



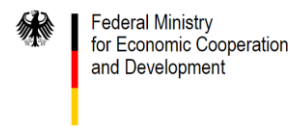
Stress Testing Adaptive Social Protection in the Sahel

14 key findings and 18 recommendations

for governments, donors and implementing partners developing ASP in the region.

December 2023

The full report can be found [here](#).
For an executive summary, click [here](#).



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STRESS TESTING ADAPTIVE SOCIAL PROTECTION SYSTEMS IN THE SAHEL

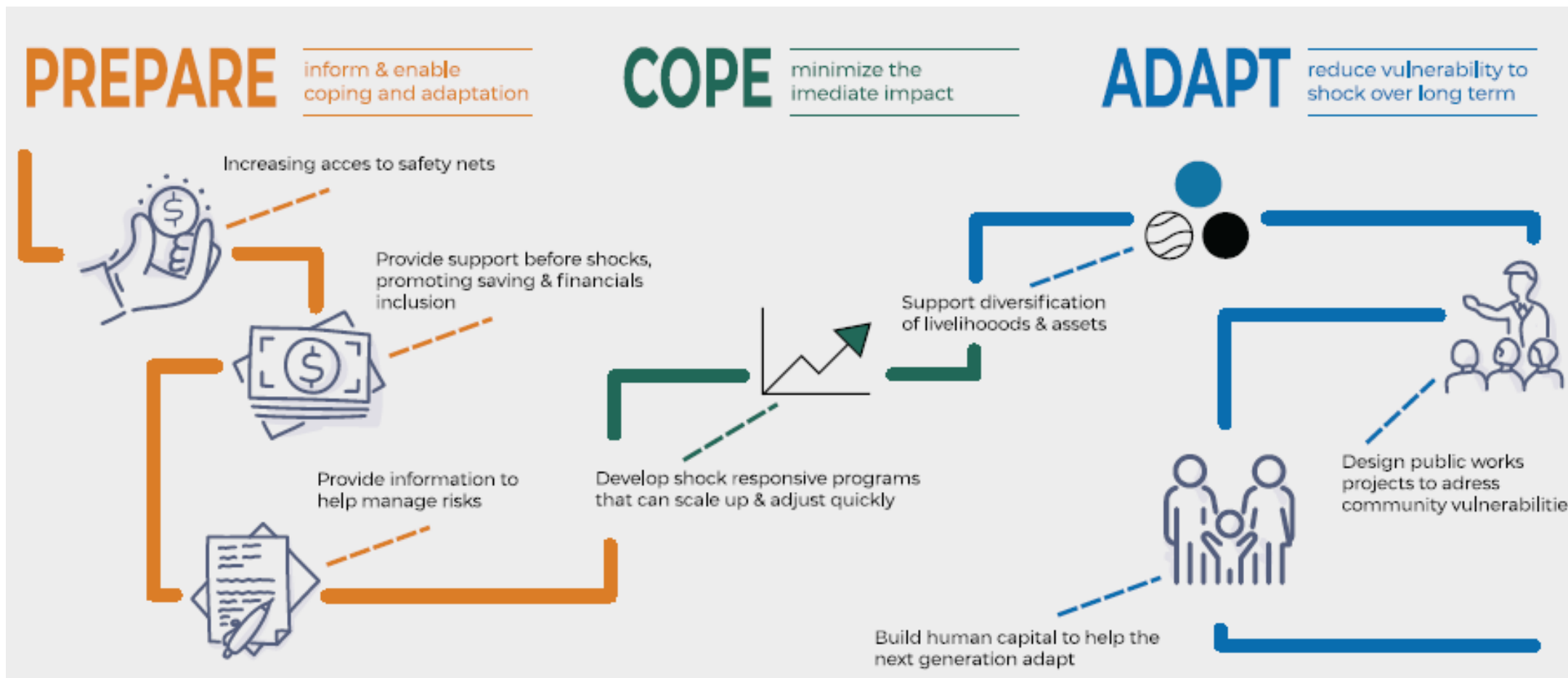
By Aline Coudouet, Silvia Fuselli and Mira Saidi

IN THE SAHEL
PROTECTION SYSTEMS
ADAPTIVE SOCIAL

The Sahel faces multiple challenges exacerbating its already precarious situation

- **Sahel region faces significant economic and human development challenges**
 - Widespread poverty ranging from 28.2 percent in Mauritania to 42.5 percent in Chad
 - Average Human Capital Index (HCI) 0.35– places Sahelian countries amongst the lowest in the world
- **Fragility and insecurity have increased since the 2000s**
 - Sharp rise in armed and terrorist groups conflicts and attacks
 - Experience four coups in the since 2020
 - As of July 2023, over 3 million people are internally displaced and more than 1 million are refugees and asylum seekers
- **The Sahel is one of the most vulnerable regions to climate change further exacerbating its ongoing challenges**
 - Temperatures in the Sahel are expected to increase by at least 2 degrees C by 2040, 1.5 times higher than the rest of the world
 - Between 2016 and 2020, drought caused more than 20 million people to face food insecurity

How can Adaptive Social Protection (ASP) help?



Source: Adapted from World Bank, 2020

ASP in the Sahel has been on a remarkable trajectory

- To mitigate the impacts of security, climate and economic shocks, the Sahel countries have invested in developing their ASP systems.
- Until the mid 2010s, Sahel countries relied on ad hoc and small emergency food-based programs to respond to shocks with no safety nets for the chronically poor and food insecure
- Today, **all six countries have elements of government-led ASP systems in place** that provide income support to address chronic poverty and protect livelihoods and human capital from the impacts of shocks.

Today, it is critical to accelerate efforts to strengthen these systems starting with an assessment of existing capacities, limitations and potential.

(i) What is the stress test?

Framework to:

- Assess the adaptiveness/scalability of social protection systems in response to shocks on a scale from 1 to 5
- Identify priorities for improvement.

Latent (1)	Nascent (2)	Emerging (3)	Established (4)	Advanced (5)
The SP system is weak (in terms of reach and systems) and does not have the adaptive capacity to scale on demand	The SP system is limited in coverage and efficiency but able to pilot and integrate some basic adaptive features that allow for a small increase in “reach.”	The SP system has intermediate coverage and has some capacity to expand in response to some shocks but with limited “reach”	The adaptive SP system can cover most needs and responding to many shocks, but some gaps are still identified	Strong adaptive SP system with near-universal coverage, able to scale up and down efficiently and effectively to cover those in need

(ii) What is the stress test?

It is built around the four building blocks

Institutional arrangements and partnerships

- Government Leadership
- Institutional Arrangements

To support government leadership in the coordination of actors, based on the clear articulation of roles and responsibilities.

