



From Growth to Wellbeing - by GIZ & Partners

Strengthening Resilience

Conflicts and wars, pandemics and climate change have shockingly revealed how fragile current economic systems and societies truly are.

The progress made in sustainable development is fragile. The pandemic, conflicts and war, and the climate catastrophe reveal the vulnerability of nature and life as well as the fragility of today's economies. Poor and marginalized groups remain the most vulnerable as rapid changes and new risks, induced by digitalization, globalization, and climate change, threaten to erode livelihoods and wellbeing. For example, the pandemic has triggered increased violence against women and girls. Least developed countries suffer from weak economic growth, rising inflation and supply-chain disruptions. These difficulties are exacerbated by the war in Ukraine, which has caused food, fuel and fertilizer prices to skyrocket globally and threatens global food security.

These developments threaten to reverse the gains of development achieved over the last few decades. According to recent estimates, climate change may push more than 720 million people back into poverty by 2050.

Resilience is the ability of natural and human systems 'to bounce back' or recover from an external shock while mitigating structural damage.

In this context, resilience describes the ability to better deal with changes and risks as outlined above – 'to bounce back' or recover after an external shock has happened while reducing immediate adverse impacts. Resilience spans over multiple dimensions, including

individuals, households, and social and natural systems. The term resilience is being used since the 1960s, and has gained more and more attention ever since; especially within the debate on Climate Resilient Development since the Paris Climate Accords of 2015. It should be noted that in development literature, resilience has a wide range of meanings, and there are multiple frameworks for defining and measuring resilience. The concept of resilience overlaps with those of vulnerability, adaptive capacity, and risk, and strategies for risk management, adaptation, and transformation. Instead of limiting it to a narrowly defined concept, it should be seen as an entry point to bring together practitioners and policy makers from different sectors, and to promote inter-sectoral and integrated approaches.

The resilient capacity approach creates a pathway out of poverty

Resilience encompasses a set of capacities, which need to be mobilized in response to a shock or stressor, in order to mitigate its adverse impact. The so-called resilient capacity approach has been widely used to inform development programme design and appraisal:

- » **Absorptive capacity** describes a system's ability to maintain its original structure or functioning by absorbing infrequent and low-magnitude risks, either by anticipating or responding to a shock. This relates to the ability of households and communities to minimize exposure to shocks if possible and to recover quickly after exposure. **Examples of interventions to strengthen absorptive capacities:** Informal safety nets, such as mutual support and saving groups; shock preparedness & mitigation; insurance solutions

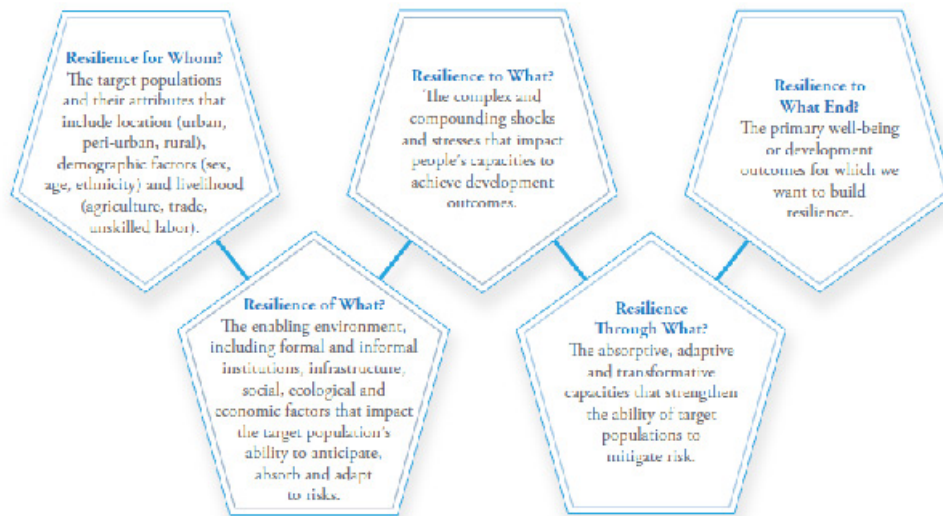


Figure 1: The UN Office for Disaster Risk Reduction (UNDRR) defines useful key questions to guide the discussion around resilience

- » **Adaptive capacity** refers to a system's ability to make small adjustments to its existing risk management strategies, improving its original structure or functioning in anticipation of future risks. This relates to the ability of households and communities to make active and informed choices about their lives and their diversified livelihood strategies based on changing conditions. Adaptive capacity is enabled by access to various key resources: assets; economic, social and institutional stability; social capital; access to resources and entitlements; and power. **Examples of interventions to strengthen adaptive capacity: human capital investments including basic literacy and education: access to financial services; improvement in livelihood diversity including crop production, wage labor, remittances etc.; exposure to information**
- » **Transformative capacity** means a system's ability to fundamentally change in its structure or functioning and adopt new strategies to move beyond vulnerability thresholds. This relates to system-level changes that ensure sustained resilience, including governance mechanisms, policies, cultural norms, and psychosocial factors informing people's aspirations and reach consensus on how to adapt. **Examples of interventions to strengthen transformative capacity: formal safety nets, access to markets, infrastructure, and basic services such as schools, health centers, security services.**

The three dimensions are interdependent. Resilience

cannot be built by focusing on one dimension only. Consequently, development interventions should address synergies between them. This requires inter-sectoral efforts by a range of programmes and sectors together.

There is a window of opportunity for strengthening resilience for sustainable development now

Resilience is not an end in itself, but an enabler to achieving sustainable development goals, such as food security and poverty reduction. Despite the drastic negative effects, rebuilding economies after the pandemic presents an opportunity for strengthening resilience in all dimensions of sustainable development – for example by building reliable social protection systems, 'greening' carbon-intensive industries, and protecting natural assets or public goods. In consequence, economies and societies should not return to their initial 'equilibrium' but should 'recover forward' by explicitly focusing on environmental sustainability, economic empowerment, and social inclusion in their efforts.

Strong social protection systems are essential to strengthen resilience of the poorest and most vulnerable

As deep changes and shocks become more frequent in light of ongoing transformations and megatrends, the question arises how development partners can

support governments to make societies and individuals more resilient for the future.

Concerted efforts across sectors are needed. Within this multi-sector resilience agenda, social protection plays a central role in strengthening the capacity of people to prepare for, cope with and adapt to the negative impacts of shocks and stresses on their livelihoods. "Shock-responsive", "climate smart" and "adaptive" are terms commonly used to label social protection systems that have the capacity to address shocks and stresses, e.g. by providing temporary transfers and services during periods of acute economic and livelihood disruption. Over the long term, adaptive social protection systems provide a pathway to more resilience for households that allow them to move out of chronic poverty. Social protection has played a key role in responding to the COVID-19 pandemic, and governments worldwide have stepped up their efforts to develop, adapt, or extend social protection measures to protect their population against social and economic impacts of the crisis. It became clear that countries with solid social protection foundations are able to respond more rapidly and efficiently to the challenges posed by a global crisis.

Imprint

Published by:
Deutsche Gesellschaft für
Internationale Zusammenarbeit (GIZ) GmbH

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Siedepunkt kreativagentur GmbH

GIZ is responsible for the content of this publication.
Eschborn 2022