OECD Development Co-operation Working Papers No. 13

Risk and Resilience: From Good Idea to Good Practice

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https://dx.doi.org/10.1787/5k3ttg4cxcbp-en

OECD

WP 13/2013

Risk and Resilience: From Good Idea to Good Practice

A scoping study for the Experts Group on Risk and Resilience

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OECD DEVELOPMENT CO-OPERATION
WORKING PAPER

The Development Assistance Committee: Enabling effective development

December 2013

OECD
BETTER POLICIES FOR BETTER LIVES

Abstract

Resilience has gained significant prominence following the re-examination of the performance of the humanitarian and development aid systems in light of the two major food security crises in East and West Africa over the last two years, coupled with ongoing 'post-2015' negotiations on key global disaster risk reduction, climate change and development policy and resourcing. Resilience has largely been communicated by donor and other key actors as a political agenda, devoid of clear technical guidance as to its added value and how it changes programming on the ground. As a result, country staff are either cynical of its value, are confused as to what it means, or use it as another opportunity to attract funding or to justify their narrow institutional mandate. There are relatively few actors who engage with resilience armed with specific technical guidance informed by comprehensive risk and vulnerability analyses. The continued 'improper' application of resilience reinforces some views that this is another 'buzzword' or 'fad', devoid of real meaning for programming, and will mean that the approach will be eventually dropped from policy and programming when 'the next big thing' comes along.

This study argues that resilience has sufficient technical added-value (distinct from resilience as a political agenda) and outlines how it can be applied to programming, and, in response to challenges on the ground how donors and key partners can incentivise integrating resilience into programming. There are also recommendations for further study to support further integration of resilience into programming.

Note to the reader

This paper supports the work of the OECD DAC Experts Group on Risk and Resilience, who seek to find practical solutions and guidance to help ensure that the numerous international commitments to resilience, and the on-going goodwill, are translated into better working practices on the ground.

While the working papers have been subjected to a robust peer review process, they remain working papers rather than for publication in peer-reviewed journals.

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Executive Summary

…core challenges [are] exacerbated by crisis. For example, inclusiveness: by most measures, [we] are becoming more unequal. And resilience: urban decay, traffic congestion, pollution, climate change, poverty and insecurity, threaten human health and well-being. [Crises have] certainly made [these challenges] more evident and [have] reduced the resources we have to address them. …[Crises have] also taught us that our policies must therefore be more innovative than ever

Angel Gurría, OECD Secretary-General

Everyone is talking about resilience. And the idea makes sense; strengthening the resilience of people and states to shocks and stresses could help protect lives before a crisis hits, reduce potential economic losses, and empower people to take better decisions about the risks they, and those they are responsible for, face. We have been told that resilience means bringing the humanitarian and development communities together to achieve a common goal; the missing "link" between relief and development, between disaster risk reduction, climate change adaption and conflict prevention has been found. Resilience is the new big thing.

But, it has been very difficult to translate this good idea, and the solid political commitment, into better programming on the ground. Resilience remains a (largely) political agenda, aimed at bringing different programming silos together, but often without clear technical guidance for programming on the ground. As a result, field staff are cynical about the added value of resilience, and are confused about what resilience actually means. Some see resilience as a term to insert into proposals to help attract new funding. Others interpret resilience as 'better' food security and livelihoods planning, or another way to look at disaster risk reduction. There are relatively few actors who engage with resilience armed with specific technical guidance, and informed by comprehensive risk and vulnerability analyses. This continued 'improper' application of resilience reinforces those who think that resilience is just another 'buzzword' or 'fad', devoid of real meaning for programming. If this misunderstanding continues, the resilience approach will eventually be dropped from policy and programming, to be replaced by the 'the next big thing' to come along.

That would be an enormous missed opportunity. This study argues that resilience does have sufficient technical added-value (distinct from resilience as a political agenda) (*Chapter 2*), outlines how resilience can be applied to programming (*Chapter 3*), and, in response to challenges on the ground (*Chapter 4*) explains how donors and key partners can create the right incentives to ensure that resilience is embedded into programming (*Chapter 5*). Recommendations in Chapter 6 build on the findings of this study to further enable the integration of resilience into programming.

So what is resilience? Resilience is, as the Japanese say, like bamboo, which bends under the weight of winter snow but stands tall again come springtime. It is the ability of households, communities and states – layers of society – to absorb and recover from shocks, whilst positively adapting and transforming their structures and means for living in the face of long-term stresses, change and uncertainty. Resilience involves actively understanding the risk landscape in each context, determining where – in which layer of society – those risks are best owned and managed, and working to strengthening these components of resilience, and thereby empowering different layers of society with the ability to cope with those risks that they face in their everyday lives.

The risk landscape that people, institutions and infrastructure have to face is complex, and thus working in risk silos no longer makes sense. Separating the risks that people face in their daily lives into neat boxes is a bit like stuffing jellyfish into pigeonholes – it just can't be done neatly, and doesn't make sense. The risks people face are complex and interlinked; typically made up of large infrequent disasters (intensive risk) interspersed with small frequent negative events (extensive risk), derived from a collection of natural, geopolitical and economic factors, driven by a range of long-term and interconnected trends. Working to narrow institutional mandates no longer makes sense. 'Climate resilience' can be compromised where geopolitical risks are not taken into account in insecure and fragile states. Similarly, disaster preparedness is of little use if it is not directly connected to other initiatives covering a range of shocks. Further, resilience in one sector e.g. food and nutrition security, can be undermined by a lack of similar investment in other sectors, such as clean water. In short, a layer of society cannot be 'selectively' resilient: it either

can maintain or build on its living standards and well-being in the face of a complex risk landscape, or it cannot. Donors can play a leading role in setting the record straight on this, by breaking down barriers between existing programming silos, in turn leading to a more helpful and harmonised engagement in resilience from those actors dependent on donor resources (i.e. realising the expectations of the resilience agenda). This process can start within a donor agency itself.

Building resilient systems requires joint donor action on analysis, planning and programme implementation. It is impossible for any one donor to put in place the required comprehensive, cross-sectoral, and multi-stakeholder action at each layer of society to address a complex, changing and uncertain risk landscape. Local political sensitivities, international foreign policies and direct implication in conflict, particularly in fragile states, may further challenge individual donors' ability to strengthen resilience. Therefore, joint donor action, emphasising complementary strengths, mandates and interests, will be critical in ensuring a coherent approach towards a resilient society.

The technical basis for integrating resilience into programming involves three major steps. Firstly, donors will need to develop a shared risk analysis, followed by a shared analysis of what makes, or could make, different layers of society resilient to those risks, so as to help prioritise their programming decisions. Next, donors will need to apply resilience building elements to existing and new programming; standalone resilience projects or programmes are probably less useful in the long-term. Donors will also need to take care that resilience building in one layer of society, or in one sector, does not undermine the resilience of another layer or sector. Finally, indicators to measure changes in the components of the resilient systems will need to be developed, so that the overall impact of efforts to strengthen resilience can be measured.

There are powerful disincentives that hamper donor engagement in risk management; these need to be overcome. Partner countries rarely prioritise risk management, and are often confused by what resilience means; this creates a major disincentive for donors who have committed to aligning to partner country priorities. Other significant disincentives include the lack of a natural or centralised 'home' for risk management in partner government structures, the lack of absorption capacity of government structures (particularly at the local level), fragmented legal and legislative structures, local cultural factors, problematic access to risk information, insecurity, and economic barriers. The way donors plan and implement programmes can also create powerful disincentives, including un-coordinated planning cycles between the donor and partner governments, centralised decision-making, the separation of humanitarian and development programming, a perception that risk is 'complicated', fragmented risk management approaches spread across different institutional divisions, the lack of penetration or risk management and resilience into quality control, evaluation and administrative/funding processes, contradictory career incentives, and risk aversion in donor investments.

Incentives for building resilience into existing and new donor programming include continuing the high-level political support, but backing this with clear technical guidance and resources. Creating a rigorous technical approach for resilience programming in the field would be a good first step; this will need to be backed up with appropriate seed funding, and resources to assess risk and measure resilience. In donor systems and organisations, integrating resilience using small progressive steps is perhaps the most pragmatic option. Fixing appropriate performance management incentives, creating a culture of peer contestability in programming, and providing knowledge management systems would also be helpful. Finally, promoting the positive impacts of integrating resilience into programming, both locally and internationally, will help reinforce progress made.

Donors now need to develop comprehensive guidance for embedding risk and resilience across their structures and processes, and within the processes used by country teams. Based on the findings of this study, integrating resilience into donor organisations will involve an internal review on risk and resilience, gaining an appropriate political mandate, and then creating a platform of policy, guidelines, research and experts to enable the progressive integration of resilience throughout the organisation – in capitals and in the field.

A useful, pragmatic methodology will also be required to support resilience programming in country. Guidance should include how to engage all stakeholders in the integration process, how to perform a comprehensive risk analysis, how to adjust current programming and thus integrate resilience into donor country and national government strategies, and, importantly, how to evaluate the impact of resilience-building. Lessons from OECD countries, in business continuity planning, supply chain management, public-private partnership, and risk financing and transfer mechanisms, could form a useful part of this guidance. Other aspects of risk – including how to target extensive, everyday risks – also need to be better understood.

Financing for resilience needs to be long-term and flexible, with more joined up programming, allowing programmes to adapt to the evolving risk landscape. Risk management and resilience criteria should be part of all budget allocation processes. A 'tagging and tracing' methodology, that allows the tracking and calculation of allocated funds, could, therefore, be beneficial. Building resilience aspects into concessional loans may provide a useful additional funding stream. Similarly, identifying overlaps in risk management and resilience in donor initiatives for aid, trade and the private sector, and thus aligning all financial flows to partner countries under a common risk framework, could be a powerful tool to protect and maximise donor investments.

Crises have taught us that our policies must be more innovative than ever. Resilience is a new thing. It is a new way of thinking, of analysing, of working together, of building societies that are equipped with the skills and tools to manage, and even benefit from, the risks and opportunities that life throws up. Donors are playing a leading role in making this happen; these initial steps need to be reinforced and supported, so that we can see real change on the ground.

1 Introduction

Resilience is not a new concept, and has been historically applied to engineering, ecology and psychology. However, it is only in the last three years that resilience has become widely used by humanitarian and development actors working across diverse thematic such as disaster risk reduction, climate change, urban planning, ecosystem management, peacebuilding, and food and nutrition security. It is increasingly used in the ongoing post-2015 negotiations on development and risk management, and in long-term international donor strategies, both of which will largely shape the global structure for humanitarian action and development cooperation. As such, resilience has largely been expressed as an 'agenda' to enhance cost-cutting, improve partnerships to increase up-scaling, and to create a holistic vision to counter programming silos across individual sectors and thematic and actors. It has largely been driven by international donors then adopted by multi-lateral and government actors who are dependent on international donor resources.

As a result, there is currently an explosion of consultations and initiatives on resilience, happening at global, regional and national levels, with a multitude of interpretations on what resilience is, that is largely uncoordinated. This confusion is fed by a lack of differentiation between 'resilience' as a political agenda, as described above, versus 'resilience' as a technical approach that offers added value on top of existing risk management approaches. They are not the same thing, yet both are necessary to ensure that resilience is successfully implemented, and that it complements, rather than replaces, proven best practices. The 'agenda' should provide the vehicle to implement the 'technical approach'.

This study aims to clarify how donors can better appropriate resilience as an agenda and as a technical approach, and how this can add-value to existing development cooperation programming.

The terms of reference outlines the global objective of the study to translate the concept of resilience and the current political traction that it has, into a concrete approach for development cooperation programming, with the role of the donor community to be particularly focused on. The great obstacles for realising the potential of resilience result from the multitude of interpretations of what resilience is, and lack of agreement in how to go about building resilience that addresses the risk attached to the full range of shocks and stresses, and the uncertainty of these, that people, communities and nations face.

The Terms of Reference outline four successive areas of investigation to be undertaken:

1. Demonstrating the interconnectedness of different risks and how these may differ between individual, community and national 'layers', in order to provide a rationale for approaching resilience as a truly holistic methodology.
2. Framing resilience in terms of its components, showing how these may differ between 'layers', and synthesising best practice to achieve these.
3. Focusing on the best practice and key mechanisms used by donors at different levels in order to build resilience.
4. Exploring the incentives and blockages for joint donor approaches for building resilience, with a focus on field risk assessments, programme design and planning, and financing mechanisms that resource programming.

This report demonstrates the technical added-value of resilience (distinct from resilience as a political agenda) (Chapter 2) and outlines how it can be applied to programming (Chapter 3), and in response to challenges and disincentives on the ground, (Chapter 4) shows how donors and key partners can incentivise the integration of resilience and risk management into programming (Chapter 5). Further recommendations are made to further integrate resilience into programming, building on the findings of this study in Chapter 6.

2 Defining and applying resilience

2.1 The backdrop of resilience

There is increasing political and economic traction in both rich and poor nations for resilience-building as an agenda that can facilitate holistic, positive and lasting changes in communities and nations who are most at risk of harm. The agenda is normally understood as an institutional approach that harmonises different risk management actions, covering both man-made threats and natural hazards, together with different forms of relief operations spanning short-onset (such as flooding) to long-onset disasters (such as drought) to complex emergencies (such as chronic conflict). It also brings on board those actors focusing on long-term stresses that change the nature of risk such as climate change, environmental degradation, economic fragility and marginalisation, demographic changes and governance/insecurity trends. It is also seen as a means of better linking risk management actions made at different layers (national, community, household/individual), ensuring that stakeholders in each layer are aware and coordinated with each other. This is highly desirable given that the interconnectedness of different shocks and stresses results in different risk profiles, and therefore, different resilience-building responsibilities, per layer.

However, converting what seems as a common-sense concept into action that demonstrates a holistic impact at each layer in society is proving difficult, mainly due to (i) a lack of coherent understanding and communication of what resilience-building entails from household- to regional-level operations, (ii) the political resistance of actors who are used to working in a silos with strict mandates and in competition with other actors, (iii) those who feel threatened that resilience replaces existing approaches and agendas, and (iv) those who are already struggling to fully implement existing initiatives.

Many actors are moving ahead based on the resilience agenda, given its current political traction, interpreting the resilience technical approach to fit their own mandate, rather than allowing the operational context to define the problem to which resilience offers the solution. This results in a repackaging of existing donor and donor-partner 'products' and diverse interpretations of what resilience is, avoiding what is critical for the successful adoption of resilience: a re-examination of how development cooperation should best address the field reality of complex risks, characterised by change and uncertainty.

2.2 How is resilience communicated on the ground?

The communication of donors on resilience has played a key role in the overall perception and engagement for integrating (or not) resilience and risk management into the operations of all major actors in Niger and the Philippines.

The understanding of what resilience is by all actors is highly varied because resilience has come from many different technical backgrounds and because of its association with a poorly defined political agenda largely devoid of a technical approach with specific added-value to current programming. Not surprisingly, many actors interpret resilience to fit their own needs given this lack of specificity and the different communication messages coming from donors. Here, resilience is normally poorly communicated, with its definition and application largely constrained by a top-down process that fits the mandate (and resourcing needs) of an organisation, as opposed to an approach informed by the contextual risk and best practices already employed to manage this risk. Resilience is predominantly communicated via five key pathways:

Firstly, as a political agenda to enhance coordination between humanitarian and development actors, to attract matched funding from other sources, and to better enhance partnership. Where the political agenda is strong, particularly in Africa in light of the two recent food security crises in the Horn of Africa and the Sahel, more actors use this term, compared to south/south-east Asia. As a result in Niger, there has been great resistance to take on board resilience by experienced actors who believe that the resilience agenda (i) does not offer anything new, (ii) does not justify extra efforts on the ground when actors are already struggling with the numerous thematic and transversal issues they are directed by their headquarters to engage in, and, (iii) is used by different organisations to increase

their 'competitive edge' even against sister organisations in the same multi-lateral group. Many experienced actors, including donor staff, have become rapidly cynical towards resilience.

Secondly, substituted as a collective term for 'good' disaster risk management, reinforcing a 'classic' disaster risk reduction vision allowing a system to bounce back to where it was before a disaster. This includes a strong association with extreme events, large shocks and intensive risk. Here, resilience and disaster risk management are used interchangeably and indiscriminately, and commonly associate 'increasing resilience with decreasing vulnerability', and vice versa. This translates to a prioritisation of *disaster risk management* to address intensive risk, often using short-term, humanitarian or purely preparedness mechanisms, at the expense of *risk management* using long-term, development-oriented actions that addresses both intensive and extensive risk around disaster cycles.

Thirdly, communicated as a top-down priority from headquarters to a country office, or as an obligatory issue to engage in during government-donor negotiations on the country strategy and associated programming. A minority of donors give some sort of positioning on what resilience actually means, only a couple give specific guidance as to what it changes in programming. In Niger, virtually all government actors do not have guidelines on what it means or what it changes, with many having included resilience under guidance from a few specific UN-agencies largely devoted to humanitarian operations. This reinforces the same major obstacle that has dogged the upscaling of disaster risk reduction (both within, and outside of donor organisations), where resilience is associated with humanitarian action and mechanisms, rather than as a long-term approach around planning, disaster and project cycles. Competition between agencies using resilience as a 'new competitive edge', with individual agency claims of actions 'contributing to resilience', is ironically diametrically opposed to the resilience agenda that promotes a holistic vision of risk management implemented by actions linked across sectors working in partnership.

Fourthly, different interpretations are applied to resilience, normally linked to the mandate of the organisation communicating on resilience, or driven by perceived marketing opportunities:

- There is an overwhelming association of resilience with 'natural disasters', particularly hydro-meteorological hazards, which largely ignore biological hazards, and, geopolitical and economic risk. Many actors, including donors, have made this association through their adoption of the Hyogo Framework for Action. In many cases resilience is applied to a specific hazard or trend ('flood resilience, 'drought resilience', 'climate resilience'), due to the narrow mandate of an organisation or their programme, rather than reflecting the contextual reality that people and institutions face.
- In Niger (and it seems throughout the Sahel and Horn of Africa), there is a basic association of resilience being equated with food and nutrition security, given that food and agricultural divisions in donors, other agencies, and the key food and nutrition security pillars of the country strategy are the 'champions' of resilience. This is further promoted by regional resilience initiatives in Africa such as SHARE[1] and AGIR[2], and by corresponding donor communications and policies on resilience and risk management.
- Pro-poor agencies link resilience directly with targeting the poor, given the general association of areas of poverty equalling areas most at risk of disaster. However, targeting the poor exclusively may backfire, if the people and sectors critical for the economic development of a country are not also protected from risk.

The miscommunication and confusion generated with these resilience communication pathways damages the credibility of resilience, limits the potential of its application, and places it at risk of being yet another 'buzzword' and failed/forgotten approach. This is of great concern given the real added value of resilience.

Lastly, resilience is communicated as a technical approach, linked to improving current risk management practices, commonly informed by the research and best-practice or academic institutes and international civil society organisations. This is the most infrequently encountered communication pathway from the Niger and Philippines studies. Such learning partnerships have largely been driven by field-based operational challenges of managing risk, change and uncertainty. Those donors who have provided specific technical guidance on resilience have engaged with these learning partnerships over time, to inform the integration of resilience into their policies and programming. Similarly, different private sector companies, industry and trans-industry platforms have engaged in research on

resilience, normally tailored to a specific hazard, with a largely 'hardware' application to supply chains, and less frequently, value chains.

2.3 What is resilience? A conceptual basis

This section aims to define resilience as a specific and added-value technical approach, distinct from the resilience agenda, which has implications for modifying how donors formulate and support programming. It would also form the basis for donor communication on resilience. Box 2.1 outlines key definitions used in the following section.

Box 2.1: Key definitions for framing resilience

Resilience: The ability of households[3], communities and nations to absorb and recover from shocks[4], whilst positively adapting and transforming their structures and means for living in the face of long-term stresses, change and uncertainty.

Resilience-building: Resilience-building as applied to aid programming is a process that aims to enhance the combined absorptive (or coping), adaptive and transformative capacities of households, communities and nations, whilst assuring that the well-being and living standards of groups of people and individuals impacted directly or indirectly by this programming are not compromised.

Note: Resilience builds on, rather than replaces, existing disaster risk management approaches in order to better address change and complexity in risk, and the uncertainty of this change. It aims to align the state of a system[5] to successfully counter the risk landscape[6] impacting on the system.

Resilient system: The end result of building the resilience of a system, comprising components (or characteristics) that vary between different layers of society (household, community, nations). These components result from applying resilience-building capacities that better structure risk management actions to development / vulnerability reduction / poverty reduction programmes and other long-term programming.

Absorptive capacity: The ability of a system to prepare for, mitigate or prevent the impacts of negative events using predetermined coping responses in order to preserve and restore essential basic structures and functions (Cutter *et al.*, 2008; Béné *et al.*, 2012; UNISDR, 2009) .

Adaptive capacity: The ability of a system to adjust, modify or change its characteristics and actions to moderate potential, future damage and to take advantage of opportunities, all in order to continue functioning without major qualitative changes in function or structural identity (Inter-governmental Panel on Climate Change, 2012; Béné *et al.*, 2012).

Transformative capacity: The ability to create a fundamentally new system when ecological, economic or social structures make the existing system untenable (Walker *et al.*, 2004).