- *How effectively does the government lead the response plan and implementation?*
- *Is there a coordination mechanism or institutionalized linkage between DRM and SP agencies?*

Data and Information

- Social registries
- Early Warning Systems

To ensure that the design and implementation of ASP programs are informed by information on household vulnerability to shocks and their capacity to cope and recover, including through dynamic social registries.

- *Based on approximation, are disaster prone areas covered by the registry or relevant databases?*
- *Is there an agreed trigger to initiate scale up of SP systems in shock response?*

Programs and Delivery Systems

- Programs
- Delivery Systems
- Payment systems

To promote programs and delivery systems that are responsive to shocks, in that they have anticipated and planned for shocks

- *What kind of non-contributory cash/in-kind transfer programs does the government operate?*
- *Does the shock response expansion have specific design features to ensure inclusion of women?*
- *What is the capacity of the payment system to handle a horizontal expansion of the program?*

Finance

To establish risk financing strategies that promote proactive response planning, enable the availability of funding in case of a shock, and limit delays in response

- *Does the government have the ability to analyse and model the potential cost implications of different shocks over time?*
- *Is financing in place to ensure a timely ASP response to disasters?*

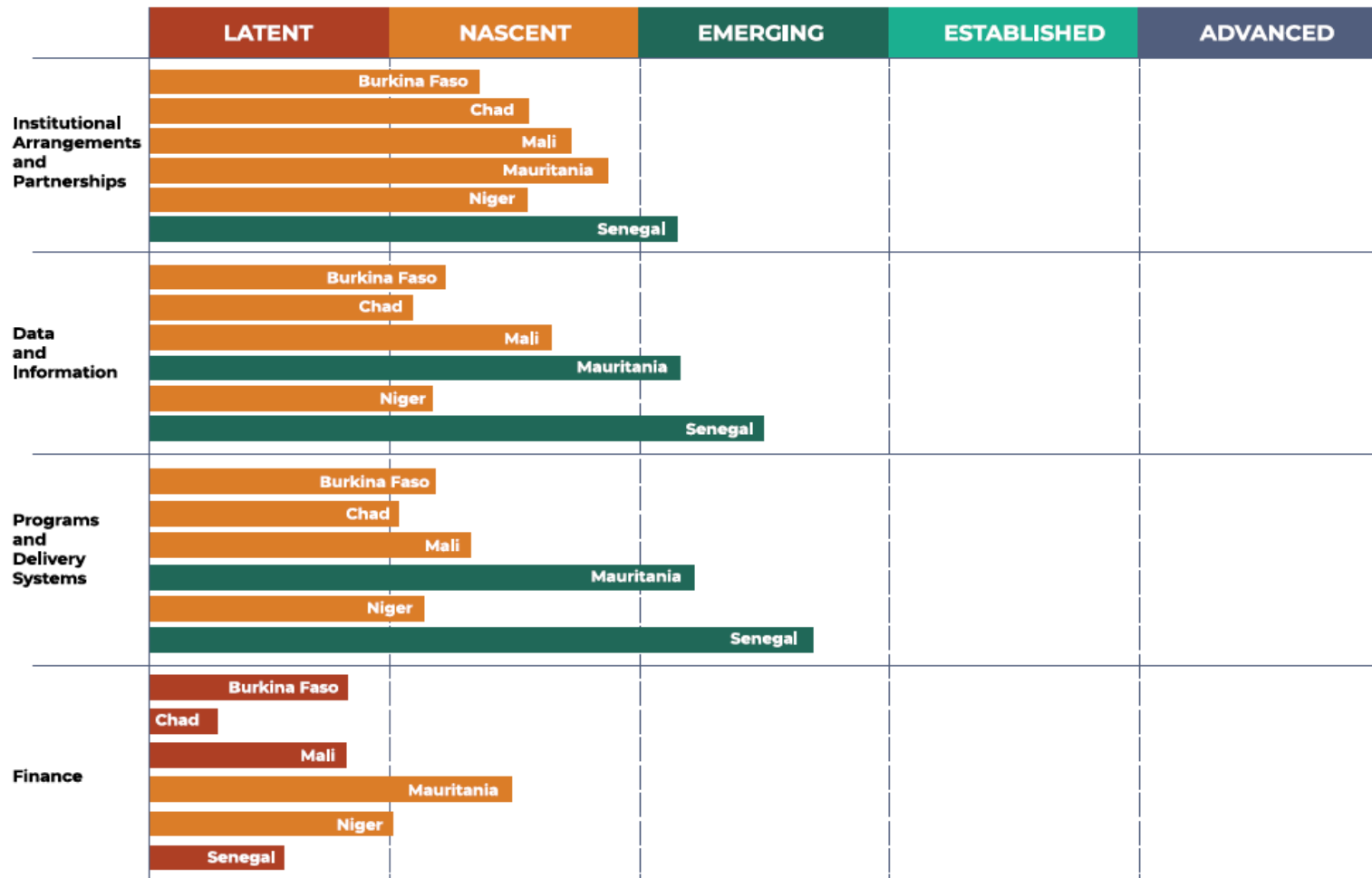
Stress test implemented in the Sahel between 2021 and 2022

- **Six country reports were developed**
 - Examination of ASP at the country level
 - Identification of priority entry points to strengthen specific aspects
- To develop the individual reports, a **series of workshops** were organized with key stakeholders, including government authorities, UNICEF, and WFP
- Since the application of the Stress Test, some countries have continued to make progress, which the report tried to capture, although the following graphs do not.



