



Social Protection for Climate Justice: Why and how?

1. Introduction

The right to social security is recognized in numerous human rights instruments, including the Universal Declaration of Human Rights and the International Covenant on Economic, Social and Cultural Rights. A fundamental human right, social security is a potent tool to combat discrimination and an essential instrument for reducing poverty and promoting social inclusion. It aims to provide income security and support at every stage of life for everyone, with particular attention to the most marginalized (*OHCHR 2024*).

Social protection is interpreted as broader than social security and has many forms. It incorporates non-statutory or informal measures for providing social security, but encompasses traditional social security measures such as benefits, social assistance and social insurance. It includes regular systematised benefits of cash and in-kind transfers, public works programmes, social welfare services, health schemes, social insurance schemes, training and employment schemes.

Social protection has a critical role in helping individuals and communities to manage risks. Social protection systems allow people to reduce and cope with social and economic risks over their life span, such as illness, income loss due to disability, old age, death and injury. They also provide support in the face of collective impacts and risks, including pandemics, economic downturns and the adverse effects of climate change, such as extreme weather events (storms, floods), slow onset events (sea level rise, desertification, droughts) and other climate change-related losses and damages.

SOCIAL PROTECTION AND THE SUSTAINABLE DEVELOPMENT GOALS

In recognition of its fundamental role to reduce and end poverty, social protection is specifically included as the third target of Goal 1 (no poverty) of the Sustainable Development Goals, with governments agreeing to ‘Implement nationally appropriate social protection systems and measures for all, including floors, and by 2030 achieve substantial coverage of the poor and the vulnerable.’

Over the past two decades, climate change has altered and significantly exacerbated both individual and collective risks and impacts. Climate change effects are felt worldwide, but it is the most vulnerable population groups in low-income countries who are disproportionately exposed to climate-change related risks. Particularly at risk are small scale farmers and fishing communities, indigenous peoples and poor people generally, both urban and rural. Those most affected not only live in high risk-prone areas but work under precarious social and economic conditions. Climate change has direct impacts on their livelihoods, especially agriculture and fishing. Their contributions to the causes of climate change and greenhouse gas emissions are negligible, but they are the most exposed to its most damaging impacts. At the same time, they have fewer resources to cope and adapt to climate change (Ulrichs et al. 2019).

Strengthening social protection systems, especially in those countries most affected by climate risk, is a contribution to climate justice. As we strive toward climate justice for all people in all countries, investment in social protection system building with climate finance mechanisms should form part of nationally determined action to mitigate climate change effects.

COMMITMENTS TO CLIMATE FINANCE MECHANISMS

Climate finance mechanisms are organized according to the principles of equity, common but differentiated responsibilities and respective capabilities. The principle of “the polluter pays” is recognized by the UN Framework Convention on Climate Change (Arts 3 and 4 UNFCCC and Art 9 PA). Under the Cancun Agreements (2010), high and middle income countries collectively committed to the quantified goal of working together to mobilize USD100 billion a year by the year 2020. At the Paris UNFCCC COP21 in 2015, this commitment was extended to provide at least USD100 billion a year up to the year 2025 to support the mitigation and adaptation efforts of low income countries in the face of the climate crisis. However contributions from high and middle income countries are lacking far behind the commitments, an excessive number of loans, insufficient grants, inadequate funding for adaptation, and misleading accounting practices can be observed (Oxfam 2023).

Funds mobilized to date to fulfil this commitment have been disbursed through various channels, both bilateral and multilateral. These include the Green Climate Fund (GCF) and the Adaptation Fund (AF). In 2024 at the 29th UN Climate Summit in Baku, Azerbaijan, a new collective quantified goal (NCQG) for climate finance will be negotiated for the post-2025 period.

The Loss and Damage Fund established by the Dubai UNFCCC COP28 in November 2023 is the latest multilateral funding mechanism to be agreed. Its operationalisation will need to address all climate change induced losses and damages. These include damages arising both from slow-onset events, such as desertification or melting glaciers, and also sudden extreme weather events, such as storms, droughts and floods. Both have far-reaching consequences, which go beyond economic harm, including loss of human lives, biodiversity and cultural heritage (Chatham House 2022). The Dubai COP28 also agreed that the Loss and Damage Fund should finance early warning and data collection with respect to climate-related losses and damages together with climate-related population displacement.

The COP28 agreement to establish a dedicated fund for loss and damage is an important milestone towards a more comprehensive response to climate change and climate justice. However, it is only the first step; major issues remain to be discussed, resolved and implemented by the Board of the Loss and Damage Fund under the oversight and **guidance of the COP**. These include the responsibility of high and middle income countries to provide new and additional funds, the question how the money should be best spent (Amnesty International 2023; BfdW 2023, Rosen Jacobson 2023) and administrative aspects in terms of speedy, flexible, and simplified access to the fund.