To note: *Often, these three capacities are used at the same time. For example, a coastal community in Bangladesh may use its absorptive capacity to protect livelihoods against annual flooding given their traditional skills in managing these; use adaptive skills to alter how they cultivate crops and collect drinking water that counters progressive salinity impacts due to sea level rises associated with climate change, and; transform the way they manage income through changing attitudes on the role and partnership of different community groups, and the role of women, in natural-resource exploitation.*

Well-being: A state of being with other and the natural environment that arises where human needs are met, where individuals and groups can act meaningfully to pursue their goals, and where they are satisfied with their way of life (Armitrage *et al.*, 2012)

A resilience approach does not replace risk management. Instead, resilience offers an updated approach to address risk that builds on commonly used (disaster) risk management approaches. It has a sufficient technical added-value to justify integrating it across humanitarian and development programming. Essentially, where risk management defines *what* actions to take to address risk usually expressed as *outcomes*, resilience as a *process* defines better *how* these actions should be taken. Resilience builds on and better structures existing risk management approaches, in order to better address change and complexity in risk, and the uncertainty of this change. As such it is a continual and iterative process that:

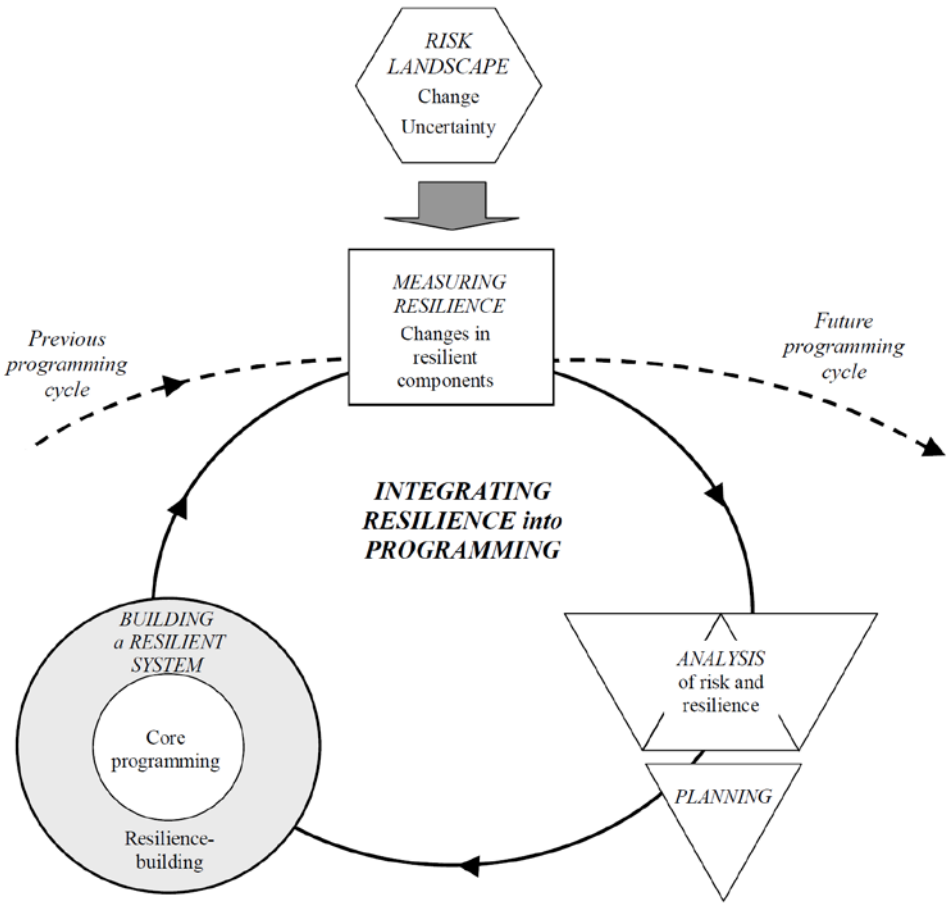
- combines existing core programming with risk management approaches,
- applies a set of resilience-building capacities (absorptive, adaptive and transformative) to risk management,

in order to protect a system from risk, and enable the system to address changes in risk, and the uncertainty of change.

Where traditional risk management has addressed risk within the existing boundaries of the structure and processes of a system, resilience opens up the possibilities to modify and completely change the way a system is structured and how its core processes work.

This process is best represented in Figure 2.1 as an iterative, dynamic and continuous loop that includes how risk is analysed, how decisions are made to manage that risk and how these decisions contribute towards components that make a system (a unit of society, such as a nation, community, household) better able to achieve and maintain living standards and well-being in the face or changing risks and uncertainty (*components of a resilient system*). This differs from traditional risk management that focuses on a linear steps to achieve a set of outcomes, such as for example, 'diversified livelihoods', whereas resilience as a process would aim for 'the capacity to consider altering livelihood diversity in the face of current or emerging risks' (Foresight, 2012a).

Figure 2.1: Applying the concept of resilience to programming as part of an iterative and dynamic process of successive programme or project cycles.



This conceptual vision of resilience forms the basis for the following sections, which detail how each of the parts of Figure 2.1 contributes to integrating resilience into donor programming. Resilience has four important ramifications for how programming addresses risk:

Firstly, resilience adds an extra layer to decision-making on how to address risk that better considers the changes and uncertainty of risk. In conventional risk management, decision-making commonly takes an initial decision on *what* main strategy to adopt in order to address the risk affecting a given system (for example, avoid, transfer, reduce or accept the risk for a community?[7]), then narrows the focus on *what* risk management approach to use (e.g. to use either preparedness, mitigation or prevention methods in order to reduce risk). The choices are made based on analysis of historical risk elements[8] and (in the better cases) and the 'forecasting' of risk for the future, with the assumption of *maintaining* the structure and processes that operate within a system, for example, maintaining the same hazard-proofed livelihoods system of households and a community before and after a disaster strikes.

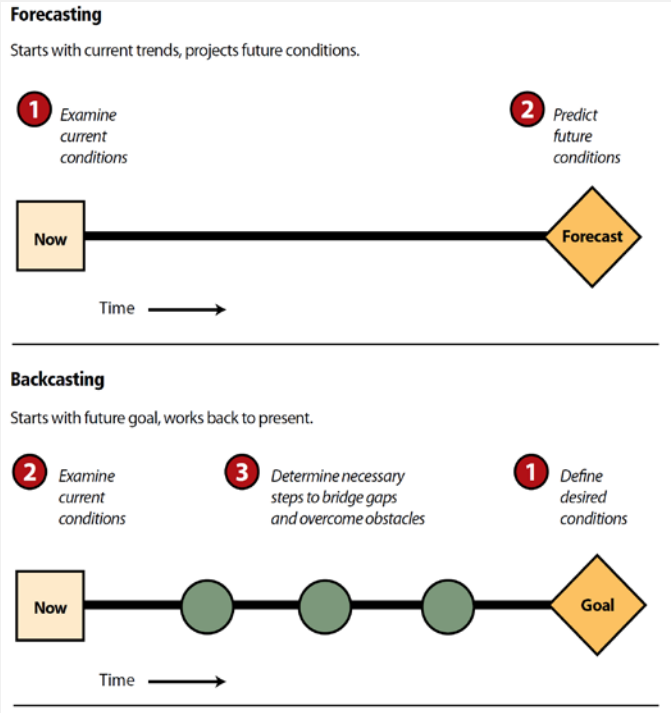
Resilience would consider additionally *how* these risk management approaches could be carried out in order to contribute to the components making up a resilient community defined from additional information *on top* of the risk analysis. This information comes from combining scientific research, past programming and local experience that specifically identifies why certain elements in a system are less (or negative deviance) and more (positive deviance) affected by the impacts of risk, and why they are better able, or less able to maintain or improve their living standards in the face of change. For example, the World Food Programme in Niger (building on their Vulnerability Assessment and Mapping tool) conducted studies attributing factors for why certain household were able to rebuild their livelihoods more quickly after a drought-induced food security emergency than other households, explained in part by the utilisation of different coping capacities (absorptive capacity). Here, decisions can be made using 'backcasting' (see Box 2.2) that starts with a desired state tailored to the boundaries of programming - a resilient community, or a resilient food and nutrition security system, or resilient infrastructure - and makes choices on how core programming *combined with* risk management will contribute to changing the situation of today to the desired situation for tomorrow, negotiating the changing risk landscape and the uncertainty of change along the way.

Box 2.2: What is the backcasting approach?

'The backcasting approach seeks to determine how to attain desirable ends or visions of the future. It focuses on these visions, rather than on present conditions and current trends, seeking to work backward from visions of the future to the determination of their feasibility and the policy measures required to achieve them (Robinson 1990). Unlike the more traditional forecasting approach, which is based on an extension of dominant trends to determine futures, backcasting assumes a potential break in existing trends and may even actively encourage such a break, analyzing and determining how undesirable futures can be avoided

Backcasting is typically applied to complex and important long-term issues involving many aspects of society, together with technological innovations and change. The following situations favour a backcasting approach:

- The problem at hand is complex, affecting many sectors and layers of society.
- Major change is necessary.
- Dominant trends form part of the problem.
- Externalities that the market cannot treat satisfactorily form a central part of the problem.
- A sufficient time horizon is available to allow considerable scope for deliberate choice.'



Source: Asian Development Bank (2013)

Secondly, resilience considers modifying or changing the basic structure and functioning of a system. Risk management offers a range of options to manage the risk of both high impact/infrequent (addressing intensive risk, associated with *disaster* risk management), low impact/frequent and small events (extensive risk, addressed by *risk management*) and the effects of vulnerability. In contrast, resilience offers a more open set of choices to manage change and uncertainty associated with the long-term trends driving these events and vulnerability[9]. This potentially

means choosing to *change* the structure and processes that currently define the system. A process of decision-making takes into account how much change is necessary and how rapid this takes place, in order to keep pace with changes of the risk landscape.

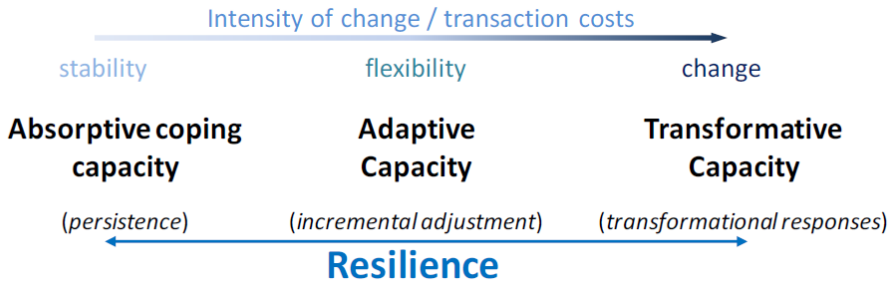
The resilience approach is applied as a secondary objective to other 'core' forms of programming such as poverty reduction, building on traditional risk management approaches to protect the core programming from risk. For example, achieving a resilient community requires vulnerability reduction[10] (and if targeting poor people, poverty reduction) as the core programme objective, a resilient food and nutrition security system has food and nutrition security as its core objective, and resilient infrastructure has the core objective of providing infrastructure. The ultimate goal for aid is to help join these different core objectives together and protect them with resilience measures in order to achieve a resilient layer of society, in turn linked to other layers[11]. This is important because unprotected (non-resilient) sectors can compromise the gains made in other protected sectors, for example, an unprotected community water and sanitation system during times of disaster, can lead to health problems that compromise the nutrition status of people even though their food security system is considered resilient to the same disaster. The pragmatic reality is that much of core humanitarian and development programming requires very long-term efforts to make these linkages, however, in the medium-term each of these systems can be made more resilient to better consolidate the development gains made at each step.

Resilience in aid programming is guided by principles of well-being and agency (or the choice of people). Building resilience should not inadvertently harm, or is not achieved at the expense of the well-being or living standards of different layers of society, different groups of people or other individuals not directly implicated in the programme. This in turn assumes that the power dynamics between these parties is investigated and understood. It recognises that resilience-building is often not a politically neutral approach in that it may require an alteration of the power structure and in regulatory processes at different layers of society. This is particularly the case for adaptation and transformation pathways. While trade-offs may be unavoidable, adding resilience into programming will require informed decisions to be taken on these trade-offs. These decisions will be based on an understanding of the power structure in combination with a comprehensive risk analysis, and analyses informing the core objective of the programme (often a form of vulnerability and needs analysis).

Three forms of capacities facilitate the process of resilience, offering different pathways towards the components making up a resilient system, as summarised in Figure 2.2:

- Absorptive capacity, preserves the stability and structure of the system, otherwise termed 'resistance'. This is mostly commonly reflected in traditional disaster risk reduction, and is a common (mis)understanding of what resilience means.
- Adaptive capacity introduces flexibility in the system leading to incremental changes, otherwise termed 'persistence'. This is commonly associated with climate change adaptation.
- Transformative capacity promotes significant changes that often challenge and alter the values and power structures of the system, otherwise termed 'transformation'. These can include a combination of technological innovations, institutional reforms, behavioural shifts and cultural changes (Foresight, 2012a). It is often used in peace-building and post-conflict programming.

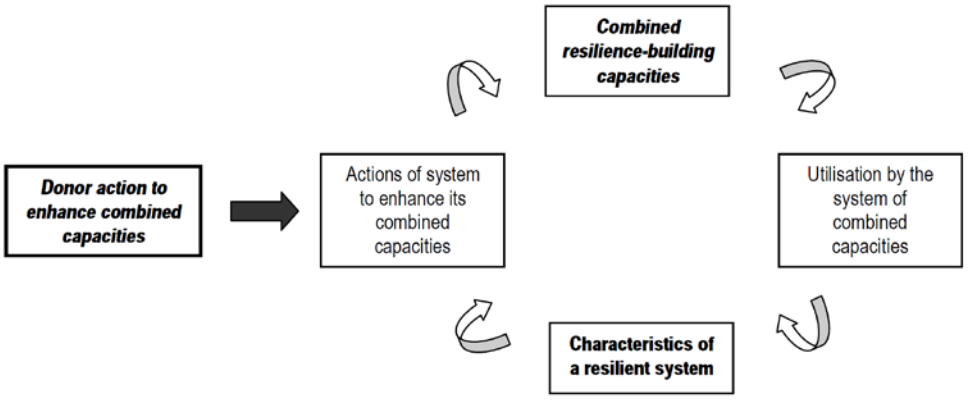
Figure 2.2: An analytical framework demonstrating the relationship between absorptive, adaptive and transformative resilience-building capacities and their impact on the system to which they are applied to.



Source: Béné et al. (2012)

The resilience of a system is maximised where these three capacities can be simultaneously enhanced *and* used, as in Figure 2.3. The likelihood of creating a positive resilient system is increased where resilience-building at one layer is connected to that of other layers, ensuring that the well-being of individuals is considered (Béné *et al.*, 2012).

Figure 2.3: A 'virtuous' cycle of resilience-building, where external donor enhancement of existing resilience-building capacities, and the use of these capacities by the system, results in a more resilient system comprising key characteristics.



Figures 2.4 summarises some concrete examples of how these capacities of resilience are applied at different layers of society in different contexts (a city, a community, a household), and how the same risk management element (the *what*) is adjusted according to each resilience-building capacity (the *how*). Figure 2.4 also gives some example of the advantages and disadvantages of each of these pathways. In short, the message is that these capacities manifest themselves differently when applied to different groups and layers of society, and the analysis and decision-making step associated with resilience will determine what combination of capacities are required. There is not necessarily one capacity that should be used given that risk will impact differently, for example, on various households in the same community, given the varying vulnerability levels and power dynamics between households.

Figure 2.4 also explains to an extent why disaster risk management continues to largely promote absorptive capacity (leading to 'resistance') especially in urban contexts, whereas adaptive capacity is increasingly applied to risk management in rural livelihoods and food security programming heavily impacted by climatic factors (Foresight, 2012a). In all cases care has to be taken to minimise the conflict and trade-offs and maximise synergies between different combinations of capacities that are used simultaneously, and between different groups and layers of society.

Figure 2.4 Concrete examples how similar risk management actions are modified according to the resilience-building capacity, showing advantages and trade-offs

Resilience Capacity	**Resistance** (*Absorptive*)	**Persistence** (*Adaptive*)	**Transformation** (*Transformative*)
Case 1: Earthquake Risk Communication in an Urban Context	Hazard mitigation through reinforcement of structures to protect existing communication infrastructure	A diversification of early warning communication systems to reach a broader network of actors	A paradigm shift in control of early warning systems, consisting of political devolution/decentralisation and a radical shift in ownership of information.
Case 2: Facing the Threat of Community Inundation in a Coastal Floodplain	Hazard mitigation through reinforcing of the existing sea wall	Diversification of risk management through risk transfer	A critical re-appraisal of the local economy, closing (or radically altering) the factory, and community employment structure, so as to preserve and re-grow the mangrove (potentially as a new source of income).
Case 3: Confronting Rainfall Shocks in an Agrarian Household	Strengthening coping capacity by drawing on savings	Building flexibility into the household economy through risk transfer	A reorganisation of assets and lifestyle through migration to an urban area

Resilience Capacity	**Advantages**	**Disadvantages**
Resistance (***Absorptive***)	-Allows for 'business-as-usual': established stakeholders and institutional regimes are already in place and are supported by capital throughput. Investments are externally visible examples of risk management with political advantage in this.	- In isolation this 'all-or-nothing' strategy can narrow down management options, often to an engineering paradigm, excluding social and economic tools for risk management and so generating vulnerability to sudden collapse.
Persistence (***Adaptive***)	- Enables re-organization without causing major systemic disruption -Allows for system flexibility, diversity, supports redundancy and incrementally can open scope for experiments in decision-making enhancing broader objectives	- Committed to functional persistence, it does not allow for challenges to the underlying values that give rise to systemic vulnerability
Transformation (***Transformative***)	- Opens new areas of policy response by going beyond existing systemic forms. Allows deep-rooted causes of risk and vulnerability to be addressed	- Can cause significant secondary costs as systems reach new equilibria. Costs that may not all be expected. - If it is repeated perpetually, it can undermine the stability and viability of an economy, environment or society.

Source: *Foresight (2012a)*

2.4 In summary: adopting, and communicating about, resilience

Donors have been the key group promoting resilience, largely as an agenda, and the way they adopt and communicate about resilience in the future will be critical in determining whether resilience is usefully applied both at the country level, and in the development of global policy, or whether it becomes another buzzword devoid of substance. This section has summarised the confusing and diverse ways in which resilience is being communicated on the ground, and then offers a clear vision of resilience that may offer a harmonised vision for the donor community. The application of this vision can be tailor made according to donor interests, mandates, strengths and partnership possibilities, as will be outlined in Chapters 5 and 6 of this report. The following messages offer the platform for this vision on resilience[12].

Message 1: Be clear that resilience is a process comprised of different parts, what each of these parts are, and how they contribute to making a resilient system.

A resilient system is characterised by a set of components (or characteristics). These are built by integrating adsorptive, adaptive and transformative capacities into long-term programming, or resilience building, that uses an iterative process to negotiate the change and uncertainty of a context-specific risk landscape. Different activities coming from a variety of risk management approaches, complemented by operational principles, contribute to each one of these capacities, and vary according to the layer of society targeted by programming.

Resilience-building should specifically target adsorptive, adaptive and transformational capacities. Thus, it is not a long list of diverse activities covering the complete spectrum of risk management, nor is it directly equated with vulnerability reduction. Resilience-building is neither synonymous with poverty reduction nor economic growth, as it does not bias against people based on wealth. 'Poverty' and 'growth' are instead targeting choices linked to the mandate of an organisation.

Message 2: Differentiate the meaning of the resilience agenda from the resilience technical approach.

The resilience agenda (the 'how') is harnessed to implement the resilience technical approach ('the what'), it is a means to enable action, with the technical approach defining the action. Both the technical approach and the agenda are necessary to implement, upscale and connect harmonised risk management at all layers in society. Both are part of the process of resilience, both are informed by a comprehensive analysis package, rather than the mandate or interests of an organisation.

Message 3: Be very specific about what the resilience technical approach means for programming

The technical approach means specifically taking core programming investments in people, institutions and infrastructure and protecting these by enhancing their adsorptive, adaptive and transformational capacities. This means resilience (the secondary objective) is integrated into long-term programming (the primary objective), rather than as a stand-alone strategic pillar, programme or project. It is the combination of these primary and secondary objectives that create the components making up a resilient system, e.g. building a resilient community water network. Shorter-term programming or humanitarian action has an important role in supporting the process of resilience, in particular for both creating the enabling environment for *ex-post* long-term resilience-building and helping to preserve resilience measures around periods of disaster or over the course of long-onset disasters and chronic crises.

Message 4: The nature of risk, and the components of resilience used to address this risk, vary according to different layers of society.

This means connecting actions to build resilience between layers of society, ensuring that the right understanding, resources, implementation mechanisms and incentives are provided for each layer, and ensuring that all resilience actions at different levels do not consequently harm individuals ('negative' resilience). Understanding social systems and power relations between different groups at different levels, the interconnectivity and trade-offs of programming actions and how these refer back to the well-being of individuals, is central in analysing potential resilience-building actions for each layer.

Message 5: Resilience-building is not selective, and should be defined by the risk landscape of the context rather than the more narrower mandate of an organisation and its programming

The risk landscape that people, institutions and infrastructure have to face is typically made up of large infrequent disasters (intensive risk) interspersed with small frequent negative events (extensive risk), derived from a collection of natural, geopolitical and economic factors, driven by a range of long-term and interconnected trends. Intensive and extensive risk should be equally considered by donors and their partners. Although a donor may specify building resilience of 'someone to something' e.g. building community resilience to flooding, or may claim that their isolated action 'contributes to resilience' i.e. a humanitarian agency only engaged in disaster preparedness, the reality is that both are misleading. 'Climate resilience' can be compromised where geopolitical risks are not taken into account in insecure and fragile states. Similarly, disaster preparedness is of little use if it is not directly connected to other initiatives covering a range of shocks. Further, resilience in one sector e.g. food and nutrition security, can be undermined by a lack of similar investment in other sectors, such as water security. In short, a layer of society cannot be 'selectively' resilient: it either can maintain or build on its living standards and well-being in the face of a complex risk landscape, or it cannot. Donors can play a leading role in setting the record straight, further ensuring more realistic expectations from communities and a more helpful and harmonised engagement in resilience from those actors dependent on donor resources (i.e. realising the expectations of the resilience agenda). This can start within a donor agency itself.

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NOTES

[1] See http://ec.europa.eu/echo/policies/resilience/share_en.htm

[2] See http://ec.europa.eu/echo/policies/resilience/agir_en.htm

[3] *Household* is used instead of *family* in this study, given that different people, not necessarily linked by family ties, may live in the same housing unit, implicating the sharing of livelihoods (http://unstats.un.org/unsd/demographic/sconcerns/fam/fammethods.htm).

[4] Shocks reflect both infrequent catastrophic events that characterise intensive risk, and, frequent low-impact events that characterise extensive risk and which may cumulatively have great impacts over time.