4. OVERVIEW OF RESULTS

Overview of results

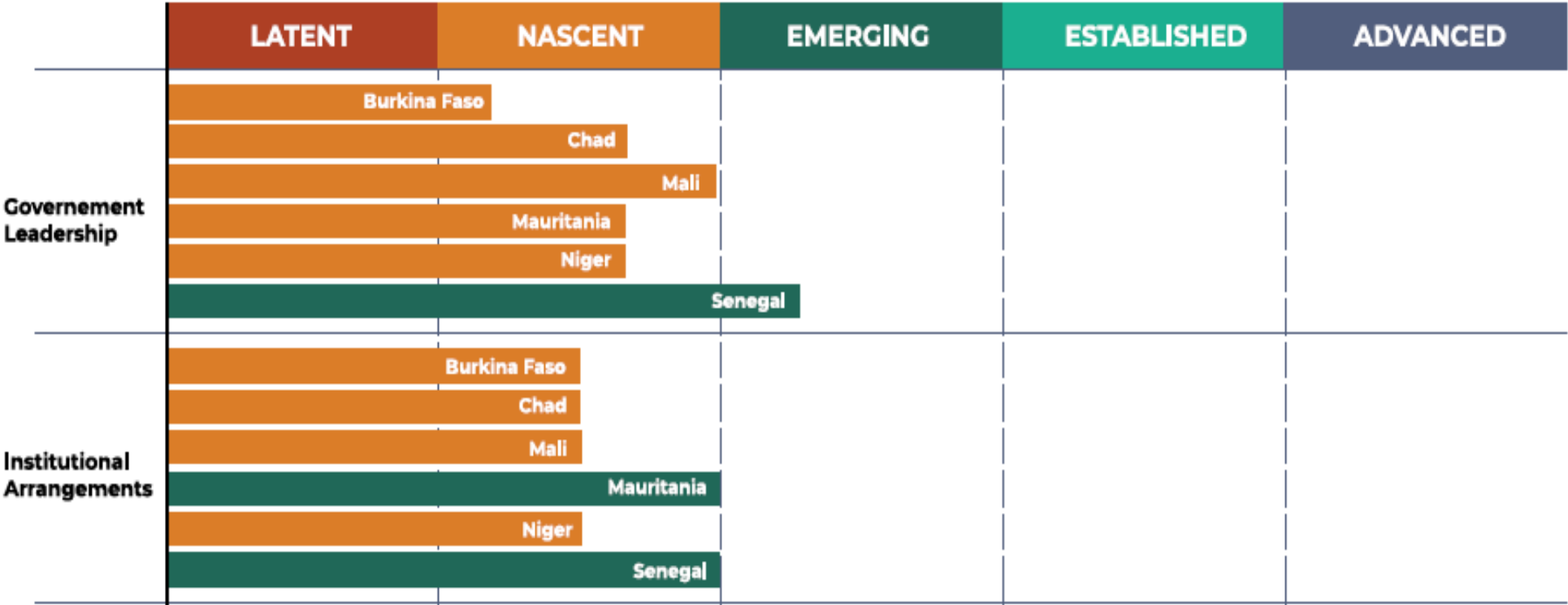


- All countries **have the foundations of an ASP system**, are able to do regular cash transfers and respond to some shocks, particularly annual food insecurity, albeit with some delays
- **Greatest advances in Mauritania and Senegal** – particularly in terms of “data and information” and “programs and delivery systems”
- **Senegal** is the only country whose system is **considered at an “emerging” level** of development.
- While there is a strong foundation and commitment, **much remains to be done.**



4.1. INSTITUTIONAL ARRANGEMENTS AND PARTNERSHIPS

Countries are progressing on leadership and institutional arrangements, but this does not fully translate into better implementation and coordination



Overview of key findings and recommendations

1 Key Findings	Recommendations
<p>Countries in the Sahel are incorporating ASP principles into their national social protection policies and are habitually preparing response plans to guide their response to food insecurity, although implementation is often limited.</p>	<p>Incorporate shock-response functions and instruments into national social protection strategies and include ASP programs as response vehicles in national shock-response plans.</p>
<p>In most countries in the Sahel, the institutional landscape for ASP lacks strong anchoring, clarity of roles, and coordination mechanisms across its own actors and with actors from other sectors that are involved in shock response or disaster risk management (DRM).</p>	<p>Define roles and responsibilities and establish coordination mechanisms among a broader range of ASP actors and with other governmental and non-governmental DRM actors.</p>
<p>Government leadership and capacity to promote the alignment of partners is essential but remains constrained.</p>	<p>Strengthen the government leadership and convening role on ASP and promote alignment or integration of financial and operational partners' support within national systems.</p>

1 key finding

Countries in the Sahel are incorporating ASP principles into their national social protection policies and are habitually preparing response plans to guide their response to food insecurity, although implementation is often limited.

- All countries have National Social Protection Strategies and are taking steps to incorporate ASP.
- Progress is observed in SP strategies, but integration of ASP considerations into national disaster response policy frameworks is limited (plans for floods/fires, annual lean season response plans).
- Governments and partners in the Sahel have historically focused on food and nutritional security. Response plans are hazard-agnostic, but with a predominant focus on recurrent annual lean season.
- Several countries have risk- or shock-specific plans, (i.e.: floods) but are typically less resourced. Comprehensive contingency plans would be necessary, enabling faster, more effective, responses.
- The realization of commitments related to shock response in social protection policies and contingency plans has been constrained, often due to financing challenges.

2 key finding

In most Sahelian countries, the institutional landscape for ASP lacks strong anchoring, clarity of roles, and coordination mechanisms across its own actors and with other sectors that are involved in shock response or disaster risk management.

- Fragmentation within and between agencies with social protection responsibilities is still an issue.
 - For instance, in Mali, two agencies are charged with implementing routine safety nets, with no coordination mechanisms.
 - In Niger, the National Mechanism for Prevention and Management of Food Crises faces internal coordination constraints because its three units tend to work in silos.
- Coordination between agencies responsible for rapid-onset shocks and those focused on food insecurity remains weak.
- Absence of coordination can create the potential for institutional friction and conflict.
- Some countries are making progress on institutionalizing links between social protection and food security actors.
 - Mauritania established a permanent National Early Warning and Food and Nutrition Insecurity Shock Response System; DCAN. Comprised by government agencies involved in food security, as well as technical and financial partners.
 - DCAN is responsible for the entire shock response chain: preparing and supporting the production of the national response plan, managing the National Food and Nutrition Crisis Response Fund; FNRCAN, and coordinating the implementation of the response.

3 key finding

Government leadership and capacity to promote the alignment of partners is essential but remains constrained.

The lack of clarity in roles and responsibilities is both impacted by and impacts government's ability to lead, particularly external partners. It creates a disincentive for partners to align to government policy.

- Most countries in the region experience a certain degree of reliance on international partners, particularly when there is insufficient domestic funding or capacity to mount comprehensive national responses to shocks.
 - In Chad, external support for the social safety net program includes financing and convening. Other shock-response interventions are limited to short-term emergency support provided by humanitarian partners.
- Strong collaboration between governments and partners is essential to avoid duplication, inefficiencies, and tensions.
- Government leadership is essential to align humanitarian responses to food insecurity with national social protection systems.
 - The weak political and governance context in Mali reduces the incentives for alignment. In Burkina Faso, most humanitarian activities take place in insecure areas where routine programs have limited coverage.
 - In Senegal, there is a need for improved intragovernmental coordination to encourage humanitarian actors to harmonize their ways of working.
- International actors can prioritize convergence and provide implementing actors with clear incentives for alignment, rather than implicitly incentivize departures from national systems by demanding an alignment with their own priorities.

