

# How should donors communicate about risk and resilience?

There has been much talk about risk and resilience over the last couple of years – much talk and perhaps also much confusion. Lack of coherent communication about what resilience means, how results can be measured, and the value that resilience will add to a crowded development agenda, has become a major sticking point in translating what seems like a common-sense concept, with strong political buy-in, into action on the ground.

The confusion stems from three main factors:

- lack of coherent messages about what resilience entails,
- different actors defining resilience based on narrow mandates, and in a competitive environment for funds, and
- resistance from experienced actors in the field, who are already struggling to implement existing initiatives.

This paper, part of a series on risk and resilience, outlines current approaches to communicating about risk and resilience, and offers guidance on how to communicate about resilience within donor agencies, with partners, and to other important stakeholders such as parliaments and taxpayers.

## Are donors talking about resilience?

Donors have been one of the key groups promoting resilience, primarily as a political agenda. The way donors communicate about resilience in the future will be critical in determining whether resilience is usefully applied in the development of global policy and at the country level, or whether it becomes another buzzword devoid of substance.

## How is resilience being communicated?

The findings from the first set of case studies have shown that people are talking about resilience in a number of different ways – some of them useful, and some creating added confusion:

**As an agenda.** Often, resilience is discussed as a means to enhance coordination and coherence between humanitarian and development actors,

to attract matched funding from new sources of finance, and to enhance better partnerships. So far, this political agenda has been largely devoid of a technical approach to add value to existing programmes on the ground.

**As the repackaging of existing initiatives.** Not surprisingly, given its political traction, many actors are interpreting resilience to fit their own mandates and resourcing needs. This has increased confusion, especially in the field, about what resilience means, and how it can be used to deliver a more coherent, joined-up, context-specific approach.

**As a substitute for 'good' disaster risk management.** *Resilience* and *disaster risk reduction* are often used interchangeably and indiscriminately. In practice, DRR is often (mis)associated with intensive risk (extreme events and large shocks) and this has led many actors to prioritize short-term humanitarian mechanisms to build resilience, rather than longer-term actions that address both intensive and extensive (persistent, localized, smaller

scale) risks. Substituting ‘resilience’ for ‘DRR’ has also led to many believing that resilience is only about natural hazards and climate change, or even just about specific natural hazards; ignoring biological, geopolitical, climate-related and economic risks, and that many of these factors are inter-connected within a complex risk landscape.

**As the direct opposite of vulnerability.** It has been tempting to see resilience as the positive side of vulnerability – giving the impression that it is nothing really new. However, programming to build resilience is different from ongoing vulnerability reduction. Resilience implies an added dimension, a risk lens – the targeting of those people, communities, states and their institutions that are exposed to distinct risks. Resilience is, or should be, about strengthening the capacity of these different layers to make informed choices about the different risks they face.

**As a direct poverty reduction measure.** Resilience has also been linked with poverty reduction, under the working assumption that people living in poverty suffer most from crises and shocks. While this is often true, resilience is actually about empowering all people, communities and institutions to make optimal choices about the risks they face, by absorbing risks, or by adapting and transforming in the face of risk. In this case, resilience is about protecting and promoting development gains for all people – and is as much ‘pro-growth’ as it is ‘pro-poor’.

**As a top-down priority.** Our case studies found that field staff are often told to engage in resilience, but are seldom told what resilience actually means, or how it should change programming. This has understandably led to confusion between and within different actors, and to the resistance of some field staff to incorporate resilience into the programme cycle.

**As a humanitarian issue.** Resilience is now facing the same major obstacle that has dogged the scaling up of disaster risk reduction inside many donors – it is often associated with

humanitarian action and mechanisms, rather than as a long-term approach to be incorporated into all development, climate change and humanitarian planning and project cycles.

**As a technical approach.** The case studies found a few examples where donors have provided specific technical guidance on resilience to their programming staff. This guidance is usually informed by partnerships with think tanks, academic institutions and civil society organizations.

**As good ‘value for money’.** Resilience is often sold as being a good investment. This resonates particularly well in the current climate of financial austerity, and is in line with the desire of most donors to be more rigorous, and more transparent, about results. The ‘good value for money’ line is generally accepted – it clearly makes sense – however there is not yet a common method for assessing the results of programming to build resilience. However, demonstrating results will be required to shore up support from important stakeholders in both donor and partner countries, and to ensure the sustainability of funding.