[5] *System* here can mean a unit of society (individual, household, a group of people with common characteristics, community, nation), of ecology (a watershed) or physical entity (a water supply and sanitation system, an urban utilities network).

[6] *Risk landscape* encompasses the large infrequent disasters (characterising intensive risk) interspersed with small frequent negative events (characterising extensive risk), derived from a collection of natural, geopolitical and economic factors, driven by a range of long-term and interconnected trends. It includes vulnerability factors contributing to risk.

[7] '**Transfer the risk**: the person uses a mechanism to share at least part of the risk with another party, who they hope is better placed to bear the risk. **Avoid the risk**: the person simply changes their circumstances so that the risk is no longer there, for example by moving away from a volcano. **Reduce the risk**: the person takes actions that reduce their exposure or vulnerability or increase their resilience, so that the likelihood or magnitude of an impact is lessened or recovery after the impact is improved. **Accept the risk**: in the absence of a viable alternative, or if the costs of action outweigh the benefits, the person accepts the risk and deals with the impact if and when it arises.' Foresight (2012b)

[8] Normally, the hazards and threats ('natural', economic and geopolitical' impacting on the system, the vulnerability of the system to disaster and the capacities of the system to address risk, and the long-term trends impacting on all components, collectively termed the 'risk landscape'.

[9] Trends, otherwise termed 'global dynamic pressures' include conflict and insecurity, demographic change, urbanisation, technological innovations, global environmental change (including climate change), globalisation, economic shifts and political change (Foresight (2012a).

[10] This is significant as resilience is being increasingly decoupled from vulnerability, as opposed to traditional disaster risk reduction that equates resilience as being the inverse of vulnerability. For example, Klein, Nicholls and Thomalla are cited in different reviews where they argue that 'resilience equals the inverse of vulnerability' thinking leads to circular explanations: a system lacks resilience because it is vulnerable; it is vulnerable because it lacks resilience. This is also partially because the resilience-building capacities operate beyond the functioning of the standard 'capacity' as expressed in DRR risk equation, where the risk = (hazard x vulnerability)/capacity. Further, the nuance recommended in this study is to make vulnerability reduction the core aim of programming, protecting this programming from changes in risk and uncertainty using resilience-building as a secondary aim, rather than adopting a 'from vulnerability to resilience' vision, for example as promoted in the V2R resilience framework of Practical Action (Klein, Nicholls and Thomalla, 2003) .

[11] For example, see the ADB Geodesic Sphere model for resilience (Asian Development Bank,2013)

[12] These messages can form the basic substance for communicating on resilience, but do not cover the full scope of risk communication methodology that also delves into how communication is made and varied around disaster cycles, see for example the Centre for Disease Control and Prevention - http://www.cdc.gov/healthcommunication/risks/index.html

3 Integrating resilience into programming

The following chapter proposes three key alterations to current risk management practice to create a technical basis for integrating resilience into programming:

1. An **Analysis and Planning Package**, comprising a set of risk, resilient systems and core needs analyses that collectively inform a planning and decision-making exercise; able to consider which different resilience-building capacities will best lead to strengthening of the desired resilient components targeted by programming.
2. A **Template for Resilience-building** (T4R), an overview of how to apply resilience-building capacities to core programming. It can be used as a point of reference when evaluating how well a project, programme or organisation incorporates resilience.
3. **A Measuring Resilience Matrix**, a guide to developing indicators that account for changes in the resilient system components targeted by programming (or impact of resilience), taking into account the specific risk landscape affecting the programme area, and the impacts of local action and donor programming to address this risk.

This package of analyses is most useful for long-term programming and helping to define the donor country strategy.

3.1 Analysis and Planning Package

The analysis and planning package (Figure 3.1) comprises the key components that enable both donor programme operators and those targeted by the programme, to work together to establish:

- what a resilient core programming objective could look like, for example, a resilient community WASH system,
- the main components making up this resilient system and
- the risk landscape that needs to be negotiated to get there.

A core programming needs analysis package is augmented with a risk analysis, and some form of political economy analysis as part of this package.

Figure 3.1: Components of a resilience analysis package

A joint donor risk analysis is proposed as part of a series of working papers associated with this study, which applies the G20/OECD Methodological Framework for Disaster Risk Assessment and Risk Financing[1] to developing countries. The methodology comprises five key components including:

1. Governance of the assessment,
2. Risk analysis exercise,
3. Risk communication and awareness,
4. Crisis and post-crisis impact analysis, and,
5. Policy and programming implications for risk management.

A comprehensive risk analysis, comprising a package of analyses, is the cornerstone for determining how the to integrate resilience into donor processes in a particular context;, what needs to be done, and how this work should be sequenced. The risk analysis exercise should ideally consider the total risk landscape at each layer of society, irrespective of the selective programming positioning of the donor and capacity. This allows a donor to:

- Understand what part of the risk landscape to prioritise, and the potential impacts that risks not directly addressed by the donor can have on its programmes, for example, understanding how geopolitical risk can compromise climate change adaption programming. It also informs an understanding of the uncertainty and change attached to long-term trends by considering the interconnectivity of different hazards, threats and their drivers.
    - Evaluate potential trade-offs, and how to minimise harm and unintended consequences to layers of societies that do not directly benefit from donor programming. This may involve, for example, understanding the impact of supporting existing risk management structures that do not adequately

cater for illegal or informal settlers in urban contexts. In this way, donors can consider the interconnectivity of different groups at one layer in society, and how different layers are linked together.

- Evaluate how to better complement other donor programming and local initiatives by government, civil society, the private sector, academia and other international aid actors. This will allow the donor to multiplying the impact of programming by joining with other initiatives and collectively trying to maximise coverage of the wider risk landscape.
- Promote a platform of joint understanding and effort that can widen the capture of data, enhance trust between actors, and form the platform for future coordination, partnership and joint planning and programming. This will allow donors to conduct the risk analysis exercise with other key national and local stakeholders, as well as other donors and international actors through a joint understanding of risk.

Box 3.1 summarises a risk assessment methodology that synthesises the *G20/OECD Methodological Framework for Disaster Risk Assessment and Risk Financing*, a potential joint analysis methodology (Annex 8)[1].

A resilient systems analysis is an additional component that builds on and can accompany the risk analysis or risk profiling. It combines locally successful experiences, scientific research, and best practice from donor programming (including previous measurements of resilience) to best determine what factors contribute to the resilience of the targeted system to the local risk landscape. Ideally, the broadest vision of risks are considered, rather than specific risks, for example, looking at the range of 'natural', economic and geopolitical risks instead of just looking at the risks associated with drought. The resilient systems analysis is applied in national-level risk profiling to drive country-level decision making, and during local-level assessments to help shape programme/project implementation.

Identifying the desired resilient system component(s) provides the starting point for backcasting to define how resilience will be built in the programme, and provides an overview of the baseline and endpoint required to measure resilience. A resilient system analysis is thus used as the cornerstone for backcasting decision-making, identifying the overall programme target, and measuring resilience. It can be a rapid or comprehensive exercise based on access to data, the capacity of participants and the timeframe of the analysis package.

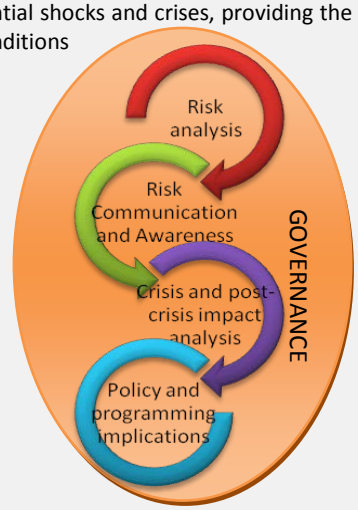
A mix of quantitative and qualitative data, and perceptions of how people identify with resilience, for example as used by the International Federation of Red Cross and Red Crescent Societies in their three regional studies on resilience (Arup International, 2012), can be analysed using statistical and analytical methodologies to attribute which factors explain change and variance in this data. These factors can form the basis for assigning what components contribute to the system being resilient. This is not a 'black box' exercise, and needs to be augmented with the combined experience of local and external participants. Section 3.3 provides a more detailed revision of these methodologies that are a key component of measuring resilience.

A decision-making and planning step by donors and their programme/project operators uses the information in the resilient systems analysis to better enhance resilience-building capacities through programming. This means increasing focus on actions that help strengthen the desired resilient system component(s) identified by the analysis. Four key issues are important for decision-making and planning, including how analysis results are disseminated, how enhancing resilience-building capacities modifies planning, how risk management options are included in donor procedures, and the use of forecasting versus backcasting methods when planning programming.

[1] This and the other annexes are available at: http://www.scribd.com/doc/191275294/ANNEXES-Risk-and-Resilience-From-Good-Idea-to-Good-Practice-Development-Co-operation-Working-Paper

Box 3.1: G20/OECD Joint Risk Assessment Framework

This methodology has five main components, and evaluates the likelihood and impact of potential shocks and crises, providing the basis for the prioritization of investments in building resilience, in a manner tailored to local conditions



1. ***Establishing the parameters that govern the assessment exercise***

Define the scope, objectives, definitions and methodology

- Adopt a comprehensive, all-hazards approach to disaster risk assessment
- Define and communicate objectives
- Agree on definitions of core terms and methodology

Ensure transparency and accountability

- Promote transparency of the methodology used for risk assessment
- Disclose sources of data, information and expert opinion
- Establish reporting mechanisms, both internal and external, and accountability

Ensure multi-level governance, multi-actor participation

- Identify and involve key groups of stakeholders
- Assign a lead co-ordinator, ensure adequate co-ordination amongst stakeholders
- Clearly identify those responsible for local risk assessments and establish a process for coordination with the national risk assessment
- Support training programmes in the use of risk assessment methodology, and provide adequate resources

2. ***Risk analysis exercise***

Hazard identification and analysis

- Identify hazards that could have an adverse or disruptive impact on people, assets, and the economy
- Generate a range of hazard scenarios and determine the likelihood of selected hazard events
- Collect and disseminate data

Vulnerability, capacities and impact analysis

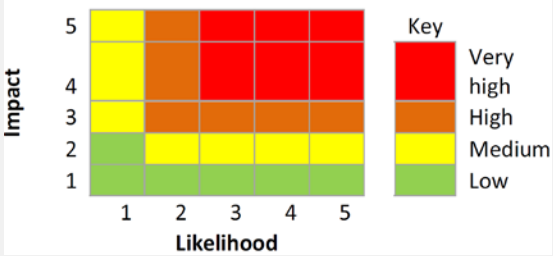
- Identify and inventory exposed populations, assets and economic activities
- Identify the underlying factors that create exposure, including political economy factors
- Estimate the potential impacts

Risk evaluation

- Based on hazard, exposure and vulnerability analyses, evaluate risk
- Assess the level of uncertainty

Risk monitoring and re-evaluation

- Monitor hazards and exposure over time, and update
- Identify emerging risk and potential future risks



3. ***Post-analysis risk communication and awareness***

Internal and external communication

- Communicate the results of the risk assessment, and ensure they are used to prioritise development investments

Public awareness strategies

- Implement communication strategies targeting those whose lives, assets and resources are exposed

Tools for interpreting risk analysis

- Use tools that make the risk assessment easy to understand (e.g. the likelihood versus impact risk diagram, above)

4. ***Crisis and post-crisis impact analysis***

Impact assessment

- Conduct structured, consistent impact assessments
- Re-evaluate risk assessments

Quantification

- Collect and disseminate data on economic losses, insured and uninsured financial losses and other crisis impacts
- Collect and disseminate data on the government and international community response, on gaps, and on projected recovery and resilience needs

5. ***Connecting risk analysis with policy and programming implications***

- Use the results of risk assessments to help in setting priorities and making decisions about risk that are to be accepted, prevented, reduced or transferred

Source: OECD (2013b)

Firstly, analysis results need be converted into an easily understood product. This product will then be used to communicate with key stakeholders, including donor capital staff for programme formulation and validation purposes, other potential investors, government and other key potential partners for planning and implementing the programme (for example, local government and civil society groups), and more largely to the general public and/or potential participants in future programmes. Ideally the private sector, if not already a partner in the analysis exercise, should also be implicated given both their leverage with government, and the potential synergies for future programming.

Secondly, integrating the different forms of resilience-building capacities into programming will involve changes in the way key stakeholders make decisions and plan for the future. For example, enhancing the resilience-building capacities of communities and institutions may involve enhancing qualities such as 'reflexivity' (ability and freedom to make informed decisions), 'self-organisation' and 'social learning' (shared or collective learning as a group) [2].

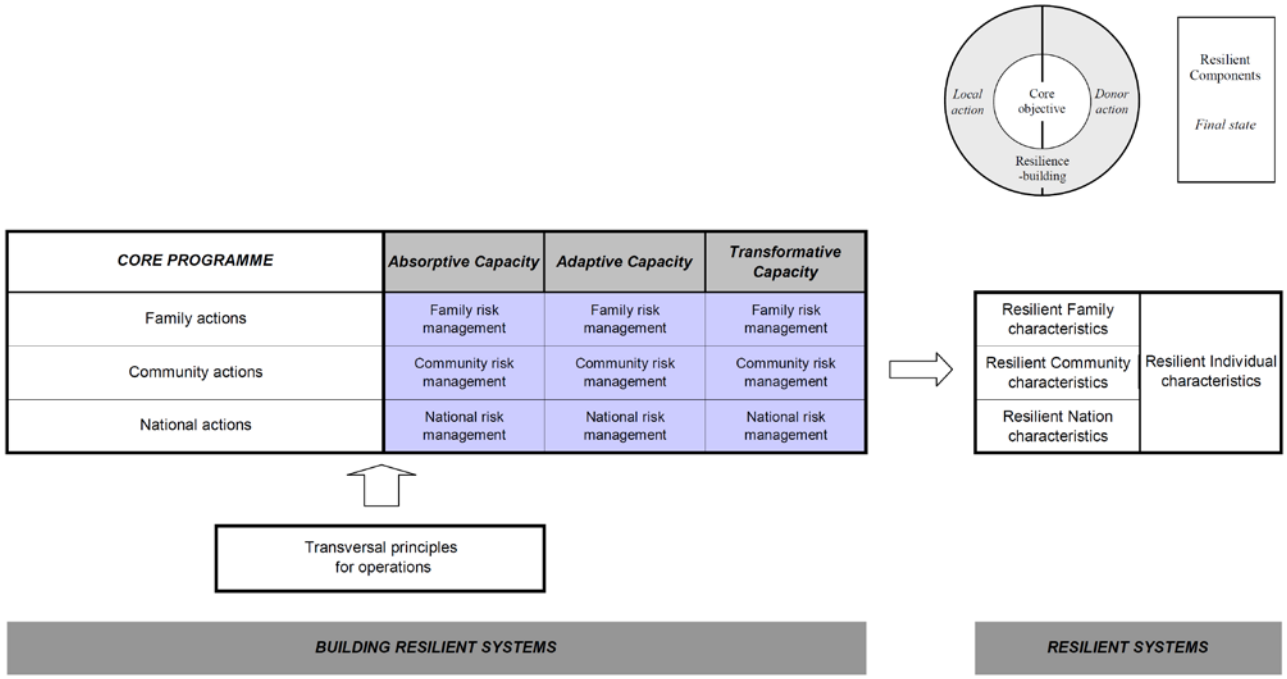
Thirdly, donors normally have standard procedures that guide the design of sector-specific and thematic core programming. These are accompanied by programme and project formulation and validation procedures. Adding resilience to these procedures means identifying the best way of protecting donor core programmes and investments from the negative impacts of the risk landscape. For example, the fifth *Policy and Programming Implications* step of the proposed G20/OECD joint risk analysis methodology (Box 3.1) emphasises that the negative impacts of risk should be identified and quantified, with an evaluation of the relative costs associated with each option to manage this risk. Here, social and environmental costs that go beyond a purely cost-benefit analysis approach should also be considered.

Lastly, as outlined in Chapter 2, standard forecasting methodologies can be used for more short-term programming and sustained humanitarian action, in order to take decisions on managing future risk scenarios. For example, forecasting is used by humanitarian agencies in emergency response contingency planning. However, there appears to be great potential in using the backcasting approach for resilience-building in long-term programmes, donor country strategies or policy. This is particularly the case for donor investments in larger infrastructure spanning multiple cycles of donor programming, donor country strategies spanning multiple years, and partner-government sectoral planning. In these cases, it is critical to define the scope of the resilient system. For example, making a poor Sahel community resilient to a range of natural hazard, economic and geopolitical risks is clearly more complicated than making the same community resistant to drought. In both cases, the starting point ('desired condition') for backcasting requires the identification of the main components that make the system resilient to the given risk/s (as defined in the resilient components analysis). Successive cycles of programming as part of an iterative process (Figure 2.1) are necessary to progressively pinpoint the way risk management measures are used to enhance resilience-building capacities.

3.2 Template for Resilience-building

The Template for Resilience-building (T4R) presented in Figure 3.2 allows donors to better frame and evaluate the different parts of programming required to make a given system resilient, and reflects how this changes according to the layer of society targeted by programming. It is a generic template that covers different programme areas: core programme actions that realise the primary programming objective together with risk management measures that enhance absorptive, adaptive, and transformative capacities, as the secondary programming objective. Transversal operational principles are applied across programming actions to better assure programming impact. These combined actions help to strengthen the components and overall resilience of a system. The framework stresses that the actions to enhance resilience-building capacities and the characteristics of a resilient system differ between layers in society, and that ultimately, resilience-building should ensure that the characteristics of resilient individuals are not compromised, no matter what layer of society is targeted by programming. The framework as presented in Figure 2.5 aims to make all layers of society of resilient (the *resilient system* in the right-hand box).

Figure 3.2: The Template for Resilience-building (T4R) showing the different parts of integrating resilience into programming.



The same generic structure can be for different types and scales of systems targeted by programming (e.g. a resilient clean water or food security system) using the following steps.

1. Define the scope of the system and the part of the risk landscape that the system is to be resilient to: for example a layer of society to be made resilient against a range of 'natural', economic and geopolitical factors, or, a community water system resilient to drought. Ideally all forms of risk are taken into account (rather than just one specific hazard). The layer of society targeted needs to be linked to adjacent layers e.g. a community-based programme needs to make linkages to households and to regional or national government.
2. Determine the components that contribute to a resilient form of this system, as part of a resilient system analysis attached to the risk analysis.
3. Backcasting will place these components as the desired end state for that programming, and will allow donors to work through how to achieve change from the current state of the system towards this desired state. This will require an understanding of the risk landscape and the level of uncertainty, as well as a political economy analysis.
4. Decide, based on the complete analysis, what approaches and actions should be applied to core programme actions.
5. Apply transversal operational principles, that capitalise on general best practice, across all actions (where relevant) in order to enhance the impact and relevance of programming actions (see Annex 2), for example, 'understand and plan for the diverse set of vulnerable and marginalised groups, promoting gender equality and cultural diversity'.

The example advocated for in this study, as set out in Annex 2, takes a wide scope in terms of the desired state and the risk landscape to be negotiated. In this case, complete layers of society will be made resilient to a broad set of risks linked to natural, economic and geopolitical events and phenomena.

Indicative components of resilience for each layer of society have been defined by aggregating the results of a survey of 675 people from diverse fields of work, different types of aid-associated organisations, split between the field and headquarters. These components are outlined in Box 3.2. Actions to strengthen these components of resilience, drawn across a wide range of risk management approaches[3], have been further classified in Annex 2[4] according to which capacity they best enhance, noting that each cannot be always definitively 'pigeon-holed' into a single box. These core programme actions could also represent the main activities for poverty reduction, such as those contributing to the indicators set out in the Millennium Development Goals, or the set of actions contributing to reduce the main dimensions of vulnerability.

Box 3.2: The components of a resilient system vary between different layers of society

The components that make an **individual** resilient include:

- Risk awareness
- Health, food security, shelter, and access to basic services
- Economic opportunities
- Access to risk financing
- Social capital: connections to neighbours and family and participation in society
- Personal strength: organised, self-motivated, able to adapt
- Physical security
- Spare capacity: for example savings and being prepared for shocks

The components that make a **community** resilient include:

- Risk awareness
- Leadership and organisation
- Social capital: cultural cohesion and trust, common identity, participation, collective action
- Appropriate infrastructure and services
- Economic opportunities and livelihood diversity
- Natural resource management
- Conflict prevention and resolution mechanisms
- Connections with local authorities and external actors
- Equitable land usage systems
- Spare capacity: prepared, and with adequate response capacity and support systems

The components that make **a state and its institutions** resilient include:

- Risk awareness
- Territorial security
- Physical and psycho-social safety of citizens
- Economic security
- Ecological security
- Social and political stability
- External reputation and influence
- Legitimacy: good governance and rule of law, accountability and responsiveness, corruption control
- Domestic revenue (tax) collection
- Energy security
- Innovation
- Long-term planning
- Leadership
- Spare capacity: crisis response capacity

Source: OECD (2013a)

The Template for Resilience (T4R), as defined in this chapter, is a technical tool, and re-emphasises that:

- Resilience-building capacities can be engaged simultaneously according to the specific risk landscape of a given context defined by the analysis package outlined in Section 3.1.
- Resilient systems occur at different layers in society, with the set of characteristics normally differing between national, community and household layers. Donors should be aware of the impact of their investments on all layers of society and should seek to enhance connections between different layers.
- Donor investments should focus on the means (enhancing resilience-building capacities), to achieve the ends (the components of a resilient system).
- Donors should clearly differentiate between the resilience agenda and resilience as an added-value technical approach, using both to protect their investments in institutions, infrastructure and people.

