



Bundesministerium für
wirtschaftliche Zusammenarbeit
und Entwicklung

Experiences of the G7 Climate Risk Insurance Initiative – InsuResilience



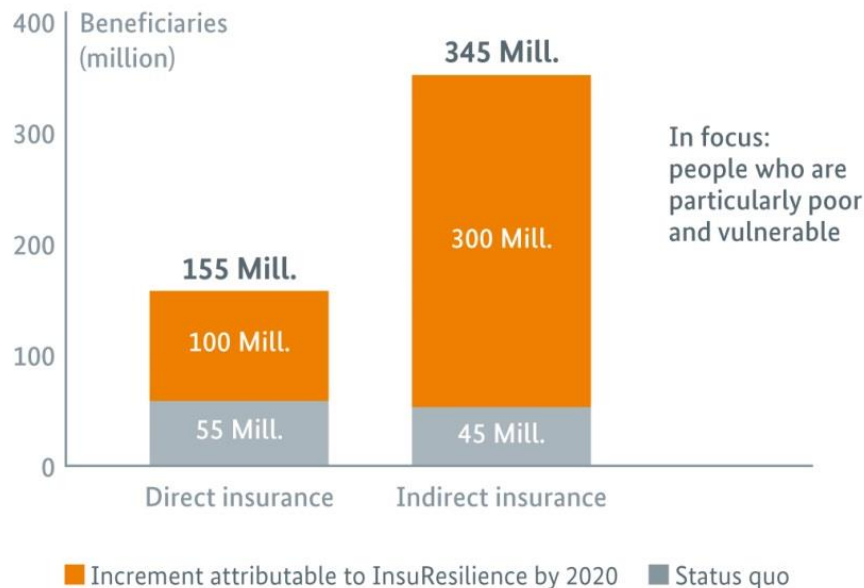
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4th Forum of the SCF: Financial instruments that address the risks of loss and damage
Input to Session 10: Roles and functions of different actors and ways of strengthening
linkages and collaboration

6 Sep 2016, ADB headquarters, Metro Manila

InsuResilience: objective

INCREASE BY UP TO 400 MILLION THE NUMBER OF PEOPLE IN DEVELOPING COUNTRIES WHO HAVE ACCESS TO CLIMATE RISK INSURANCE



Source: BMZ (2015)

- “...increase by up to **400 million** the no. of **people in the most vulnerable developing countries** who have access to **direct or indirect** insurance coverage (...) **by 2020**” (G7 Elmau Leaders’ Declaration, 8 June 2015)
- G7 “Joint Statement” at COP21: **USD 420 million** of public funds pledged for **rapid action**; **180 million beneficiaries**; intention to mobilize additional funding from private sources
- **Collaboration** with partners from public and private sectors as well as civil society to reach this objective.

