# BUILDING CLIMATE RESILIENCE IN LATIN AMERICA AND THE CARIBBEAN

The World Food Programme's Experience



SAVING LIVES CHANGING LIVES

# THE CLIMATE CHALLENGE

The impacts of climate variability and change are already visible in Latin America and the Caribbean (LAC).

Central and South America are characterised by delayed onset of the rainy season, increasing frequency and intensity of droughts, as well as excessive rains and severe flooding and landslides. Rural communities, especially subsistence farmers, are affected by water scarcity and eroding soils which reduce their food production and their ability to meet basic food and nutritional needs. This further exacerbates poverty

and capacities to adapt to the changing weather patterns, increasing the pressure on communities and local governments, and leading to an alarming rate of permanent migration out of areas consecutively affected by climate variability and change.

In the Caribbean, small island states are experiencing more intense hurricanes, the risk of sea level rise in low-lying coastal areas, and losses to ecosystem services that impact people's livelihoods.



# CLIMATE RESILIENCE

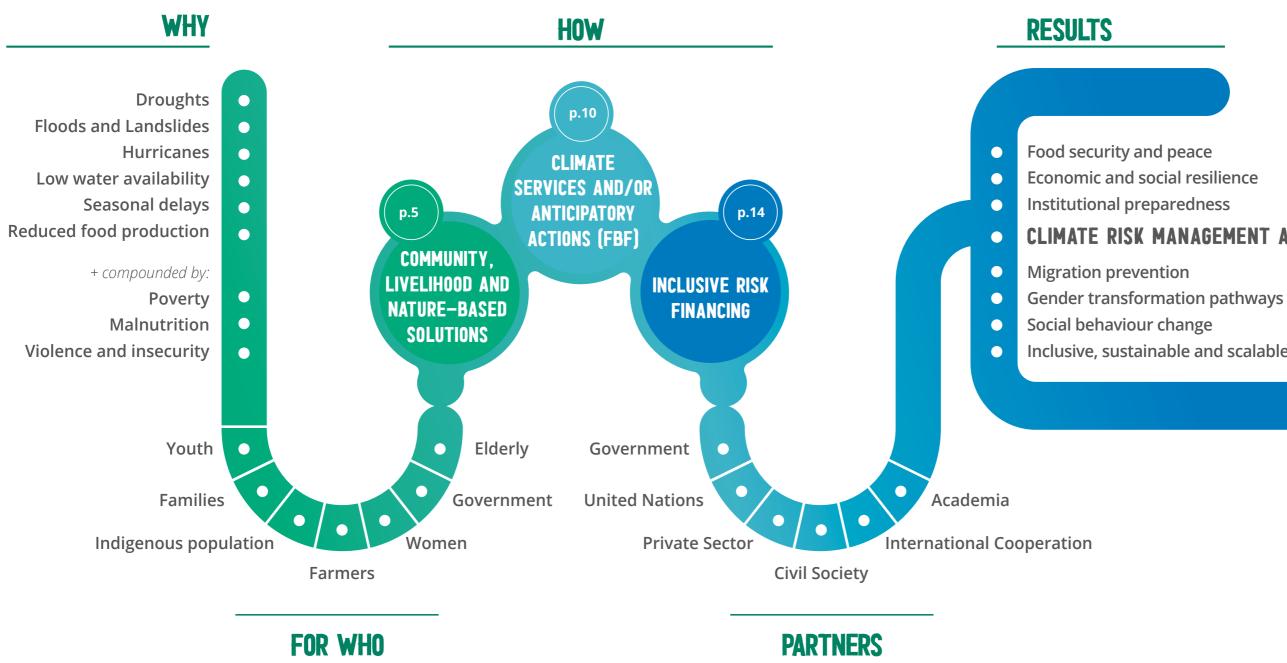
WFP works directly with communities across LAC to help increase their capacities to adapt to the impacts of climate variability and climate change. WFP aims to ensure that vulnerable households, communities, their livelihoods and the ecosystems they depend on become more resilient to climate-related shocks and stressors, and with a view towards scalable and sustainable transformation. Our work builds on our well-renowned experience and expertise in having:

- Extensive **field presence** and the building of trust with the communities we serve
- An **inclusive approach** to ensure the most vulnerable, marginalised and food insecure are prioritised
- Ambition to be <u>gender</u>
  <u>transformative</u> in addressing underlying gender inequalities
- An ability to **foster** partnerships with governments, academia, the private sector and civil society
- The drive to find innovative solutions to address people's needs sustainably and at scale
- A focus on robust evidence generation to promote learning and government investment.