The components making up resilient systems differ between national, community and household layers as outlined in Box 3.2. For many donors, resilience-building actions normally focus at the national level and below. **It is fundamental that donor support for resilience-building at each layer, should benefit, rather than detract from, the resilience of individuals** (guarding against so-called 'negative resilience'[5]). This implies that the interconnectivity and trade-offs of programming actions between these layers is analysed, with a focus on individual resilience, central to actions planned for each layer. Here, understanding social systems and power relations between different groups at

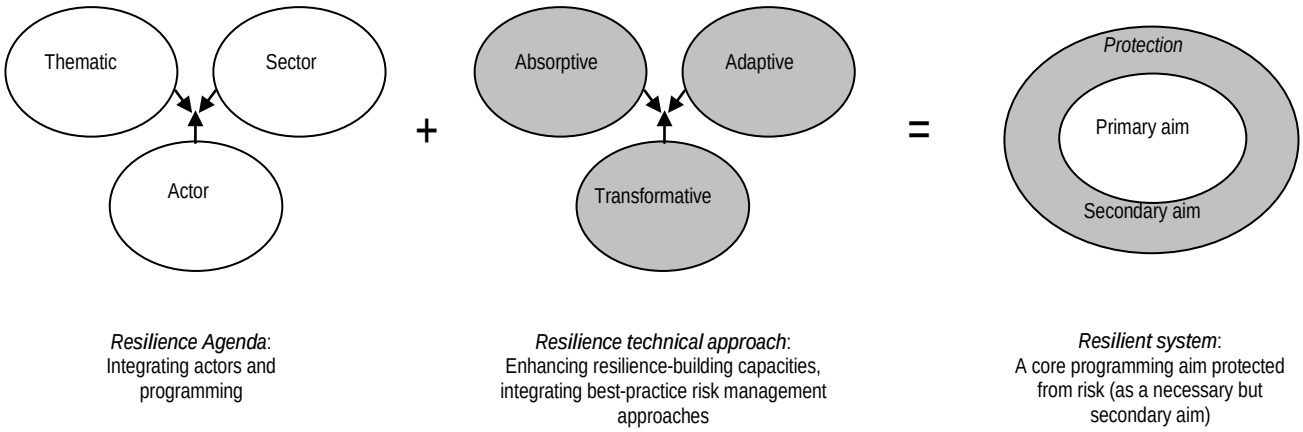
different layers, and how these refer back to individuals is central in analysing potential resilience-building action[6]. For example, national risk management or state-building programmes supporting state institutions, should clearly understand the impact of their actions on different disadvantaged groups of individuals that may already be discriminated against by national policies and practice. The implication of understanding how resilience-building at any layer affects individuals, is that donors should strive to positively impact on individual well-being and promote individual agency (capacity for people to make choices) wherever possible. Social and power dimensions and how these impact at the individual level on human security, are therefore fundamental in the analysis and design of resilience-building.

It is important to clarify and differentiate the agenda from the technical approach, whilst identifying how both contribute to protecting donor investments in institutions, infrastructure and people, in order to realise the full potential of resilience, where:

- The technical approach must reflect the reality of risk, complexity and uncertainty at the local level, as ascertained by a comprehensive analysis package (see Section 3.1).
- The communication of resilience across the different departments within a single donor, and by donors to other actors, must clearly underline the differences between, and roles of, the agenda and the technical approach.
- The agenda must be harnessed in order to implement the technical approach; it is a means to support action, with the technical approach defining the action.

Both the technical approach and the agenda are necessary to create harmonised risk management approaches at all layers in society, as shown in Figure 3.3. Here, programming has the overall objective such as reduction of poverty or vulnerability, creating peace, or rural/urban development – making it resilient involves integrating an additional component that protects these outcomes from risk. This additional component is the enhancement of the three resilience-building capacities – absorption, adaption and transformation. Therefore, it does not make sense to see resilience as a stand-alone project, rather, resilience is a secondary but necessary objective attached to, and protecting a primary objective. It is the combination of these primary and secondary objectives that create the components making up a resilient system.

Figure 3.3: Both the resilience agenda (integrating actors and programming) and the technical approach (enhancing resilience-building capacities) are necessary to implement and upscale harmonised risk management at the local level.



This technical approach is also an important consideration in humanitarian action, even though the context may not always be conducive to building all three resilience-building capacities. However, humanitarian action is influential for building a platform for these capacities, which can be exploited in post-humanitarian action (or with the increasing cyclical nature of shocks, in pre-humanitarian action).

3.3 Measuring resilience

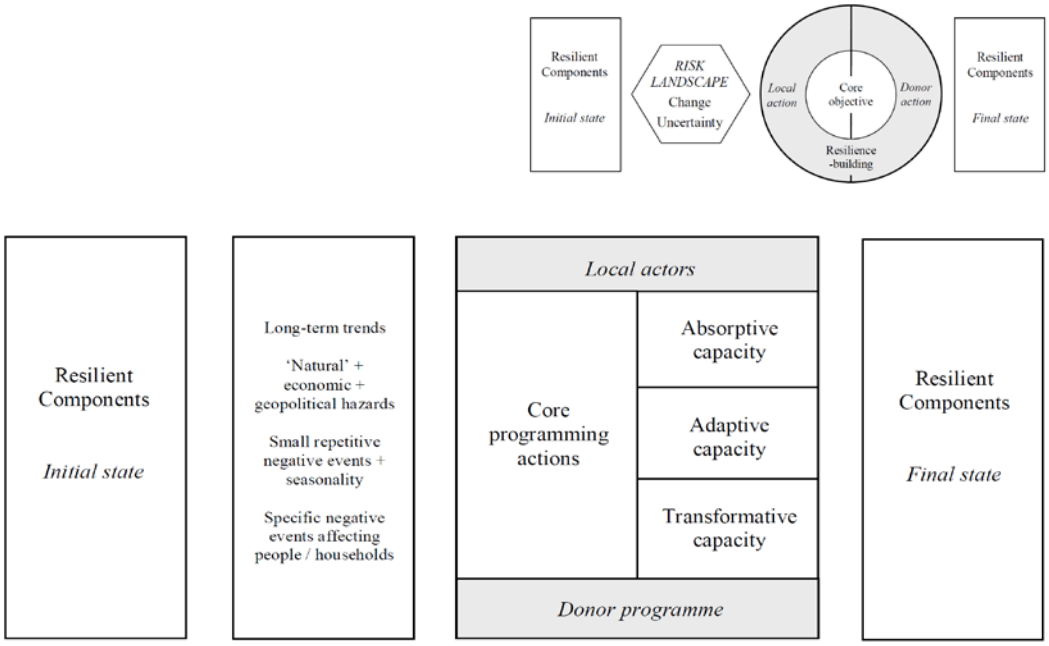
Measuring resilience is a newly developing field of research and practice, and is central for proving that donor investments in resilience show impact, demonstrating accountability to local actors and stakeholders for donor public finance, and determining and adjusting programming so that it can best achieve resilient system outcomes. Further, resilience as a technical approach applied to development programming and humanitarian action still lacks empirical evidence to show how it works for different layers of society and different context-specific risk landscapes. This is a clear obstacle for implementing resilience-building, '*without a foundation of empirical evidence the concept of resilience cannot be tested and will likely* be replaced by another concept at some point in the future (Constas and Barrett, 2013)'.

It is not in the scope of this study to research in detail the different methods for measuring resilience. Rather this section outlines some of the key considerations and basic methodology required to measure resilience, relating this to the general conceptual model proposed in Figure 2.1 and the Template for Resilience. The following section is largely derived from the summary documents and accompanying presentations as part of the Expert Consultation on Resilience Measurement for Food Security hosted by the FAO in Rome in February 2013 (Frankenberger and Nelson (2013). This body of work is at the conceptual heart of the SHARE and AGIR regional resilience-building initiative ongoing in the Horn of Africa and the Sahel, respectively, and has informed policy from those donors actively engaging in resilience in these areas. Although this work is focused on vulnerable households and communities in drylands, with a specific focus on building resilient food and nutrition systems, and a specific focus on shocks that lead to food insecurity, there is scope to widen this body of work to apply to other forms of risk, other layers of society, and other context types. For example, Oxfam employs methods that characterise resilience regardless of the nature of the shock, taking a much broader vision of resilience beyond the scope of the food and nutrition security-focused methods.

Figure 3.4 presents a simplified overview with the main elements to be addressed when measuring resilience. Note that the analysis package in Section 3.1 has already led to decisions on which layers of society, and groups of people within those layers, that the programme is to target, normally according to the primary objective of the programme.

1. The overall measurement of resilience relies on defining a set of high level factors that explain why a system is resilient. These are known as the **components of a resilient system**. At the minimum, these are measured as a baseline at the beginning of the programme (*initial state*) and at the end of the programme (*final state*), with the difference in their measures indicating the impact of resilience. Determining these factors relies on merging scientific research with statistical analyses of quantitative, qualitative and perception data, and previous local and external experiences. Intermediate measures are also normally taken after a significant shock, negative event or disaster, comparing the pre- and post-event measurements.
2. In order to better understand which actions contribute to the measured change in resilience, the **contributions of shocks and stresses (normally a negative impact) and response measures to address risk (normally a positive impact)** need to be measured in order to better explain changes between the initial and final states of the resilient system components, aiming to attribute what has caused this change. For example, a greater positive change in the resilient system component may be linked to a period of less severe shock than normal, rather than as a result of more successful risk management actions.
3. **Measuring shocks and stresses** will require the construction of indicators or indices that account for the frequency, duration and intensity of long-term trends, a range of significant hazards and threats, a range of small, frequent widespread events, and specific negative events specifically affecting individuals and households.
4. **Measuring response measures** examines programming that combines core project with risk management actions. These actions are undertaken autonomously by local actors and people as well as facilitated by the programming of external agencies such as donors. These actions can be divided according to which of the three resilience-building capacities they strengthen (absorptive, adaptive, transformative).

Figure 3.4: A simplified overview presenting the main elements to be addressed when measuring resilience.



Source: Adapted from Frankenberger and Nelson (2013)

Donors can develop a better idea of which programming measures are the most effective in promoting a resilient system by:

- assigning indicators or composite indices for shocks and stresses and for programming measures, and,
- examining how these explain the change between the initial state and end state of individual components of resilience.

This quantitative approach is further informed by qualitative observations and perceptions in programming areas. Measuring resilience over multiple measurement cycles can iteratively inform adjustments to strategic and programmatic measures to counter risk and build resilience.

As a preliminary introduction into key recommendations for how to measure resilience, there are five key points (Constas and Barrett, 2013):

1. Frequent measurements should be made due to dynamic systems with frequent changes.
2. Setting a threshold between resilience and non-resilience is needed in order to understand if people are going forwards or backwards.
3. Indicators should reflect and be sensitive to instability and change.
4. Measurement should be taken within and across different groups or layers of society (from household layer to higher layers) in order to assess the dependencies that exist between these groups and layers.
5. Methods of analysis that can detect non-linear trends and separate structural (predictable cause and effect) from random (stochastic) determinants of resilience are important.

There appears to be potential to extend existing methodologies for measuring resilience, to better define the components of resilient systems in complete layers of society, covering a large part of the risk landscape. Further investigation is required to evaluate this potential, or where this is not feasible, investigate methodologies that take more specific parts of the risk landscape for smaller systems or more specific resilient system outcomes, and see how these can be combined to yield a composite understanding.

In summary

Following on from the five messages on programming and resilience outlined in Section 2.4, this section has outlined that **building resilient systems requires joint donor action for analysis, planning and implementation of long-term programming integrated with enhancing resilience-building capacities.** Here, it is impossible for any one donor to put

in place the required comprehensive cross-sectoral and multi-stakeholder action at each layer of society to address the complex, changing and uncertain risk landscape. The ability to strengthen resilience may be further challenged by local political sensitivities and international foreign policies and direct implication in conflict, particularly in fragile states. Therefore, joint donor action, emphasising complementary strengths, mandates and interests, is necessary to create a resilient society. (Examples and further discussion of the opportunities to do this are outlined in sections 5 and 6 of this paper).

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[1] Full publication available at www.oecd.org/gov/risk/g20oecdframeworkfordisasterriskmanagement.htm

[2] See Government Office of Science, 2012, Foresight project: *Disaster Vulnerability and Resilience: Theory, Modelling and Prospective* for a review on this subject.

[3] This template has been populated by features derived across a spectrum of good practice including disaster risk reduction, climate change adaptation, ecosystem management, social protection, conflict management and prevention, peace-building, and socio-ecological system analysis.

[4] This is a preliminary attempt that requires further refinement.

[5] 'The so-called 'dark side of resilience' includes examples where (negative) systems become fixed and, therefore, less responsive to future threats or positive transformation' (Mitchell and Harris, 2012).

[6] See http://www.oxfam.org/en/policy/no-accident-resilience-and-inequality-risk for further discussion.

4 Challenges and disincentives for integrating resilience

Identifying the incentives for integrating resilience-building into donor programming has required an examination of (i) the challenges and disincentives for adopting resilience (outlined in this chapter), and, (ii) best practices that meet these challenges (in Chapter 5). The following sections have been summarised from all of the interviews carried out in the Niger and Philippines case studies across a diverse set of donors, government officials, civil society actors and investment agencies.

Three successive layers of challenges and disincentives encountered in both the Niger and Philippines studies are detailed in the following sections[1]:

1. An underlying structural layer of challenges that influence all aid programming, including risk management.
2. An overlying layer of challenges that prevents the adequate adoption of risk management.
3. A specific layer of challenges applying specifically to how resilience is communicated within donor and other external actors.

The cause and effect of different issues for each of these layers are outlined below in Figures 4.1 and 4.4, and further detailed in a problem-tree format in Annexes 5 and 6.

4.1 Underlying challenges for development cooperation and humanitarian action

Although a thorough analysis of overall challenges to aid is outside the scope of this study, nevertheless, it is important to signal these given that (i) any recommendations on resilience and risk management would be naïve without taking into account structural aid issues, and (ii), the way resilience and risk management is implemented may either help, or at least, not exacerbate these structural issues. Although Niger and Philippines have different risk profiles, institutional systems and political systems, many structural issues are common to both contexts. Figure 4.1 demonstrates there are five key structural areas that all aid programming (including risk management) must acknowledge:

i. Inconsistent capacities and lack of (absorbance) capacity[2] of government, particularly at the local level.
ii. Functioning of donor-government and donor-donor relationships.
iii. Politicisation of certain government initiatives attached to election cycles.
iv. Political power recycled amongst 'elites', with improper practices and business interests promoted at the expense of the well-being of citizens.
v. Internal and external insecurity, and its impact on aid delivery.

The lack of government capacity, and the inability to absorb financial investments, are cited by certain donors and government ministries as the greatest barrier to comprehensive aid programming at scale. In many cases governments have rushed ahead to make ambitious promises, policies and laws before a solid programme and financial management platform had been put in place. This is in part linked to political appointments of ministerial and technical heads of risk management agencies, who may lack the required skills and knowledge, compounded by the announcement of overly ambitious initiatives as part of electoral platforms. Although a Middle Income Country (MIC) such as the Philippines clearly has better government capacities at the national level, compared to an Least Developed Country (LDC) such as Niger, this rapidly drops off at the second highest level of government (out of five)[3]. Further, the Philippines has put in place an ambitious diversity of laws and initiatives on risk management, not always well coordinated, that are not matched with the financial and human resources required at the local government level to make them operational. As a result, local government is overwhelmed with at least 30 different and largely uncoordinated risk related directives covering a range of sectors and themes, which are impossible to implement, slowing planning and decision-making. In both contexts, decentralisation efforts are not matched with adequate resources for the lower levels of government, resulting in the disconnection between well elaborated national policy and laws and local prioritisation, planning and programming. Here, risk may be exacerbated by the political and business interests of a few locally elected officials that are in conflict with the required risk management measures for the community.

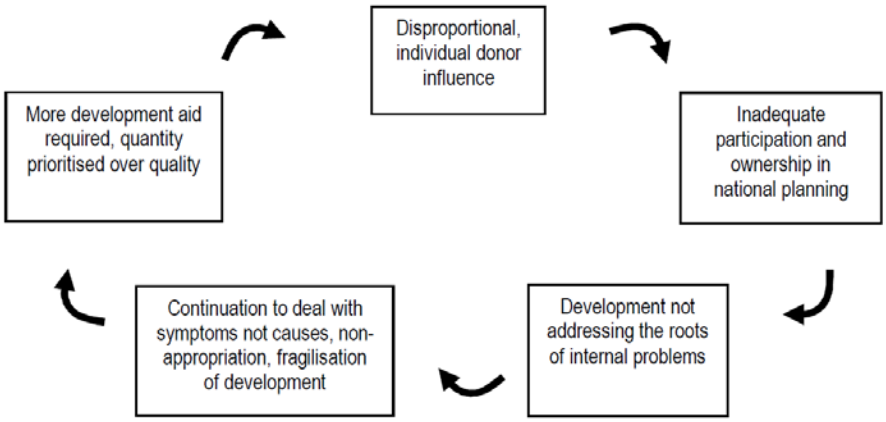
Figure 4.1: Underlying challenges to development cooperation and humanitarian linked to structural issues, represented as a chain of cause and effect, moving from left to right. Issues common to Niger and the Philippines are marked with black text, those more specific for the Philippines in blue text, and those more specific for Niger in purple text.

Donors are placed in a lose-lose situation to either continue to support the *status quo* of inadequate government systems or to substitute for it, leading to an overall lack of sustainability and durability of programming. This problem is compounded by donors who are under significant pressure **to consume their development cooperation funding lines.** For example, depending on the layer of society targeted, different donors and civil society actors in Niger said that only 30-60% of budgets were spent on activities that led to real programming impacts. The upshot of this lack of absorbance capacity is falling confidence in future external investment, with a diversion to more 'easier to spend' humanitarian initiatives at the expense of development.

Similarly, **the relationship between international donors/investors and government, and how the donor community functions as a whole**, have a profound impact on aid programming. Particularly in Niger, these manifest themselves as two general 'vicious cycles' that undermine the impacts of development cooperation and feed the root causes of poverty, insecurity and instability.

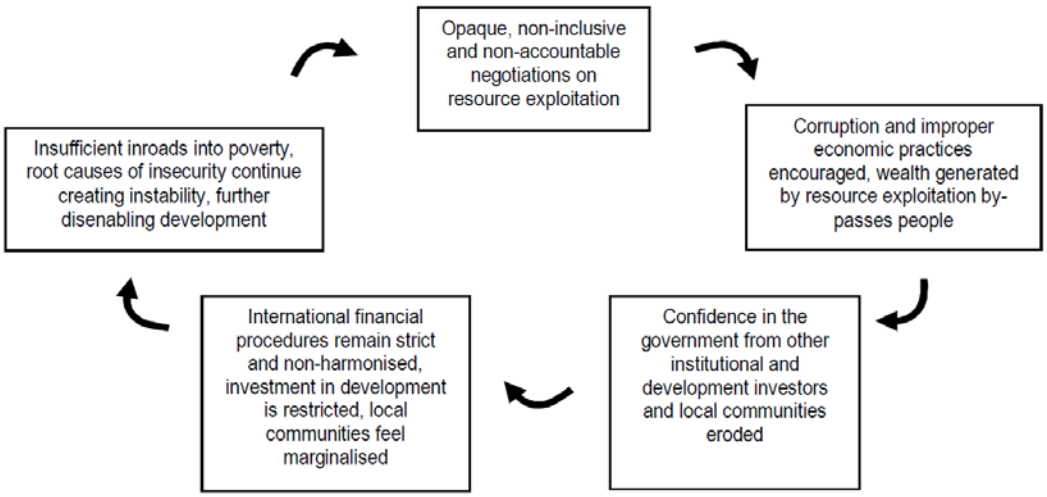
In the first case (Figure 4.2) some **DAC donors** are concerned about their disproportional influence on government, given that their combined investments are less significant than the size of the government budget and investments by other parties. As a result, they see governments proposing initiatives in order to harvest funding, rather than as a result of a thorough analysis of contextual problems and the solutions required to address them. As a result, initiatives may not provide real solutions to root causes, development needs continue to increase, perpetuating the need for further development, that, given the capacity problems listed above, focus on unsustainable quantity-based instead of quality-based targets.

Figure 4.2: The 'vicious cycle' of donor-government relations on the impact of development.



In the second case (Figure 4.3), **other countries and private-sector actors with significant business and natural resource-exploitation interests** (commonly mining, petroleum and gas, manufacturing and construction), may engage in private negotiations with the government. The precise arrangements made in these negotiations are not always made public. This creates a risk of (mis)perceptions by the general public and international aid investors about improper financial management and the lack of wealth-sharing across different layers of society. This (mis)perception can in turn lead to a lack in confidence in the government by DAC and multilateral donors, resulting in strict, often parallel, financial and programming procedures, which further slows programming, and inhibits joint-donor action. There can also be concerns that any economic marginalisation of poorer parts of society could further enhance poverty traps, feeding the roots of insecurity and further disenabling development.

Figure 4.3: The 'vicious cycle' of donor-investment actor relations on the impact of development.



Against the backdrop of these 'vicious cycles', there are **challenges regarding how the donor community functions**. In highly politicised issues concerning insecure regions, some donors are perceived by local and national government actors, and civil society actors, as having already decided their own agendas before government-donor consultations take place. For example in Mindanao in Philippines and in the north of Niger, different donor strategies relate at once to counter-terrorism, peace-building or poverty reduction, with divergent programmes and modes of operation. Beyond different strategic and political priorities and mandates, joint donor initiatives can be impeded by different donor administrative and financial control regulations, which increase the burden on already strained government capacity, complicating and delaying implementation of jointly-funded initiatives. Different government officials in Niger and the Philippines have privately noted that the government sometimes accepts funding opportunities that are offered in an uncoordinated fashion by international donors/investors, at times beyond their capacity. This creates confusion between different government agencies. For example, at the time of the field visits, there was no comprehensive registry in Niger and the Philippines for who is doing what, where, and with what volume of investment in terms of disaster risk reduction. Donors short-cut this situation by dealing directly with local government and other actors, without consulting adjacent levels of government or the key civil society groups representing people and communities. But this again leads to a lack of communication and coordination between different levels of government.

Given these challenges, it is not surprising that **a predominantly 'short-term mode' of management** (commonly associated with a 'humanitarian vision') is used by many actors, which functions well around crises, but is less suitable for long-term development. This is characterised by centralisation, a top-down chain of command, directive rather than participative planning, short-term analysis and strategies focusing on symptoms rather than root causes. In both contexts links between humanitarian and development programming are not yet institutionalised for both international and national actors.

