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**RESILIENCE IN ACTION: SOCIAL POLICIES TO NAVIGATE
UNCERTAINTY IN LATIN AMERICA AND THE CARIBBEAN**

Thematic Table 1:

Adaptive Social Protection Systems for Vulnerable Populations





Technical Note

1. Introduction

The Latin American and Caribbean (LAC) region is one of the most socio-economically unequal regions in the world, where high levels of poverty and vulnerability are exacerbated by a variety of factors, including frequent natural disasters and the impacts of climate change. According to recent data, [one in four people in LAC live in a poor household, with many individuals employed in the informal economy](#). These factors have created a persistent cycle of vulnerability for large segments of the population. This is exacerbated by unequal and fragmented access to adequate social protection.

The COVID-19 pandemic has [laid bare the shortcomings](#) of existing social protection systems across the region. Millions of people in LAC, especially those in the informal sector, found themselves without adequate support during the pandemic, as many social safety nets were either too limited in coverage or lacked the necessary flexibility to respond to the rapidly changing situation. This crisis has underscored the need for more adaptive, inclusive, and responsive social protection systems, particularly for vulnerable populations such as informal workers, women, and Indigenous communities.

Climate change is another pressing concern for LAC, as [the region is highly exposed to a range of environmental risks](#), including hurricanes, floods, droughts, and rising sea levels. The frequency and severity of these climate-related events are expected to increase in the coming years, further threatening the livelihoods of vulnerable communities. Without adequate preparation and protection, the poorest populations will bear the brunt of these shocks, leading to increased poverty, displacement, and inequality.

In this context, there is a growing recognition of the importance of Adaptive Social Protection (ASP) systems, which are designed to enhance the resilience of vulnerable populations by providing timely and adequate support during crises. ASP integrates social protection, disaster risk reduction (DRR), and climate change adaptation (CCA) to create a more holistic approach to addressing poverty and vulnerability. These systems aim to not only provide immediate assistance during crises but also to help communities prepare for future risks and adapt to long-term changes in their environment¹.

This technical note explores the potential of ASP to improve social resilience in LAC, offering a review of key concepts, a discussion of challenges and opportunities in the region, examples of global best practices, and recommendations for policymakers. By focusing on the integration of social protection with climate risk management and emergency response, ASP can provide a critical safety net for vulnerable populations, ensuring that they are not only protected from the impacts of shocks but also empowered to adapt and thrive in a rapidly changing world.

¹ <https://documents1.worldbank.org/curated/ar/579641590038388922/pdf/Adaptive-Social-Protection-Building-Resilience-to-Shocks.pdf>



2. Conceptual Framework: Adaptive Social Protection

Adaptive Social Protection (ASP) refers to a comprehensive and integrated approach to social protection that goes beyond traditional safety nets by incorporating elements of Disaster Risk Reduction (DRR) and Climate Change Adaptation (CCA)². The core idea behind ASP is to build resilience within vulnerable populations, equipping them not only to cope with short-term shocks but also to adapt to long-term socio-economic and environmental changes.

ASP acknowledges the complexity of poverty, which is not only a result of low income but is also shaped by individuals' exposure to various risks, including economic downturns, natural disasters, and the growing impact of climate change. ASP aims to reduce vulnerability and increase the ability of communities to withstand shocks through a combination of anticipatory, protective, and adaptive measures. This framework offers a holistic response to poverty and vulnerability by addressing the interconnectedness between social, economic, and environmental risks.

2.1 Key Components of Adaptive Social Protection

ASP systems integrate three key domains: Social Protection, Disaster Risk Reduction (DRR), and Climate Change Adaptation (CCA). Each of these domains plays a critical role in building resilience, and their integration allows for a more dynamic and responsive social protection system.

- **Social Protection:** Traditionally, social protection includes programs such as cash transfers, food assistance, pensions, unemployment insurance, and healthcare. These programs provide immediate relief by helping households maintain consumption and meet basic needs, particularly in times of crisis. However, traditional social protection systems are often reactive and may not have the flexibility or scope needed to respond quickly to sudden shocks or adapt to changing risk profiles over time. In many cases, social protection systems in developing regions like LAC are limited in both coverage and scope, leaving large portions of the population—especially those in informal employment—without adequate support. ASP expands the scope of social protection to be more anticipatory, providing early support before crises occur and facilitating long-term adaptation to changing conditions.

- **Disaster Risk Reduction (DRR):** Focuses on preparing for, mitigating, and responding to natural disasters and other environmental shocks. DRM strategies include risk assessments, early warning systems, and disaster preparedness initiatives that aim to reduce the impact of disasters on communities, especially those living in high-risk areas. Integrating DRM into social protection systems allows governments to preemptively identify vulnerable populations, mitigate the potential impacts of disasters, and respond more effectively when crises occur. This integration is particularly relevant in LAC, where climate-related disasters such as hurricanes, floods, and droughts are increasingly common.

- **Climate Change Adaptation (CCA):** Climate change is increasing the frequency and intensity of natural disasters, such as floods, hurricanes, and droughts, all of which disproportionately affect poor and

² <https://www.worldbank.org/en/publication/human-capital/publication/adaptive-social-protection-building-resilience-to-shocks-key-findings>



vulnerable populations. CCA refers to the process of adjusting policies, systems, and behaviors to reduce the long-term risks posed by climate change. In the context of ASP, CCA focuses on helping communities develop sustainable livelihoods that are less vulnerable to climate-related risks, such as promoting agricultural resilience, diversifying income sources, and investing in climate-resilient infrastructure. ASP systems must therefore be designed to not only respond to immediate shocks but also to support long-term adaptation efforts that can help communities thrive in changing environmental conditions.

2.2 ASP's Three-Pronged Approach

ASP can be understood through its three-pronged approach: Preparedness, Coping, and Adaptation. Each of these pillars addresses different stages of a crisis or shock and aims to create systems that can evolve alongside the needs of the population they serve.

