

Cash transfers for Adaptation & Resilience Building

Unconditional cash transfers are an equitable and effective means of channeling adaptation finance directly to communities, empowering them to address their immediate needs and build long-term resilience to shocks. We call on governments, donors, civil society, and key climate funds to prioritize large, direct, and unconditional cash transfers as a central mechanism for channeling climate finance to those suffering its worst impacts.

Climate change is affecting people in poverty the most, although they've contributed the least

- Countries around the world are regularly recording unprecedented and devastating weather events.
- The UNFCCC recently reported that weather-driven disasters have increased fivefold in the past 50 years, leading to \$3.6 trillion in losses.
- Climate change-driven natural disasters are now pushing an estimated 26 million people into poverty every year and [disproportionately impacting the world's poorest countries](#).

Far more climate finance should go directly to helping people in poverty cope and adapt

- More money must go to adaptation, as climate disasters are [inevitable and worsening](#). Yet despite the UN call for a 50/50 split, [over 90%](#) of climate finance goes to carbon mitigation efforts, with the small remainder going to help poorer countries adapt.
- Most adaptation finance is provided as loans and rarely directly reaches communities.

Unconditional cash transfers are proven to help build climate resilience and break the cycle of poverty and dependency

- Affected communities should be given the capital and tools to diversify their livelihoods and build long-term climate resilience—anticipating, preparing for, and responding to hazardous climate events.
- There is strong evidence that large unconditional cash transfers can contribute to adaptation goals by helping the poor cope with shocks, reducing pressure to engage in damaging coping strategies, supporting productive investments, and facilitating mobility and livelihood transitions.
- Evidence also [shows](#) that unconditional cash transfers, layered with targeted resilience-building programs, address financial barriers that otherwise prevent them from testing new approaches, driving the uptake of resilient practices.

In 2021, GiveDirectly launched its first Cash for Climate project, delivering large cash transfers & in-kind support to climate-vulnerable farmers in Malawi

GiveDirectly's first climate resilience project combined unconditional cash transfers with training in climate-smart agricultural practices delivered by United Purpose (UP). Afterward, each lead farmer cascaded the training to ~30 additional farmers.

Name: Malawi Cash for Climate Cash+	Status: Past [2022-2023]
Goals: Support the resilience of vulnerable communities against systematic livelihood & food security shocks by providing financial & in-kind support to build climate resilience by investing in sturdier household	

materials, diversifying livelihoods, and investing in productive assets.

Overview:

- GiveDirectly targeted **6,000** natural-resource-dependent farmers, providing cash plus climate-smart agriculture support such as rainwater harvesting, soil conservation, and reforestation
- GiveDirectly delivered large unconditional cash transfers of **\$800** in **2x** installments, timed to support land preparation, purchase of inputs, and planting.

Results:

8 months after final payment, we observed that:

- **128%** more recipients reported buying higher quality seeds from certified seed distributors.
- **24.6%** of recipients were more likely to grow two or more crops
- **27%** fewer recipients experienced severe and/or food insecurity
- **20%** more recipients used the Chitetezo Mbaula clean cooking stove, which requires less wood than other types of cooking stoves
- **58%** of recipients used at least one water conservation technique

Funder: Mackenzie Scott | **Partner:** United Purpose

Location: Balaka District, Malawi

- In Mozambique, we are running a USAID-funded program to boost agricultural resilience and food security by layering unconditional cash transfers on top of market systems interventions and climate-smart agriculture training.
- In Morocco, we are helping vulnerable Moroccans adapt to climate change through a model that pairs unconditional cash transfers to cooperatives with technical assistance provided by a university.

Jonas, a GiveDirectly climate survivor, shares his experience with unconditional cash transfers

"My name is Jonas from Kazuwa village. As a farmer, I've faced numerous challenges this year, including pests, soaring input costs, and low market prices which forced me to sell my produce at a fraction of the expected price.

With the financial aid from GiveDirectly, I managed to invest \$25 in critical farm supplies while addressing urgent household needs, including preparing for a new house. Despite the difficulties, I'm exploring sustainable techniques like mulching to improve soil moisture and considering relocating to pursue more profitable farming opportunities."

Jonas R, 40

Kazuwa Village