► This policy

brief argues for a strategic use of climate funding, and in particular for its use in strengthening rights-based social protection systems. Social protection is an important mechanism in managing climate-change related risks and their social and economic consequences as a short-term response to extreme weather events, but also supports people in adapting to climate change in the long-term.

The critical role of social protection in strengthening resilience to climate change has been recognized by the Intergovernmental Panel on Climate Change which recommends that climate adaptation should be integrated into social protection programmes (IPCC 2022).

2. Why social protection in a climate change context?

Social protection has an important role in strengthening the resilience to climate change in various ways:

Anticipation: Social protection helps people to better anticipate and mitigate the consequences of climate change by reducing their exposure and vulnerability. Regular cash benefits, cash for work or cash-plus programmes, for example, enable people to diversify livelihood strategies (e.g. by combining agricultural and non-agricultural elements), or to invest in preventive measures (e.g. improving irrigation, building dams). Joining a social health insurance scheme or an unemployment protection scheme reduces vulnerability (Ulrichs et al. 2019, Bené et al. 2012). In addition, rights-based, comprehensive and universal social protection can reduce climate vulnerability by addressing underlying issues of structural inequality that leave various groups, such as women and girls, persons with disability and older people, more exposed to the negative impacts of climate change (Act CoS et al. 2022).

Absorption: Social protection systems have a critical role in enabling individuals and communities to cope with and react to shocks. In the context of sudden onset disasters, such as floods or cyclones, quick and reliable payments of cash, in-kind transfers or insurance benefits play an important role in smoothing income and stabilizing livelihoods. Social protection helps recipients maintain or restore their asset base, enabling them to recover more rapidly from crisis-situations than non-beneficiaries (Merttens et al. 2013; Knippenberg and Hoddinott 2017). Well-established social protection systems are able to respond to crises, for example, by temporarily expanding coverage to include all people hit by a shock or by increasing transfer values in order to enable people to withstand temporary emergencies (for example the Hunger Safety Net in Kenya). If social protection systems are in place, strengthened and prepared to deal with an increasing number of collective shocks, there will be less need to set up ad hoc structures for emergency relief.

Adaptation: Social protection may help individuals, households and systems to strengthen their adaptive capacity to resist climate change in the long-term. It helps by supporting them to build up and invest in assets, diversify them, and improve their understanding of climate-related information for improved adaptation, for example by changing the planting patterns of their crops. This is especially relevant when people are facing slow onset risks – that is, risks that evolve and become more severe over time, such as rising sea levels, changing rainfall patterns, land degradation or saltwater intrusion. Social protection mechanisms can be linked to climate-specific measures. For example, in Ethiopia, India and Mexico public works programmes provide income support for recipients while building ecological resilience through the rehabilitation or enhancement of the natural resource base, such as watershed-management, afforestation programmes or irrigation work (Norton et al. 2020, Johnson et al. 2012). In Brazil, the Bolsa Verde (Green Grant) programme encourages recipients to conserve the ecosystem through zero deforestation in exchange for cash and provides complementary training programmes for alternative land use and employment opportunities (Oxfam 2020).

Transformation: People’s capacity to manage climate change risk is largely determined by structural factors. Inequality and discrimination related to socio-economic status, gender, ethnicity, disability, age and location, constrains access to resources, such as access to land, to markets, to basic services or even to climate-change related information (Eriksen 2015; 2021; Pelling et al. 2015; Nightingale 2017). In addition, crises also tend to exacerbate inequalities, widening already existing gaps. Integrated social protection systems that address and are sensitive to these inter-related structural inequalities are effective ways to integrate, redistribute, and reduce inequality of opportunities, helping to build up transformative capacities. Strengthening access of women to productive resources, increasing their bargaining power at household and community level or providing age and gender-sensitive information and training on livelihoods adaptation strategies are good examples.

Social protection can facilitate “just transitions”, that is, it can help to reshape economies and the bargaining power of sectors within them, by supporting a better alignment of workers’ social rights and the shift to a green economy (ILO 2015). Social protection has a critical role in supporting workers who are rendered jobless or lose their livelihoods as a result of decisions to move to more environmentally friendly methods of production, by providing both unemployment benefits and opportunities for retraining. Making jobs greener also should mean making them more decent. This is of particular relevance to people in precarious, informal or atypical working relations, who may otherwise bear the highest costs of a climate-related transitions (ILO 2015).

3. The Importance of a systemic approach to social protection

The extent to which social protection programmes can contribute to strengthening climate resilience depends to a large degree on programme design and the operational capacity of public institutions and bureaucracies to deliver services and transfers in a predictable and regular manner (Ulrichs et al. 2019; Norton et al. 2020). Integrated management information systems, an up to date and comprehensive beneficiary registry, and effective and efficient payment and distribution mechanisms are all key ingredients for the establishment of sustainable and flexible social protection measures.