The politicisation of initiatives that are linked to the election platform of a government can both prioritise and highlight important issues, but can similarly penalise long-term, structural issues where political currency is not easily gained. This is particularly problematic for dealing with long-term trends and large infrastructure initiatives that require sustained effort and resources across multiple election cycles. Commonly a new government has canvassed on a platform that calls for change, and therefore, changes the priorities or discontinues long-term initiatives set up by the previous government. For example, the 10 year *Rural Development Strategy of Niger*[4] was scrapped mid-way during its second action plan (2010-2015), to be replaced by the new government's *Economic and Social Development Plan* (2012-2015)[5] linked to the *New Renaissance* political platform on which the President was elected, and oriented to fit the timing of the next elections in 2015. The risk in changing long-term strategies before completion may mean that the construction and maintenance of large and long-term infrastructure is not assured, and international donors who invest and/or help broker deals for loans with the private sector are put in a difficult situation as guarantor of the loan. The discontinuation of long-term initiatives addressing structural problems or the mal-functioning infrastructure due to improper maintenance, will further undermine the confidence of foreign investors, as well as damaging citizen-government trust.

It is for this reason that **embedding risk management into the Ministry of Finance does not guarantee a long-term prioritisation of risk management**, as the priorities of the Ministry of Finance are highly political, and thus subject to changes after each election and planning cycle.

Figure 4.1: Underlying challenges to development cooperation and humanitarian linked to structural issues, represented as a chain of cause and effect, moving from left to right. Issues common to Niger and the Philippines are marked with black text, those more specific for the Philippines in blue text, and those more specific for Niger in purple text.

The concentration and recycling of power amongst a small group of elites, characterised by improper management and financial practices, and the prioritisation of business interest at the expense of citizens, is another great obstacle for aid and development. This directly contributes to the continued economic marginalisation of the poor due to inequality in wealth distribution; reinforcing vulnerability to disaster, poverty traps and feeding the root causes of insecurity. For example, despite an impressive and sustained economic growth rate of over 6% of GDP in the Philippines, poverty rates have effectively not changed since 2006[6]. The increased wealth of the 40 richest Filipino

families, most of whom have been in power since the Spanish colonial era, was equivalent in value to a staggering 76.5 % of the country's overall increase in GDP[7]. This economic marginalisation leads to high risk behaviour such as forcing informal settlers and others to live in high risk locations, and can also help erode formal financial systems (e.g. collecting local taxes) with informal economic practices. This system of political elites is replicated from national to local levels, with a prioritisation of the political and business interests of a few, over national policies and the needs of citizens. It can also lead to the political appointment of management and technical staff, ill-equipped to carry out their job descriptions.

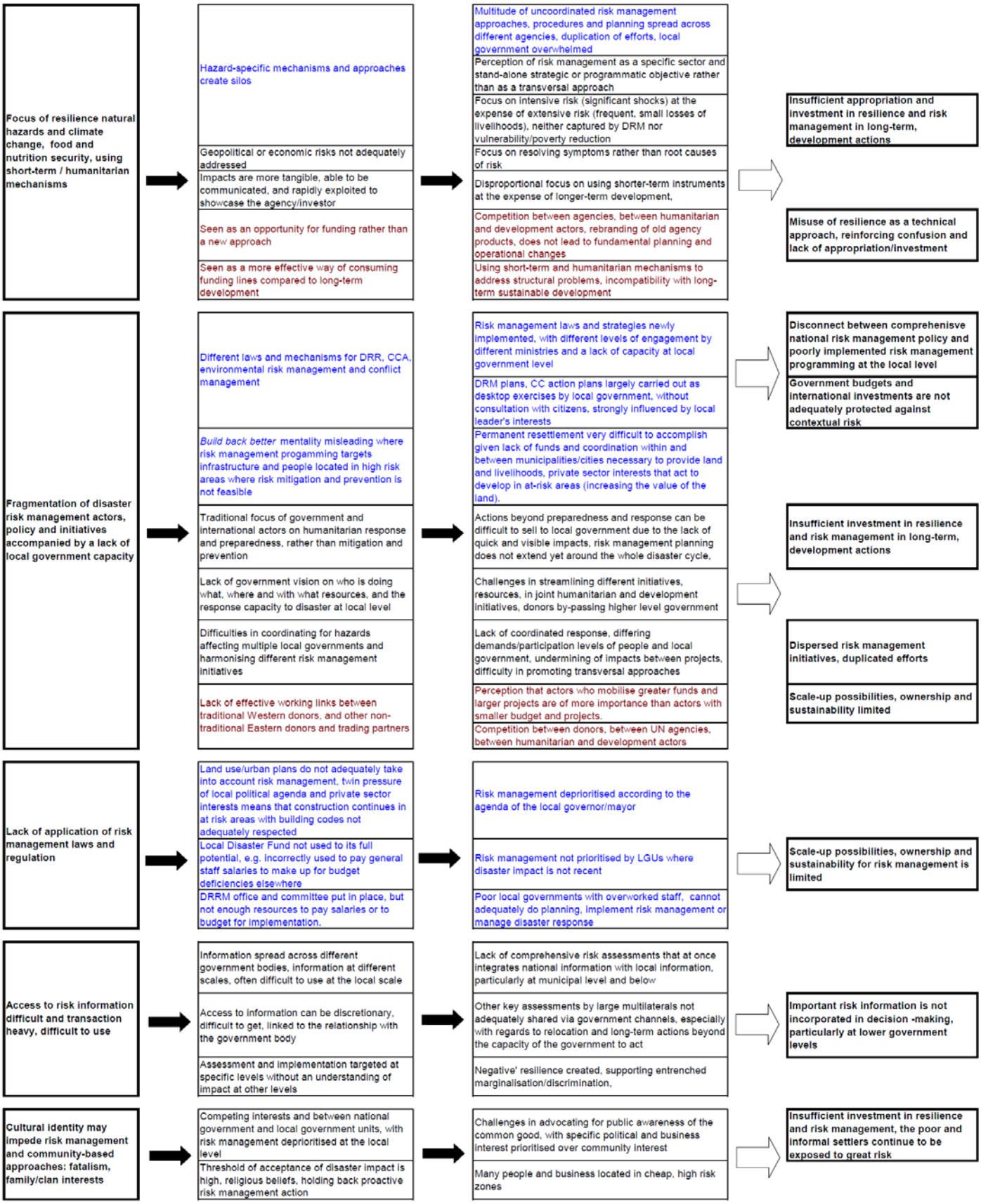
Internal and external insecurity impacts provide an additional level of challenges beyond those described above, with zones traditionally affected by conflict often the poorest; most vulnerable to disaster and the negative impacts of small and frequent shocks. In Niger and the Philippines, many of these zones are remote from the capital, and contain significant foreign operations exploiting natural resources. The lack of economic opportunities for people can further strengthening illegal trade and terrorist organisations. In the case of Niger, neighbouring conflicts in Mali, Libya, Nigeria and Chad have resulted in a skewed development away from remote areas to the capital, and the prioritisation of 'Sahelian interests' over 'Saharian interests', further marginalising the north of the country. Support of the Nigerien government for the ongoing Mali conflict has diverted key national funding away from social services to the defence sector, further compromising long-term development, and favouring short-term humanitarian action. In the Philippines, an autonomous region has been set up in Mindanao, with its own ministries and development planning agency (Mindanao Development Authority, MinDA). This agency is not well connected to national ministries and has created confusion between the role of national development agencies versus MinDA. It has also meant a lack of appropriation of badly-needed national policy, particularly on risk management. As noted before, this confusion is fed by diverse foreign policy and business interests of international governments, which further compromises addressing the root causes of conflict and poverty.

4.2 Challenges for risk management and resilience

Figure 4.4 illustrates the six key areas that challenge the implementation of risk management and resilience. Many of these challenges result from the basic challenges for development cooperation and humanitarian action outlined in the previous section. These challenges include:

i. A fragmented and confusing vision of what resilience is within the donor communities and their partners, accompanied by diverse ways in which it is adopted in donor planning and programming,
ii. A focus of resilience on natural hazards and climate change, and, food and nutrition security, using short-term / humanitarian mechanisms for implementation.
iii. The fragmentation of disaster risk management actors, policy and initiatives accompanied by a lack of local government capacity.
iv. Access to risk information that is difficult and transaction heavy, and information that is difficult to use.
v. The lack of application of risk management laws and regulation.
vi. Cultural identities that may impede risk management and community-based approaches.

Figure 4.4: Overlying challenges to risk management and resilience, represented as a chain of cause and effect, moving from left to right. Issues common to Niger and the Philippines are marked with black text, those more specific for the Philippines in blue text, and those more specific for Niger in purple text.



Section 2.2 outlined the confusing and at times misleading ways in which resilience is being communicated on the ground, both within and outside of donor organisations. Hence, many actors are moving ahead based on the resilience agenda, given its current political traction, interpreting the resilience technical approach to fit their own mandate, rather than allowing the operational context to define the problem to which resilience offers the solution. Here:

- **resilience is communicated as a political agenda** to enhance coordination between humanitarian and development actors, to attract matched funding from other sources, and to better enhance partnership,
- **resilience is substituted as a collective term for 'good' disaster risk management,** reinforcing a 'classic' disaster risk reduction vision associated with managing intensive risk that aims for a system to 'bounce back' to its pre-disaster state. Here, resilience and disaster risk management are used interchangeably and indiscriminately.
- **resilience is communicated as a top-down priority** from headquarters to a country office, or as an obligatory issue to engage in during government-donor negotiations on the country strategy and associated programming, and,
- **different forms of conditionality are applied to resilience,** commonly linked to the mandate of the organisation communicating on resilience, or driven by perceived marketing opportunities.

Often risk management programming is not informed by a comprehensive analysis of intensive and extensive risk, vulnerability and political economy dynamics. Here, **limitations are placed on how resilience is adopted by actors that reflect their own specialised interests, mandates or experience**, rather than based on such a comprehensive analysis of risk. These specialised interests reflect the global risk management silos[8], which are further reinforced locally by hazard-specific mechanisms and initiatives, commonly focused on large, natural events. As an example, although there is a high awareness and commitment to counter disaster risk in the **Philippines**, the **government risk management** structure set up to convert this into action has taken a piece-meal approach per hazard. This has resulted in a multitude of uncoordinated risk management policies and laws, procedures and planning spread across different agencies, leading to a duplication of efforts. Local government is overwhelmed by the number of national government directives on risk management. There is also a focus on natural hazards and intensive risk at the expense of extensive risk that is neither captured by disaster risk management nor by vulnerability or poverty reduction initiatives. Three levels of risk management silos have resulted from this structuring of risk management:

i. The siloing of risk management from other aid programming, with a perception that risk management is a specific sector and a stand-alone strategic or programmatic objective rather than a transversal approach.
ii. The siloing of general risk management approaches into separate initiatives on disaster risk reduction, climate change adaptation, social protection, natural resource or ecosystem management, conflict prevention, and the prevention of undernutrition.
iii. The siloing of specific risk management approaches applied to individual hazards, with flooding and cyclones separated from geophysical hazards such as earthquakes and volcanoes, separated from landslides, separated from epidemics. These in turn are divorced from the less common initiatives to counter economic and geopolitical risk.

The **Niger government's risk management system** is also selective on risk management and resilience. Again, the focus is on large drought, locust invasion and animal disease shocks, with priority placed on food and nutrition security as the overall objective of risk management. Undeniably, these are the critical issues affecting those most vulnerable to disaster, however this prioritisation, at the expense of other risks and risk management approaches, means that flooding, human epidemics (and pandemics) and other (non-negligible) economic and geopolitical risks are inadequately addressed or are siloed from the predominant drought risk management programming in Niger. The disproportional focus on using shorter-term instruments at the expense of longer-term development (as outlined in Section 4.1) is replicated in risk management programming, reinforced by the prioritisation of food and nutrition security and preparedness, traditionally led by humanitarian actors. For example, Food-for-Work, Cash-for Work and Canteen feeding are routinely used to treat structural vulnerability-to-disaster issues such as environmental degradation and gender. These are incompatible with the long-term and sustainable measures required accompanied by predictable donor investment. Further, efforts to increase commercial agriculture are prioritised at the expense of investment of small producers, again, propped up by a continuing reliance on external investment.

This form of risk management programming is attractive to the government and donors as its impacts are tangible, able to be communicated, and rapidly exploited to showcase the value of the investment. Therefore, it is seen as a more effective way of consuming funding lines compared to longer-term mitigation and prevention actions. However, using short-term mechanisms and approaches to address the structural issues at the heart of risk is only able to resolve the symptoms rather than addressing root causes. Further, the focus on food and nutrition security as the overall objective of risk management dangerously oversimplifies the risk landscape faced by people.

The lack of absorbance capacity challenging the overall government structure, outlined in Section 4.1 are at the source of another set of risk management challenges. These go beyond the lack of capacity to manage the typically siloed and diverse risk management initiatives, as outlined above. **Those agencies responsible for risk management at the national level do not have an adequate vision of who is doing what and where; nor do they know what funding has been allocated to programming, or understand response capacity in lower levels of government.** This is the case with agencies responsible for disaster risk reduction in both Niger and the Philippines. This lack of vision translates into difficulties in streamlining different risk management initiatives and resources, organising joint humanitarian and development efforts and better connecting different levels of government. The lack of vision also means that local governments are not required to be accountable for the implementation of various laws and policies promoting risk management, feeding the disconnect between national and local government. Difficulties in co-ordination extend horizontally, with adjacent local governments not supporting a co-ordinated effort around hazards that affect multiple local governments. For example, in the Philippines, this challenges co-operation between local government bodies during and after response, particularly for evacuation measures and temporary relocation of informal settlers, and in the long-term for large-scale mitigation and prevention measures for infrastructure.

The resettlement of informal settlers has become an important issue in the metro Manila area of the Philippines, given the co-ordination and co-operation challenges between local government and risk management actors. There is often not enough space to accommodate people who live in high-risk zones within the boundaries of one local government unit. Permanent resettlement to another local government unit is very difficult to accomplish given the lack of funds, and limited co-ordination within and between municipalities and cities that would be necessary to provide land and livelihoods for informal settlers. The *build back better* mentality promoted by risk management initiatives (that aims to restore the infrastructure and livelihoods in the same at-risk areas), often compounds the problem, given the lack of resources and co-operation necessary to adequately protect people and infrastructure with adequate long-term mitigation and prevention measures. Private sector investments that target at-risk areas, due to the relatively low cost of land coupled by short-term gains to be made by business and local government officials, further binds informal settlers to this risky land given the new livelihood opportunities, maintaining or increasing disaster risk for these people.

The structural challenges of government that impede long-term programming, outlined in Section 4.2, coupled with co-ordination and co-operation challenges and the reliance on short-term measures to deal with risk, has resulted in **risk management measures dominated by response and preparedness at the expense of mitigation and prevention**. Actions beyond preparedness and response can be difficult to sell to local government due to the lack of quick and visible impacts, particularly in areas where officials do not tend to look beyond an election cycle. Lack of sufficient resources at local level compounds the problem. The shortage of staff at the local level means that planning is commonly carried out as a desktop exercise by local government, without consultation with citizens, strongly influenced by the local leader's interests and with a reliance on short-term consultants. Insufficient investment in resilience and risk management in long-term, development actions means that government budgets and international investments are not adequately protected around disaster cycles, nor protected from extensive risk factors.

Challenges with planning and implementing risk management at local government levels is further compounded by **difficulties in accessing suitable hazard information and risk analyses**. Information is spread across different government bodies, hazard maps are of different scales and often difficult to use at the local scale. For example, many local governments in the Philippines have to access and then understand at least 10 different risk maps that are based on decades-old and inaccurate topographic base maps. Local government often lack capable analytical staff, able to piece together the diverse risk information available nationally, and add local risk assessment information. Where risk

information is available, access can be discretionary and based on personal relationships with the government agency hosting the information. Similarly, other key risk assessments by large multilaterals are not adequately shared with government actors. As a result, comprehensive risk analyses, integrating national-level and local-level risk information, are largely absent at lower levels of government. The overall result of these challenges means that **important risk information is not incorporated in planning and decision-making, particularly at lower government levels.** Further, risk assessments and actions are designed to target specific layers in society, without understanding the knock-on impacts to other layers, reinforcing 'negative resilience' characterised by entrenched marginalisation and discrimination practices.

The disconnect between great progress on risk management policy, laws and regulations at the national level with the lack of implementation of risk management and the local level, goes beyond the lack of government capacity and resources. **It is as much of a problem of regulating these laws by national-level bodies as it is the willingness of local government to take responsibility for implementation**. Many of these reasons are linked to the range of structural issues outlined in Section 4.1, and could include local political and business interests prioritised over those of people in terms of urban building codes, or local insecurity and conflicts that compromise any form of regulation. For example, in the Philippines, local governments have put in place the Disaster Risk Reduction Management Committee that is required by national legislation, supported by a local Disaster Risk Reduction Management Fund (at the minimum, 5% of its overall budget). However, where risk management is not prioritised by local decision-makers, there is a risk that the Fund can be used a form of 'slush fund' that pays the salaries and overtime of local government staff, and covers other gaps in the overall budget.

Additionally**, the cultural identity of people towards disaster and risk impedes risk management and community-based approaches**. In the Philippines and Niger, the fatalism attached to strong religious beliefs coupled with a high threshold of acceptance for disaster impacts holds back proactive action on risk management. Similarly, the central role and importance of the family in the Philippines way of life, is an obstacle to community-based approaches and concepts such as 'the common good'. This is also at the heart of the 'patronage' system that recycles power amongst elite families. Cultural aspects linked to family are equally challenging for addressing the vulnerability to disaster in poor families of Niger, where the role of women is considered of very little importance, and where the sale and marriage of child brides is a widespread financial coping mechanism for families, particularly in times of hardship.

Donors interviewed for this study cited **insufficient active donor partnerships** or insufficient coherence between donor country strategies and programmes. This has resulted in dispersed risk management initiatives, duplicated efforts, and multiplied the need for contacts and negotiation with different parties. It also makes scaling up good practice more difficult. There are two main reasons behind this lack of partnership. Firstly, the studies encountered three main types of donors (apart from private sector investors) including (i) traditional DAC donors (ii) multilateral financial institutions (e.g. World Bank, Asian Development Bank) and (iii) other state donors. Many of these have very different and conflicting modes of operating, different and sometimes conflicting mandates, and in some cases competition for 'the best' programmes of the national country strategy. In many cases, and despite best efforts, DAC donors and other donors often limit their interactions to information sharing. This is often based on misperceptions - for example one DAC donor in Niger stated that non-DAC donors never made the effort to go to joint donor meetings on development and aid, whereas a non-DAC donor complained that they were not invited to events or kept in the loop about different donor initiatives.

Secondly, the very large donors and multilaterals sometimes feel they do not need to engage with donors with small budgets and portfolios. There is at times a feeling in donor meetings or fora that whoever mobilises the most funds and has the largest projects, *de facto*, are a more important actor with a larger say in matters, regardless of how they are spending their budgets, whether their programming is high quality with great impact, or not. Some very large multilaterals also seem to feel that they have everything 'under control' and that they don't need to form partnerships. Further, some donors are already hard pressed to consume development budget lines, and there is competition to partner with government or other operators in programmes that are easy to spend budget lines, as is the case with humanitarian action.

4.3 In summary: an overview of challenges and disincentives

Interviews with donor country and headquarter staff reveal a range of challenges for risk management and building resilience in partner countries, including:

1. **Contextual challenges** – factors in the overall environment of partner countries that determines and shapes how all donors can operate.
2. **Programmatic challenges** – factors that influence the way development co-operation, humanitarian assistance and risk management programmes are designed and implemented by donors and their partners.
3. **Institutional challenges** – structural factors that determine how donor processes at the capital- and country team-level function.

Contextual challenges

Many of the underlying structural or contextual challenges are linked to the state, its governance, and its institutions. The long-term resolve and resources necessary for building resilience across the whole risk landscape is threatened when there is discontinuous support and insufficient leadership on risk management. This discontinuity commonly occurs in a context of political priorities that change with each successive election and government administration cycle, resulting in shifting budget allocations. Long-term government commitment can be further eroded by a limited institutional capacity for responsible programming, opaque and unaccountable fiscal management, and fragmented and poorly-regulated risk management legislation. These factors can limit the capacity of the government to absorb and responsibly spend international donor investments. These challenges are commonly replicated at lower levels of government, where the interests of powerful elites are sometimes promoted at the expense of citizen interests and needs. Insecurity, inequality and inequity in wealth-sharing further erode the capacities of government and local actors to engage in responsible programming. Finally, cultural factors that reinforce the position of powerful elites, enhance a passive and fatalistic reaction to risk and disaster, and, promote coping capacities that actually harm people, particularly those who are poor or disempowered, can create further programming challenges.

Programmatic challenges

Many of the challenges of integrating resilience into programming begin with confusion about what resilience is, and consequently how it applies to programming. This confusion leads to a diverse and uncoordinated application of resilience, reflected in fragmented programming initiatives that can reinforce existing silos of risk management and sector-specific development. This fragmentation within donor programming is commonly reflected in the fragmentation of partner-government policy and programming. This problem is reinforced by partial analyses of the risk landscape and of how risk affects different layers of society, that in turn drive a partial or fragmented consideration of risk and resilience in donor and government planning. This lack of comprehensive vision can result in programming that inadvertently builds the resilience of one group or layer of society at the expense of others, and can result in measures that may be successful for one set of shocks or trends, but not for others, negating the overall objective of the programme. Similarly, a lack of vision about who is doing what, both from the government and donors, can lead to parallel efforts with contrasting methodologies that compromise the programming of other investors and operators. Coping efforts by donors can include the direct consultation and formulation of programming with local-level stakeholders that inadvertently undermine the authority and responsibilities of other authorities and civil society groups both 'up- and down-stream'. Incentivising humanitarian assistance and response, without a proper articulation with longer-term resilience-building and risk management, can also compromise a 'culture of safety' where people and local government proactively address risk.