- Preparedness: ASP systems aim to build the capacity of households, communities, and governments to prepare for shocks before they occur. This involves creating systems that can identify vulnerable populations in advance, ensuring that safety nets are in place and accessible when needed, and building the financial and institutional capacity to scale up support in times of crisis. For example, preparedness measures might include setting up social registries, promoting savings mechanisms, and developing early warning systems that allow communities to anticipate risks such as floods, hurricanes, or economic downturns. Investments in preparedness not only reduce the immediate impact of shocks but also lower the long-term costs of recovery by minimizing damage and disruption.

For instance, [index-based insurance schemes for farmers](#) can help mitigate the impacts of climate-related events such as droughts. Farmers can receive payouts when rainfall falls below a pre-agreed threshold, enabling them to protect their crops and income. Such measures allow for greater flexibility in responding to shocks, as the support is built into the system from the start.

- Coping Mechanisms: The second pillar of ASP is focused on the ability to provide immediate support during a crisis. When a shock occurs, ASP systems must be able to respond quickly and flexibly, ensuring that vulnerable populations receive the assistance they need to survive and recover. This might involve scaling up cash transfer programs, distributing emergency food aid, or providing temporary employment opportunities through public works programs. The key to successful coping mechanisms lies in their ability to be both rapid and targeted, delivering assistance to those who need it most without delays or bureaucratic hurdles. ASP incorporates shock-responsive social protection, where pre-identified triggers (such as drought or economic downturns) automatically activate expanded support programs. In addition, ASP systems must be designed to accommodate the increased demand for services during crises, with built-in flexibility to expand coverage and adjust benefit levels as needed.

A central feature of coping in ASP is the use of pre-existing social registries and digital delivery systems to quickly identify and reach those most in need. The use of mobile banking and digital IDs ensures that aid can be delivered swiftly, even in areas with poor infrastructure. In Kenya, for instance, the [Hunger Safety](#)



[Net Programme](#) (HSNP) uses digital payment systems to deliver cash transfers to vulnerable households during periods of drought, allowing them to maintain their livelihoods despite adverse conditions.

- Adaptation: Beyond responding to immediate shocks, ASP systems must also support long-term adaptation efforts that help communities adjust to changing conditions and reduce their future vulnerability. This is particularly important in the context of climate change, where communities may need to adapt to new environmental realities, such as changing rainfall patterns, rising sea levels, or more frequent extreme weather events. ASP systems can promote adaptation by encouraging sustainable livelihoods, providing skills training for climate-resilient jobs, and investing in infrastructure that is designed to withstand environmental stresses. For example, cash transfer programs can be linked to climate adaptation initiatives by providing funding for households to invest in water-efficient agriculture, renewable energy technologies, or other climate-smart solutions.

For instance, in regions prone to extreme weather events, [ASP can support households by promoting livelihood diversification](#). A farming household might be encouraged to adopt practices that reduce their reliance on a single crop, shifting instead to more drought-resistant varieties or engaging in alternative income-generating activities such as aquaculture or agroforestry.

2.3 ASP and Vulnerability Reduction

At the heart of the ASP framework is the recognition that vulnerability is not static but dynamic. Vulnerability is shaped by a variety of factors, including socio-economic status, geographic location, and access to services, all of which interact with external shocks such as natural disasters or economic crises. ASP systems are designed to be risk-informed, meaning that they take into account the specific vulnerabilities and risks faced by different populations and adapt accordingly. This is particularly relevant [in the LAC region, where poverty, informality, and geographic exposure to climate-related risks are deeply intertwined](#).

ASP also recognizes that the most vulnerable populations are often those who are already living in poverty or at risk of falling into poverty due to economic, social, or environmental shocks³. By integrating social protection with DRM and CCA, ASP provides a holistic approach to vulnerability reduction, ensuring that individuals and households are not only protected from the immediate impacts of shocks but are also given the tools and resources they need to rebuild and recover in the long term.

2.4 The Role of Technology and Innovation in ASP

An essential component of ASP is the integration of digital technologies to improve the delivery and scalability of social protection systems. In many LAC countries, digital solutions such as mobile money, digital identification systems, and cloud-based social registries are being leveraged to enhance the efficiency and reach of social protection programs. These technologies allow for faster and more accurate

³ <https://openknowledge.worldbank.org/entities/publication/cc42cb9b-3f8e-5bf3-bba3-2cce3b0793ac>



targeting of beneficiaries, particularly in remote or underserved areas, and enable governments to quickly scale up support during crises.

For instance, digital ID systems can help ensure that vulnerable individuals are identified and included in social protection programs even if they lack formal documentation. Similarly, mobile money platforms can facilitate the rapid disbursement of cash transfers to beneficiaries without requiring them to visit physical locations, reducing delays and administrative costs. Countries like the [Philippines have successfully used digital payment systems to deliver emergency cash transfers after typhoons](#).

By embracing digital innovations, ASP systems can enhance their responsiveness and ensure that support reaches those most in need in a timely and efficient manner.

2.5 Flexibility and Scalability of ASP Systems

A defining feature of ASP systems is their flexibility and scalability. Traditional social protection systems are often constrained by rigid administrative procedures or budget limitations. ASP, in contrast, is designed to be shock-responsive, allowing systems to scale up or down based on the severity and nature of the crisis. This requires:

- Pre-defined Triggers: These triggers automatically activate the expansion of social protection programs when certain thresholds (such as rainfall levels or economic indicators) are met. This ensures a timely response and prevents delays in the delivery of support.
- Contingency Financing Mechanisms: ASP systems often include risk-pooling arrangements, such as the [Caribbean Catastrophe Risk Insurance Facility \(CCRIF\)](#), which provide immediate financial resources to governments in the aftermath of disasters. This financial flexibility is key to ensuring that ASP systems can respond rapidly and effectively to crises.