Establishing systemic and rights-based approaches to social protection remains the most critical aspect of durable and effective social protection schemes. The establishment of a social protection system that comprises integrated programmes that deliver the social protection guarantees to cover life course risks is an important precondition for the integration of climate-related measures. At the same time, it is worth remembering that those social protection programmes already in place, which may not have been specifically designed to address climate risks, already significantly help to increase resilience and coping mechanisms for people struggling with climate change. These beneficial effects will be even stronger if social protection systems are strengthened to be climate sensitive and if coverage is expanded to deal with newer risks and affected geographical areas (IPCC 2022).

Working towards a systemic and climate resilient approach to social protection system strengthening will mean working collaboratively with a range of actors, including state institutions at local, regional, and national level, social partners, civil society actors and development partners. In a climate related context, this requires special attention to cross-sectoral budgeting, planning, designing, and implementation.

4. The human right to social protection in the face of loss and damage

Social protection is a human right and can be an important mechanism to advance international climate justice and to facilitate a rights-based approach to loss and damage (Kaltenborn 2023). However, there is also a need to address climate change injustice, derived from an unfair global architecture, which exacerbates the negative impacts of climate change on certain groups. Building social protection systems that can respond to the ever more frequent climate-related shocks and crises will not by itself resolve all underlying problems, but it can at least strengthen access of those most at risk to their social and economic rights and reduce dependency on a financially and institutionally overstretched humanitarian aid sector, particularly in protracted crises situations.

5. The importance of increased financing for social protection

Social protection schemes across the world face a serious financing gap. This gap is disproportionately large in those countries, which are experiencing the most negative social and economic consequences of climate-change. While high and middle income countries across the world spend on average 12.9 per cent of their GDP on social protection (excluding health), lower-middle income countries spend around 2.5 per cent and low-income countries a mere 1.1 per cent (ILO 2021). While all countries, and in particular low-income countries, need to increase their domestic financial resources allocated to social protection, international financing sources, including bilateral and multilateral funding mechanisms, will remain important in the short and medium term. Such financing can also derive from the Loss and Damage Fund. Apart from financing the reconstruction of infrastructure and humanitarian assistance in relation to climate-related losses and damages, support can also go to strengthening social protection systems to react to climate-induced risks and impacts. This can be considered part of a comprehensive and integrated approach to ensuring that actions to address climate-related losses and damages, including financing such actions, are consistent with a country's overarching development goals and objectives, including their national actions to achieve the SDGs, to realise human rights for all and to ensure the right to development for all.

6. Call for Action: strengthening Social Protection Systems for Climate Justice

RECOGNIZE THE ROLE OF SOCIAL PROTECTION IN ADDRESSING CLIMATE CHANGE

- Build universal social protection systems: support countries' efforts to invest in integrated social protection systems for all throughout the life course rather than setting up isolated programmes to respond to for climate risks. This is the best strategy to reduce vulnerability of the most affected people and countries and to address the social and economic consequences of climate-related loss and damage in the future.
- Establish and improve rights-based social protection schemes: states have a right to the resources needed to respond to loss and damage, caused by climate change, for which they bear minimal responsibility. Individuals affected should also have a right to support. For example, in the event of climate-related illness (due to heat, changes in disease profiles etc.), crop loss or the death of a family member, individuals should have the right to access health services and to receive financial support to sustain their livelihoods. This is where a predictable social security system makes an important difference to programmes of humanitarian aid; such programmes may not be rights based, not enforceable by law and may have limited durability.

LINK SOCIAL PROTECTION AND CLIMATE ACTION:

- Include social protection in climate action: governments should explicitly include social protection measures and the expansion of social protection systems in their national climate strategies.
- Integrate climate action in social protection policies: stronger coordination between crisis prevention, social protection and humanitarian aid is necessary to maximise the effectiveness of existing mechanisms and to avoid creating costly parallel structures and institutions.
- Ensure social protection systems can be more responsive to sudden onset risks and link social protection to measures that incentivize people to protect the eco-system.

INVEST IN AND HIGHLIGHT SOCIAL OUTCOMES FOR CLIMATE-RELATED FINANCIAL MECHANISMS:

- Reduce poverty and inequality: in addition to the negative impacts of climate change on coastlines, agricultural lands or highways, equal consideration should be given to the effect on social cohesion, specifically on poverty, vulnerability and equity in the assessment of loss and damage experienced by different sectors of the population. This is all the more important as the impact of climate change is already exacerbating existing inequalities.

- Increase predictable financing for social protection: in order to build social protection systems that can provide support in a predictable and reliable manner, finance institutions should explicitly include opportunities to finance social protection in their risk mitigation and risk management portfolios. This includes the Loss and Damage Fund and other existing climate-related finance mechanisms such as the Green Climate Fund and the Adaptation Fund. There are other potential additional options to consider such as the allocation of special drawing rights (SDRs) and the introduction of financial transactions tax, etc. in international finance.

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