



A Real Mosaic of Solutions to Respond to Loss and Damage from Climate Change

Social Protection

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Introduction

This publication is part of a [series of briefs](#) unpacking the pieces of a fit for purpose “mosaic of solutions” to respond to loss and damage from climate change. This series expands on our earlier work, which presented a [five-year vision for Loss and Damage under the United Nations Framework Convention on Climate Change \(UNFCCC\)](#) to look beyond the international climate regime at catalysing a wider mosaic of solutions.

In the [flagship paper](#) of the series, we unpack the pieces of the mosaic. In these thematic briefs, we dive deeper into existing solutions and how they can be strengthened. We also consider any reforms needed and explore emerging solutions.

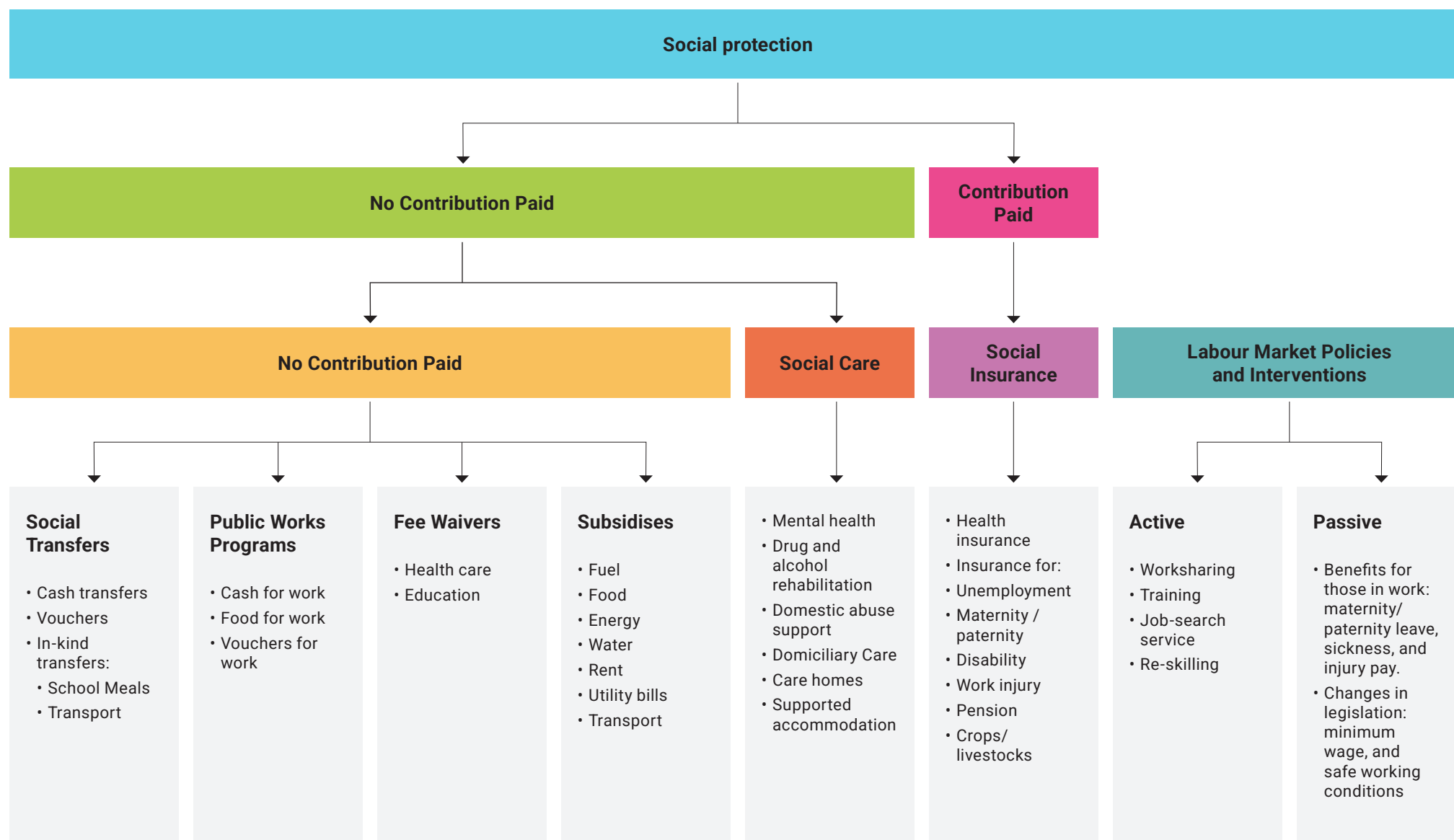
This brief unpacks the role that social protection can play in loss and damage response. It provides a short introduction to what social protection is, highlights the challenges that developing countries face in providing social protection, and how they can be addressed.