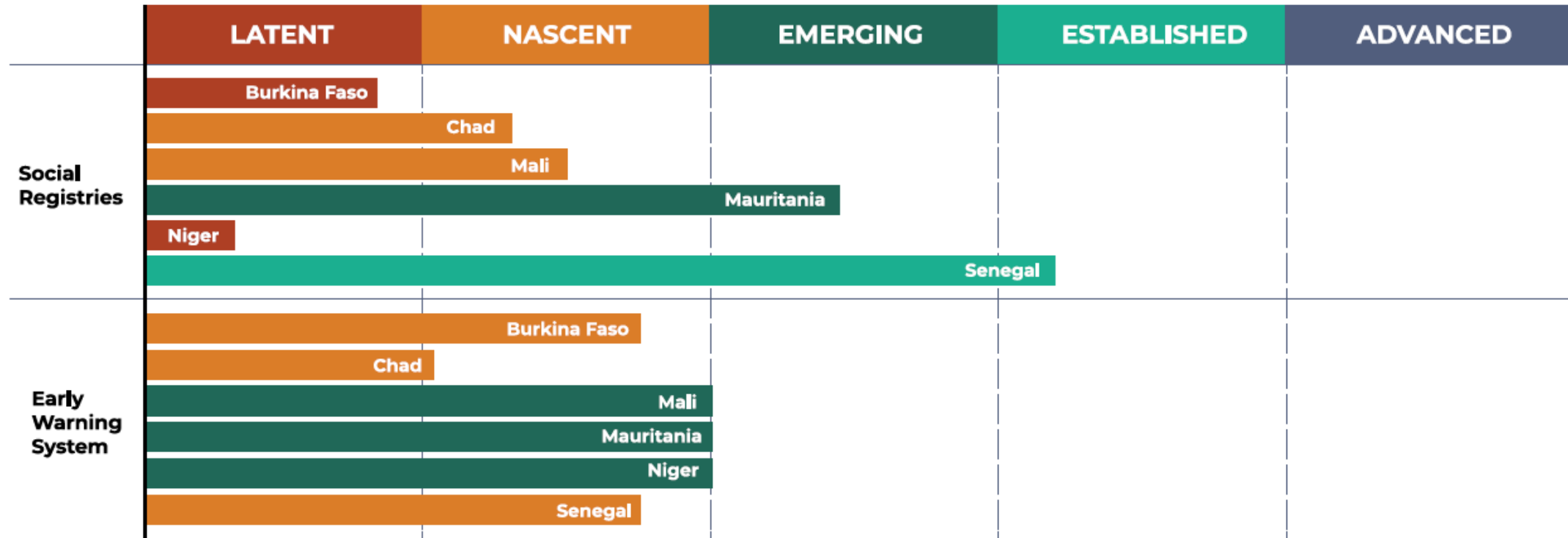
Recommendations

	Incorporate shock-response into national social protection strategies and include ASP programs as response vehicles in national shock-response plans. 1	Define roles and responsibilities and establish coordination mechanisms among a broader range of ASP actors and with other DRM actors. 2	Strengthen Gov. leadership & convening role on ASP and promote alignment/integration of financial & operational partners' support within national systems. 3
FOR GOVERNMENTS:	<ul style="list-style-type: none"> Expand the focus of national SP strategies beyond chronic issues. Integrate ASP as a key component of DRM and include as a response mechanism in contingency planning. 	<ul style="list-style-type: none"> Define mandates and roles of institutions responsible for SP, shock response, and DRM. Establish or streamline national coordination mechanisms and ensure broad participation. 	<ul style="list-style-type: none"> Streamline the elaboration process of the national response plan and lead its implementation.
FOR DONORS IMPLEMENTING PARTNERS:	<ul style="list-style-type: none"> Increase awareness, among all development and humanitarian actors, of the role that ASP instruments can play in contributing to shock-response. Coordinate around joint messaging on the role of ASP. Promote operationalization of policy commitment to support through national systems where possible. 	<ul style="list-style-type: none"> Provide technical and financial support to national coordination mechanisms Participate in the coordination mechanisms. Identify operational modalities to progressively deploy interventions within the national framework. 	<ul style="list-style-type: none"> Participate in the national coordination mechanism and in the elaboration of the national response plan. Identify opportunities for harmonization of programs and collaboration. Promote the implementation of the national response plan by providing support through national programs, systems, or at a min., aligning with national parameters.



4.2. DATA AND INFORMATION

Overall, the data and information building block is amongst the most developed in the Sahel



Overview of key findings and recommendations

4 Key Findings	Recommendations
<p>4 A strong buy-in to social registries has resulted in their expansion across the Sahel, though many countries are yet to cover all geographic areas and households vulnerable to shocks.</p>	<p>Expand the coverage of social registries to all geographic areas and all households vulnerable to shock, to ensure that they can be leveraged for shock response.</p>
<p>5 Keeping social registries updated is a challenge in the Sahel but is essential for their use in shock-response.</p>	<p>Operationalize protocols to regularly update social registry data, assessing the feasibility of combining administrator driven methods, on-demand intake modalities, and use of administrative records through interoperability.</p>
<p>6 Social registries are not fully integrated or leveraged in the region, so their potential in terms of increased efficiency and timeliness is yet to be fully realized.</p>	<p>Promote the use of social registry data among a range of actors by ensuring its quality and relevance and establishing adequate data privacy and sharing protocols.</p>
<p>7 While Sahel countries all have EWS for food security, their institutionalization and ability to provide timely, accurate predictions remain limited.</p>	<p>Enhance government ownership, institutionalization, and functionality of EWS to ensure they inform the elaboration of national response plans and guide program design.</p>

4 key finding

A strong buy-in to social registries has resulted in their expansion across the Sahel, though many countries are yet to cover all geographic areas and households vulnerable to shocks.

- Registries represent one of the most active areas of ASP progress across the Sahel with all countries having established or establishing social registries.
 - Senegal and Mauritania have national registries at scale, with full geographic coverage.
- Registries focus on households that are chronically poor or food-insecure and less able to identify households at risk but not currently poor or food insecure.
- Increasing the registration of at-risk populations in all regions is critical to ensure that a system is prepared for shocks, however there are numerous operational challenges.
 - Registration of all poor, vulnerable, and at-risk households requires significant financing and human capacity.
 - Relying on new technologies, such as geospatial data, could enable a quicker identification.
 - Registration is particularly challenging in conflict-affected areas.
 - Ensuring displaced people are considered for registration, and eligibility for routine programs.

5 key finding

Keeping social registries updated is a challenge in the Sahel but is essential for their use in shock-response.

