

#### **POLICY BRIEF SEPTEMBER 2020**

# **Building back better**

**Ensuring COVID-19 response and recovery builds long-term** resilience to climate impacts

## **Summary**

While the COVID-19 pandemic has massively disrupted lives and livelihoods, it also provides a once in a lifetime opportunity to create a safer, more resilient world able to adapt to the threat of climate change and other perils. Within COVID-19 recovery and economic stimulus packages there will be opportunities to address multiple risks, including climate change impacts. This policy brief outlines recommendations and questions to consider to help policy makers incorporate resilience and systems thinking into stimulus and recovery packages so communities and governments can be more resilient to the multiple risks the world faces.



Photo: Practical Action

#### Recommendations

- Fund urgent needs, but avoid short-term thinking during the COVID-19 response phase; link humanitarian funding with longer-term resilience building efforts.
- Enhance global, national, and community support for a systems- and resilience-focused approach to COVID-19 stimulus and recovery plans with due attention for preventing the next shock.
- Recognize the importance of ex ante action and implement a 'prevent first' and 'do no harm' policy and early action mindset.

# **Opportunity amid crisis**

Long before the COVID-19 pandemic, the climate crisis was disproportionately impacting the poorest and most vulnerable people. While reducing greenhouse gas emissions (mitigation) remains a priority, it is equally

important to increase capacity to manage the unavoidable impacts of climate change (adaptation) and build resilience of communities who will be most impacted. There are available solutions: early action, systems-thinking, and investment in community resilience are cost-effective and can save lives and livelihoods.

Countries around the world are spending trillions of dollars responding to the COVID-19 crisis. Still, much more will be needed to build back in a sustainable way. COVID-19 response and recovery packages must be leveraged to build resilience to multiple hazards and maintain momentum on reducing climate-related risks. While the world is facing increased economic hardship, investing in resilience provides a 'triple dividend': it reduces disaster losses, unlocks development potential, and fosters wider social and environmental co-benefits.<sup>1</sup>

The stakes are great if we fail to act and invest in resilience. Flooding will impact an estimated 147 million

See for example, Surminksi, Dr. Swenja, Mechler, Dr. Reinhard, Deubelli, Teresa M., and McQuistan, Colin (2019): https://floodresilience.net/resources/item/generating-multiple-disaster-resilience-dividends

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people annually by 2030<sup>2</sup>, doubling what the number was 10 years ago. Yet, we know from the Zurich Flood Resilience Alliance community field teams and conversations in donor country capitals that, in some areas, funds to respond to COVID-19 are being reallocated from existing humanitarian emergencies, disaster risk reduction (DRR), and development activities. For example, in Indonesia, one local government has already had to repurpose 59 per cent of its contingency funding budget - which normally goes towards flood response - to respond to COVID-19. As budgets are further constrained, donors must ensure that they do not reallocate funding from resilience building activities. Strengthening community resilience to flooding and other climate-related risks supports minimizing economic, livelihood, and personal losses.

## What the Zurich Flood Resilience Alliance is doing

- The Zurich Flood Resilience Alliance has worked to help build flood resilience in communities around the world since 2013. We currently work in 12 countries in Central and South America, Europe, and Asia where we use a systems approach to build resilience<sup>3</sup>, which includes looking at physical, natural, financial, social, and human capitals. This holistic approach provides us with significant lessons<sup>4</sup> for how to respond to and recover from natural hazard events and build resilience against existential threats like climate change. We draw on these lessons as we face the consequences of the current pandemic and plan for a return to a 'new normal'.
- The Z Zurich Foundation has always provided flexible funding to Alliance members. During the COVID-19 pandemic, the Foundation provided further flexibility<sup>5</sup> allowing partners to: conduct a rigorous and systems-based analysis of flood resilience in the communities where we work; improve planning and responses to the coming monsoon season; and, reprogram funds<sup>6</sup> to build resilience in COVID-19- and flood-impacted communities, including providing water, sanitation, and hygiene needs in flood evacuation sites.

- We have analysed data gathered from the Flood **Resilience Measurement for Communities** (FRMC)<sup>7</sup> framework that measures the various facets of what builds resilience against flood risk at community levels. Our analysis shows that with the right interventions communities vulnerable to natural hazards can build resilience to compound shocks (i.e. to floods as well as infectious diseases).
- Our approach to resilience is based on first developing a deep understanding of communities through the FRMC and working with local partners and the communities themselves to identify, prioritize, and implement resilience interventions.
- We are working to expand our learning tools so they can be applied for hazards other than floods.
- In Nepal<sup>8</sup> and Bangladesh<sup>9</sup> we are working closely with our local counterparts to identify new needs that communities face because of COVID-19, and are advocating for donors and governments to address these gaps.