3. Challenges and Opportunities in the LAC Region

LAC is one of the most socio-economically diverse and unequal regions in the world. While the region has made strides in poverty reduction and economic growth over the last few decades, a significant portion of its population remains highly vulnerable to economic shocks, natural disasters, and the impacts of climate change⁴. The [COVID-19 pandemic exposed critical gaps in social protection systems](#) across the region, underscoring the need for more adaptive, inclusive, and resilient frameworks to protect vulnerable populations.

ASP has the potential to address many of the structural challenges that currently hinder the effectiveness of social safety nets in LAC. However, for ASP to be successfully implemented, several region-specific

⁴ <https://blogs.worldbank.org/en/latinamerica/poverty-and-inequality-in-Latin-America-and-the-Caribbean>



challenges need to be considered, along with the opportunities presented by technological advancements and emerging policy frameworks.

3.1 Key Challenges in the LAC Region

3.1.1 High Levels of Informality

One of the most significant challenges in the region is the high rate of informal employment. According to the International Labour Organization (ILO), [approximately half of the workforce in LAC](#) is employed in the informal economy, where workers often lack access to social protection mechanisms, such as health insurance, pensions, or unemployment benefits. The informal sector includes domestic workers, street vendors, agricultural laborers, and many self-employed individuals. These workers are typically excluded from contributory social protection schemes and are often invisible to government systems, making it difficult to deliver targeted assistance during crises.

The challenge of informality is exacerbated by administrative barriers and lack of comprehensive social registries, which limit the ability of governments to reach informal workers with emergency aid. Without an established infrastructure for delivering benefits to informal workers, social protection systems struggle to respond quickly and adequately during times of crisis, such as the [COVID-19 pandemic](#) or climate-related disasters.

3.1.2 Climate Vulnerability and Exposure to Natural Disasters

The [LAC region is highly vulnerable to the impacts of climate change](#) and is frequently affected by natural disasters, including hurricanes, earthquakes, floods, droughts, and landslides. The Caribbean islands are particularly exposed to hurricanes and rising sea levels, while Central America and parts of South America are prone to droughts and flooding, which threaten agricultural productivity and water security. According to the World Bank, [over 80% of LAC's population lives in areas at risk of extreme weather events](#).

The frequency and intensity of climate-related disasters are expected to increase due to climate change. Vulnerable communities—particularly those living in low-lying coastal areas, informal settlements, or rural agricultural zones—are disproportionately affected by these events. Climate change exacerbates existing inequalities, as poorer populations often lack the resources to recover from disasters, leading to cycles of poverty and displacement.

For example, the Caribbean is highly susceptible to hurricanes, which have devastating impacts on livelihoods, infrastructure, and economic development. In recent years, countries like Haiti, Dominica, and Puerto Rico have experienced catastrophic hurricanes that wiped out years of development gains, further illustrating the urgent need for adaptive and responsive social protection systems.



3.1.3 Fragmented Social Protection Systems

Many countries in LAC have [fragmented social protection systems](#), which are characterized by limited coverage, inconsistent benefits, and weak coordination between programs. This fragmentation often results in inefficient allocation of resources, with certain population groups, such as informal workers, Indigenous communities, and rural populations, receiving little to no support.

In several countries, social protection programs are divided between different government agencies, each responsible for separate aspects of social safety nets, such as food assistance, cash transfers, or healthcare services. This division of responsibility leads to overlapping efforts, duplication of resources, and administrative inefficiencies. Moreover, many programs lack flexibility, meaning they cannot be easily scaled up or adapted during times of crisis.

The absence of unified social registries and digital infrastructure further complicates the ability to deliver timely support. Many countries in LAC still rely on manual processes for beneficiary identification and benefit delivery, which can cause significant delays in times of emergency.

3.1.4 Fiscal Constraints and Limited Fiscal Space

Many countries in the LAC region face [fiscal constraints and have limited fiscal space](#) to fund comprehensive social protection systems. The COVID-19 pandemic [further stretched public finances](#), with governments diverting funds to emergency relief efforts and healthcare responses.

[Countries with high levels of public debt are particularly constrained in their ability to invest in ASP](#). Fiscal limitations also make it difficult to implement contingency financing mechanisms, which are essential for providing rapid assistance during disasters. Without sufficient financial resources, governments are often forced to respond to crises reactively, rather than proactively.

3.2 Opportunities for ASP in LAC

3.2.1 Digital Transformation and Technological Advancements

The [rapid digital transformation occurring in many parts of LAC](#) presents a significant opportunity for the region to enhance the delivery of social protection services. Digital technologies, including mobile banking, digital IDs, and biometric systems, can help governments reach previously excluded populations, particularly those in remote or underserved areas. These technologies allow for more efficient targeting of beneficiaries, faster delivery of benefits, and better monitoring of social protection programs.

For example, during the COVID-19 pandemic, countries like Brazil and Mexico used digital platforms to deliver emergency cash transfers to millions of vulnerable households. [Brazil's "Auxílio Emergencial"](#) program used a mobile app to register informal workers and deliver payments through digital wallets, which significantly reduced the time it took to get assistance to those in need. Similarly, [Peru leveraged its digital infrastructure](#) to provide cash transfers directly to bank accounts, ensuring rapid access to support.



The use of big data and remote sensing technologies also presents opportunities for integrating climate risk assessments into social protection programs. By combining data from satellite imagery, weather forecasting models, and geospatial analysis, governments can better predict the occurrence of natural disasters and pre-position resources to affected areas.

3.2.2 Regional Cooperation and Knowledge Sharing

Another key opportunity for the LAC region lies in regional cooperation and knowledge-sharing platforms. Countries across LAC face many of the same challenges in terms of vulnerability to disasters and climate change, and there is considerable potential for shared learning and collaboration. Initiatives like the Caribbean Catastrophe Risk Insurance Facility (CCRIF), which pools risk across multiple countries, have demonstrated the value of regional approaches to disaster risk financing.