# WFP APPROACH

Climate variability and change are key drivers of hunger. WFP is focused on building the capacities of communities and governments to adapt to these growing climatic impacts in LAC. This includes building on our lengthy experience in emergency response and community-level resilience work to provide a range of climate innovations that can end hunger and achieve food security and improve nutrition across the region.



### CLIMATE RISK MANAGEMENT AND RESILIENCE

Inclusive, sustainable and scalable development

# COMMUNITY, LIVELIHOOD & NATURE-BASED SOLUTIONS

Enabling climate change adaptation that is community-led, based on people's priorities, needs, knowledge and capacities, and where naturebased solutions consider the ecosystem services upon which livelihoods depend.

WFP - Morelia Eróstegui



# THE PROBLEM

Rural communities are already feeling the brunt of the impacts of climate variability and change on their livelihoods, food security and nutrition. This includes delayed rainy seasons, lengthier dry conditions, unpredictable rainfall and more extreme storms and floods that are making it harder for people to continue their traditional livelihoods. Environmental degradation has been further heightened by climatic impacts.

# **OUR APPROACH**

WFP has decades of experience working directly with communities across the region. At the grassroots level, we help communities increase their capacities to adapt to the impacts of climate variability and change. This includes enhancing people's awareness, knowledge, skills and access to resources that will help communities conserve natural resources and protect their families and natural environment from climatic impacts. Our participatory approaches enable the inclusion of women, youth, the elderly, indigenous and marginalised groups, with benefits towards social cohesion and peacebuilding. We also broker closer partnerships with local governments, civil society, non-government organisations, the private sector and technical partners, with the aim of culitivating trust and local-level governance structures that will ensure more sustainable, long-term support.





## AWARENESS AND KNOWLEDGE

By enhancing knowledge and skills on climate change adaptation, together with access to technology and assets, WFP ensures that vulnerable households, communities and governments have the capacities to choose effective adaptation options and withstand current and future climate risks.

#### **SUCCESS STORY**



WFP - Edison Marcial

### **COLOMBIA & ECUADOR**

Participatory workshops for Awá communities has allowed people to strengthen their local capacities in using improved agricultural practices in the border between Colombia and Ecuador.

#### OUR APPROACH

# SKILLS AND LIVELIHOOD DIVERSIFICATION

By promoting livelihood diversification, WFP supports individuals, households and communities in finding new ways to raise incomes while reducing environmental risks that will allow them to withstand current and future climate risks. This includes promoting climate smart agricultural techniques that are more resilient to climaterelated shocks while also helping smallholder farmers improve their agricultural productivity and incomes.

#### SUCCESS STORY



### DRY CORRIDOR

In the Dry Corridor, smallholder farmers increased their agricultural productivity by using climate-smart agricultural practices such as retaining soil moisture and using crop varieties that are more adapted to droughts.

WFP - Oscar Duarte

### SUSTAINABLE MANAGEMENT, CONSERVATION AND RESTORATION OF ECOSYSTEMS

By promoting household and community-based conservation and restorative practices within people's surrounding environment, WFP helps communities build integrated and sustainable approaches to managing their natural resources. Support also includes the creation of assets that can protect ecosystems from climate-related shocks and stressors.

#### OUR APPROACH

## MARKET ACCESS

By promoting diversified and alternative market access strategies, WFP enables smallholder farmers, artisans, women and youth to consolidate their productive capacities and sell their products. Increased and sustainable access to markets improves people's livelihoods, income and food security. WFP's emphasis on digital market solutions has helped with unforeseen circumstances such as the COVID-19 pandemic.

### SUCCESS STORY



### **SUCCESS STORY**



FORECCSA Ecuador

### ECUADOR

In Ecuador, community-based restoration of arable land has improved people's food security while reducing pressures on surrounding ecosystems.