#### **Ensuring a resilient recovery**

As governments and communities develop steps for recovering from the economic consequences of the COVID-19 crisis, there is an opportunity to implement a resilient and sustainable recovery that also reduces rising (compound) risks. Examples include: increasing access to critical systems through new, climate-smart infrastructure; improving livelihood security through cash-for-work interventions; utilizing nature-based solutions; and creating new or strengthening existing funding mechanisms that marginalized communities can access for community-based risk reduction and recovery.

The World Bank has developed a 'Sustainable Checklist for Assessing Economic Recovery Investments'<sup>10</sup> that can help guide governments and donors towards a resilient future. Complementing this checklist - and to ensure resilience thinking is deeply embedded in COVID-19 response and recovery packages - donors and governments should screen their response and recovery packages and ask:

<sup>2</sup> Ward, P.J. et al. 2020 Aqueduct Floods Methodology. Technical Note. Washington, D.C.: World Resources Institute.

https://floodresilience.net/resources/item/aqueduct-floods-methodology 3

The Flood Resilience Measurement for Communities https://floodresilience.net/frmc

See the stocktaking and impact evaluation from phase 1 of the programme: 4

https://floodresilience.net/resources/item/the-zurich-flood-resilience-program-phase-1-from-2013-2018-stocktaking-and-impact-evaluation-report to the stock and the stoc5 For more details read this blog from the Z Zurich Foundation https://floodresilience.net/blogs/covid-19-by-your-side

<sup>6</sup> One example of this is Mercy Corps, work in Jakarta, Indonesia:

https://floodresilience.net/blogs/strengthening-resilience-of-flood-vulnerable-communities-in-indonesia-during-the-covid-19-crisis and the statement of the s7 See https://floodresilience.net/frmc

<sup>8</sup> 

https://floodresilience.net/resources/item/avoiding-a-perfect-storm-covid-19-and-floods-in-nepal 9 https://floodresilience.net/resources/item/monsoon-floods-and-covid-19-building-community-resilience-in-bangladesh-1

<sup>10</sup> Find out more in this blog from the World Bank:

https://blogs.worldbank.org/climatechange/planning-economic-recovery-covid-19-coronavirus-sustainability-checklist-policymakers

- Are we taking a 'systems approach' to recovery from COVID-19? Are we and our implementing partners considering the full spectrum of risks to which communities are vulnerable? Recovery investments should be vetted from the perspective of avoiding maladaptation and maximizing co-benefits. Examples may include recovering and strengthening the local health system not just with pandemic health crises in mind but with health needs for other hazards, such as typhoons, floods, or earthquakes; or ensuring the recovery of the economy does not focus on short-term gaps but provides long-term opportunities, such as low-carbon markets, 'green' industries, youth employment, etc.
- 2. Are we providing enough flexibility to incentivize addressing multiple risks? Communities and implementing partners need flexibility to use funding in ways that best address their unique risk landscape. Systems approaches require flexibility from donors, which includes budget line-item flexibility and adaptive management. Additionally, specific interventions must provide communities with the flexibility to address risks as they see fit i.e. using cash in humanitarian responses to allow communities to purchase the essential goods they need (e.g. soap or tarps to protect their homes) or cash for work programmes to build natural infrastructure<sup>11</sup> and thus help economically devastated communities recover. Recovery packages that address food insecurity can include support for agro-ecology, climate information services, and climate sensitive farming techniques.
- 3. Are current lending practices jeopardizing a more resilient recovery? Are debt payments undermining recovery? A moratorium on debt payments would free up funds for closing gaps in healthcare systems and more holistic responses to the crisis. In March the G20 publicly announced its support for the suspension of debt payments for the poorest countries which will last until the end of 2020. This is a positive first step that should also be adopted by bilateral donors, private creditors, and multilateral development banks – as the alternative to debt suspension and restructuring is debt default.
- 4. Is money going to 'where it matters most'? Prioritize inclusive, just, and locally-led approaches to ensure that solutions respond to local needs, rights, and realities. Several of our teams have built and trained community-based groups to conduct flood risk preparedness, response, and awareness activities in communities. Some of these groups have taken a leadership role during the pandemic, monitoring the health situation in their communities and sharing information with local and national governments.