- Countries have adopted different criteria for data currency, however, despite this, most countries haven't yet put in place mechanisms for regular updating.
 - Mali and Mauritania established that data should be no older than three years, while Senegal has mandated a four-year life cycle and Niger has adopted a five-year benchmark.
 - Mauritania and Senegal are the only countries with a protocol or plan for updating.
- Countries in the Sahel collect information on households through waves of widescale data collection, which limits the ability to maintain current data.
- Adopting dynamic inclusion methods could help increase the currency of data. Options for dynamic inclusion systems in this context exist and could include:
 - Permanent local offices or involvement of existing local social service staff.
 - Some Sahelian countries are exploring options for modular data structures, which would include core modules and complementary modules.
 - Different variables could be updated with different frequency or use different modalities.
 - User feed-back – receiving updated information from users and ensuring its incorporation in the social registry -could be better harnessed to update data.

6 key finding

Social registries are not fully integrated or leveraged in the region, so their potential in terms of increased efficiency and timeliness is yet to be fully realized.

- Social registries are only partially integrated into the broader ecosystem of existing information systems of different sectors or actors.
- Bottlenecks related to data privacy or sharing are key constraints to the broader leveraging of social.
 - All countries have frameworks, regulations, or laws that safeguard the privacy and confidentiality of data records, there are still limitations to the implementation.
 - In many countries, data sharing protocols to support interoperability or access have yet to be developed or signed.
- Realizing the potential of the social registry ecosystem requires political leadership, institutionalization, and coordination mechanisms.
 - In Senegal, a 2021 presidential decree institutionalized the social registry and made it the mandatory tool for targeting all social protection programs in the country.
 - In practice, social registries are being leveraged by government and nongovernmental actors when the database has relatively large coverage, high relevance, and high quality, and programs can benefit from using them.

7 key finding

While Sahel countries all have Early Warning Systems (EWS) for food security, their institutionalization and ability to provide timely and accurate predictions remain limited.

- Food and nutrition insecurity EWSs face several technical, capacity, and financial challenges
 - Data collection is often paper-based, lacks granularity and is often delayed.
 - Lack of coordination across data from different sectors: agriculture, climate, prices, diseases etc.
 - Limited funding and reliance on external support.
 - Limited number of staff with technical knowledge and capacity.
 - EWS results are not always linked to response plans.
- Niger and Mauritania are each piloting different innovations to improve the food security EWS.
 - The government of Mauritania has worked with the WB, in partnership with WFP, on developing a food security predictive model for rural areas.
 - The model combines the use of historical data and the remote monitoring of sensed climate-related variables. The data is used to forecast, about seven to eight months ahead.
 - In Niger, satellite early warning data is used to identify drought-affected areas. Triggers are linked to the Water Requirement Satisfaction Index, which uses precipitation and evapotranspiration data.
- Increasing need to develop EWS which forewarn of fast onset shocks.
 - Food insecurity EWS in the Sahel not based on specific hazards.
 - Floods are increasingly recurrent shock in the region, no investment in flood-EWS.

Recommendations (1/2)

	Expand the coverage of social registries to all geographic areas and all households vulnerable to shock, to ensure that they can be leveraged for shock response. 4	Operationalize protocols to regularly update social registry data, assessing the feasibility of combining administrator driven methods, on-demand intake modalities, and the use of administrative records through interoperability 5
FOR GOVERNMENTS:	<ul style="list-style-type: none"> • Develop and implement a national social registry expansion strategy in line with patterns of vulnerability, food insecurity and displacement, to ensure households in extreme poverty or vulnerable to shocks or food insecurity are included. • Update the data collection protocol and instruments, to ensure all relevant variables are included • Identify mechanisms to address constraints linked to insecurity and displacement 	<ul style="list-style-type: none"> • Develop protocols to regularly update the social registry that combine administrator-driven and on-demand intake modalities. • Identify options to streamline social registry questionnaires and data collection processes • Explore options for dynamic updating through interoperability with other information systems and sources of administrative records • Develop a multiyear strategy to expand and regularly update the social registry and to plan for human and financial resources.
FOR DONORS IMPLEMENTING PARTNERS:	<ul style="list-style-type: none"> • Support analysis to improve understanding of vulnerability to food insecurity and shocks (including drought and floods, among others) and inform social registry coverage expansion and questionnaires or variables. • Support the development of the social registry expansion strategy to ensure adequate coverage. 	<ul style="list-style-type: none"> • Provide technical support for the design of updating protocols. • Provide multiyear support in line with government social registry expansion and updating strategy and in coordination with other partners

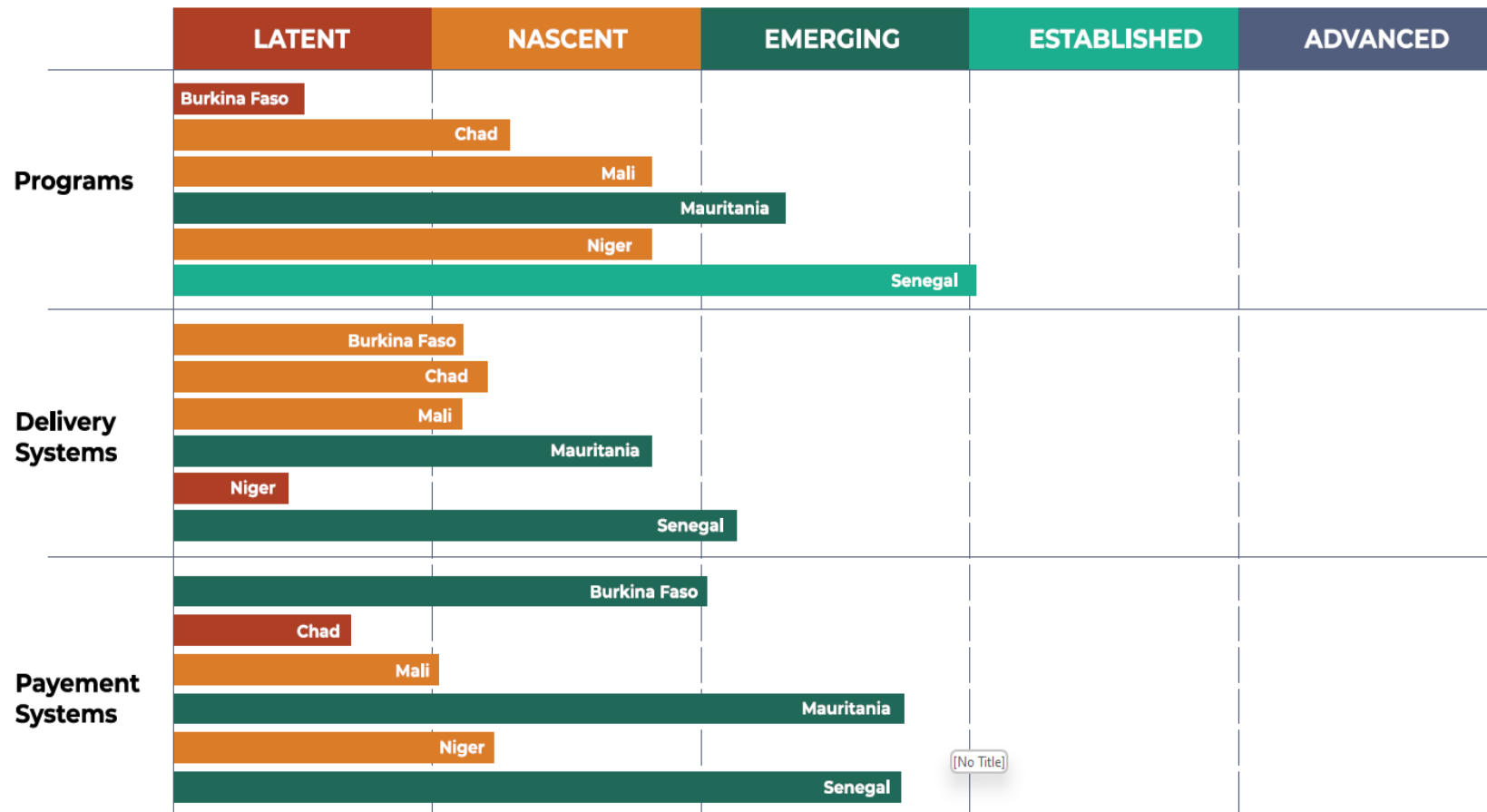
Recommendations (2/2)