There is also an increasing focus on south-south cooperation within the region, where countries share best practices and successful strategies for building resilience. For example, Chile's experience with social protection during natural disasters can offer valuable lessons for other countries in the region. Additionally, organizations like the United Nations Development Programme (UNDP) and the Economic Commission for Latin America and the Caribbean (ECLAC) provide platforms for countries to collaborate on the development of ASP policies and programs.

3.2.3 Integrating Climate Change Adaptation with Social Protection

The integration of CCA into social protection systems presents a [significant opportunity to build resilience](#) in LAC. By aligning social protection programs with national adaptation plans and DRR strategies, governments can address both immediate needs and long-term climate-related risks.

Programs that combine social assistance with climate resilience measures, such as climate-smart agriculture or reforestation efforts, can help vulnerable populations adapt to changing environmental conditions. For example, [Mexico's "Sembrando Vida"](#) program promotes agroforestry and rural livelihoods, combining cash transfers with sustainable farming practices to reduce environmental degradation and support long-term resilience.

3.2.4 Potential for Impact Investing and Public-Private Partnerships

The rise of impact investing and public-private partnerships (PPPs) in LAC offers new avenues for funding ASP initiatives. Impact investors, who seek both financial returns and positive social outcomes, can play a crucial role in financing innovative social protection programs that build resilience. Governments can also partner with the private sector to develop insurance products, microfinance initiatives, and social bonds that target vulnerable populations.

For example, [Colombia has experimented with social impact bonds](#) to finance employment programs for vulnerable groups, creating a results-based approach where investors are repaid based on the success of



the program. Such initiatives demonstrate the potential for mobilizing private capital to support public social protection efforts, particularly in regions with limited fiscal space.

4. Global Experiences and Best Practices

ASP is not a concept unique to LAC; many countries across the world have successfully implemented ASP systems to build resilience in vulnerable populations and respond to climate change and other shocks. These global experiences provide valuable lessons and best practices that can be adapted to the LAC context, highlighting strategies for overcoming the challenges associated with informality, fragmented systems, and climate vulnerability.

This section reviews several global examples of ASP in action, drawing on case studies from Africa, Asia, and other regions to illustrate how ASP frameworks have helped to mitigate the impacts of shocks and promote long-term adaptation.

4.1 Ethiopia's Productive Safety Net Programme (PSNP)

One of the most prominent examples of an ASP program is [Ethiopia's Productive Safety Net Programme \(PSNP\)](#). Launched in 2005, the PSNP is one of the largest social protection programs in sub-Saharan Africa and is designed to provide food and cash transfers to vulnerable households while promoting community development through public works.

The PSNP provides regular, predictable cash or food transfers to vulnerable households during periods of food insecurity, allowing families to meet their basic needs without resorting to harmful coping strategies, such as selling productive assets or reducing food consumption. This safety net helps communities maintain their well-being during crises such as droughts, which are common in Ethiopia.

A core component of the PSNP is its public works program, which engages beneficiaries in projects aimed at building resilience in their communities. These projects focus on soil and water conservation, irrigation development, road construction, and other infrastructure improvements that reduce the community's vulnerability to future climate-related shocks. This focus on building productive assets is essential for long-term adaptation and helps households diversify their livelihoods.

During extreme weather events, such as droughts, the PSNP is designed to scale up quickly to meet the increased needs of affected populations. The program is also flexible in its delivery, allowing for both vertical expansion (increasing the value of transfers) and horizontal expansion (increasing the number of beneficiaries) based on the severity of the crisis.

The PSNP demonstrates how ASP systems can combine short-term coping mechanisms with long-term adaptation strategies. By integrating social transfers with community-driven public works, Ethiopia has been able to build resilience to climate-related shocks while providing immediate support to vulnerable households. The success of the PSNP in reducing food insecurity and improving household resilience offers



valuable insights for LAC countries, particularly those facing recurrent natural disasters and food insecurity, such as parts of Central America and the Caribbean.

4.2 Kenya's Hunger Safety Net Programme (HSNP)

Kenya's [Hunger Safety Net Programme](#) (HSNP) is another leading example of an ASP system designed to respond to the specific needs of vulnerable populations in arid and semi-arid regions. The HSNP provides unconditional cash transfers to households in the poorest regions of Kenya, with the goal of building resilience to drought and other shocks.

The HSNP is a shock-responsive social protection system that uses pre-determined triggers to automatically expand the number of beneficiaries during droughts and other crises. When drought conditions are detected (through satellite monitoring and other early warning systems), the program quickly scales up to include more households in the affected areas, ensuring that they receive cash transfers to help them cope with the impact of the drought.

A key feature of the HSNP is its use of digital payment systems to deliver cash transfers. Beneficiaries receive their payments through mobile money platforms, which allows for faster and more efficient distribution, particularly in remote areas with limited banking infrastructure. This digital infrastructure ensures that aid reaches those most in need, even in regions with poor connectivity.

The HSNP targets pastoralist communities in arid regions of Kenya, who are among the most vulnerable to climate-related shocks. By focusing on these marginalized populations, the program addresses the specific challenges faced by households that depend on livestock and natural resources for their livelihoods.

The HSNP provides a model for scalable, shock-responsive social protection systems that can be applied in LAC, particularly in areas prone to recurrent droughts or other environmental shocks. The use of digital platforms for beneficiary identification and payment delivery also offers valuable insights for LAC countries seeking to improve the efficiency and transparency of their social protection systems. In regions like the Dry Corridor of Central America, which is increasingly affected by droughts, similar shock-responsive mechanisms could help prevent crises from exacerbating poverty.

