



InsuResilience Global Partnership

Global Partnership for Climate and Disaster Risk Finance and Insurance Solutions

BACKGROUND

The frequency and intensity of extreme weather events are increasing across the world. People in developing countries are particularly affected. **Better prevention and more reliable disaster relief can save lives and livelihoods. So there is a need to shift from reactive ad-hoc crisis management to agreeing ex-ante financing strategies.**

The **InsuResilience Global Partnership** was established in 2017 by the German government together with partners from the **G20** and the **V20** (the world's poorest and most vulnerable countries). The Partnership now has 73 members from industrialised and developing countries, civil society, the private sector, development banks and the research community.

The vision of the InsuResilience Global Partnership is to **strengthen the resilience of developing countries and to protect the lives and livelihoods of poor and vulnerable people from the impacts of (climate) disasters**. The aim of the partnership is to increase the deployment of finance and insurance solutions for climate and disaster risks in developing countries. This is to enable more timely, reliable and cost-effective post-disaster response and thus strengthen resilience.

OBJECTIVES

The InsuResilience Global Partnership is the central global initiative for scaling up risk financing and insurance as part of resilience and climate adaptation strategies. It uses a twofold approach:

First, it helps countries to **respond appropriately to the impacts of climate change**, particularly in the wake of disasters (**ex post**). Secondly, it can help countries to **better prepare for natural hazards**, by using pre-agreed financing and risk transfer solutions for climate and disaster risks, including insurance (**ex ante**).

Using this approach, the aim of the Partnership is to mitigate the impacts of disasters on poor and vulnerable people and enable them to recover more quickly. One goal is to strengthen local adaptability and resilience. This complements countries' ongoing efforts to minimise and avert climate and disaster risks.

The partnership places a special focus on promoting gender-sensitive approaches. This is to reflect women's special vulnerability to climate risks.

A STRONG PARTNERSHIP AS A BASIS FOR SUSTAINABLE SUCCESS

Partners from various fields – representatives of countries, the private sector, multilateral development banks, civil society and academia – have joined the InsuResilience Global Partnership. **These partners are the basis for comprehensive collaboration in fostering transformational change in the areas of resilience and adaptation.** The partnership supports the development and strengthening of different approaches for financial protection against climate and disaster risks. It contributes to the implementation of individual, tailored programmes that take each country's specific circumstances into account and, in particular, the needs of the poor population.

The **Partnership Forum** is a **multi-stakeholder network** for exchanging experience and knowledge. The High-Level Consultative Group, the governing body of the Partnership, advises on the strategic course. The Group is currently chaired by Germany and the Marshall Islands, representing the G20 and the V20 countries respectively. The **Program Alliance** is the joint implementation instrument for providing finance and advisory services to developing countries and promoting donor programme coherence.

OUTCOMES

The BMZ has so far provided **about 450 million euros** to support various risk financing and insurance solutions as envisaged under the InsuResilience Global Partnership.

About 200 million US dollars have already been **disbursed to the victims of droughts and natural disasters**. There are **25 programmes in 78 countries** that are **currently being established or are already operational** which support the goals of the InsuResilience Global Partnership.

In its new **Vision 2025**, the members have defined ambitious **quantitative and qualitative targets** that are to be achieved through joint efforts. The Vision 2025 therefore constitutes a crucial, realisable and transformational contribution to the

global resilience agenda. The Vision defines targets to be reached by 2025, including:

- **500 million poor and vulnerable people** are protected against disaster and climate risk by pre-agreed risk financing and insurance mechanisms. The objective of the InsuResilience Initiative launched at the G7 Elmau summit, namely to protect up to 400 million people against climate risk, is included in this target.
- **150 million people** are *directly* covered through microinsurance.
- **350 million people** are *indirectly* covered through state mechanisms, e.g. regional insurance pools.
- **Ten per cent of the average losses caused by climate change impacts and disasters in V20 and other vulnerable countries** are covered by pre-arranged risk financing and insurance mechanisms.
- **80 countries** have comprehensive **disaster risk finance strategies** in place.

THE INSUREILIENCE GLOBAL PARTNERSHIP AT THE UN CLIMATE ACTION SUMMIT

The Partnership plays a pivotal role in building climate resilience worldwide. It was therefore presented as a key initiative for the action track on resilience and adaptation at the Climate Action Summit in New York.

On that occasion, the BMZ signed an agreement with the United Nations Development Programme (UNDP) and the Insurance Development Forum (IDF) on a programme to provide technical support to 20 vulnerable countries by 2025. In this context, insurance industry representatives committed to provide **up to 5 billion US dollars of aggregate insurance capacity to support insurance solutions**. This is intended to contribute to achievement of Vision 2025.