	Promote the use of social registry data among a range of actors by ensuring its quality and relevance, and establishing adequate data privacy and sharing protocols. 6	Strengthen the government leadership and convening role on ASP and promote the alignment or integration of financial and operational partners' support within national systems 7
FOR GOVERNMENTS:	<ul style="list-style-type: none"> • Institutionalize social registries to ensure their sustainability with an adequate legal framework. • Encourage use of social registries, by ensuring they address the needs of programs. • Assess the data privacy and protection status of the social registry, and improve protocols as needed. Establish data-sharing protocols between the social registry, user programs, and other relevant stakeholders. • Develop an outreach campaign to inform potential users about the social registry and its potential use. • Establish a working group for technical users, to identify areas for improvement. 	<ul style="list-style-type: none"> • Promote adjustments to the CH, to enhance objectivity and speed (using technology such as satellite data) and ensure adequate human and financial resources. • Strengthen early warning mechanisms beyond food security, for hazards such as droughts and floods. • Anchor the formulation of the national response plans in early warning data, predefining actions linked to established triggers.
FOR DONORS IMPLEMENTING PARTNERS:	<ul style="list-style-type: none"> • Use the social registry to determine the potential eligibility of all ASP interventions. • Where the SR is not yet sufficient, use the SR questionnaire and methodology and contribute to its expansion. 	<ul style="list-style-type: none"> • Provide investments and technical assistance for quantitative risk assessments, for improvements of early warning data accuracy and speed, and for linking early warning with early action. • Support the incorporation of adjustments to the <i>Cadre Harmonisé</i> to enhance objectivity and speed. • Channel SR support in line with the national response plan based on EW data or use EW data to design interventions.



4.3. PROGRAMS AND DELIVERY SYSTEMS

While foundational programs are growing, delivery and payment systems still require investments to become more adaptive



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Overview of key findings and recommendations

8 Key Findings	Recommendations
<p>8 In the Sahel, routine safety net programs are boosting the resilience and capacity of households to cope with shocks and provide a foundation for ASP, though their coverage remains limited.</p>	<p>Enhance the coverage of routine safety net programs to include all chronically poor and vulnerable households and strengthen the resilience-building properties of programs</p>
<p>9 Delivery systems are not ready to be harnessed for shock response in all countries of the Sahel, which constrains governments' ability to respond in a timely and cost-effective manner.</p>	<p>Enhance government delivery systems so they can perform their functions in times of shock and, as part of the national response plans, clarify ahead of shocks how they will be used.</p>
<p>10 Payment systems across the Sahel can scale up, but face challenges in timely delivery across cash and digital modalities.</p>	<p>Enhance payment mechanisms to improve timeliness and accountability and ensure inclusion.</p>
<p>11 Inclusion challenges persist and need to be addressed before shocks, so that solutions can be effectively implemented in the context of shock-responses.</p>	<p>Address constraints faced by women, forcibly displaced households, and vulnerable groups to clarify institutional responsibilities and embed operational solutions in the design of regular and shock-response programs</p>

8 key finding

In the Sahel, routine safety net programs are boosting the resilience and capacity of households to cope with shocks and provide a foundation for ASP, though their coverage remains limited.

- Routine programs expanding, reaching national scales in Mauritania and Senegal.
- Routine programs focused on decreasing poverty and increasing resilience through Cash + programs.
- Routine safety net programs can also have impacts beyond beneficiary households – on local communities and the economy.
- They provide a platform for shock-response – easier to reach more people (vertical expansion) and use of large-scale interventions to increase support (horizontal expansion) in times of shock.
- Growing evidence on impact on resilience – both human capital (especially for children) and productive capacity – even when not explicitly part of objective.

Focusing on the expansion of routine safety nets is shock response-

9 key finding

Delivery systems are not ready to be harnessed for shock response in all countries of the Sahel, which constrains governments' ability to respond in a timely and cost-effective manner.

- Preparedness allows for more cost-effective and timely response (early response in Niger);
- Preparedness involves predefining how systems would respond (e.g. what targeting approach), and building tweaks into delivery systems to increase ability to respond;
- Most countries in the region still need to put in place operating procedures for scaling up (how to leverage outreach procedures, enrollment, surge capacity needs, GRM etc.)
 - **Outreach:** Communication and awareness systems could be leveraged in times of shocks, however in most countries these mechanisms remain fragmented and have an inability to scale up quickly in time for the shock
 - **Enrolment processes:** Typically, enrolment processes for regular programs include a series of steps which are lengthy and not adapted for rapid horizontal expansion.
 - **GRM systems** not necessarily adequately leveraged for shock response: need to respond to more grievances and capacity to address shock-response related ones.