4.3 The Philippines' Pantawid Pamilyang Pilipino Program (4Ps)

The [Pantawid Pamilyang Pilipino Program](#) (4Ps) is the Philippines' flagship conditional cash transfer (CCT) program, aimed at reducing poverty and improving human capital outcomes, particularly in health and education. In recent years, the 4Ps program has also incorporated elements of disaster preparedness and climate resilience, making it a notable example of ASP in Asia.

The 4Ps provides cash transfers to low-income households, conditional on beneficiaries meeting certain health and education requirements, such as ensuring that children attend school and receive regular health check-ups. This approach helps to break the intergenerational cycle of poverty by promoting investments in human capital.



One of the innovative aspects of the 4Ps is its integration of disaster preparedness into the program's regular operations. Beneficiaries participate in family development sessions, which include training on disaster preparedness and response, teaching households how to recognize and respond to disaster warnings, implement evacuation plans, and access relief services. This element of the program helps to build community resilience to natural disasters such as typhoons, which frequently affect the Philippines.

Following major disasters, such as Typhoon Haiyan in 2013, the 4Ps program has been used as a platform to deliver post-disaster relief, including cash transfers and in-kind assistance. This ability to adapt to changing circumstances and provide rapid support in the aftermath of a disaster has been critical in helping affected households recover and rebuild.

The Philippines' 4Ps program highlights the importance of integrating disaster preparedness and response into social protection systems, particularly in regions like the Caribbean, which are highly vulnerable to hurricanes and other extreme weather events. By incorporating educational components on DRR, LAC countries can help communities build resilience and reduce their vulnerability to climate-related shocks. The ability to scale up cash transfer programs in response to disasters, as demonstrated by the 4Ps, is also relevant for LAC countries that face similar risks.

4.4 Bangladesh's Vulnerable Group Development (VGD) Program

Bangladesh's [Vulnerable Group Development](#) (VGD) program is one of the largest social safety net programs in the country, aimed at improving the food security and livelihoods of poor women. The program provides food transfers and skills training to empower women and increase their resilience to economic and environmental shocks.

The VGD program provides food assistance to vulnerable women, along with small cash transfers, helping to meet immediate consumption needs while also supporting income generation.

A unique aspect of the VGD program is its focus on skills training and capacity-building. Beneficiaries receive training in areas such as agriculture, livestock rearing, and small-scale entrepreneurship. By building skills and promoting livelihood diversification, the program helps women become less reliant on any single source of income, making them more resilient to economic shocks.

The program specifically targets poor and vulnerable women, many of whom are widows, single mothers, or members of marginalized communities. This gender-sensitive approach ensures that the most vulnerable members of society are prioritized for support.

The VGD program goes beyond immediate relief by linking food assistance to long-term livelihood strategies. By combining social protection with training and access to productive resources, the program helps women build sustainable livelihoods that reduce their vulnerability to future shocks.

The VGD program in Bangladesh offers valuable lessons for LAC countries in terms of targeting vulnerable populations and promoting gender-sensitive social protection interventions. The emphasis on skills development and livelihood diversification is particularly relevant for countries in LAC where women are disproportionately affected by poverty and where building resilient livelihoods is crucial for long-term



development. The program also demonstrates how food and cash transfers can be combined to meet both short-term and long-term needs.

4.5 India's Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA)

India's [Mahatma Gandhi National Rural Employment Guarantee Act](#) (MGNREGA) is a large-scale employment guarantee scheme. MGNREGA is one of the most ambitious social protection programs in the world and has been used to build resilience in rural communities by providing income support and creating climate-resilient infrastructure.

MGNREGA guarantees rural households a minimum of 100 days of paid work per year, typically through public works projects such as water conservation, afforestation, and irrigation development. This employment guarantee provides a reliable source of income for rural households and helps to reduce seasonal unemployment.

Many of the public projects funded by MGNREGA are designed to improve climate resilience. For example, projects that focus on soil conservation, water management, and drought-proofing help to reduce the vulnerability of rural communities to climate-related shocks, such as droughts and floods.

MGNREGA specifically targets rural households in some of India's poorest and most vulnerable regions. By providing income support to these households, the program helps to reduce rural poverty and promote economic stability.

MGNREGA is highly scalable and has been used to respond to a wide range of shocks, including droughts, floods, and economic crises. The program's flexibility and decentralized implementation allow it to be adapted to the specific needs of different regions.

India's MGNREGA provides valuable lessons for LAC countries on how employment guarantee schemes can be used as part of a broader ASP strategy to provide income support and build climate-resilient infrastructure. The program's focus on rural poverty and climate adaptation is particularly relevant for countries in LAC that face similar challenges. The scalability and flexibility of MGNREGA also offer insights into how LAC governments can design shock-responsive labor programs that meet the needs of vulnerable rural populations.

5. Key Components of Adaptive Social Protection

ASP aims to build resilience among vulnerable populations by integrating social protection with DRR and CCA. The ASP framework leverages existing social protection mechanisms to help individuals and communities better prepare for, cope with, and adapt to shocks, such as natural disasters, economic downturns, and public health crises. ASP systems must be flexible, inclusive, and responsive to the needs of diverse populations, particularly those most affected by climate change and socio-economic inequalities.



This section outlines the key components necessary for an effective and robust ASP system, focusing on program design, delivery mechanisms, and institutional frameworks.

5.1 Shock-Responsive Social Protection

At the core of ASP is the ability to anticipate and respond to shocks in a timely and effective manner. Shock-responsive social protection systems are designed to be flexible, scalable, and adaptive, allowing for rapid expansions of coverage and increased support during crises.

- Scalability—the ability to scale up social protection programs in response to external shocks. This scalability can take two forms: (i) Vertical Expansion: Increasing the value or size of benefits for existing beneficiaries. For example, during a drought or economic crisis, cash transfers may be increased to help vulnerable households meet their needs; and (ii) Horizontal Expansion: Expanding coverage to include new beneficiaries who may not have been part of the original program but are now vulnerable due to a shock. This often includes informal workers, displaced populations, or households newly affected by poverty.