Institutional challenges

The way that donors plan, fund and support their programmes can also hinder the integration of resilience into programming. Risk management approaches are normally spread between different technical and operational parts of a donor, resulting differing interpretations, and levels of support and implementation, of resilience within a single donor. This promotes confusion, and can lead to an inefficient adoption of risk management and resilience in key donor processes such as policy support (and the technical and operational guidance accompanying this), budget allocation, country strategy exercises, and programme definition, validation and support. This situation is often characterised by a lack of central leadership and transversal integration process for risk management and resilience

within the organisation. The combination of these factors significantly challenges donor country teams to commit and invest their time and resources for integrating resilience into their programming.

Heavy centralised donor processes, and overriding foreign policy interests, can limit the necessary country-level cross-donor action required to work across the whole risk landscape. This is further complicated by the lack of synchronisation between central donor planning and funding cycles, and those of country partner governments. Internal pressures and practices can also impede progress on the ground, including pressure to deliver quick and visible results, to consume budget lines, to maintain good relations with a partner country (sometimes at odds with responsible programming) and to prioritise the management of risk to the donor institution over managing the risk of beneficiaries targeted by programming (i.e. institutional risk managed at the expense of contextual risk resulting in a lack of risk tolerance in donor investments). Lastly, the lack of protective measures applied to business and trade interests, opaque and non-accountable business practices between national governments and donor countries, and a lack of adequate consideration of how wealth generated by business and trade is distributed within society, can all also undermine resilience-building capacities in some cases.

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[1] Although the scope of the report focuses on the adoption of resilience, it has been necessary to widen the scope in order to explain the challenges, and consequently, inform incentives for adopting resilience.
[2] *Absorbance capacity* used in this context differs from the resilience-building *absorptive capacity.*
[3] The Philippines has five levels of government: national, regional, provincial, municipal/city, and *barangay*.
[4] *La Stratégie de Développement Rural* (SDR)
[5] *Programme de Développement Economique et Social du* Niger (*PDES* 2012-2015)
[6] At 6.6 %, the current GDP growth rate of the Philippines is the second highest in Asia, behind only China's. The recorded poverty incidence for the first half of 2012 was 27.9 % (sources: http://www.philstar.com/headlines/2013/04/24/934243/poverty-level-phl-unchanged-06 and http://www.theatlantic.com/international/archive/2013/05/the-grim-reality-behind-the-philippines-economic-growth/275597/
[7] Source: http://www.theatlantic.com/international/archive/2013/05/the-grim-reality-behind-the-philippines-economic-growth/275597
[8] Between disaster risk reduction, climate change adaptation, social protection, natural resource or ecosystem management, conflict prevention, prevention of under-nutrition, and so on.

5 Incentives for integrating resilience into donor processes

The studies in Niger and the Philippines have revealed how risk management approaches are not addressing the complete and complex risk landscape faced by different layers of society. Donors often support very selective resilience-building initiatives that cover only part of the risk to be addressed in a specific context. Further, donors face a range of challenges and disincentives for building resilience in partner countries as outlined in Chapter 4, including:

1. **Contextual challenges** – factors in the overall environment of partner countries that determines and shapes how all donors can operate.
2. **Programmatic challenges** – factors that influence the way development cooperation, humanitarian assistance and risk management programmes are designed and implemented by donors and their partners.
3. **Institutional challenges** – structural factors that determine how donor processes at the capital- and country team-level function.

This chapter outlines a range of incentives addressing these challenges that are potentially applicable across different contexts. These incentives could help promote the strengthening of resilience of people, communities and states and their institutions. They represent a palette of options that can be selectively chosen by a donor according to their degree of commitment to risk management and integrating resilience[1].

5.1 Incentives that address contextual challenges

The following factors can counter the contextual challenges listed in Chapter 4 and better influence how resilience can be built in partner countries by donors.

Coherent messages on resilience fostered by 'champions'

Donors have been one of the key groups promoting resilience. Therefore, how donors adopt and communicate about resilience in the future will be critical in determining whether resilience is usefully applied at the country level, or whether it becomes another buzzword devoid of substance. Developing a set of coherent messages about how resilience can address the wider risk landscape can greatly assist government efforts, particularly at the formulation and planning, mid-term review and evaluation steps (and preparation for the next cycle) of the government's national strategy. Coherent messages can help lend weight to the importance of risk and resilience and facilitate embedding these issues into the key government strategic and planning processes. Chapter 3 summarises the issues on communicating on risk and resilience and includes a set of key communication messages for donors. Those donors that lead by example, having already integrated resilience in their own institutional processes and in their own country, are best able to convince governments to invest in resilience. Donor 'champions' who are influential in the communication of resilience and risk management in order to better harmonise the donor community in the partner country, are the key people who can help create local 'champions' and strong leadership for resilience. Convincing national and government leaders of the financial and political value of building the resilience of institutions, and of the infrastructure and services they manage, is a key leverage point to ensure commitment to resilience at all levels of government. This means donors need to invest in partner country studies and initiatives that measure the programmatic and financial impact of resilience.

Box 5.1: What makes a champion?

There are normally institutions in developing countries that are mandated to promote risk management practices amongst national stakeholders and the community. These can be specific risk management government platforms such as the Philippines *National Disaster Risk Reduction and Management Council* or the Niger *Dispositif National de Prevention et Gestion des Catastrophes et des Crises Alimentaires*, or, can be more informal risk management working groups attached to the National Strategy, such as the Climate Change working group attached to the *Philippine Development Plan 2011-2016.* In the case of the Philippines, individual politicians, motivated by international agencies and following important disasters, have been key in the evolution of the Philippines Legislative Framework for Risk Management.

Local champions are critical for translating national risk management legislation and resilience initiatives to the local level, providing concrete examples to other local governments. For example, in the Philippines, the Marikina City (urban), Albay Province (rural), Saint Bernard (small poor municipality), and Taguig City (urban) local governments have been used as role models for spreading risk management and resilience. A good example of upscaling due to local champions comes from Manila, where a UNDP-Canada urban resilience initiative for three local governments led to the formation of a consortium of local city governments, the *Alliance of Seven Cities*, which in turn evolved into the *Metro Manila Rizal LGU Network* covering the whole metro Manila area. Key qualities for local champions include:

1. A strong leader interested in community needs beyond local political interests, ready to implement nationally led laws, especially on accessing risk information, formulating a disaster risk reduction plan and applying it to local land use and development plans.
2. Recognition that the natural and living environment is the key to citizen well-being, thus providing infrastructure whilst protecting the environment.
3. Engagement with hazard areas, illegal/informal settlers, and plans to relocate them, integrating them into formal systems (e.g. governance, taxation).
4. Considering risk management beyond a 'response' or 'humanitarian' lens, to include long-term and structural issues and the vulnerability of people.
5. Using knowledge and influence, rather than money, to motivate changes in how citizens regard disaster.

Source: interviews with government, donor and civil society actors in the Philippines

Support from civil society[2]

Civil society is a key ally for donors in advocating for resilience to governments and local authorities, and ensuring that resilience is embedded in national policy and resource allocation, and in local planning processes. These actors can push for a change in the power structure and promote equality and economic equity, often at the heart of long-term resilience. They are also a means to hold government and business accountable to the national laws and regulations for risk management and resilience. Finally, civil society may also be a better channel for messages aimed at mitigating traditional cultural practices that increase exposure to risk and slow proactive risk management. For this all to be effective, however, the way donors work with civil society will need to evolve (Boxes 5.2 and 5.3).

Box 5.2: What is needed to implement risk management and resilience?
A message to donors from field-based NGOs – Part 1

The following points have been derived from focus groups in Niger and the Philippines with international and national NGOs. These are the key messages from NGOs to donors for what they require to implement risk management and resilience measures in their programming:

1. A long-term vision and support is required, that puts risk management as a cross-cutting issue, doing away with stand-alone programming. This means, for example, narrowing the gaps between current disaster risk reduction and climate change adaptation approaches.
2. Risk management and resilience needs to be better integrated into development programs, particularly on initiatives that build resilient ecosystems and communities, looking to transform people's behaviour over the long-term.
3. Public-private-civil society partnerships will be useful, with the state providing better policy, planning, monitoring and evaluation, the private sector contributing more to social development, and civil society contributing better to economic stability and growth.
4. Given change in risk and uncertainty, donors need to be more flexible and adapt their operations to the context (particularly for insecure contexts) allowing both the donor and the partners to change their strategy as the context evolves.
5. Specific lessons learnt when establishing consortiums for risk management:
   - Need agencies with a similar vision and mandate for resilience.
   - The lead agency needs clear authority from the donor to lead the consortium and should have decision-making power to reduce confusion and time-wasting.
   - Consortiums should only be established when the different members have clearly complementary attributes.
6. The geographical prioritisation and division of sectors by donors needs better transparency and communication, with regards to the underlying political dimension. Undertaking joint strategic planning in a single area, with a clustering of different sector programmes in the same location, has more long-term impact.
7. More realistic expectations from donors: increasing the coverage of development is not always realistic given the capacity of actors at all layers, a more gradual scale-up of coverage in line with the evolution of the capacity of actors would be more effective:
   - Interesting to work on pilot zones of concentration, where all sectors are engaged simultaneously
   - Need to shift from quantitative (more volume) to qualitative (more sustainability) approaches.
   - Need more support for working on absorption capacity of the state
   - Donors need to be ready to take more institutional and programming risks
   - Better efforts are required to target the most vulnerable
8. Be more ready to fund research, extensive baselines and assessment, in order to better define action and prove impacts. This may include longitudinal evaluations after the timeframe of the project (as part of next phase, or stand-alone). NGOs are looking for guidance on measuring resilience and the indicators to use.

Source: Interviews with civil society actors in Niger and the Philippines

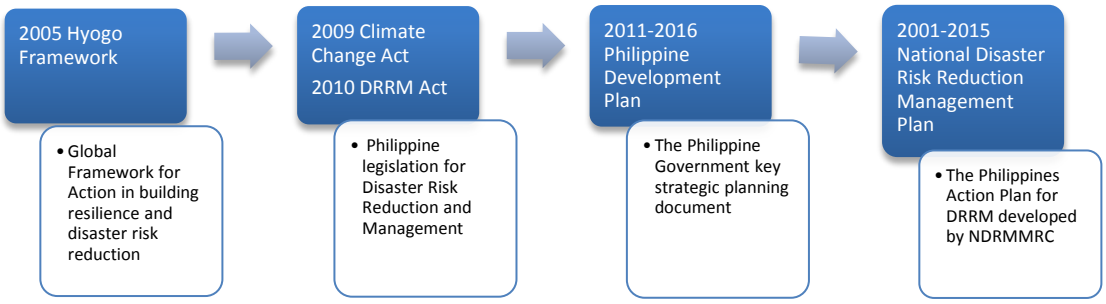
Reinforcing and unifying a strong government policy, legislative, planning and database platform

A strong government platform for resilience will provide the capacity for government to act on donor advice and societal demands concerning risk. It will also help establish the management and financial control structure that ensures a continuing confidence of donors and others to invest in the government. A centralised body directly attached to the office of the Head of State can act as a rallying point for the different forms of risk analysis and risk management approaches that are currently fragmented amongst different line ministries and technical agencies. Measures to embed resilience into government processes are ideally articulated with other donor support to good governance, financial management and decentralisation initiatives, all important for the development of long-term resilience capacities in all layers of society. A centralised risk dataset and GIS system, connected to national and regional Early Warning and Alert systems can also motivate a multi-hazard engagement for managing risk. These datasets could merge different national exposure and risk modelling exercises for a range of hazards. They could also

usefully be connected to a database measuring economic losses due to shocks including frequent low impact events, such as annual, normal flooding.

The Philippines is a good example showing how disaster risk reduction and climate change have been progressively integrated into legislation, and connected to national and local development planning and implementation mechanisms, as indicated in Figure 5.1.

Figure 5.1: The Philippines legislative, planning and implementation framework for risk



Source: AusAID (2012)

Attempts are being made to merge disaster risk reduction and climate change adaptation efforts via a memorandum of understanding between the National Disaster Risk Reduction and Management Council and the Climate Change Commission. Importantly, risk management legislation is integrated into local government efforts, including:
(i) the use of hazard and risk maps and climate change impacts in land use planning as part of the development planning exercise,
(ii) Local Disaster Risk Reduction and Management Offices acting as the focal point for setting up and implementing risk management measures, training and managing local emergency response teams, and
(iii) using at least 5% of each local authority's total budget for risk management, with at least 70% of this used for preparedness and mitigation projects and the rest for emergency response. A climate change filter is also put on the Department of Budget annual allocation of budgets for climate-sensitive development sectors.

Embedding resilience in 'apolitical' and financial processes

Supporting processes to embed simple resilience criteria into generic government programme and project management methodologies, including validation and evaluation processes used by all sectors, will help ensure that resilience and risk management is considered across government institutions. This ensures that risk management is a core consideration in programming, insulated against changes in government, policy and priorities. This is further reinforced when risk management and resilience criteria are part of the annual budget allocation process within the Ministry of Finance and/or Budget. It is also important to provide a 'tagging and tracing' methodology that allows government to understand what projects contribute to risk management, and to track and calculate allocated funds. Resourcing incentives can also be provided to those local government bodies who adopt these measures, and who engage in other efforts, such as transferring risk via insurance measures, as a backup.

One good example comes from the Philippines Climate Change Commission and Ministry of Budget, who formed a partnership in 2013, the *Climate Public Expenditure and Institutional Review*, which has pushed for increased spending to negate vulnerability to climate change and to 'climate-proof investments' in six climate-sensitive sectors identified by the *National Climate Change Action Plan*. The partnership uses World Bank climate change screening codes to be able to tag different budget lines, harmonising climate change tracking between different sector agencies. Other risk management financial embedding mechanisms include the *Philippines DRRM Act* (5% of local government budgets to be dedicated to disaster risk management, with a 70% preparedness-mitigation/30% response split), the *Annual Fiscal Risk Statement* of Ministry of Finance incorporating an annual database for disaster damage and the *People's Survival Fund* (for response) that has climate-proofing conditionality attached to it.

These same processes can also be useful in donor institutions. An example of embedding resilience in programme formulation mechanisms comes from the GIZ *Capacity Works* manual for sustainable development. This manual incorporates general programme cycle management tools that examine type, likelihood and impact of different trends and risks as part of an initial strategy development phase. This analysis is followed up with an annual report that analyses risks, ranking them and proposing countermeasures.

Local government absorption capacity

Capacity (management, technical, and human resources) needs to be provided to local government in order to translate a strong and unified national platform on risk management into local planning and implementation processes. This, in turn, will allow donors to increase the impact of building resilience by ensuring that initiatives at national level filter down to local government, community and household layers. This has been a key challenge for many donor-backed global and regional risk management initiatives. Building capacity will mean offering coherent technical guidance across sectors, promoting technical training , and, at the very least, investment in setting up and staffing local government disaster risk management councils that can act as the focal point for translating national risk management and resilience-building policy, legislation and planning into action at the local level. This 'enabling' investment can be attached to ongoing decentralisation and good governance efforts. It should be viewed as a medium-term initiative, with a well-defined exit strategy linked to local government revenue-raising and supported by local business, so it is not wholly dependent on national government support. Ongoing efforts to merge the interests of government, international donors and both local and international business regarding risk management are the key for sustainable resilience-building at all layers of society[3].

Direct financing

Potential foreign investment and donor funding can provide a powerful incentive for changing attitudes about risk and resilience. This means promoting resilience that not only boosts local productivity, and saves money on responding to disaster, but also provides an increased climate of confidence for foreign investors, business and banks. The principles of building resilience, (Section 3.2) advocate for working smarter and more coherently, rather than promoting a host of new stand-alone 'resilience' projects and vast new funding lines. However, medium-term seed funding coupled with greater flexibility in existing funding lines will still be necessary, especially to ensure that (i) joint risk assessments and analyses and longitudinal analyses to measure the impact of resilience are properly resourced; and (ii) internal measures to enable the shift in mentality and methodology of government and operating actors are supported. Again, this should be seen as a medium-term investment with a clearly defined exit strategy.

Financing as a catalyst

Donor funds will not be able to cover all aspects of resilience. In some contexts, donor funds could be more usefully applied as a catalyst for further investment. Targeting key blockages for risk management and resilience is especially useful – for example by addressing the issues that prevent market risk transfer mechanisms from operating at scale in a particular country or area, or by providing risk information that will encourage private sector involvement in building resilience. Here, donors can help analyse the importance of including resilience in existing programmes, and set out potential additional funding sources, such as concessional loans, underwriting catastrophic risk insurance, or augmenting national social protection initiatives. Donors could also help demonstrate to partner governments how building resilience to the risk landscape can increase business confidence, inrpsiring foreign businesses and banks to increase their investments, bringing with them jobs and other economic benefits.

Different methods used by donors to leverage or combine different forms of funding include:

- The ADB-GIZ-BMZ *Cities Development Initiative for Asia* has different donors funding each city programme, acting as a broker to connect city governments with different forms of funding including development banks, national governments, private-public partnerships and Green Climate Funds.
- South Korea's programme in the Philippines blends grants and loans under a common country strategy managed by KOICA (grants agency) and the EDCF (loans agency).
- JICA's *Area Business Continuity Plans* in the Philippines leverage grants, loans and private sector investment in multi-decade infrastructure and agricultural development initiatives.

- The *Security and Development Strategy* for northern Niger aims to leverage a fixed percentage of contributions from Chinese and French mining companies to support local government development, including risk management.

Box 5.3: Funding implications for implementing risk management and resilience?
A message to donors from field-based NGOs – Part 2

The following points have been derived from focus groups in Niger and the Philippines with international and national NGOs. These are the key messages from NGOs to donors on funding changes needed to support risk management and resilience measures in their programming:

1. A shift from humanitarian to development funding lines for supporting risk management and resilience, in order to provide the time necessary to be inclusive, create networks, and incentivise local actors.
2. Funding mechanisms should go beyond government administration timeframes, to ensure continuity of risk management approaches. Funding lines need to be better aligned to national planning cycles rather than external donor funding cycles.
3. The need for more flexibility in funding mechanisms including:
    - Contingency mechanisms that allow for funding streams and procedures to switch to support rapid preparedness and relief, after triggers from an alert
    - Funding mechanisms that help build the capacity of NGOs to manage multi-sectoral, multi-layer, multi-risk management approaches, and to in turn, to build the capacity of local partners.
    - An evolution of financing mechanisms from direct financing of international agencies and capacity reinforcement of government, towards more indirect financing to local partners: direct funding and capacity building of local Community Society Organisations.
4. Be more ready to fund research, and the development of extensive baselines and assessment, in order to better define action and prove impacts, including longitudinal evaluations after the timeframe of the project (as part of next phase, or stand-alone).

Source: Interviews with civil society actors in Niger and the Philippines

The real cost of development

Finally donors could help government analyse the potential savings on economic losses from crises and shocks that resilience and risk management can offer. This means communicating the 'real' cost is of responsible and sustainable development that assures the management of risk in all layers of society. For example, there are moves to advocate for a 'security poverty line' of US$10 per day per person, above the current US$1-2 ranges of poverty lines, to better reflect the reality of the threshold for what is required to manage the risk of poverty and insecurity factors, to prevent sliding into poverty (Sumner, 2013).

Timing

Messages about resilience will probably be easier to pass during (or just after) a crisis, in the run-up to national and local elections, and at key points in donor and partner country planning and budgeting cycles. Crises can often present key opportunities for changing systems and attitudes, crucial for resilience. The aftermath of a disaster presents a unique but limited (in time) opportunity to promote change in how risk is addressed and to engage in both short- and long-term measures to build resilience, articulated between humanitarian and development actors. Donor communication on risk and resilience issues should be backed by donor support for resilience-building. In the case of Niger, the 2005 drought and corresponding food security emergency prompted a significant upgrade of DNPGCA (the national plan for prevention and management of food crises) which was complemented by the *Cellule de Coordination des Crises Humanitaires*[4] following the 2012 floods, recognising the multi-hazard nature of risk. In the Philippines, the 2009 *Ondoy* Typhoon that devastated Manila was instrumental in the introduction of the Disaster Risk Reduction Management Act that paved the way for a national risk management platform. These key crisis events were successfully leveraged to provide predictable and long-term support for development actions, with commitments made while the emergency and recovery efforts were ongoing.

Incentives focused on the interests of key stakeholders

A clear understanding of the power structure of key stakeholders at each layer of society, and the interests of key decision makers, will help target the right type of incentives. Adding a political economy and (where necessary) conflict analysis to joint risk and vulnerability analyses is therefore critical. In certain circumstances, friendly

competition between neighbouring local authorities, or between different cities, attached to financial or budget incentives has proven useful in focusing attention on building resilience. Other incentives such as publicity, competition and prizes, and pubic status or pride can be offered; these can have potential knock-on effects, such as increasing investor confidence, that can be converted into 'political currency' to be used to boost a candidate's standing in local elections.

The Office for Civil Defense in the Philippines, in line with some of the success stories of local government (Box 5.1) uses advocacy message to local government on how to use risk management as a powerful election campaign tool 'protecting people and the environment'. Similarly, the World Bank in the Philippines has created performance indicators working with the Department of Budget and the Department of Interior and Local Government (responsible for local planning), rewarding good performances with increased funding opportunities for local governments[5]. There are also increasing overlaps in interest between the private sector, donors and government to reduce risk that provide incentives for investment and action to build resilience (Box 5.4). For example, the *Cities Development Initiative for Asia* (supported by the ADB, and German, Swiss and Spanish governments) in Manila works with urban local governments and Swiss Re to model how climate change impacts on the vulnerability to disaster of city infrastructure. Swiss Re provides insurance models for Manila, looking at economic growth rates and threats that inform investment decisions in infrastructures. The donor technical support team from the *Cities Development Initiative for Asia* in turn, supports local government in drawing up a Pre-Feasibility Study that serves to incentivise potential development banks, private sector and national government investors to undertake feasibility studies as the platform for their future investment in the city.