10 key finding**Payment systems across the Sahel can scale up, but face challenges in timely delivery across cash and digital modalities.**

- Payment systems in the Sahel still mostly rely on cash in hand with a few exceptions (BF system fully digital, and countries have done small digital pilots).
- Switching to digital payments and leveraging them for shock response raises a series of challenges in the Sahel, particularly outside of urban areas.
 - Limited infrastructure (lack of broad-band mobile and internet connectivity),
 - Low mobile penetration,
 - Stringent legal requirements (such as requirements for identification documents)
 - Mobile money is not always fully established in the local area,
 - An expansion can imply adding new beneficiaries who need to be registered for mobile methods
- Irrespective of the technology adopted, the rigidity of contracts and procurement procedures can limit the ability of systems to respond to shocks.
 - Contracts with payment providers are often limited to routine transfers and do not include provisions for shocks.
 - This constraint can be addressed, as in Mali, Mauritania, and Niger, by establishing framework agreements that anticipate additional temporary payments

11 key finding

Inclusion challenges persist in the Sahel and need to be addressed before shocks, so that solutions can be effectively implemented in the context of shock-responses

- Most routine safety nets have explicitly included a large share of women among their beneficiaries, but a gender focus is harder to achieve during horizontal expansions.
 - Women represent 70 percent and 75 percent of safety net beneficiaries in Mauritania and Senegal respectively, and nearly 90 percent of recipients of productive inclusion measures in Niger.
- Efforts to ensure participation of other vulnerable groups are not integrated in ASP programs and require early consideration.
- The inclusion of forcibly displaced population groups is a growing challenge, though recent progress has been observed in some countries.
 - Mauritania, registered Malian refugees living in Nouakchott and M'Bera refugee camps in the social registry and considered them in the enrolment for the regular safety net program and the shock response programs.
 - Chad is a leader on the inclusion of forcibly displaced populations in the region, with an explicit focus on providing both routine and shock response support to refugees.

Recommendations (1/2)

	Enhance the coverage of routine safety net programs to include all chronically poor and vulnerable households and strengthen the resilience-building properties of programs 8	Enhance government delivery systems so they can perform their functions in times of shock and, as part of the national response plans, clarify ahead of shocks how they will be used. 9
FOR GOVERNMENTS:	<ul style="list-style-type: none"> • Institutionalize the national regular safety net program. • Develop an expansion strategy for the safety net program to cover all chronically poor and vulnerable with regular support. • Commit the national budget (and mobilize donor support) to the national regular safety net program. • Scale up economic inclusion and resilience programs for beneficiaries of the national regular safety net program. 	<ul style="list-style-type: none"> • Within established institutional arrangements, prepare the plan for shock-response and outline the human and financial resources needed to implement scale-up. • Establish a scale-up protocol for different parts of the delivery chain • Design shock-response interventions to provide support early when feasible • Prepare the materials, tools, protocols, and staff for shock response ahead of the shock
FOR DONORS IMPLEMENTING PARTNERS:	<ul style="list-style-type: none"> • Implementing partners to provide regular support through national regular safety net programs or economic inclusion programs when possible and align interventions with national programs. • Financing partners to promote the use of national programs or alignment with national programs. 	<ul style="list-style-type: none"> • Participate in government-led response preparedness initiatives and reflect agreements in own response planning. • Provide shock-response as part of the national response plan, delivering using government systems where possible and feasible; aligning with national systems otherwise. • Financing partners to promote delivery under the national response plans and through government programs or systems, when feasible and appropriate.

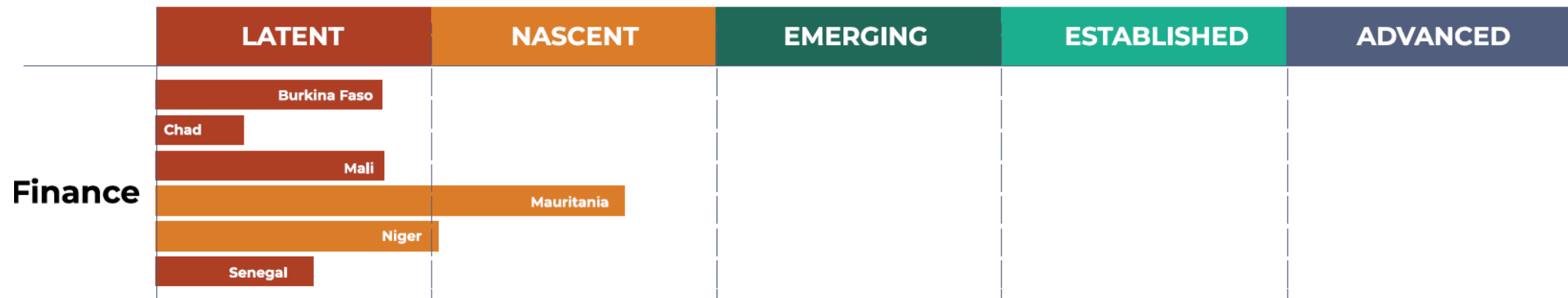
Recommendations (2/2)

	Enhance payment mechanisms to improve timeliness and accountability and ensure inclusion. 10	Address the constraints faced by women, forcibly displaced HH, and other vulnerable groups to clarify institutional responsibilities and embed operational solutions in the design and procedures of regular and shock-response programs. 11
FOR GOVERNMENTS:	<ul style="list-style-type: none"> • Develop framework agreements with payment providers. • Explore options for setting up a national payment platform that could be used by all program. • Assess obstacles to adoption of digital payments, including obstacles faced by potential beneficiaries, develop plan to address them, and pilot digital payment options. • Identify options to improve the ability of existing payment systems to reach the poorest and most vulnerable efficiently and safely 	<ul style="list-style-type: none"> • Evaluate the constraints faced by vulnerable groups in benefiting from regular safety net programs, economic inclusion interventions, or shock-response support. • Identify and deploy adaptations to various steps of the delivery chain to promote inclusion of vulnerable groups. • Closely monitor program delivery to identify potential barriers to inclusion and timely delivery. • Identify options to consider forcibly-displaced people for inclusion in programs.
FOR DONORS IMPLEMENTING PARTNERS:	<ul style="list-style-type: none"> • Identify options to improve the ability of existing payment systems to reach the poorest and most vulnerable efficiently and safely. • Use government payment systems or platforms when possible and align with the government approach otherwise. 	<ul style="list-style-type: none"> • Support the government in the identification and implementation of solutions for the inclusion of vulnerable groups and the reduction of their barriers to access.



4.4. FINANCE

Finance is the least developed pillar across the six countries – only Mauritania reached a nascent level of development



Overview of key findings and recommendations

12

Key Findings

Recommendations

In the Sahel, financing for shock-response social protection is typically mobilized in an ad hoc and piecemeal manner, which can be costly and create significant delays.

