storm Nock-ten in 2011 triggered severe flooding events across 65 of Thailand's 76 provinces. This resulted in 815 deaths and affected almost 14 million people. More than 19,000 homes were destroyed and 2.5 million people displaced. Significant damage occurred to manufacturing as the flooding was concentrated in industrial areas of the country, with total economic damage estimated at USD-46.5 billion and the manufacturing industry alone accounting for USD-32 billion of this. To mitigate the impacts on those directly affected by manufacturing damage, the government implemented several “design tweaks” to their labour market policies. Firstly, they offered a wage subsidy of 2,000 Baht per employee for a maximum of three months to enterprises that retained their employees. Employees were entitled to receive 75 percent of their wages while the factories temporarily stopped operations. The government also increased the number of days which people were able to register for unemployment benefits from 30 to 60 and temporarily reducing social insurance contributions from employers and employees from 5 to 3 percent (later increased to 4 percent). A “Friends Help Friends” project implemented by the Department of Labour Protection and Welfare supported employees to work in unaffected businesses, resulting in more than 13,000 employees moving to more than 100 alternative employers. ASEAN Disaster Responsive Social Protection Guidelines (unpublished)

SDGs



Goal 1.3:
Implement nationally appropriate **social protection systems** and measures for all, including floors, and by 2030 achieve substantial coverage of the poor and the vulnerable



SFDRR

SENDAI FRAMEWORK
FOR DISASTER RISK REDUCTION 2015-2030

- 7 targets, most relevant for ASP:
- (a) Substantially **reduce** global **disaster mortality**
 - (b) Substantially reduce the **number of affected people**
 - (c) Reduce direct disaster **economic loss** in relation to GDP

Paris Agreement



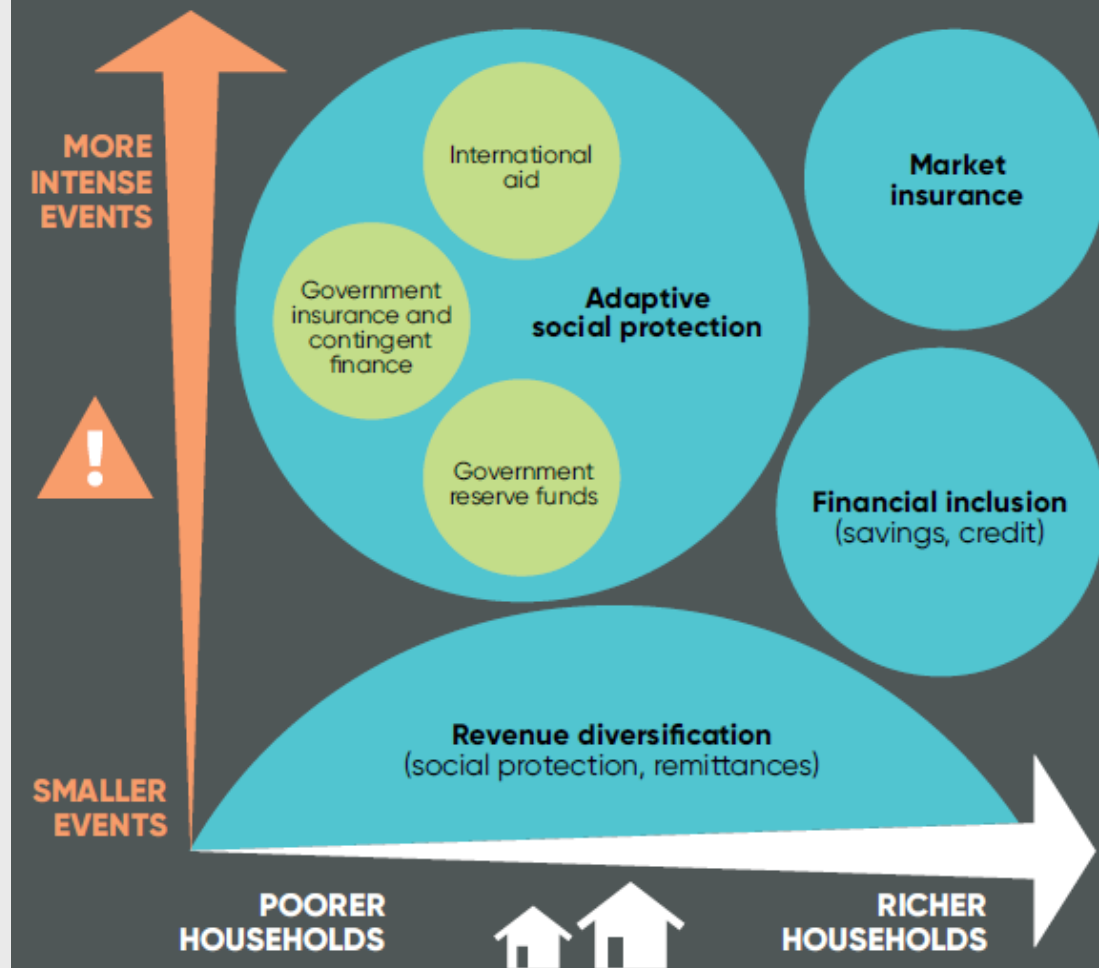
§6/8:
[...] implementation of their nationally determined contributions, in the context of sustainable development and **poverty eradication** [...] including through, inter alia, mitigation, adaptation, finance, technology transfer and capacity-building

Further relevant global frameworks & action agendas with link to ASP



Figure 6.1: Poorer and richer households have different needs and can be supported with different instruments

Risk finance strategy for households and governments



Source: Hallegatte et al. 2016.

Note: In blue, instrument targeting households; in green, instruments for governments or local authorities.