- Flexibility and Early Action—the ability to adapt to different types of shocks, whether they are economic, environmental, or health-related. This flexibility can be achieved through pre-determined triggers that allow social protection programs to automatically scale up or down based on early warning systems and vulnerability assessments. ASP systems often integrate early warning systems (EWS) to anticipate shocks and activate contingency plans before a crisis fully materializes. By responding to early indicators—such as rainfall data predicting drought or rising temperatures leading to heatwaves—governments can implement preventive measures, including preemptive cash transfers or food aid.

5.2 Comprehensive and Inclusive Social Protection Systems

For ASP to be truly effective, social protection systems need to be comprehensive, covering a wide range of risks across the lifecycle, and inclusive, ensuring that vulnerable and marginalized populations are not excluded.

- Comprehensive Coverage Across the Lifecycle: A robust ASP system must provide support at different stages of life, addressing the specific needs of individuals at key moments, such as childhood, old age, unemployment, or during health crises. Comprehensive systems typically include a combination of: (i) Social Assistance—cash transfers, food vouchers, and other forms of in-kind support; (ii) Social Insurance—health insurance, pensions, and unemployment benefits; (iii) Labor Market Programs—wage subsidies, training programs, and job creation initiatives.

- Inclusiveness and Targeting Vulnerable Populations: An essential component of ASP is ensuring that vulnerable populations—including informal workers, women, elderly, and rural communities—are not left out. Effective ASP systems must focus on reaching those who are traditionally excluded from social protection mechanisms, particularly those in informal employment, who often lack access to social insurance schemes. ASP systems need to develop dynamic targeting mechanisms that take into account not just income levels but also exposure to risks such as climate change, location, and gender



vulnerabilities. Incorporating spatial risk assessments into beneficiary selection processes can ensure that high-risk populations—those living in disaster-prone areas or facing higher economic vulnerability—are included in social protection schemes.

5.3 Linking Social Protection with DRR and CCA

ASP is distinguished by its integration of social protection systems with DRR and CCA strategies. This ensures that social protection programs not only address the immediate impacts of shocks but also contribute to long-term resilience.

- Risk-Informed Social Protection: ASP systems must be designed with risk awareness at their core. This means that social protection programs need to be risk-informed, taking into account the specific hazards and vulnerabilities of the regions they cover. Governments can use risk maps, climate forecasts, and vulnerability assessments to design social protection programs that are responsive to the specific risks that populations face.

- Building Climate-Resilient Livelihoods: ASP systems also focus on building climate-resilient livelihoods by promoting sustainable agricultural practices, providing climate-related insurance, and offering skills training that helps vulnerable communities adapt to changing environmental conditions. By integrating climate-smart agriculture, reforestation, and eco-friendly infrastructure projects into public works programs, ASP systems can reduce the vulnerability of populations to climate-related shocks.

5.4 Digital and Data-Driven Innovations

Digital technologies and data-driven innovations are critical enablers of ASP. These tools help governments reach vulnerable populations more efficiently, improve targeting, and ensure rapid delivery of benefits.

- Digital Payment Systems and Mobile Platforms: Digital payment systems, including mobile money and digital wallets, enable governments to quickly transfer cash to beneficiaries, especially in remote areas with limited access to banking infrastructure. These systems reduce transaction costs, increase transparency, and ensure that payments reach beneficiaries more efficiently.

- Data-Driven Social Registries and Targeting: To effectively implement ASP, governments need robust social registries that contain up-to-date information on vulnerable populations. These registries should be dynamic and able to incorporate data from multiple sources, including weather forecasts, climate risk maps, and household-level data, to ensure that social protection systems are responsive to emerging vulnerabilities.



5.5 Financing ASP and Ensuring Sustainability

Effective ASP systems require sustainable financing mechanisms to ensure that they can be rapidly scaled up in response to shocks. Governments must invest in contingency funds, insurance mechanisms, and innovative financing tools to provide timely support during crises.

- Risk Financing and Contingency Funds: Countries must establish contingency funds and risk financing strategies that are specifically designated for responding to disasters and emergencies. These funds ensure that governments have the financial resources to scale up social protection programs quickly and efficiently when a crisis occurs.
- Innovative Financing Mechanisms: ASP systems can also leverage innovative financing tools to ensure long-term sustainability. These mechanisms include sovereign insurance, catastrophe bonds, and microinsurance, which can provide financial protection for governments and households alike.
- Catastrophe Bonds (CAT Bonds): These are used by governments to transfer the financial risks of natural disasters to investors. If a disaster occurs, the bondholders lose their investment, and the funds are used to support disaster response efforts.
- Microinsurance: This is designed to provide low-income households, particularly those in agriculture and fisheries, with financial protection from climate shocks such as droughts and floods. Microinsurance helps vulnerable households rebuild their livelihoods after a shock by providing timely payouts.

5.6 Institutional Frameworks and Cross-Sectoral Coordination

Effective ASP systems require strong institutional frameworks and cross-sectoral coordination to ensure that social protection, DRR, and CCA strategies are aligned and mutually reinforcing.

- Cross-Sectoral Collaboration: ASP systems thrive when there is collaboration between sectors such as social protection, environmental management, health, and finance. Establishing clear institutional roles and coordinated governance mechanisms ensures that ASP initiatives are integrated into broader national development plans and disaster risk management strategies.
- Governance and Accountability: Governments must also ensure that ASP systems are governed by transparent and accountable institutions. This includes implementing robust monitoring and evaluation frameworks to assess the impact of ASP programs and ensure that resources are used effectively.

