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**PROMOTING RESILIENCE TO THE SHOCKS AND ADVERSITIES OF LIFE: THE DAC AND RISK  
REDUCTION**

**Room Document 2**

**DAC Meeting, 19 September 2011**

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## PROMOTING RESILIENCE TO THE SHOCKS AND ADVERSITIES OF LIFE: THE DAC AND RISK REDUCTION

1. Disaster risk reduction, and the wider question of *promoting the resilience of people, states, regions and economies to overcome the shocks and adversities of life*, thereby supporting the sustainability and cost-effectiveness of poverty reduction efforts, is a key issue for the wider development community. Stronger support for resilience-focused programming is gaining momentum with both DAC and non-DAC donors, in response to calls for greater political and policy leadership, and practical guidance, in this key area.

2. The results of insufficient attention to resilience, and to disaster prevention, are currently playing out in real life. Indeed, 2011 is a record year for all the wrong reasons - with 50 disasters reported in Q1 alone, killing nearly 30,000 people and affecting 8 million others, and with estimated losses already in excess of USD 320 billion, affecting both developed and developing nations. More lives are in danger – over 12 million people are now in need of emergency assistance as a result of the Horn of Africa famine. Never before has the need for collaborative action to reduce risk, vulnerability and exposure of populations, economies and assets been more keenly felt.

3. On August 25 the DAC chair wrote to all Ministers and Heads of Agencies encouraging donors to continue to provide sufficient resources for the Horn of Africa crisis. He also recommended that donors urgently start to work to build a sustainable recovery in the Horn region. In particular, Mr Atwood asked donors to provide *“the right mix of development and humanitarian instruments to prioritize those people and communities most at risk – helping to build resilience into livelihood systems and thereby mitigating future crisis events – and ensuring that episodes of drought no longer cause famine.”* Mr Atwood also recognized the value of prevention, and regretted the fact that so little funding has so far been committed for prevention programming in the Horn of Africa region.

4. The DAC has undertaken some work on risk reduction and resilience:

- Donor policy and practice on disaster risk reduction, and in particular donor application of the Hyogo Framework for Action<sup>1</sup>, are reviewed as part of the OECD/DAC peer review process
- Work to improve donor behavior on risks in fragile and transitional contexts – dealing with contextual, programmatic and institutional risk – is a major part of INCAF’s work on transition financing
- A framework for using strategic environmental assessments to integrate disaster risk reduction into strategic planning and policies, plans and programmes is part of Environet’s SEA toolkit (2010)
- Lessons learnt on how donors reduce the exposure of people and states to disaster risk will be included in *Towards Better Humanitarian Donorship: 12 lessons from DAC peer reviews, (due in November)*.

5. However, there is also scope for further joint work in this area, to provide further practical guidance in the area of risk and resilience, building on the lessons learnt during the peer review process, and incorporating the risk work recently completed by INCAF.

6. Mr Atwood’s letter is annexed to this document.

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<sup>1</sup> The Hyogo Framework for Action 2005-2015: *Building the Resilience of Nations and Communities to Disasters*.  
[www.unisdr.org/files/1037\\_hyogoframeworkforactionenglish.pdf](http://www.unisdr.org/files/1037_hyogoframeworkforactionenglish.pdf)

## ANNEX A

**The Chairman**

DEVELOPMENT ASSISTANCE COMMITTEE

BA(2011)41

25 August 2011

Dear Ministers, Dear Heads of Agency,

As the emergency in the Horn of Africa continues to unfold, it is important to recognise the commitment of the UN system, NGOs and donors to support co-ordinated humanitarian action in the region. I would like to particularly commend the contribution of the DAC donors; together you have already committed over \$1.5 billion in humanitarian funding to the region this year, on top of the core funding many of you provide through UN agencies and emergency pooled funds. The DAC is not alone in responding, countries outside of the DAC membership have also provided over \$125 million. That said, the emergency needs of this terrible crisis are not yet met, and I strongly encourage your ongoing efforts to limit its impact with sufficient funding commitments.