Box 5.4: Role of private sector for building resilience

There is a long history of the private sector working with local communities, civil society groups and local government in response to major disasters, particularly in the Philippines. However, there is growing recognition, on all sides, of the need to engage in more organised and strategic partnerships over a longer time period, to deal withthese cyclical disaster events. These partnerships help to maximise and protect investments in communities and businesses, and to more effectively use resources to build the resilience of community and business systems to disaster. There are increasing efforts to link the private sector and local government at regional and national levels, and across different sectors, recognising the potential for synergies between the private sector's professionalism, and capacity for economic modelling and management, research and resources; and the demonstrated impact, understanding and operational capacity of local government, in partnership with civil society, at the local level.

At the local level, building resilience for communities also means protecting, strengthening and diversifying how people manage their livelihoods. For this to work, coordinated action is required, across multiple sectors and involving partnerships between communities, civil society, private sector and the government. In particular, there are opportunities (and examples) of partnerships that analyse and forecast risk; for social protection (transfer of cash or resources); the use of financial services; and of offsetting risk with micro-insurance; reinforcing value chains/logistics, infrastructure and services (construction, water and sanitation, shelter and provision of food); logistics; conventional and alternative energy; telecommunications and marketing; and, human resources training and management. The potential role of different industries in resilience building is summarised as follows:

Private sector industry	**Role in resilience building**
Financial services, insurance and reinsurance	Assessment and evaluation of risk, insurance products for those at risk, potential key mobiliser across industries
Engineering and Construction	Land-use planning, building design and codes
Communications (Information and Communications Technologies and Telecom)	Risk monitoring and alert systems, education
Utilities and transportation	Hazard-proofing, contingency plans, emergency management, logistics
Health (and pharmaceuticals)	Early warning, preparedness for epidemics
Agriculture and Extractive industries	Irrigation, flood and watershed management, environment buffer zones
Manufacturing	Supply chain protection
Travel and tourism	Supply chain protection, protection of local economy and environment, communication capacity
Media and entertainment	Awareness of risk and solutions through public media

(Table source: World Economic Forum (2008)

5.2 Incentives that address programming challenges

The following incentives can better influence a responsible consideration of risk and resilience-building in donor programming.

Counter fears of the need for radical changes to programmes and mandates

Donor staff and their partners may be more willing to engage in resilience if they are aware of what resilience actually means for programming and the potential benefits (OECD, 2013a). Fundamental to this is establishing the scope of the resilient system (at household, community or national layers) that programming is aiming to make resilient, as reviewed in Section 3. It is also useful to counter misperceptions about the need for expensive new funding tools, or other radical changes to how the aid system works. Rather, integrating resilience in programming means a better use of existing analysis, techniques and resources that protect donor programming, limiting damage and increasing sector productivity, whilst opening up other opportunities to use savings, and to leverage complementary investments.

Joint risk analysis

Analysing risks jointly is required to properly understand the complex risk landscape of partner countries and how these risks interact between different layers of society. Joint risk analysis will also establish a clear platform to plan and implement programming amongst governments, the development, and humanitarian and risk management communities. It will allow different actors to share information (and thus increase access to new information) about risks and the trends that act as risk drivers, and about programming intentions to address risk. A shared analysis of risk will also increase ownership and the buy-in necessary for resilience to be integrated across different forms of programming. It should also lead to more honest discussions about how risks should be reduced, transferred, shared or accepted, and the relative strengths and complementarities between donor capacities and priorities. A common picture of the risk landscape could enable better synergies between different development, climate change and humanitarian actors, leading to a better articulation between, or even joint implementation of, donor programming addressing risk. Finally, a shared and more complete analysis of the risk landscape, and of power structures, will decrease the potential for unintended consequences, and allow more informed decisions on managing trade-offs and dealing with the uncertainty of future risk.

Risk assessments need to be comprehensive, and require a robust governance framework with agreed definitions and rules, to ensure consistent and reliable outcomes[6]. They also need to be simple, and appropriate for developing country contexts, where complete information and credible data sources may be more difficult to obtain. Effective risk assessment should provide the incentive for development partners to align their efforts towards addressing high priority risks – those that have high probability and high likely impact on the things that people and nations value; whilst planning for long-term programming that addresses less urgent risks of disaster and the cumulative negative impacts of frequent and low-level events. To do this, risk assessment outcomes need to be effectively communicated to key policy and programming decision makers, and to the people, communities and government institutions that are at risk. Annex 8 synthesises the *G20/OECD Methodological Framework for Disaster Risk Assessment and Risk Financing*, a potential joint analysis methodology (OECD, 2012).

There are many examples of joint risk analysis involving different form of partnerships, including:

- The *System d'Alerte Precoce* (Early Warning System) of the *Dispositif National de Prévention et Gestion des Catastrophes* in Niger gathers risk information from various government departments, in coordination with the United Nations agencies and local and international NGOs.
- Geopolitical risk and security analysis between the Ministry of Interior of Niger, UNDP and the World Bank, serving as the key product used by many donors.
- The *National Operational Assessment of Hazards (NOAH)* early warning package of the Department of Science and Technology in Philippines for multi-hydro-meteorological hazards, with linkages to government agencies monitoring geophysical hazards. It involves a broad ranging partnership between government and international scientific and agencies, private sector technological companies, supported by international development agencies including AUSAID (Australia), JICA (Japan) and KOICA (Korea).

- AUSAID in the Philippines is associated with three key risk management initiatives with JICA, the Asian Development Bank, the World Bank and GIZ that involve risk analyses and mapping, in conjunction with government departments, government scientific agencies, international data collection companies and UNDP including (i) BRACE in Manila (Building the Resilience and Awareness of Metro Manila Communities to Natural Disaster and Climate Change Impacts), (ii) READY (risk mapping of urban and rural watersheds prone to hydrometerological hazards) and (iii) Project Climate Twin Phoenix (disaster risk reduction and climate change adaptation integration in two cities in Mindanao).
- The USAID Philippines country strategy was informed by an economic risk (and growth) analysis in partnership with a Joint Chambers of Commerce assessment.

Joint humanitarian and development analysis and planning

Joint humanitarian and development actor participation in risk analyses and programming planning should ensure that (i) humanitarian principles will not be compromised and that any joint programming will not dilute the mandate and strengths of humanitarian actors, and conversely (ii) that humanitarian operations are not used to substitute for development programming given problems in absorption capacity of local actors and donor budget consumption considerations.

The articulation of humanitarian and development programming behind a common planning process should be used to address both the symptoms *and* causes of risk. The role of humanitarian agencies in creating the platform for long-term risk management and resilience-building is important, particularly given the increasing recognition of disaster cycles and the fluctuating dynamics of needs and risk of complex humanitarian disasters. Working together will also help to mitigate the diversion of humanitarian resources to solve structural risk issues, leaving more resources to upscale rapid action for crises, and the possibility to better address forgotten and long-term complex emergencies. Two key examples emerge from Niger, demonstrating joint humanitarian and development agency coordination on the risk of food and nutrition insecurity:

- The DNPGCCA and the 3N (*Les Nigériens Nourrissent les Nigériens*) initiatives envisage the involvement of a collection of government ministries, UN agencies, and aid organisations responsible for both humanitarian action and long-term development.
- The United Nations system organised a cross-agency retreat on how to integrate resilience into programming, feeding into the biannual UN Development Action Framework. Subsequently, a joint Memorandum of Understanding between FAO, WFP and UNICEF has been set up to facilitate a joint development and humanitarian approach to food and nutrition insecurity.

Leveraging of new funding mechanisms and investment

A coherent and joint understanding of the risk landscape opens up opportunities for donors to seek additional funds or to better link existing funding lines within their own houses. It could help raise the profile of high-risk countries on the international stage, with resilience-building providing extra confidence for both public and private investments, in was had been considered an overly risky environment. Joint donor and private sector risk analysis exercises (without further obligations) are a potentially important entry point to sharing risk information and creating a forum to further explore concrete partnership in programming. Other forms of international government investments, such as concessional loans and trade, can also be better linked with development co-operation and humanitarian assistance behind a common resilience-building approach to address the same risk landscape.. These links can be achieved via joint planning and country strategy exercises between different investment stakeholders within a single donor, and amongst the donor community; informed by a common risk analysis exercise. Ideally this can be done at a country level, if donor funding processes are sufficiently decentralised. Joint approaches have been influential in leveraging pooled donor financing and resources, for example in Niger, the DNPGCCA is supported by a pooled fund comprising at least 15 international donors, the 3N initiative involves a specific 'FISAN' funding mechanism that also allows joint donor investment and action across different projects, and the Niger Pilot Programme for the Climate Resilience unifies the resources of the World Bank and the African Development Bank. Joint resourcing can extend to joint programming, as is the case with the combined efforts of (i) JICA, the World Bank and AusAid for the *Metro Manilia Flood Risk Masterplan* and (ii) the ADB, GIZ and the BMZ for the *Cities Development Initiative for Asia* that further leverages funding from a range of different sources (Section 5.1).

Creating opportunities for building on existing relationships

Different donors, different parts of government and different operational actors work in different ways, and address development challenges at different layers of society, targeting individuals, communities, and/or states and their institutions. Bringing these actors together to conduct joint risk analysis and planning will help to exploit and extend the different relationships of trust between different actors, necessary for long-term resilience building. Further, it can increase access to potential development solutions for risk, and uncover new ways of working together to cover the risk landscape at different layers in society. Joint learning and evaluation can be promoted across the different actors involved, acting to exchange best practice and better identify what risk management and resilience-building practices work in a particular context. Opportunities for exchange and cooperation between donors that support programming exist in different forms, beyond joint programming:

- Working groups on risk management supporting the national government strategy, example: the Climate Change working group of the Philippines Development Forum.
- Cross-border consultations for working on regional risk issues, example: regional seminars in the Sahel on development and security by the United Nations and the African Union, transferring the Niger Security and Development Strategy approach to trans-border Niger countries, first held in Chad.
- Joint donor-specific platforms, example: the Niger DAC working group and the EU *Joint Planning Initiative* (linked to EC *Agenda for Change).*

Step-wise integration of resilience into programming

Sequencing different programming efforts has been used by several donors, beyond joint donor action, to progressively cover more risks and different layers of society. Sequencing also allows a donor to take 'small steps' in order to evaluate their ongoing commitment to resilience-building and to allay the fears of upper management and key decision-makers charged with allocating public resources to development and humanitarian agencies. Sequencing can involve linking up existing resilience-building for different 'natural' and biological hazards, then extending to other man-made risks (for example, the institutional roll out of resilience into DFID country offices). Similarly, programming can start at a specific layer in society and work it's way up or down, or, as has been the case for different fragile states (for example, the DIPECHO/ECHO strategy in Haiti), to start at both the national and household layer, then merge these later at middle layers of local government. In this case different types of actors are involved in programming at the national and local levels. In all cases, a comprehensive risk analysis and planning exercise is required to define the steps and timing of sequencing for resilience-building over a long-term timeframe. This needs to be backed by a long-term commitment to the process that may go beyond national country strategy and donor development funding cycles, particularly for long-term infrastructure.

Highlighting existing international political commitments

Harnessing the continuing international political traction for addressing risk and building resilience is also a useful tool for promoting resilience in-country. Reference can also be made to the need to honour existing commitments that touch on risk – including those made at Busan (4thHLF, 2011), under the Hyogo Framework for Action (UNISDR, 2005), for Human Security[7], under the New Deal (International Dialogue, 2011) and in other fora, including commitments made by individual donors. It is important for donors to help demonstrate how these commitments can be integrated into planning and programmes that impact on sub-national levels, and how, in turn, local-level concerns can inform the formulation, evaluation and adjustment of international donor commitments concerning risk. The Niger DAC committee and other key risk management structures, such as Disaster Risk Reduction Management Council of the Philippines and the DNPGCCA Consultative Working Group in Niger are important interfaces between national programming and global policy that can be better harnessed by staff in donor capitals and country teams.

5.3 Incentives that address institutional challenges

The following incentives assist the integration of resilience into donor processes in order to meet institutional challenges:

Political support

Senior management should ensure that the reasons why they are engaging in resilience are properly communicated to parliament, to the public, and to staff. This can be facilitated by conducting an internal scoping report that measures the impact on donor investments, reviews how this impact is currently addressed by risk management approaches, and identifies the further work necessary to reduce the impact to an acceptable level. Senior management and those responsible for funding allocations should ensure that the required impact and cost-benefit evidence is built into and synthesised from country programming. Risk management and resilience 'champions' amongst upper management are the key for establishing political support across different operational and technical donor divisions, that act to harmonise and connect existing risk management fragmented between different processes and parts of the donor structure. There are examples in DFID, USAID, AECID (Spain), the World Bank and the Asian Development Bank where a mandate has been given to move ahead with an institutional positioning on resilience.

Setting resilience as a core goal of development programmes

There are two possible routes to ensure that resilience is taken up in donor organisations – establishing it as a cross-cutting issue, or specifying that resilience is an overall programming goal. Each donor will need to take the approach that best fits with its own organizational culture. Lessons from integrating gender and environment into programming in particular donor contexts could be useful. A specific goal is favoured by many donors within Niger and the Philippines, and is used to highlight risk and resilience as key new issues to be considered by donor staff. However, as outlined in Box 5.5, this is ideally a transitional strategy to a more long-term integration within all pillar and goals given the interconnectivity of impacts of programming between different pillars

Setting clear political boundaries and ensuring responsible business dealings

Addressing geopolitical risks or other risks in a context with political difficulties and/or economic inequity will inevitably require resilience-building capacities that will change the existing power structure. Given the known interconnectivity between risk from 'natural', geopolitical and economic threats, it is increasingly difficult to justify engaging in building resilience selectively, ignoring geopolitical risk, power structures and inequity, particularly in fragile states. Donors need to take clear and informed decisions on how they engage in these issues, with the potential for joint donor action to harness different strengths and local relationships to achieve change. Each donor needs to balance this action against their foreign policy, historical reputation, security management and tolerance level for risk taking in their investments. Further, donors need to be clear about the negative impacts of how they negotiate and implement their trade and business interests with national governments. Transparent and accountable dealings should be promoted where possible, that look for ways of sharing generated wealth more equitably with the citizens of the country. Short-term financial gains achieved in an improper way may reinforce structural problems; that in turn devalue other donor investments in long-term development cooperation and loans.

Provide staff with guidance for advocacy, programme design and implementation

Staff in the field may be ill-equipped to advocate for greater partner countries understanding of their risk landscape and higher prioritisation for resilience. They will need guidance and support, ideally from a dedicated team, that can be deployed from donor capitals. These staff should also be able to export lessons learnt and evidence of the benefits of resilience; sharing best practices with other countries yet to engage in resilience. Donors at the beginning of an integration process will need to allocate resources for a limited period of time, to enable the support of country teams and key national partners to better enable the integration of resilience, again, with a clearly defined exit strategy, and measurable outcomes. There are preliminary positioning papers and, in some cases, guidelines on resilience coming from DFID (2011), USAID (2012), the European Commission (2012) and the Asian Development Bank (2013).

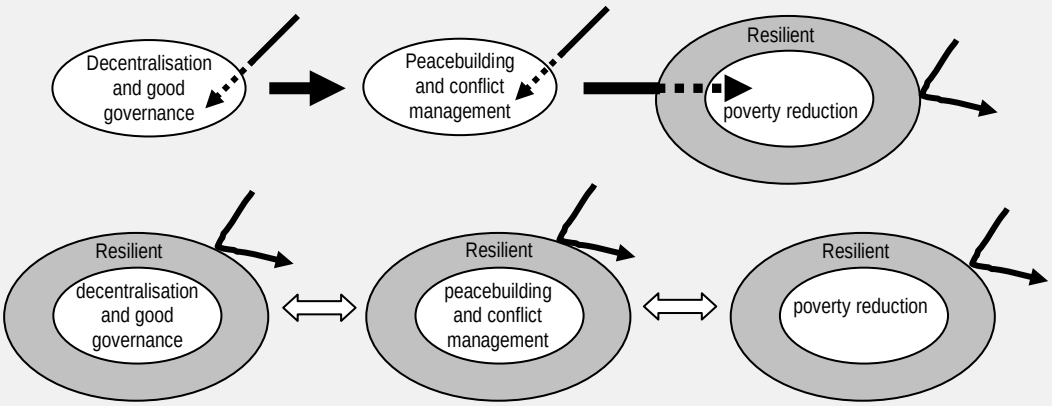
Focusing on implementation in the field

Field personnel are often more pragmatic than donor capital staff in implementing transversal approaches; as they are confronted daily with the risk landscape and are more likely to change established mindsets on risk and resilience. Integrating resilience into donor field programming will mean (i) continuing current good practices that help decentralize planning and decision-making authority to country offices, (ii) providing flexibility in programme design and funding to adapt to evolving contexts, the uncertainty of risk and lessons learnt, and (iii) ensuring that there are sufficiently high levels of country programmable aid (budgets allocated directly to country contexts for programming).

Box 5.5: Mainstreamed or standalone resilience objectives in strategies and programmes?

There is an increasing tendency to make risk management or resilience a specific objective or pillar of donor global or country strategies. Whilst this is a positive step forward for addressing risk, it also reinforces the idea that these issues are separate from other donor business and that risk and resilience are an additional and separate 'sector' amongst the existing range of sectors. This encourages stand-alone resilience programming and funding mechanisms that further isolates risk management and resilience from other donor programming. Stand-alone resilience or risk management mechanisms, financing lines, strategic objectives are ideally transitional, pilots or preparations for systematic long-term embedding of risk management under a resilience umbrella within the core design, validation and resourcing mechanism used by all actors.

Scenario A below illustrates a donor country strategy that incorporates resilience to protect a dedicated development or vulnerability/poverty reduction strategic pillar from shocks (deflected solid arrow) rather than integrated in the initial design phase of poverty reduction. However, this leaves other strategic pillars (such as decentralisation or peace-building) unprotected from external or internal shocks. Given the interconnectedness of risk and its impact, the negative impact of risk in the unprotected pillars has negative knock-on effects to the resilient pillar, eroding risk management gains. For example, although donor country strategies for the Philippines have tried to protect poverty reduction programming in more stable and urban areas from natural hazards, their peace-building and conflict management efforts in the conflict areas of Mindanao did not benefit from the same considerations. Climate change impacts have changed historical cyclone paths, resulting in a large cyclone in 2012 that devastated significant parts of Mindanao, and with it the peace-building and decentralisation gains of aid programming, which was largely unprepared for such an event. Consequently knock on effects or internal shocks (decreased governance capacity in basic services, increased insecurity) undermined the resilience-building efforts of poverty reduction programmes originally conceived to be protected against external shocks.



Scenario B is the preferred option, with resilience embedded in programme and financial planning and validation steps of all programmes, with each protected programme mutually reinforcing the other.

This has a key implication for how resilience and risk management relate to the formulation of the post-2015 development framework, which is often used as a cornerstone of country strategies. Here, following the logic explained above, resilience should be integrated in each one of the MDG/SDGs rather than as a stand-alone goal.

Money and technical resources

Undertaking a risk analysis and measuring the impact of resilience, backed by continuing research, will require some funding and technical support. Donors can justify this support with the message that funding a comprehensive risk

analysis is a relatively inexpensive investment compared with the positive impact it will have on (i) protecting donor and government investments in large development initiatives (ii) the increased productivity of different protected sectors, and (iii) the potential savings made in humanitarian, recovery and rehabilitation operations. Measuring the impact and cost benefit of resilience is of great importance for donors to justify efficient and risk-proofed humanitarian and development investments to parliaments and the general public, and, to better define programming priorities matched to the local risk landscape. For example, DFID has carried out cost-benefit analyses in Kenya and Ethiopia on the savings made in future humanitarian operations using disaster risk reduction, whilst a series of actors predominantly concerned with drought and food and nutrition insecurity are moving ahead with methodologies to measure (and hence justify) resilience (see Section 2.4.3).

Adapting funding mechanisms

Country donor teams and their operators face a risk landscape characterised by change and uncertainty that will challenge the existing funding architecture of many donors. Integrating resilience into programming requires not only technical and operational silos to be broken down, but also some of the rigid boundaries and administrative rules of donor funding mechanisms to be adapted and made more flexible to meet field challenges. One example is adding a 'crisis modifier' to development funding lines to help support action for unplanned crises. Joint strategic planning to address the future risk landscape should be done across different development, humanitarian and technical divisions, but should also involve administrative staff or others that define how different fund mechanisms are constructed. Here, joint operational and technical solutions to address this future can be supported by a better articulation between funding mechanisms and different forms of flexibility and levels of 'risk tolerance' tailor made for the specific context under review. For example, OFDA and DFID have been involved in Joint Planning Cells in formulating risk management planning across traditional humanitarian and development divides for the Horn of Africa countries, and this model is increasingly being used for Sahel countries.

Knowledge management and dissemination

Knowledge management will likely play a key role in supporting staff embarking on a new way of working. This could include establishing communities of practice within donor organizations across policy, technical, operational and quality control divisions. This network could synthesise and share programming practices and impact, disseminating and promoting these lessons and success stories widely, and helping donor capital and country team staff to share experiences. This community of practice can also help generate information to demonstrate accountability to public-resource stakeholders, as well as feeding external donor initiatives to help shape global policy, planning and resource allocation.

Promoting confidence and career incentives

The design of new programmes can be systematically peer reviewed, further promoting a joint vision on risk and resilience-building. This can facilitate innovation and help appropriate differing experiences with resilience. Peer reviews may be more useful than other formal quality control mechanisms as they are perceived as being constructive; rather than as another administrative hurdle to overcome. Staff whose programmes have undergone peer review will likely feel more comfortable in their programming decisions to integrate resilience and more empowered to take risks, given this validation. Appropriate career incentives can help promote programming that systematically builds the resilience of households, communities and states and their institutions. This could mean the incorporation of resilience objectives in job descriptions, and positive rewards for resilience programming in the overall performance management structure. Monitoring the results of resilience-building and widely promoting success stories could help inspire donor staff, other donor organisations and investors to re-focus on risk and resilience and to engage in joint analysis and planning initiatives.