In summary, building a strong ASP system requires a multifaceted approach that combines shock-responsive social protection, comprehensive coverage, linkages with DRR and CCA, digital innovations, sustainable financing, and effective institutional frameworks. These components, when integrated into a cohesive system, can significantly enhance the resilience of vulnerable populations and help governments respond more effectively to the increasingly frequent and severe shocks brought about by climate change, natural disasters, and other global challenges.



By learning from global experiences and adopting best practices, countries in LAC can develop ASP systems that are capable of not only providing immediate relief during crises but also promoting long-term, sustainable development. Through cross-sectoral coordination, innovative financing, and digital tools, ASP systems can build a more resilient, inclusive, and adaptive future for the region.

6. Policy Recommendations

To build effective ASP systems, countries should adopt a comprehensive approach that addresses both short-term responses to crises and long-term strategies for resilience-building. The following policy recommendations are designed to help governments in LAC—and beyond—develop ASP systems that are inclusive, sustainable, and capable of adapting to the increasing frequency and intensity of shocks such as natural disasters, climate change, and economic crises.

These recommendations focus on key areas such as program design, institutional capacity, financing, cross-sectoral collaboration, and international cooperation. By implementing these policies, countries can enhance the effectiveness of their social protection systems and build greater resilience among vulnerable populations.

6.1 Strengthen Shock-Responsive Social Protection Systems

One of the most important steps in building an effective ASP system is to strengthen the capacity of social protection systems to respond to shocks. Governments must ensure that social protection programs can rapidly expand during times of crisis, providing immediate support to those affected.

Governments should prioritize making their social protection systems more flexible, allowing programs to expand both vertically (increasing the size of benefits) and horizontally (adding new beneficiaries) in response to crises. This flexibility is essential for responding to a wide range of shocks, including economic downturns, natural disasters, and pandemics.

Recommendation 1: Design social protection programs with pre-established triggers that activate automatically based on early warning systems or specific economic indicators. These triggers can ensure that cash transfers, food aid, and other benefits are disbursed quickly when needed.

Governments should invest in early warning systems (EWS) that are directly linked to social protection programs. This integration allows governments to anticipate shocks and activate responses before the full impact of a crisis is felt.

Recommendation 2: Establish partnerships with meteorological services, climate forecasting agencies, and disaster management offices to ensure that real-time data on climate risks



(such as floods, droughts, and hurricanes) is integrated into the decision-making processes of social protection programs.

6.2 Enhance Targeting and Coverage of Vulnerable Populations

ASP systems must prioritize reaching the most vulnerable populations, particularly those who are often excluded from traditional social protection systems, such as informal workers, rural communities, and Indigenous populations.

Countries need to establish or enhance dynamic social registries that can be updated regularly with real-time data on vulnerabilities. These registries should include not only socio-economic information but also geospatial data on households' exposure to risks, such as natural disasters or climate-related hazards.

Recommendation 3: Governments should develop dynamic, interoperable social registries that incorporate data from multiple sources, including climate risk maps, health records, and employment data. This approach allows for more accurate targeting of vulnerable populations and ensures that social protection programs are responsive to changes in people's circumstances.

In LAC, many vulnerable populations work in the informal economy and are not covered by traditional social insurance programs. Governments should develop policies that extend coverage to these workers, ensuring that they receive protection during crises.

Recommendation 4: Implement targeted interventions for informal workers, such as flexible social insurance schemes, voluntary savings programs, and cash transfers. Governments can partner with mobile money and digital platforms to reach informal workers who may not have access to traditional banking services.

6.3 Integrate DRR and CCA into Social Protection

Given the increasing frequency and intensity of climate-related disasters in LAC, integrating DRR and CCA into social protection systems is essential for long-term resilience.

Governments should design public works programs that focus on building climate-resilient infrastructure, such as reforestation projects, water conservation systems, and sustainable agricultural practices. These programs provide immediate income support to vulnerable populations while also contributing to long-term climate resilience.

Recommendation 5: Establish cash-for-work programs that build climate-resilient infrastructure, targeting regions prone to natural disasters and environmental degradation. Such programs can simultaneously reduce vulnerability and promote sustainable livelihoods.



Countries should explore climate financing mechanisms—such as the Green Climate Fund (GCF) and climate-related bonds—to support the development and implementation of ASP programs. These funds can be used to finance programs that address the specific vulnerabilities caused by climate change, such as displacement, loss of livelihoods, and food insecurity.

Recommendation 6: Establish national financing strategies that blend domestic resources with international climate finance to support the scaling up of ASP programs. Governments should also consider using catastrophe bonds and sovereign insurance to protect against the financial risks posed by large-scale disasters.

6.4 Secure Sustainable Financing for ASP Systems

Sustainable financing is a cornerstone of ASP systems. Governments must ensure that they have access to adequate financial resources to maintain and scale ASP programs during times of crisis.

Countries should create contingency funds specifically designated for financing social protection responses during crises. These funds can be used to rapidly scale up cash transfers, food aid, and other forms of social assistance in response to natural disasters or economic shocks.

Recommendation 7: Build contingency funds into national budgets and ensure they are sufficiently resourced. Governments should also explore blended finance approaches, combining public funds with private sector contributions and international aid to finance ASP systems.

In addition to contingency funds, governments should explore risk financing mechanisms such as sovereign insurance, catastrophe bonds, and social impact bonds (SIBs). These tools provide access to immediate financial resources when a crisis occurs, reducing the need to divert funds from other essential services.

Recommendation 8: Partner with international organizations and financial institutions to develop risk financing strategies that protect against the financial impacts of large-scale disasters. Governments should also engage with private sector investors to explore the use of SIBs for financing ASP programs.

6.5 Strengthen Institutional Capacities and Cross-Sectoral Coordination

Strong institutions and effective governance are essential for the success of ASP systems. Governments must invest in building institutional capacities and enhancing coordination across sectors to ensure that ASP programs are implemented effectively.