What is social protection?

Social protection consists of policies, programs, and actions, designed to tackle root causes of vulnerability by preventing poverty, increasing social inclusion, and reducing inequality across the lifecycle of a person.^{1,2} It provides safety nets for people who cannot support themselves or face additional needs as a result of challenges such as unemployment, parental responsibilities, sickness, disability, and old age,^{3,4} by ensuring access to essential services (e.g. health care and education) and/or income security.⁵

Social protection can take the form of cash benefits, such as pensions or unemployment benefits⁶, in kind support through care services (e.g. in-home visits by care workers), and labour market programmes (e.g. legislation on minimum wage).⁷ Some types of social protection are dependent on contributions from beneficiaries, while others are not. Figure 1 illustrates the different types of social protection.

Figure 1: Social protection and loss and damage response.⁸



When combined with early warning systems and anticipatory action, social protection can enhance capacity to cope with loss and damage by providing support in advance.⁹ In the aftermath of a loss and damage event, it can help households get back on their feet. In the long run, social protection can contribute to raising adaptive capacities—including those of future generations—through positive impacts on sustainable development and livelihood diversification.¹⁰

Studies show that every 1 USD invested in social protection can increase Gross Domestic Product (GDP) on average by 1.84 times within two and a half years.¹¹ For local economies, the benefits are even greater. For every dollar transferred to low income families, there is an estimated multiplier effect of 2.50 USD in the local economy.¹²

What is the problem?

3.8 billion people worldwide still lack any kind of safety net.¹³ This is particularly acute in the 50 most climate-vulnerable countries, where 2.1 billion people lack any form of social protection.¹⁴ Estimates show that for low- and middle-income countries, the financing gap to achieve universal coverage of social protection floors (i.e. nationally defined sets of basic social security guarantees) is 3.3 percent of their GDP annually.¹⁵ However, when the finance gap for low-income countries is considered alone, this rises to an overwhelming 52.3 percent of their GDP¹⁶—equivalent to 308.5 billion USD a year. When looking at achieving universal social protection and decent jobs in all developing countries, the cost rises to 6.9 trillion USD a year.¹⁷

What are the existing solutions?

The objective of achieving universal social protection is reflected under goal 1.3 (no poverty) of the Sustainable Development Goals (SDGs).¹⁸ This goal is also reflected in many international organisations' agendas, including the United Nations International Labour Organisation (ILO).¹⁹ Key initiatives supporting the achievement of this goal include the Social Protection Inter-agency Cooperation Board (SPIAC-B), Global Partnership for Universal Social Protection to achieve the SDGs and Task Force on Linking Adaptive Social Protection and Climate Financing.^{20,21}

The role of social protection in climate action has also been recognised in key United Nations Framework Convention on Climate Change (UNFCCC) decisions.²² This includes decisions on the Global Goal on Adaptation²³ the Loss and Damage funding arrangements established alongside the Fund for Responding to Loss and Damage (FRLD),²⁴ and the Just Transition Work Programme.²⁵ While initiatives led by non governmental organisations include tools such as the Anticipatory Social Protection Index for Resilience (ASPIRE), which aims to help assess how well a country's social protection systems can deliver early action against climate risks,²⁶ alongside numerous social protection programs.

What do we need to see?

To achieve universal social protection coverage in all developing countries will require their governments to increase spending by an estimated 1.4 trillion USD annually.²⁷ Developing countries must not be left to bear this cost alone. Developed countries must mobilise finance as part of their commitments to support sustainable development in developing countries and repay a development debt they owe developing countries for underdevelopment as a result of centuries of colonial exploitation, uneven economic exchange, and structural subordination.²⁸ This has drained resources and left developing countries unable to meet the basic needs of their citizens, such as education, health care, and safe shelter.²⁹ In addition, developing countries' fiscal space must be increased through a combination of debt cancellation and reforms to international tax and trade rules.^{30,31}

Multilateral development banks (MDBs) and relevant organisations, such as the International Labour Organization, must also scale up grant based finance and support for social protection mechanisms.³²

This is particularly important to ensure social protection coverage in the aftermath of a loss and damage event when fiscal space is limited.³³

Diagnostic tools such as ASPIRE can help developing countries assess how well their social protection systems can deliver early action to protect households against climate risks.³⁴ Yet, in addition to finance, developing countries will also need technical assistance and institution capacity building support to address the gaps identified.