**Peru:** Bamboo crops for income and riverbank managem Photo: Practical Action

This local empowerment creates capacity for response and ability to work with governments to identify and support community recovery priorities. Funds, capacity building, and support must be directed to where they are most needed in local communities. Targeting of the most vulnerable, including those living in poverty, women, and children, must be done to ensure they benefit from additional resources. The current development architecture makes directing funding to local levels extremely challenging and bureaucratic. Donors and governments should consider revising procurement practices so funding can flow more easily to local governments, NGOs, and communities.

5. Are we protecting and strengthening communities' social capital even in times of physical distancing required by COVID-19? In times of crises, people tend to turn first to their social network for help<sup>12</sup>. Often, these networks are the main (and sometimes the only) source of support people have in a crisis. Teams have reported that physical distancing, while key for curbing viral transmission, threatens to undercut social connections especially in areas of weak digital infrastructure or digital literacy. The erosion of these integral support networks will make recovery from the social and economic devastation caused by COVID-19 and new shocks much more difficult, especially in the most marginalized communities. Mobilizing community outreach using remote communication, public service announcements, or appropriately distanced meetings, could allow local leaders and community groups to conduct broader community outreach, messaging, and action campaigns that tackle the particular threats of COVID-19 in local communities.

<sup>11</sup> See this example of GIZ funded work in Jordan https://www.giz.de/en/worldwide/60465.html

<sup>12</sup> Maxwell D. et al. (2015) Facing Famine, Somali Experiences in the Famine of 2011. Somerville: Tufts University Available at:

https://fic.tufts.edu/publication-item/facing-famine-somali-response/ [Accessed 19 August 2020)



- 6. Are civil society perspectives and needs considered in recovery plans? Building resilience requires an inclusive, whole of society approach. Involving civil society stakeholders is a critical step to ensure actual needs are incorporated into plans. Our resilience approach calls for working hand-in-hand with communities and local government. Additionally, civil society actors can be engaged through phone surveys and online platforms to enable knowledge sharing with decision-makers.
- 7. Do recovery packages fit into long-term development plans that are climate smart and risk informed? As a part of the Paris Agreement, in 2020 governments are expected to update their nationally determined contributions (NDCs) which include important targets for climate change mitigation and adaptation. Governments must craft COVID-19 recovery plans to ensure progress on these bigpicture goals. For example, in Nepal, the Alliance is advocating to incorporate COVID-19 recovery efforts into their NDC programmes.
- 8. Are projects stimulating local economies and addressing livelihood needs to nurture economic recovery from the impacts of COVID-19? Rebuilding local economies will require localized hiring and using

or strengthening local expertise, capacities, and/or businesses. Supporting businesses and local markets during and post-disaster can drive recovery and have a multiplier effect by injecting money into the local economy, improving access to finance, providing economic opportunities for affected individuals, and protecting local networks and social capital. Equitable 'nexus' approaches<sup>13</sup> that combine community-based DRR with market-based economic incentives have been proven to have multiple benefits and should be included in recovery programmes<sup>14</sup>.

Screening response and recovery packages through answering the questions above is one way to ensure that resources are allocated efficiently, with the 'triple resilience dividend' in mind.

Creating a resilient recovery from the COVID-19 pandemic is perhaps the greatest opportunity in our generation to maintain and advance development goals while also reducing risks from the ongoing climate crisis. Strengthening resilience to diverse, compound disasters has the potential to create a sustainable and climateresilient global economy. Turning this crisis around to build back better and to build an inclusive and more just world is an opportunity that must not be wasted.

13 See for example this work by Mercy Corps in Nepal https://www.mercycorps.org/research-resources/testing-market-incentives-disaster-risk-nepal See this Flood Resilience Portal blog https://floodresilience.net/blogs/planning-for-climate-change-during-covid-19-crisis-experiences-from-nepal for more details

The Zurich Flood Resilience Alliance is a multi-sectoral partnership which brings together community programmes, new research, shared knowledge, and evidence-based influencing to build community flood resilience in developed and developing countries.

We help people measure their resilience to floods and identify appropriate solutions before disaster strikes.

The Zurich Flood Resilience Alliance is made up of the following organizations:

Our vision is that floods should have no negative impact on people's ability to thrive. To achieve this we are working to increase funding for flood resilience; strengthen global, national and subnational policies; and improve flood resilience practice.

Find out more: www.floodresilience.net













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