## How is risk being communicated?

**Risk discussions are often limited to institutional risk.** Risk analysis and management are now firmly embedded in most donor programming cycles, and are talked about openly within donor organizations. However, donors are mostly focusing on managing the risks to themselves (otherwise known as institutional risk) such as fiduciary risk, security risk, and reputational risk. More progressive donors go further, and also systematically assess and manage the risk that programmes will fail to achieve their objectives, or that those same programmes could inadvertently cause harm. However, only a tiny minority of DAC donors systematically assess the range of contextual risks – geopolitical and natural hazards, climate risk and economic risk – when they are

designing and implementing their partner country strategies<sup>1</sup>.

**Donors are talking about sharing or pooling risk.** Donors are starting to have more frank and open conversations with partners, especially the UN and other multilateral partners, about who should bear the risks of operating in difficult environments, and what actions should be taken if things go wrong. This discussion is aimed at countering the perception that donors are ‘dumping’ risk on their partners – and then demanding reimbursement of funds if programmes fail to achieve their objectives, or if misconduct, especially fraud, is uncovered.

## How should we talk about risk and resilience?

Building on what has been learnt so far, some initial guidelines for communicating about risk and resilience have emerged:

**Be clear about what resilience means.** A resilient system is characterized by a set of components relevant for different ‘layers’ of society – individuals, communities and states and their institutions (refer *What does resilience mean for donors?*<sup>2</sup>). These components are built or strengthened by enhancing the absorptive, adaptive and transformation capacities of each of these layers.

**Differentiate the political agenda from the technical approach.** Both the political agenda behind resilience (the ‘why’) and the technical approach (the ‘what’ and ‘how’) are necessary to ensure that development, climate change and humanitarian actors are working together to build resilience of different ‘layers’, and connect these to form a resilient system. The political agenda continues to be useful in bringing the different actors together, and to highlight the need for investments in resilience. The technical approach helps translate those commitments into concrete action on the ground. However,

they are very different animals – promoting the political agenda will not in itself achieve the desired sea-change in programming. Similarly, just rolling out a technical approach, without adequate political support and buy-in, will not lead to solid and coherent programming across donors, especially in the field.

**Clarify that resilience is not about stand-alone programming or projects.** Resilience is about ensuring that all programming – whether development, climate change or humanitarian – is targeted at empowering people to make the best possible choices about the risks they face, and to make the best of opportunities when they arise. It is about looking at programming through a risk lens: knowing what the most significant risks are in a particular context, and ensuring that all programming works to build the resilience of people, communities, and states and their institutions to those risks.

Implementing resilience may mean a shift in the priorities of each donor, and in how different sector programmes are designed and linked together. It might also mean reconsidering which funding instruments are best suited for the particular country context, a shift towards joint planning, and increasing programme flexibility to deal with evolving contexts. It does not mean a new resilience ‘pillar’ or a raft of new resilience programmes and funding mechanisms.

**Confirm that working on resilience does not mean spending more money, or creating new funding tools.** Resilience is not about more money, nor is it about inventing new funding tools. Instead, it is about working smarter in existing programmes, within existing budgets. However, adopting a resilience approach does mean that donors and other actors will need to make trade-offs, some of which may initially be politically difficult. Convincing a programme manager or government official to spend money on retrofitting existing schools, or on market risk transfer mechanisms (including, for example, insurance) instead of building new schools, may meet initial resistance. Appropriate evidence and incentives must be provided to ensure that

<sup>1</sup> For more on donor risk management practices, refer [www.oecd.org/dac/incaf/49185677.pdf](http://www.oecd.org/dac/incaf/49185677.pdf)

<sup>2</sup> [www.oecd.org/dac/governance-development/risk-resilience.htm](http://www.oecd.org/dac/governance-development/risk-resilience.htm)

key decision makers make informed, optimal decisions. (refer: *What are the right incentives to help donors support resilience?*<sup>3</sup>)

**Help programming personnel – especially those in the field – to understand the technical approach to resilience.**

Guidance will be needed on what resilience means for programming – on how to undertake a joint risk assessment (refer: *Joint risk analysis – the first step in resilience programming*<sup>4</sup>), and on how to use the risk analysis to guide donor programming that aims to enhance the absorptive, adaptive and transformational capacities of the appropriate layer in society. This guidance may vary from organisation to organisation, based on lessons, experience and institutional mandates. Some initial guidance will be provided under the Experts Group, and this can be picked up, added to and adapted by each organisation and actor to each specific context. (refer: *Template for Resilience*<sup>5</sup>).

