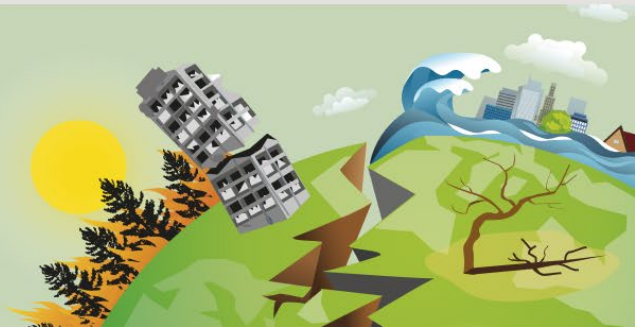
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TAFF

Technical Assistance Financing Facility for Disaster Prevention and Preparedness

Component 1: Country-specific technical assistance



Last update: September 2026

Germany:

Return of Investments in Disaster Resilience Measures: Identifying potential measures and generating evidence to inform decision-making

Overview

Grant Size	€250,000
Duration	September 2024 – December 2025
Key hazard(s)	Floods, droughts, heatwaves, pandemics and epidemics
Key word(s)	Risk analysis, cost benefit analysis, smart investments, prioritisation of measures

Context

In a rapidly evolving risk landscape, Germany faces the need to enhance its disaster and emergency preparedness capabilities. The country faces rapidly evolving natural hazards. Extreme climate events are already inflicting massive damage, with economic losses estimated to exceed €80 billion in the period from 2018 to 2022 alone. Climate hazards are projected to further intensify, estimated at €280–900 billion by 2050. Yet natural shocks rarely occur in isolation, as technological, public health, economic, and geopolitical factors amplify complex, compound and cascading risks. As global risks—from conflicts and cyber disruptions to extreme weather and resource shocks— increasingly intersect, Germany is confronted with the need to strengthen multi-hazard disaster risk management (DRM) and civil protection systems to manage complex, cascading crises.

To strengthen disaster resilience, the country has implemented various measures, including the Federal Government's German Strategy for Strengthening Resilience to Disasters. As one of the world's leading economies, Germany's recent experiences with devastating floods underscore the growing pressure on its disaster preparedness systems due to evolving climate risks. As part of the effort to scale up disaster and climate resilience, it is critical to evaluate and prioritise smart investments. Understanding the costs and benefits of such investments, including reduced losses, stimulated economic activities, and socioeconomic and environmental co-benefits, is critical to inform policy dialogue and planning. In this context, the Federal Office of Civil Protection and Disaster Assistance (BBK), as Germany's lead federal institution for civil protection and disaster risk management, plays a central role in strengthening preparedness, informing resilience investments, and supporting evidence-based decision-making across levels of government.

Objective

The project's objective was to support Germany strengthen the economic case for ex-ante disaster preparedness and prevention. The project combined technical analysis, institutional engagement, and knowledge sharing to inform evidence-based decision making. The project sought to articulate a stronger economic case for ex-ante disaster preparedness measures and raise awareness of the critical role of civil protection capabilities in a context of intensifying and inter-dependent risks.

Key Activities and Expected Results

The project comprised three activities:

First, under 'Case studies of the socio-economic costs and benefits of disaster prevention measures', analytics were conducted to quantify the return of select investments in disaster prevention and preparedness measures, evaluating floods, heat waves, drought, and health emergencies, among others.

Second, under 'Risk communication, learning, and dissemination', activities (such as presentations) sought to contribute to increasing the awareness of decision makers within Germany of the crucial role and range of benefits of ex-ante preparedness and prevention measures, as well as to capture and transfer lessons learned from Germany to peers in the European Union and beyond.

Outputs: summary and technical report, accompanied by dissemination materials.

- World Bank. 2026. *Germany: The Economic Case for Investing in Disaster Preparedness and Resilience: Summary Report*. Link.
- World Bank, Climate Analytics. 2026. *Extreme Heat Risks in Germany: Priorities for Adaptation and Preparedness*. Link.
- Rentschler, J., C. Klaiber, M. Zhu. 2026. *Germany: Urban Expansion and Protection Gaps amid Evolving Flood Exposure*. Link.

In terms of results, the project presents a strong economic case for investing in Germany's disaster and emergency preparedness. Results from the literature and the new analysis presented in this report show that, in Germany, every €1 invested in disaster preparedness and prevention yields a median economic return of €2–6, with some individual estimates being as high as €500. The report emphasizes the high benefit-cost ratios and multiple benefits of resilience investments that can arise regardless of whether a disaster hits.

The report shows that as risks in the country evolve, so too must the solutions, thus requiring continuous efforts to monitor risks and strengthen civil protection capabilities. The findings can help policymakers identify and prioritize the most urgent and cost-effective opportunities to bolster the country's resilience, thereby improving preparedness not only for climate-related disasters, but for a wide range of future shocks. The generated knowledge is expected to inform government efforts related to the implementation of the German Strategy for Strengthening Resilience to Disasters. By providing key insights into the costs and benefits of resilience measures, the project also yields valuable insights for disaster resilience planning that are applicable to countries and sub-national authorities working towards Sendai Framework targets and the achievement of the Disaster Resilience Goals and of the Preparedness Union Strategy.

Sustainability and Coordination

This project builds upon the insights and outcomes of preceding initiatives, notably integrating and operationalising the research from the Economics for Disaster Prevention and Preparedness project, funded by the EU. It helps to enrich the existing body of knowledge on smart investments in disaster prevention and preparedness by showcasing new case studies and examples from diverse interventions. The project's results not only inform the BBK's efforts to promote a proactive preparedness approach within Germany's disaster resilience strategy but also serve as a resource for other national ministries and international stakeholders. These insights will be crucial for informing smart investments in resilience and will contribute to a global understanding of effective disaster prevention and preparedness, especially considering climate change and extreme weather events. Overall, the activities benefit from the knowledge generated through collaborations between government counterparts, the World Bank, and the Union Civil Protection Mechanism.

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