5.4 Putting it all together: an operational example

The Philippine-German *Conflict Sensitive Resource and Asset Management Program* (COSRAM) supported by GIZ (*Deutsche Gesellschaft fuer Internatiionale Zusammenarbeit*) in northern Mindanao of the Philippines is an example of how some of the incentives and best practice outlined in the previous sections has been integrated into a single operation[8]. Significantly, this program did not expressly set out to be a 'resilience program' rather it was envisaged as integrated peace-building and poverty reduction strategy with risk management used to protect core development objectives. The context of the programme demonstrates a challenging and complex risk landscape commonly faced by donors on the ground, characterised by:

- Diverse biodiversity and ecosystems ranging from mountain to coastal settings,
- Great poverty and economic marginalisation, with project areas in some of the poorest areas in Mindanao,
- Diverse indigenous minorities living in remote areas with particular gender challenges, around 20% of the local population,
- High exploitation of natural resources including mining and logging, with northern Mindanao as the centre of mining in the Philippines,
- Hydro-meterological and geophysical hazards, with impacts of climate change seemingly increasing the risk of cyclone in Mindanao,
- Pervasive conflict manifested in a communist rebellion with roots in conflict over land use and tenure,
- Powerful clans that concentrate economic and political power,
- Large body of non-harmonised legislation from the national level, with an unclear vision over the priority and jurisdiction of legislation impacting on land-use, natural resource exploitation, ethnic minorities, risk management, and so on.

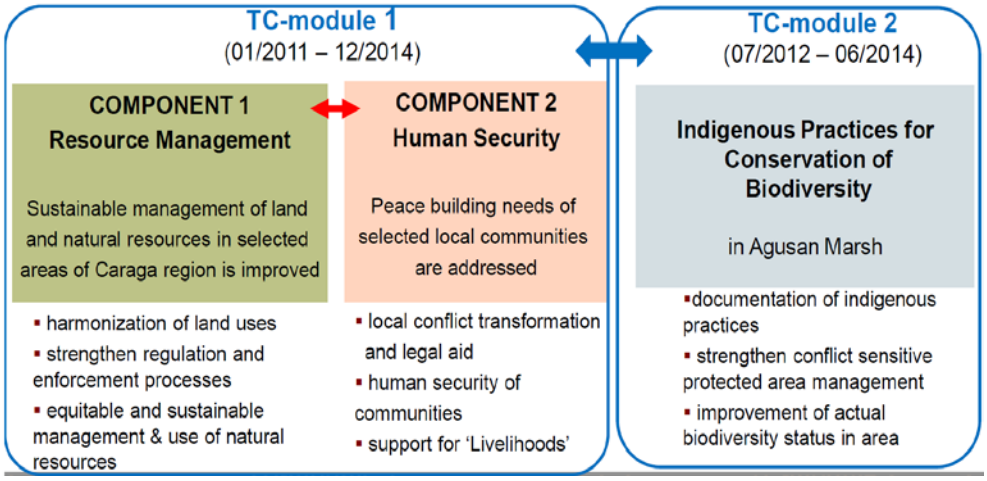
The programme has been based on a solid institutional and country platform by the Philippine and German governments (being supported by BMZ and its technical implementation institution, the GIZ). Here, disaster risk management has been integrated into humanitarian and poverty reduction issues through a series of positioning and guidance documents over the last 10 years. Resilience is being expressly supported by the recent *Strategy on Transitional Development Assistance: Strengthening Resilience – Shaping Transition* (BMZ, 2013), whereas operations in conflict contexts are supported by the *Risk and Crisis Management Manual*. Finally risk is embedded to some extent in core programme management tools, in this case the institutional management model for sustainable development outlined in the *Capacity Works* process that programme managers follow when setting up programming. At the country level, a sequencing strategy has been used by the country whereby the COSRAM programme used many of the experiences of the *Environment and Rural Development Programme* and the *Decentralisation Programme* in the Visayas region that integrated local governance, environment, development planning, private sector promotion and disaster risk management dimensions, adding an extra conflict dimension in the COSERAM programme. Planning for COSERAM in Mindanao was informed by an overall needs and risk assessment in 2008 in the respective region, followed by a participatory community peace and conflict assessment in 2009, with regular joint Peace and Conflict Assessments (PCA) and Do No Harm (DNH) checks with key programme stakeholders throughout programme implementation to monitor changes in the risk landscape.

Implementation of the programme was preceded by a social preparatory phase that started to help local groups to find their voice and to incentivise different groups to be part of the programme through a series of introductory meetings, public hearings and meetings with local governments, line agencies, civil society and the donor community. This was undertaken before the overall planning stage, acting as an extension of the assessment phase.

The programme's overall goal is the improvement of governance of natural resources in a peaceful and sustainable manner, benefiting the communities. It comprises three key pillars responding to major peace building and development needs and root causes of the conflicts and risks identified in the assessments. The pillars have been sequenced in two Technical Cooperation (TC) modules, as represented in Figure 5.2, and one Financial Component. In the two TC Modules absorptive and adaptive capacities related to conflict and natural hazards are built into Components 1 and 2, with transformational capacities built into Components 2 and TC Module 2.

The programme works at linking different layers of government and society, with a strong emphasis on addressing governance issues and embedding of programme practices within local government, building their capacities and clarifying the role and applicability of government legislation and regulations. As mentioned, planning and implementation are informed by a political economy understanding. There is a strong emphasis on the interplay of natural resource and ecosystem management with the use of a 'Ridge-to-Reef' approach recognising the inter-linkages between different land types, land use and the potential risks generated by both natural hazards and man-made conflict processes.

Figure 5.2: The three core technical pillars of the COSERAM programme merging resource management, human security and indigenous practices for the conservation of biodiversity.



Source: Internal GIZ presentation on the COSERAM project

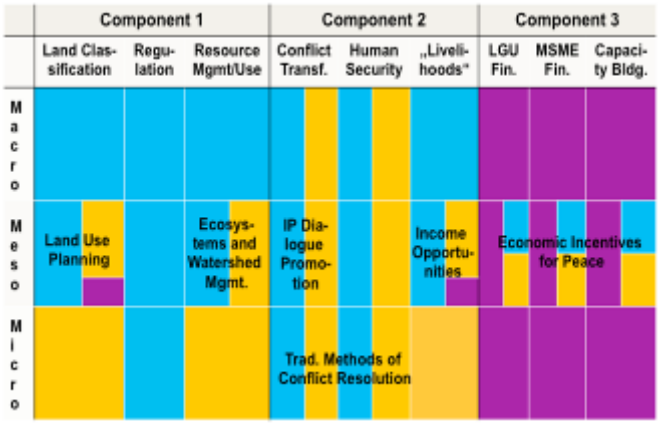
A key feature of the programme is to link different stakeholders, between different layers in society. The programme uses a two-tier management structure based around national and regional steering committees, ensuring a linkage between national and local government actors across the key line ministries responsible for planning, the environment, security, indigenous peoples, coupled with key civil society and private company actors. This better allows the upscaling of national initiatives into local action, whilst ensuring that local concerns are expressed at the national level. This also allows more informed decisions on managing competing interests and the inevitable trade-offs between conflict parties, land use groups, vulnerable groups including indigenous people and women, and the government.

The set up and management of the programme involved a multi-sector and multi-layer approach that used the complementary strengths and involved joint planning between different German institutions, including technical contribution (blue) and personnel contribution (yellow) of GIZ[9] and financial contributions (violet) by KfW, German Development Bank), (Figure 5.3).

Although the programme has been initially carried out over a 4-year phase, the long-term vision of the programme will require further cycles to sustain initial impacts, particularly in transforming governance structures and relations between land-use and conflict stakeholders.

Figure 5.3: The division of responsibility across multiple sectors and scales between different German government agencies and instruments of support

Synergies of the technical, personnel and financial contribution by GIZ (formely GTZ and DED) and KfW



Source: Internal GIZ presentation on the COSERAM project

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[1] The following sub-sections draw on results from studies in Niger and the Philippines and discussions within the OECD.

[2] An overall list of recommendations for better implementing disaster risk reduction linked to the post-2015 Hyogo Framework, compiled by the Global Network of Civil Society Organisations for Disaster Reduction, has synthesized consultations with local NGOs on how to strengthen the resilience of communities to all hazards. It brought together 21,500 local respondents from 57 low and middle-income countries(Global Network of Civil Society Organisations for Disaster Reduction, 2013).

[3] Investigating these links was beyond the scope of this report, but this is strongly recommended to be further documented. There are already many initiatives developing and much potential to further this (UNISDR, 2013; WEF, 2013)

[4] Coordination Unit for Humanitarian Crises

[5] Interview with Marikina City Disaster Risk Reduction Management representatives.

[6] This paragraph is derived from the, see Annex 8.

[7] UN General Assembly resolution A/66/L.55/Rev.1

[8] Refer www.giz.de/philippines and www.coseram,caraga.dilg.gov.ph for more detailed information.

[9] Technical contributions came formerly from GTZ (German Technical Cooperation) and personnel contributions from DED, German Development Service which supports state and civil society organisations with international technical experts to work within the institutions. GTZ and DED were merged in 2011 to form the GIZ (Deutsche Gesellschaft für Internationale Zusammenarbeit). All the different instruments of support (including also the Civil Peace Service Programme seconding conflict transformation experts to local institutions) are all maintained to maximise the impact and different potentials they have.

6 Key finding and Recommendations

6.1 Key findings

This study has reached the following key findings that inform the following Recommendations section:

1. Donors and those they fund have engaged in resilience, largely on the back of a political agenda, which does not offer much intrinsically new. Only a handful of donors have backed up this agenda with clear technical and operational guideline on how it changes the way donors work in the capital and in partner countries.
2. Many organizations and donors who have introduced the concept of resilience through their humanitarian divisions and have been unable to transfer the concept across to where it is most useful: in the development, climate change, peacebuilding and economic divisions. Further, resilience has been poorly communicated to field personnel – where it is seen as nothing new, or related only to catastrophic disaster risks, or only to food security programming, or is something that has been pushed down from headquarters without consultation.
3. It is imperative to differentiate resilience as a political agenda aiming to bring humanitarian and development actors or different sector and/or thematic worker together from resilience as a technical approach with real added-value. A resilience approach does not replace risk management. Instead, resilience as a technical approach builds on and better binds together current silos of risk management approaches, rather than replacing them, using resilience-building capacities in order to better protect core development programming, from changes in risk and the uncertainty attached this change.
4. Resilience-building is seen as a dynamic and iterative process of applying absorptive, adaptive and transformative capacities to (i) analysing risk and core needs and decision making, (often working together), (ii) core programming and risk management objectives (such as vulnerability or poverty reduction or different sector/thematic aims) in order to jointly strengthen components that make up a targeted resilient system. Building resilience is both about agency: building capacity for people to make optimal choices about the risks they, and those they are responsible for, face. It is also about minimising impacts that undermine the well-being and living standards of people within and outside of programming. This requires a good understanding of the power dynamics between institutions, local groups and people.
5. Many current donor investments are not protected against risks and shocks, and thus, do not reflect the real costs of achieving the objectives of the donor's programmes. Further, the cumulative effects of low impact and frequent events is not adequately accounted for in resilience approaches. The degree of responsibility for managing risks, and thus the need to be resilient, changes between different layers – the individual, community, or state and its institutions – depending on the scale and the nature of the risk.
6. This study outlines changes to current risk management analysis and planning including adding a power economy analysis, that maps and analyses power relations between groups and people, and a resilient systems component analysis that compares science and research, with local knowledge and programming best practice to define what components make up a resilient system. For long-term risk and programming, a backcasting method aid planning that works backward from a future and desire resilient state rather than working forwards to address future conditions predicted by forecasting.
7. The G20/OECD Methodological Framework for Risk Assessment could be a useful tool – with some minor modifications – for jointly assessing risk in developing country contexts, and thus for prioritizing and targeting policy and programming decisions to build resilience. This approach could help systematize joint risk assessments between donors, which are currently rare.
8. This study formulates a Template for Resilience (T4R), derived from a range of best practice spanning different contexts, shocks and stresses and organized by resilience building capacity and layer in society. This can potentially be used as reference template when evaluating proposals, planning and evaluating programming that integrates resilience.
9. Measuring risk, still relatively a new field, is imperative for demonstrating impact and being accountable to public finance decision-makers, to motivate government and local actors to more fully engage in resilience-

building, and to help adjust programming to better achieve resilient system outcomes. This study provides a simplified overview that explains the core principles for measuring resilience.

10. Standalone resilience projects or programmes are probably less useful in the long-term than incorporating a focus on building resilience, especially to high probability, high impact risks, into all programme design and planning processes – whether they be development, humanitarian or climate change. This is because risk management and resilience are identified as a specific sector rather than a transversal approach, and because those elements of programming unprotected from risk can potentially directly or indirectly, via knock-on effects, undermine the gains made in other protected elements of programming.
11. Contextual disincentives to resilience include the lack of prioritization of resilience by partner countries, no natural or centralised 'home' for risk management in partner government structures, lack of absorption capacity, fragmented legal structures, cultural factors, problematic access to risk information, insecurity and economic barriers.
12. The way donors plan and implement programmes can also create powerful disincentives, including un-coordinated planning cycles, centralized decision making, the separation of humanitarian and development programmes, a perception that risk is 'complicated', contradictory career incentives, and risk aversion in investments.
13. Incentives for building resilience into existing and new donor programming include continuing high-level political support backed by resources, providing appropriate seed funding and resources for risk assessments, focusing on implementation at field level (where mindsets are more pragmatic), integrating resilience using sequencing of small progressive steps, creating a culture of contestability in programming, fixing appropriate performance management incentives, providing knowledge management systems, and widely promoting good results.
14. Funding needs to be long-term and flexible, with existing funding lines better articulated together via joint planning exercise, in order for programmes to build resilience effectively, and adapt to the evolving risk landscape. Building resilience aspects into concessional loans and linking these to the strategic stakes of development cooperation may provide useful additional funding streams.
15. Donors should embed simple resilience criteria into generic (and apolitical) programme and project management methodologies, including validation and evaluation processes used by all sectors to ensure that resilience and risk management is considered across institutions, and is insulated against change in policy and priorities. This is further reinforced by ensuring that risk management and resilience criteria are part of the annual budget allocation processes requiring a 'tagging and tracing' methodology that allows the tracking and calculation of allocated funds. This means engaging with quality control/evaluation and administrative staff to accomplish this.
16. There is very little comprehensive guidance on how to systematically embed risk and resilience across the structure and processes of a donor institution, nor within the processes used by donor country teams. This study has proposed a Resilience Integration Process that helps a donor structure and sequence measures along four key institutional steps using a range of incentives: carrying out an institutional review on risk and resilience, gaining the political mandate for integrating resilience, creating a platform of policy, guidelines, research and experts, that enables the progressive integration of resilience throughout donor capital and country teams.
17. This study proposes nine key steps for systematically integrating risk and resilience into country team processes, including: engaging with integration process, carrying out a comprehensive risk analysis package, establishing a strategy and action plan for integrating resilience, adjusting current programming, launching applied research initiatives, integration with country strategy and national government strategy, integration into new programme and projects.
18. Lessons from OECD countries, including in business continuity planning, supply chain management, public-private partnership, and risk financing and transfer mechanisms, could be useful in developing country contexts, and for donors working in those contexts.

6.2 Recommendations for future investigation

The following options are based on the key findings from Phase 1 and are proposed in this study in preparation for the upcoming meeting of the Resilience Experts Group that will discuss these under a Phase 2 proposition.

A. Deepen the work undertaken in phase one

Security constraints in Niger linked to the Mali rebellion, and in the Philippines leading up to the general election, meant that the study was only able to visit urban projects and local government staff and NGOs in Manila. There was not enough scope or time to do a clear enough comparison between the how risk and resilience function in key types of contexts that development donor support. Phase 2 could potentially deepen the study methodology in a fragile state, a stable least developed country, and a middle income country to compare and contrast how resilience can be integrated into the programming of each one of these contexts. This would also mean testing how the different tools outlined in this study need to be altered according to the context, and broadening consultation to other key actors implicated in resilience-building, including:

- Populating the Template for Resilience
- Undertaking a basic Resilient systems analysis to better define the resilient system components
- Looking more closely at the methods for measuring resilience, and the indicators that would match the resilient system components.
- Look at decision-making methodologies that promote resilience-building considerations, testing the feasibility of backcasting versus forecasting decision-making methods
- Spend more time consulting with non-traditional donors and investing partners, examine how loans are used, consult with different chamber of commerce and industry platforms and detail more the possibilities of harnessing different parts of large multilateral bureaucracies such as the development and loans Banks.
- Spend more time targeting local government, who are the key linkage between citizens and national government

B. Work on increasing acceptance for resilience programmes across different donor departments

A number of findings from phase 1 point to areas where resilience could be better embedded in donor organisations:

- There has been poor communication of the concept of resilience from headquarters to the field
- The introduction of resilience as a humanitarian concern has been counterproductive – alternatives to humanitarian departments designing the approach are needed
- Donor staff who have control over programming decisions, especially quality control staff and current risk management staff (who mostly focus on institutional risk), could be useful allies
- Ministries of Finance in donor countries may also be useful allies

This area of work could potentially be taken forward by identifying willing donors, and working with them to embed a resilience approach across the organisation. Learning from private sector business continuity planning approaches could be useful, and best practices in this area are already available in existing OECD research. A better understanding of the trade-offs that donors make, and how these decisions can be optimised, may also be useful.

C. Guidelines for field staff on how to embed resilience in existing and new programming

There is very little guidance for field staff on what resilience actually means, or how to embed the approach into new or ongoing programming.

In response to this, we have created a model with examples of how donors can support and build absorptive, adaptive and transformational capacities (available mid-June).

This model could be extended during Phase 2, in order to provide field staff with the resources they need to design programmes that build resilience in different contexts and faced with different risk profiles.

D. Furthering understanding and experience of joint risk assessments

The G20/OECD methodological framework for risk assessment was adapted for developing country contexts during Phase 1. Joint risk assessments have enormous potential for ensuring that development, humanitarian and climate change actors are aware of the high probability, high impact risks; and that they prioritise actions to build resilience to these risks in their programming.

Pilot joint risk assessments could be conducted in different countries, and lessons learnt and shared with all donors.

E. Move beyond catastrophic risk towards extensive risk

In phase 1 we found that extensive risk – frequently occurring, localised and with a less severe impact – is just as important to target as catastrophic risk. However, the understanding of the following areas is currently weak, and could be deepened during phase 2:

- the characteristics of different extensive risks
- how extensive risk impacts on people, communities and states and their institutions
- how to build resilience to extensive risks

F. Deepen understanding of economic shocks, and of the micro-economic effects of shocks in developing countries

While there is quite a body of literature regarding the impact of the global financial crisis on developing countries, there is less information about the micro level impact of shocks on communities and households (and their individual members), especially in urban settings.

The political economy of aid, especially its role in influencing trade-offs between different options for managing risk, is also not fully understood.

The economic effects of shocks are less likely to be understood by field professionals; this could lead to economic aspects being left out of risk analyses and efforts to build resilience. Developing basic guiding principles on how to assess and address economic risks may, therefore, be of use.

G. Deepen understanding of the governance of risk and resilience

Who owns risk: states, communities and people, and/or development and humanitarian donors and operational agencies, in a given context – who should be responsible for building resilience to each type of risk – could be better understood.

This work could also link up with existing initiatives on risk sharing championed by Australia, and with INCAF's work on risk in fragile contexts.

H. Focus on risk financing and risk transfer options

During phase 1, the components of resilience were defined, and these included the need for access to risk financing.

However, donor support for risk financing and risk transfer options were not specifically addressed in Phase 1. From our limited investigations, it appears that risk financing in developing countries is (if it exists at all) based largely on appropriations from annual budgets. It seems to be difficult to convince legislators to opt for resilience building measures over providing new services and infrastructure, things that are more visible to the public.

Market risk transfer options for states, and for individuals, appear limited in most at-risk countries, often because informal economies do not lend themselves well to insurance and re-insurance options.

Many donors focus on financing risk from annual budgets, often treating risk mitigation and resilience as humanitarian concerns. Investigating alternative risk financing and risk transfer mechanisms for donors – including options for transferring risk to the market, may be useful.

I. Target loans for resilience funding

Concessional loans could provide a useful new funding tool for resilience building. Ministries of Finance, who often manage loan portfolios in donor countries, may be more receptive to ideas of protecting investments and building the resilience of communities, assets and economies. Concessional loans currently account for about 15% of total ODA from DAC members (2011: USD 16.3 billion), and this amount is likely to rise.

J. Explore avenues for working with the private sector for building resilience

Multinational organisations and local businesses are highly exposed to risks and shocks in developing countries, and thus have strong incentives to work to build resilience.

Bringing the development, humanitarian and climate change communities together with the private sector, and looking at ways that aid investments could be leveraged to attract private sector investments in building resilience, could open up alternative funding sources for this area.

K. Lobby for resilience as part of the post-2015 process

Current indications are that resilience is likely to be part of the post-2015 framework.

The Experts Group could consider developing a common position on resilience in the post-2015 framework – including whether it should be a stand-alone goal, or integrated across the other goals.

L. Improve methods for measuring and communicating the results of resilience programmes

A key finding of phase 1 is that there are currently no widely accepted indicators to measure the results of resilience programming, or to facilitate reporting to donor country taxpayers and parliamentarians.

Work could be undertaken to look at how the components of resilience could be used to set resilience baselines and determine improvements, or whether other overall measures of resilience would be more useful. This work could build on existing initiatives in the food security sector.

M. Establishing a resilience marker for ODA commitments

Currently there are few means for tracking ODA funding that includes resilience components. Much criticism has been leveled at donors for not providing adequate funding for resilience, however this is based on incomplete data (that is likely under-reported) and numerous assumptions.

Experience with the OECD/DAC gender marker shows that although the marker is not always consistently applied, it does encourage programme decision makers to consistently think about gender when designing programmes. This could also be a useful outcome for resilience.

N. Applying lessons from OECD countries to developing countries

The OECD has a wealth of information about how to build resilience to risk – including on resilience to social unrest and to potential future shocks, and on business continuity planning, supply chain management, public-private partnerships, and risk financing and transfer mechanisms.

All these areas could be useful in developing country contexts, and for donors working in those contexts.

The experts group could review all these areas and translate the lessons learnt and best practices into potential programmes for building resilience in developing countries.