Identify options to establish prearranged financing instruments for shock-response programs using social protection mechanisms.

13

To date, most risk financing instruments adopted in the Sahel have been insurance-based, although reserve instruments may be more adapted to the region's risk profile

Focus on instruments that are commensurate with the risk profile of the Sahel and ensure that contingency instruments are set up to support social protection shock-response programs

14

Financing for regular and shock-response ASP programs in the Sahel will require a mix of domestic and international funding for the foreseeable future.

Put in place financial instruments for shock-response using ASP mechanisms that enable government and donor contributions, thereby boosting the leadership of governments and coordination of partners.

12 key finding

In the Sahel, financing for shock-response social protection is typically mobilized in an ad hoc and piecemeal manner, which can be costly and create significant delays.

- No countries in the Sahel have shock-response financing strategies in place and only Mauritania has an ex-ante or pre-arranged financing instrument
 - Capacity to model the potential cost implications of multiple shocks over time limited.
 - Some shocks, such as conflicts or rises in food and input prices, cannot easily be quantified.
 - Even when the financial modelling of shock response has been developed, as in Senegal, it has not yet been applied to ASP.
 - Institutional focus in many of the countries is on food insecurity, rather than a broad approach to all disasters.

- The development of prearranged financing for ASP is constrained by the nascent nature of ASP systems in most Sahel countries.
 - Before dedicated financing instruments are established, the ability of safety nets and the SP systems to respond to shocks must be robustly established.
 - This applies also to the public financial management systems in place in the countries.
 - Gaps in the financial management systems often preclude timely allocation and use of resources, as well as efficient and transparent expenditure tracking and analysis.

13 key finding

To date, most risk financing instruments adopted in the Sahel have been insurance-based, although reserve instruments may be more adapted to the region's risk profile.

- Some have adopted sovereign drought insurance policies (e.g., ARC), but not specifically focused on ASP and may not be the most relevant for the Sahel context.
 - Insurance is a cost-effective mechanism to manage very large and infrequent shocks.
 - Sahel faces more recurrent small to medium scale shocks.
 - Reserve or contingency funds may be more appropriate.
- Sahel countries do have reserve funds, but mostly focused on food distribution.

14 key finding**Financing for regular and shock-response ASP programs in the Sahel will require a mix of domestic and international funding for the foreseeable future.**

- Sahel countries are dependent on external support to respond to humanitarian needs, something that is unlikely to change in the short to medium term
- Risk financing instruments and strategies in the Sahel should explicitly account for continued donor contributions.
- Some countries are developing instruments that receive contributions from government and donors, which could form the basis for broader donor-inclusive financing approaches.
 - The Mauritanian government manages donor support and the response to food insecurity through the FNRCAN which is mandated to consolidate resources mobilized by the government and its partners to finance the annual National Response Plan.

Recommendations (1/2)

	Identify options to establish prearranged financing instruments for shock-response programs using social protection mechanisms. 12	Focus on instruments that are commensurate with the risk profile of the Sahel and ensure that contingency instruments are set up to support social protection shock-response programs. 13
FOR GOVERNMENTS:	<ul style="list-style-type: none"> • Collect and analyze information on past food insecurity and shocks, to assess country risk profiles and financing needs. • Ensure national response plans allocate funds for interventions that use ASP mechanisms. • Ensure ASP financing mechanisms are ready to be deployed in response to shocks. 	<ul style="list-style-type: none"> • Prepare a risk financing strategy, either nationally or for ASP shock-response mechanisms specifically, with instruments adapted to the country's risk profile. • Develop and institutionalize financial instruments aligned with risk profile. • Establish clear rules for disbursement of funds as per risk financing strategy.
FOR DONORS IMPLEMENTING PARTNERS:	<ul style="list-style-type: none"> • Provide technical and financial assistance on national and regional data collection, and analysis efforts on shocks, impacts, and costs. • Ensure emergency financing agreements allow implementing partners to align their responses with national delivery systems and programs. 	<ul style="list-style-type: none"> • Provide technical assistance for the development of a financing strategy adapted to the country's risk profile

Recommendations (1/2)

	<p>Put in place financial instruments for shock-response using ASP mechanisms that enable government and donor contributions, thereby boosting the leadership of governments and coordination of partners.</p>
<p>FOR GOVERNMENTS:</p>	<ul style="list-style-type: none"> • Design financial instruments such that they can receive funds from government and partners
<p>FOR DONORS IMPLEMENTING PARTNERS:</p>	<ul style="list-style-type: none"> • Channel funds for shock-response through national financial instruments in line with the adopted risk financing strategy. Align calendars for allocating emergency funding with the national response planning cycle to promote timely support. • Contribute to shock-response financing instruments over the medium to long term, decreasing the share of ad hoc fund raising.

14



6.RECAP

**18 recommendations around
the 4 building blocks**

18 recommendations *at a glance*

Institutional arrangements and partnerships

Incorporate shock-response functions/instruments into national SP strategies and include ASP programs as response vehicles in national shock-response plans.

Define roles/responsibilities and establish coordination mechanisms among a broader range of ASP actors and governmental and non-governmental DRM actors.

Strengthen government leadership and convening role on ASP and promote alignment/integration of partners' support within national systems.

Programs and delivery systems

Continue to invest in enhanced coverage of national safety net programs, particularly in countries with more nascent systems

Enhance the coverage of routine safety net programs and strengthen their resilience-building properties

Undertake preparatory activities ahead of a shock to clarify who will do what, when, how, and why at each stage of the delivery chain

Improve outreach/communication mechanisms for routine programs and ensure mechanisms can be mobilized for shock response

Further efforts are required to address gender needs arising from shock response

Strengthen and enhance payment mechanisms to improve timeliness and accountability, while ensuring inclusiveness

Enhance the level of functionality of GRMs to enable them to cope in times of shock: sufficient staff, MIS able to scale up

Finance

Develop DRF instruments concomitantly with strengthening of adaptive SP systems - finance without means to deliver it has limited use

Analyze countries' risk and vulnerability profiles carefully and develop the appropriate DRF tools

DRF for ASP should actively enable donor contributions, becoming a tool for government's leadership, management and coordination

Data and information

Expand coverage of social registries to all populations vulnerable to shocks, so programs can leverage social registries in times of shock

Establish/operationalize protocols to regularly update registries' data, likely combining administrator-driven and on-demand methods

Promote use of social registries: ensure data is comprehensive/up to date, set up data privacy/sharing protocols, encourage/mandate use

Address financial, technical, and capacity challenges to greater institutionalization, functionality, and ownership of Early Warning Systems

Consider adopting pre-agreed rules that can guide the triggering of ASP shock responses on the basis of objective data

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