I would also recommend that, as concerned donors, we urgently start to work together to build a sustainable recovery in the Horn of Africa. We should support the twin-track approach detailed in the updated UN Comprehensive Framework for Action, to meet the immediate needs of vulnerable populations while building longer-term resilience. We can do this by providing multi-annual funding for new and existing humanitarian and development work. We should also seriously consider opportunities to provide rapid and flexible support from development budgets to seize new opportunities for peace-building, and, where possible, state-building, in this complex region. We will need to provide the right mix of development and humanitarian instruments to prioritise those people and communities most at risk – helping to build resilience into livelihood systems and thereby mitigating future crisis events – and ensuring that episodes of drought no longer cause famine.

Our recovery programming will need to be more creative, incorporating social protection instruments such as cash transfers to protect productive assets, and public works to build important infrastructure and environmental capital. Our funding for climate change adaptation could usefully focus on livelihoods like those of the pastoralists and agro-pastoralists in the Horn of Africa. Our approach to, and funding for, peace and security must become more coherent and sustained to address the multiple challenges in the region – the recent ousting of Al Shebaab from Mogadishu provides a narrow window to rethink and escalate this support, including through non-ODA spending. And we should be prepared to take risks, knowing that delivering results in fragile environments is never certain, but that the risk associated with not engaging is too great – and that we can diminish the risks by working collectively, through co-ordinated planning mechanisms and appropriate pooled funding. We should also ensure that, in future, our early warning systems produce not just a warning, but also a timely and adequate response.

I know that pressure on ODA budgets has also forced some difficult decisions about where and how to allocate funding. However, I believe that such a joint effort to plan and implement recovery programming in the Horn of Africa – including the rapid release of flexible development funding – will constitute an

important development investment and significant value for money. Studies now show that one dollar spent on prevention is worth at least four in future relief. Despite this, the history of ODA flows to the Horn of Africa countries by sector – available through the DAC Creditor Reporting System database – shows that between 2006 and 2009, only \$94.3 million was committed for conflict, peace and security work in Somalia, and only \$2.2 million was committed for disaster prevention and preparedness.

High and volatile food prices make our job more difficult, and implementing parallel measures such as the Agriculture Market Information System proposed by the G20 will also be an important measure to curb excessive global price volatility.

To help support our plans for sustainable recovery in the Horn of Africa, my colleagues at the OECD have looked at our hard-learned humanitarian and development lessons and have put together a suite of policy and practical guidance. I have attached the guidance as an annex to this letter.

In addition, I am pleased to be able to provide you with an advance copy of the Somalia case study for the 2011 Survey of the Fragile States Principles (under embargo until September 15). The case study has some useful lessons and recommendations for the future recovery in Somalia, including a call for stronger contextual analysis and information sharing; the need to decrease reactive, short-term approaches which do not take into account structural causes or frequent shifts in the Somali context; the need for extended risk analysis and risk management; debate over whether state-building can be sustainably achieved without national or sub-national peace; a call for provision by national actors of improved security and access to neglected areas and groups; and a call for increased international presence in Somalia itself, through joint offices and co-ordination mechanisms and the improvement of security measures.

We all recognise that this crisis in the Horn of Africa is indicative of past development failure – albeit in a very complex and difficult environment. Now is the time to act, to continue our support to the vital emergency response work, but also, critically, to begin planning and implementing a joint and sustainable recovery. The people of the Horn of Africa need our help.