**Explain that risks are inter-connected...** Risks are highly inter-connected, even though they may be derived from diverse sources, including natural, climate, geopolitical and economic factors, that may be local, national or global, and either short or long-term in nature. Changes in the climate will cause an increase in hydro-meteorological disasters, loss of assets in a disaster may lead to economic migration and a spike in food prices, this in turn could create the conditions for unemployed youth to turn to crime, rising insecurity may lead to political turmoil, which may in turn impact on the capacity of state institutions to deliver basic services, and so on.

**... and thus building resilience must also be a coherent, cross-donor effort.** It is impossible for any one donor to put in place the necessary comprehensive, cross-sectoral, and multi-stakeholder action at each level of society to address the complex risk landscape described above.

And, as our case studies show, building resilience in one sector can be totally undermined by a lack of resilience in other sectors. A community that is food secure, but has no conflict resolution mechanism, is not resilient.

Further, building resilience of someone to something specific – of a community to flooding, for example – is also of little use if instead of flooding, the community is hit by a drop in remittances.

In addition, isolated actions that claim to ‘contribute to resilience’ will only be useful if other complementary programmes are enhancing the other components of resilience. A community that knows how to evacuate in times of hurricane is not resilient if it has no spare capacity to rebuild houses, or to replace the economic assets, destroyed in the storm.

In short, a system cannot be ‘selectively’ resilient – it can either maintain the things it values in the face of a complex risk landscape, or it cannot.

**Address both intensive and extensive risks.** The risk landscape that people, communities and states have to face is made up of large crises (intensive risk) interspersed with smaller, localized, but more frequent negative events (extensive risk). All of these risks will have consequences for people, assets and economic resources – all of these risks should therefore be considered when prioritizing programming to build resilience. Death of the family breadwinner from cholera, for example, may have more impact on a fishing family’s development prospects than a once in a lifetime tsunami.

**Insist on joint risk analysis.** The easiest way for donors to promote coherent resilience programming is to start with a common understanding of the risk landscape. This can be done by engaging all the relevant actors in a joint risk assessment, taking care to harmonise the assessment with programme and budget

<sup>3</sup> Paper in this series on Risk and Resilience

<sup>4</sup> Paper in this series on Risk and Resilience

<sup>5</sup> Paper in this series on Risk and Resilience

*cycles (refer: Joint risk analysis – the first step in resilience programming<sup>6</sup>)*

**Measure and report on progress.** At present there are no clear indicators or methods for measuring the impact of resilience-building efforts. However, it should be possible to measure progress on resilience by comparing each of the components that make up resilient systems to their initial baseline levels. It should also be possible to collect evidence about how the individual, community or state institution has used its absorptive, adaptive or transformational capacities – have they altered behaviour or exposure to risk? What type of decisions are people now taking about the risks they face, and what has been the impact of those decisions?

**Demonstrate the effectiveness of donor investments in resilience.** To ensure that those who provide funding for resilience – parliamentarians and taxpayers – continue to value this work, donors will need to demonstrate the usefulness of their investments. One way is to measure the cost of actual crisis response and/or its magnitude – have individuals, communities and states become more resilient, and thus require less external support in times of crisis? For seasonal events, for example, this could be measured on a regular basis. Forward (economic) modeling of risk, and the shifting economic consequences of risk events, should also be possible.

For example a model might be developed to estimate that over the next 10 years the cost of a probable crisis – natural, economic, climate-related or geopolitical – will be \$X; to counter this we will invest \$Y in building resilience today, and this will thus save \$Z. Some donors, including JICA and DFID, are already working on these types of models. Measurement could also usefully focus on the targeting of programming – has the available funding been spent on those who most need that money, and do they now have greater capacity to deal with shocks?

---

<sup>6</sup> Paper in this series on Risk and Resilience

We do not have the answers to all the measurement questions yet. Others are doing useful work in this area, especially on measuring resilience for food security under the Food Security Information Network, and it will be useful to link up with these efforts.

This paper is part of a series on Risk and Resilience, which includes:

**What does “resilience” mean for donors?** – clarifying what resilience means in practice

**What are the right incentives to help donors support resilience?** – Investigating the role of incentives (and disincentives) in encouraging coherent donor support for resilience

**How should donors communicate about risk and resilience?** – Guidance on good practice on communicating about risks, opportunities and the results achieved from resilience programming

**Joint risk analysis – the first step in resilience programming** – Adapting the G20/OECD methodological framework for disaster risk assessment for resilience programming

**From good idea to good practice – options to make resilience work** – Building on what has been learnt so far, a set of options to help ensure that resilience becomes an integral part of donor programming

[www.oecd.org/dac/governance-development/risk-resilience.htm](http://www.oecd.org/dac/governance-development/risk-resilience.htm)