### **NICARAGUA**

Better market access has supported cooperatives of women in Nicaragua in improving their income and food security.

WFP Nicaragua



By promoting new and innovative approaches to energy access, WFP supports households in meeting basic cooking and household energy needs in a sustainable manner. This includes addressing environmental degradation and deforestation due to fuel-gathering activities, but with added benefits in reducing people's risks of malnutrition, respiratory diseases and conflict over scarce resources.

#### **SUCCESS STORY**



WFP - Alejandro Arriola

### **GUATEMALA**

New cooking stoves have helped families in Guatemala to sustainably meet household cooking needs while reducing respiratory diseases.





# CLIMATE SERVICES & SERVICES & ANTICIPATORY ACTION

Producing, translating and tailoring climate information that communities can easily act upon, while supporting goverments to mobilise humanitarian resources via forecast triggers before climate disasters strike.



# THE PROBLEM

In Latin America and the Caribbean, many vulnerable people do not have access to climate and weather information that can help them make informed decisions, and they also lack the resources that would allow them to take early action. For governments too, there is a persistent funding gap of around 40 percent for most humanitarian appeals, and the time to get that funding to support disaster response has a costly impact on people's lives and livelihoods. These limitations in information and finance have negative impacts on people's incomes, their food security and nutrition.

# **OUR APPROACH**

WFP's grassroots approach places a strong focus on ensuring "last mile" populations receive climate information that is going to meet their needs. WFP works with communities, governments and technical partners to strengthen systems that will support vulnerable people's access to these climate services.

WFP is also implementing innovative programme approaches such as forecast-based financing (FbF) programmes that enable communities and governments to use reliable seasonal and weather forecasts to receive finance to adopt **anticipatory actions**. This mechanism is changing the way the humanitarian system responds to climate-related disasters by reducing the scale of humanitarian needs before they materialize.



## LAST MILE CLIMATE SERVICES

By ensuring climate-vulnerable communities have access to "last mile" climate and weather information that is understandable, easily accessible and actionable, WFP is enabling people to make better-informed livelihood decisions. This includes agricultural advisories so that smallholder farmers can take decisions based on the agricultural season's forecast, such as which crops to choose, when to plant, inputs to purchase, and if to harvest early or to wait for improved weather conditions.

### **SUCCESS STORY**



WFP - El Salvador

### **EL SALVADOR**

In El Salvador, the Estacion Verde (Green Station) offers a new method of disseminating weather and climate information to communities through podcasts and radio.

### OUR APPROACH

## STRENGTHENING INSTITUTIONS AND EARLY WARNING SYSTEMS

WFP works with governments, hydrometeorological agencies, research institutes and communication intermediaries to enable state-of-the-art climate services. This builds on WFP's lengthy experience supporting governments to strengthen early-warning systems that save lives and livelihoods from disasters. WFP often acts as a facilitator among these actors and communities, including with the creation of National Frameworks for Climate Services to ensure better coordination as well as the "co-production" of climate information products that are tailored to meet local needs.

### **SUCCESS STORY**



### GUATEMALA

Weather forecast bulletins co-produced with the national met agency, local government and farmer representatives is enabling families in Guatemala to take appropriate action and to harvest enough food despite the irregular onset of the rainy season.

WFP - Alejandro Arriola

### ANTICIPATORY ACTION FORECAST-BASED FINANCING (FBF)

By implementing innovative planning approaches that use climate forecasts, WFP is supporting governments, communities and households to trigger and finance early action - sometimes days, weeks and even months before a climate shock occurs. These initiatives help affected populations avoid negative coping strategies that can reverse any development gains they have made.

#### OUR APPROACH

SUCCESS STORY

## BIOINDICATORS

WFP is leveraging indigenous knowledge on bioindicators (natural signals such as the position of birds' nests, the blooming of specific flowers, and the movement of ants) to provide early warning signals about potential hazards as well as actionable information like the appropriate timing for sowing crops.

#### **SUCCESS STORY**



WFP Alejandro López Chicheri

### **DOMINICAN REPUBLIC**

In the Dominican Republic, WFP is integrating forecast-based action into its food security interventions so that the impact of major floods can be averted.