Institutions and mechanisms such as the SPIAC-B, the FRLD's Country Support System, [Santiago Network](#), [Just Transition Mechanism](#), [Green Climate Fund's readiness and reparatory support program](#), and [Social Protection Technical Assistance, Advice and Resources \(STAAR\)](#), must all be funded to the scale of the needs to ensure that this support can be provided. Table 1 highlights a number of existing social protection programs and tools, the challenges they face, and how they can be strengthened.

Table 1: Example of existing social protection programs and tools.

CURRENT SOLUTIONS	HOW DOES IT WORK?	WHAT ARE THE ISSUES?	WHAT NEEDS TO CHANGE?
Anticipatory Social Protection Index for Resilience (ASPIRE)	ASPIRE is a diagnostic tool developed to assess how well a country's social protection systems can deliver early action against climate risks. It evaluates policies, programs, and delivery mechanisms (such as cash transfers) to identify gaps. ³⁵	To be effective, the ASPIRE diagnostic tool must lead to increased support for developing countries to strengthen anticipatory social protection.	Finance, technical assistance, and capacity building support must be provided by developed countries to developing countries to address gaps identified by using the ASPIRE tool.
Social Protection Technical Assistance, Advice and Resources (STAAR)	STAAR provided expert advice, technical assistance, and evidence to support stronger, more inclusive, and gender-responsive social protection systems, especially in crisis settings. ³⁶ STAAR is a joint initiative of the United Kingdom's (UK) Foreign, Commonwealth, & Development Office (FCDO)'s Better Assistance in Crises (BASIC) , and Gender-Responsive Social Protection (GSP) programs.	STAAR concluded in 2025. ³⁷ This coincided with the UK's cuts ³⁸ to official development assistance (ODA) to 0.3 percent of gross national income (GNI). STAAR also had limited reach in developing countries. ³⁹	The UK's FCDO should restart STAAR and increase funding so that it can provide support to a greater number of developing countries. The UK must meet the 0.7 percent of GNI ODA target .

CURRENT SOLUTIONS	HOW DOES IT WORK?	WHAT ARE THE ISSUES?	WHAT NEEDS TO CHANGE?
Productive Safety Net Programme (PSNP)	The <u>Productive Safety Net Programme</u> (PSNP) is an Ethiopian government-led initiative supporting 7–8 million chronically food-insecure rural residents. It provides predictable, multi-year cash or food transfers, shifting reliance from emergency assistance to long-term resilience. The existence of PSNP supported the establishment of the <u>Horn of Africa Risk Transfer for Adaptation</u> (HARITA) initiative, the precursor to the <u>R4 Rural Resilience Initiative</u>, developed by Oxfam America and the <u>World Food Programme</u>.	A 200 million USD World Bank loan was approved in March 2026 to continue supporting beneficiaries of PSNP.⁴⁰ The use of loans risks further exacerbating Ethiopia's existing debt burden at a time when the country is already undergoing debt restructuring.⁴¹	The PSNP must be supported by grants not loans. Developed countries must provide grant based finance at the scale of the needs to Ethiopia. This is one of the many ways in which developed countries must service the development and climate debt they owe developing countries like Ethiopia.
Mahatma Gandhi National Rural Employment Guarantee Scheme	India's <u>Mahatma Gandhi National Rural Employment Guarantee Scheme</u> (MGNREGS) creates a legal guarantee for 100 days of paid employment in a financial year to adult members of any rural household.	Despite significant success in reducing rural poverty, MGNREGS has faced challenges, including widespread corruption, delays in wage payments, the low quality of assets created, and political interference. New legislation has also jeopardised the success of the program.⁴²	Consistency in programs like MGNREGS that guarantee the right to work is key ensuring that social protection provides a safety net. Transparency must increase to help curb corruption.⁴³ Wage payments must be delivered on time to avoid further impact to workers.⁴⁴ New legislation must be rolled back to return MGNREGS to a rights-based system, rather than a centrally managed welfare scheme.⁴⁵

CURRENT SOLUTIONS	HOW DOES IT WORK?	WHAT ARE THE ISSUES?	WHAT NEEDS TO CHANGE?
Vision 2020 Umurenge Programme (VUP)	The Vision 2020 Umurenge Programme (VUP) is a Rwandan government flagship social protection program initiated to accelerate poverty reduction and eradicate extreme poverty, primarily through cash transfers, public works, and financial services.	Research has shown that the VUP program is benefitting households by responding to economic risks, but that the scheme is not lifting them above the national poverty lines. ⁴⁶	Social protection programs like VUP must be accompanied by long term resilience building and advances in sustainable development that address root causes of poverty. This requires sustained funding at the scale of the needs from developed countries and increased fiscal space in developing countries brought about by a combination of debt cancellation and increased international tax revenues, amongst other things.

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