Governments should focus on strengthening the capacity of both local and national authorities to manage and implement ASP programs. This includes investing in training, technical assistance, and institutional strengthening to ensure that frontline workers and government officials have the skills and resources needed to deliver ASP services effectively.

Recommendation 9: Create capacity-building programs that focus on developing the technical expertise needed to design, implement, and monitor ASP programs. Governments should also invest in peer learning initiatives and knowledge exchanges between countries to share best practices.

ASP systems require cross-sectoral coordination between different government agencies, including those responsible for social protection, disaster risk management, climate adaptation, and health. Governments should establish formal coordination mechanisms to ensure that these sectors work together seamlessly.

Recommendation 10: Establish national steering committees or inter-ministerial task forces to oversee ASP implementation. These bodies should include representatives from relevant ministries, civil society organizations, and the private sector, ensuring that all stakeholders are involved in the decision-making process.

6.6 Promote Regional and International Cooperation

ASP systems can be strengthened through regional and international cooperation, particularly in the areas of knowledge sharing, capacity building, and financing. Given the transnational nature of many challenges—such as climate change—governments should collaborate across borders to develop comprehensive ASP strategies.

Countries in LAC should engage in regional partnerships to share best practices, coordinate responses to transboundary crises, and access collective financing mechanisms. Regional organizations such as UNDP, ECLAC and the Caribbean Community (CARICOM) can play a key role in facilitating these partnerships.

Recommendation 11: Establish regional forums where governments can share lessons learned, discuss the effectiveness of ASP programs, and explore opportunities for collaboration. This includes developing regional disaster response strategies and joint funding mechanisms.

Governments should also engage with international financial institutions such as the World Bank, the International Monetary Fund (IMF), the Latin America Development Bank-CAF, and the Inter-American Development Bank (IDB) to secure financing for ASP initiatives. These institutions offer a range of tools, including concessional loans, technical assistance, and grants, which can help countries scale up their social protection systems.



Recommendation 12: Develop long-term partnerships with international financial institutions to secure financing for ASP programs. Governments should also leverage these institutions' technical expertise to design effective and sustainable ASP systems.

7. Conclusions

In a world increasingly characterized by complex and unpredictable crises—ranging from climate-related disasters to economic shocks and pandemics—the need for resilient, ASP systems is more pressing than ever. This is particularly true for LAC, where a significant proportion of the population faces persistent vulnerabilities. ASP offers a pathway toward building societies that are better equipped to withstand shocks, reduce poverty, and protect their most vulnerable populations.

This document has explored the key elements of ASP, drawing from global best practices, the latest research, and real-world examples. It is clear that ASP is not merely a response mechanism to crises but a forward-looking approach that integrates DRR, CCA, and social protection into a cohesive framework. By doing so, ASP transforms reactive social protection systems into proactive, shock-responsive systems capable of addressing both short-term and long-term challenges.

ASP systems are not just about providing emergency relief; they are a critical tool for building long-term resilience among vulnerable populations. By investing in adaptive measures—such as climate-resilient infrastructure, early warning systems, and dynamic social registries—countries can reduce the risks that shocks pose to their populations and economies. ASP has the potential to serve as a social safety net, but also as a development catalyst, promoting sustainable livelihoods and economic growth. Public works programs, for example, can provide short-term income support while also building infrastructure that reduces vulnerability to future crises. Meanwhile, innovations in digital payments and social registries ensure that social protection systems are more inclusive and responsive to real-time changes in households' vulnerability.

One of the most important characteristics of ASP systems is their flexibility. These systems must be designed to scale up quickly during times of crisis, expanding both the number of beneficiaries and the size of benefits. This requires integrating early warning systems, pre-determined triggers, and real-time data into social protection programs, ensuring that governments can respond promptly and effectively. Countries that have successfully implemented ASP have shown that flexibility is critical in reducing the impacts of crises. Their experiences demonstrate that horizontal and vertical expansions of social protection programs can make a meaningful difference in protecting livelihoods and minimizing the economic costs of disasters.

Effective ASP systems require cross-sectoral collaboration. Social protection cannot function in isolation; it must be integrated with disaster risk management, climate adaptation, health, and education. Institutional frameworks that bring together these different sectors are essential for the design and implementation of ASP systems. Moreover, regional cooperation is key in addressing transboundary challenges such as climate change and pandemics. Countries in LAC should leverage platforms such as UNDP, ECLAC and CARICOM to share knowledge, resources, and experiences, and to collaborate on financing mechanisms such as



sovereign insurance and catastrophe bonds. Global financial institutions like the World Bank and IMF also play a vital role in supporting these efforts through technical assistance and funding.

Despite the numerous benefits of ASP systems, significant challenges remain. Many countries in LAC face fiscal constraints, institutional weaknesses, and political barriers that limit their ability to implement comprehensive ASP systems. The COVID-19 pandemic has further strained government budgets and exposed gaps in social protection coverage, particularly for informal workers and rural communities.

To address these challenges, governments must focus on building institutional capacity and securing sustainable financing for ASP systems. This includes developing long-term partnerships with international financial institutions, leveraging climate finance, and creating contingency funds to ensure that resources are available when crises strike. Moreover, continued investments in data systems, digital technologies, and social registries are necessary to improve the targeting and coverage of vulnerable populations.

The path forward for ASP in LAC is one of both urgency and opportunity. As climate change accelerates and economic inequalities deepen, the region must prioritize the development of adaptive, inclusive, and scalable social protection systems. This requires a paradigm shift—moving from reactive, short-term responses to crises toward proactive, long-term planning that integrates social protection with broader development strategies.

This document has provided a roadmap for designing and implementing ASP systems, with practical recommendations for building flexibility, scalability, and resilience into social protection programs. By following these recommendations and leveraging international cooperation, innovative financing, and digital technologies, countries in LAC can lead the way in building a future where vulnerable populations are protected, and societies are better equipped to navigate uncertainty.