### BOLIVIA

In Bolivia, indigenous populations uses bioindicators to predict the weather. By unloading them into the "System of Natural Indicators-Bioindicators" (SINB platform) they help reduce the emergency response time by more than half.



Prosuco - Bolivia

# INCLUSIVE CLIMATE RISK FINANCING

Providing communities and governments with access to risk finance instruments that protect them from climate shocks, while also enabling vulnerable people to diversify their livelihoods and build their resilience through more inclusive financial services.



# THE PROBLEM

A wide range of risks - from extreme climatic events, to financial crises and pandemics - threaten people's livelihoods, food security and nutrition across LAC. Despite a reasonably active financial services market in the region, there is a lack of access to such products for the most vulnerable and food insecure, meaning families have less reliable financial sources to lean upon when a shock hits and discouraging them to take on prudent investment risks such as updated livelihood practices.

# **OUR APPROACH**

WFP works with governments, communities, the private sector and technical partners in the region to help enable access by vulnerable and food insecure people to financial services so they can better manage climate risks and invest in new livelihood practices. WFP has established a regional risk finance strategy to guide countries across LAC in designing scalable and sustainable approaches that foster cost-effective solutions. The strategy harnesses opportunities in LAC for public-private partnerships, connections to WFP's resilience and social protection and safety net programmes, and WFP's global experience in risk-layered approaches.



## INNOVATIVE MICRO-INSURANCE PRODUCTS

By developing and promoting innovative microinsurance products, WFP contributes to improving families' climate resilience so they can avoid negative coping strategies while also stimulating faster recovery and productivity. Innovative products such as index-based (parametric) microinsurance products offer rapid and low cost payouts that can help smallholder farmers and small and micro-entrepreneurs protect and diversify their livelihoods.

### **SUCCESS STORY**



WFP - Guatemala

### **GUATEMALA**

WFP is working with a local insurer to offer a weather-index product to food insecure populations in the event of droughts and excess rain.

#### OUR APPROACH

## MACRO - AND MESO - SOLUTIONS

As part of its risk-layered approach, WFP considers sovereign insurance products that can offer highly effective support to governments as rapid macro-level finance in the event of major disaster. WFP is pursuing opportunities to support the most vulnerable through the enhancement of these types of instruments, by establishing mechanisms that connect them to social protection systems at the meso-level, helping enhance the shock-responsiveness of these systems.

### **SUCCESS STORY**



### THE CARIBBEAN

Hurricanes are a common cause of devastation across the Caribbean. Sovereign insurance is a key tool for governments' rapid response, with opportunities to connect such instruments to social protection systems, as is being currently explored under <u>WFP's Caribbean risk financing strategy</u>.

WFP - Rocío Franco

### **SAVINGS AND CREDIT**

By improving access by food insecure populations to financial services such as savings and credit, WFP is helping women and families build stronger financial foundations that allows them to better manage climate risks and invest in improving their livelihood practices. WFP is also exploring entry-points with digital financial inclusion, remittances and its work on cash-based transfers.

#### **SUCCESS STORY**



Oxfam Aurelia Martinez

### **EL SALVADOR**

In El Salvador, informal savings groups facilitate small loans to be distributed between members at minimal interest rates and are accompanied by financial education and training.

#### OUR APPROACH

## **ENABLING ENVIRONMENT**

To unlock the offer of sustainable, scalable and responsibly delivered financial services for the most vulnerable and food insecure in LAC, WFP recognises that creating an enabling environment is essential. WFP is focused on: facilitating public-private partnerships where insurers are encouraged to test innovative approaches; supporting local capacity strengthening of key stakeholders; promoting financial education and product experimentation for the most vulnerable; and generating evidence to advocate for large-scale investment.

#### **SUCCESS STORY**



### **GUATEMALA, NICARAGUA AND EL SALVADOR**

WFP is working closely with local insurers who have the motivation to offer tailored insurance products to the most vulnerable, with WFP's financial support allowing the testing of innovative bundling of financial services and the promotion of financial education.

WFP - Alejandra Samayoa