J. Brian Atwood

cc: DCD Managers

Enclosures:  
OECD-DAC guidance to support recovery in the Horn of Africa

## ANNEX: OECD-DAC guidance to support recovery in the Horn of Africa

### Delivering strategic, and effective funding

- **Providing flexible, multi-annual funding to humanitarian actors** – Donors need to review the sometimes cumbersome procedures, lack of predictability, and short funding timeframes that restrict holistic responses in protracted crisis situations; systematically integrate the humanitarian context and programmes into country strategies; and support new approaches, such as cash-based programming, to rebuild livelihoods. Donors should not, however, rely solely on humanitarian mechanisms to support the recovery process – increased predictability in humanitarian funding should be complimented with higher willingness to provide rapid and flexible development funds in support of recovery. *Towards better humanitarian donorship: lessons from peer reviews (coming in November)*.
- **Improving co-ordination between humanitarian and development actors and instruments** – In this very complex environment, humanitarian and development actors need to work together, through practical co-ordination mechanisms, building on existing humanitarian programming, respecting both Good Humanitarian Donorship and Fragile States Principles, and with the necessary programmatic space, security and funding. <http://oe.cd/19> and [www.goodhumanitariananddonorship.org](http://www.goodhumanitariananddonorship.org)
- **Developing joint programming approaches to spread risks**– Joint strategic co-ordination and use of common approaches will help spread the risk of development engagement in fragile states. <http://oe.cd/14>
- **Planning and delivery through a transition compact** – Compacts can provide a powerful mechanism to link key recovery priorities with a strategy based on jointly-agreed objectives, and facilitate earlier and more flexible release of development funding. In addition, they can match priorities with transparent and appropriate humanitarian, development and non-ODA funding sources, and ensure that the context, risks and responses are re-assessed regularly – and therefore ensure that the recovery programming adapts to the needs of an evolving, yet often unstable, context. <http://oe.cd/18>
- **Working together to report on, and evaluate, effectiveness and impact** – To break the cycle of crises and catastrophes in the Horn of Africa, we must learn from, and avoid repeating, past mistakes. This involves drawing on research and credible evidence from evaluations about how to build effective drought preparedness, nutrition, agriculture, rural livelihood and safety net programmes, and creating strategies and incentives to implement lessons learned. The international community should also be held accountable for – and learn from the results of – our current response. Accountability, evaluation and learning mechanisms need to be incorporated from the outset and should maximize opportunities for collaborative approaches that reduce the burden on field staff. <http://oe.cd/10>

### Programme guidance

- **Supporting state-building, by making context-specific judgements** – Support to both state and non-state actors at national and local levels involves identifying the underlying causes of fragility and factors that can build peace, looking for opportunities to promote local processes to strengthen

state-society interaction and accountability, and prioritising support for key functions including security and justice, revenue and expenditure management, job creation, and service delivery. <http://oe.cd/12>

- **Empowering women as an essential part of sustainable, long-term, and life-saving agricultural development** – Women need to be a key part of the solution to this crisis. This famine has hit women and children hardest. Children’s survival depends on their mothers’ capacity to feed and provide for them. And, even now in the relative safety of the overflowing refugee camps, women remain at risk of violence, sexual assaults and rape. But it doesn’t need to be like this. We know that by strengthening women’s economic opportunities, we can strengthen families’ resilience and abilities to cope with crises. <http://oe.cd/11>
- **Promoting pro-poor growth in agriculture** – By assessing the changing pattern of risk and vulnerability in fragile environments, reducing risk, and mitigating the effects of shocks and stresses, we can help poor rural households to cope, protect their livelihood assets and invest in more sustainable and productive technologies. <http://oe.cd/15>
- **Expanding and improving social protection in fragile states** – Expanding the range of instruments available for social protection in fragile states, providing better financing to ensure more harmonised and predictable funding for social protection, and assessing options for delivering social protection at scale in different contexts of fragility and through a variety of different actors. <http://oe.cd/13>
- **The importance of empowerment** – The focus on establishing security and re-building core state functions, combined with concerns over fiduciary risk and “harmonisation” should not lead to the neglect of “softer” concerns such as empowerment. Instead, empowering people, and providing them with choice over recovery and development programmes, has been shown to strengthen the relationship between communities and local governance structures. [www.oecd.org/dac/poverty](http://www.oecd.org/dac/poverty)