InsuResilience: two main components

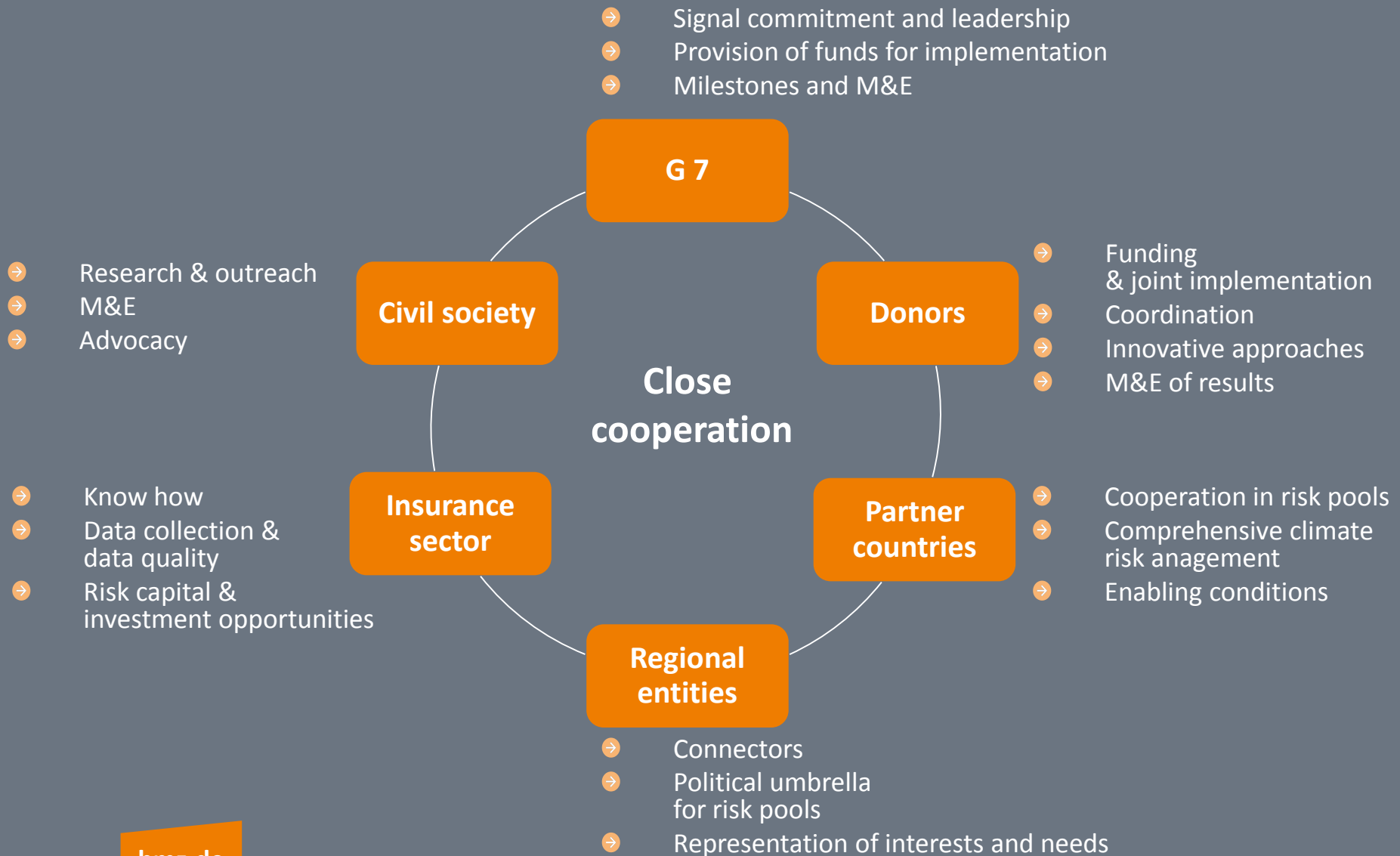
**Boosting
indirect
insurance**

**Developing and
promoting
direct
insurance**

Boosting indirect insurance

- Short term focus: expanding existing indirect insurance schemes
- Indirect schemes insure intermediaries like municipalities or national governments, which coordinate pay-outs to the affected population.
- The funding will be used to expand insurance products (i.e. additional hazards like tropical storms) and increasing number of countries covered, e.g. in the following schemes:
 - African Risk Capacity (ARC)
 - Pacific Catastrophe Risk Assessment & Financing Initiative (PCRAFI)
 - Caribbean and Central American Catastrophe Risk Insurance Facility (CCRIF)

Roles of different actors



Public policies, frameworks & initiatives

Current

Global

- G7 commitment & action
- UNFCCC: NAP & Clearinghouse of the WIM
- UNISDR: Sendai (SFDRR)
- Data: GFCS, WISER, CREWS
- IDF: Insurance Dev. Forum
- Other initiatives, e.g. climate investment funds

Regional

- Funding and extension of existing sovereign risk pools
- Set up new risk pools
- Public Private Partnerships (PPP)
- Data: *ARC RiskView*, RIICE
- Promoting new insurance products

National

- Mainstreaming risk assessments into vulnerability assessments
- Coordination of sovereign risk pools
- Enhance data availability

Needed

- Widen scope
- Raise awareness
- Stimulate commitment
- Platform for key parameters
- Insurances as part of climate risk management
- Innovative approaches to reach the most vulnerable

- Broader funding of risk pools
- Lower market barriers
- Establish contingency plans to ensure effective pay-outs
- Expanding the regions covered by risk pools
- Strengthening awareness

- Quantification of climate risks in assessments & NAP
- Provision of technical support
- Raise awareness
- Identification of needs and promising approaches
- Investor protection

InsuResilience: current action & next steps

Milestones in 2016

- Establishing a Secretariat ✓
- Implementing the rapid action measures ✓
- Setting up the consultation and support structure of InsuResilience
- Conducting a “pro-poor study” on how to best reach the target group ✓
- Developing a M&E framework



**Thank you very much
for your attention!**