



InsuResilience Global Partnership

The global partnership for financing and insurance solutions for climate and disaster risks

BACKGROUND

Extreme weather events are increasing in intensity and frequency across the world as a result of climate change. People in developing countries are particularly at risk. **Better prevention and a more reliable disaster response can protect lives and livelihoods. That means making the shift from ad hoc crisis management to financing and insurance strategies that are planned in advance.**

The **InsuResilience Global Partnership** was founded in 2017 by the German government, together with partners from the **G20+** and **V20** (finance ministers of the 48 poorest and most vulnerable countries). It now has **over 90 members** from industrialised and developing countries, civil society, the private sector, development banks, multilateral organisations and academia.

The Partnership is **the key global initiative for scaling up financing and insurance solutions for climate and disaster risks in developing countries**

OBJECTIVE

The aim is to **strengthen the financial resilience** of developing countries **to extreme weather events** and to protect poor and vulnerable people from the consequences of climate disasters, including climate-related disasters.

The way to achieve this is by developing a faster, more reliable, and more cost-effective response to climate shocks and disasters. By agreeing in advance on risk financing instruments such as climate risk insurance, countries can better prepare for the negative impacts of climate change. As one of a range of possible **proactive measures**, these instruments can prevent climate hazards from developing into full-blown disasters. **When an extreme event occurs, governments are then able to respond appropriately because liquidity is assured.** The money paid out can protect **poor and vulnerable people against impoverishment, hunger and debt.**

InsuResilience works to ensure that partner countries include **comprehensive financing strategies in their climate and disaster risk management.** This serves to back up the countries' ongoing efforts to minimise and avert climate and disaster risks.

Support is provided above all to **particularly poor and vulnerable countries and people.** Here, the focus is on implementing **gender-sensitive approaches** that reflect the fact that women and other disadvantaged groups are particularly vulnerable to climate risks.

STRONG PARTNERSHIP AS THE BASIS FOR SUSTAINABLE SUCCESS

The expansion of risk finance instruments is an ambitious and complex task that involves, among other things, product development, market penetration and government regulation. To this end, InsuResilience **brings together expertise from various relevant fields. Governments** as well as the **private sector, multilateral organisations, civil society and academia** are represented. This helps to ensure that the programmes implemented are individually tailored to take country-specific circumstances into account.

The **High-Level Consultative Group** provides strategic advice to the Partnership. This steering group is currently chaired by Germany and the Republic of the Marshall Islands as representatives of the G20+ and V20 countries respectively. The **Programme Alliance** is there to help coordinate the implementation of programmes and ensure coherence between them. The annual **Partnership Forum** promotes the exchange of experience and knowledge.

VISION 2025

In 2019, the Partnership's members **adopted ambitious quantitative and qualitative goals** in their "**Vision 2025**". The goals are to be achieved through joint efforts. With the goals it sets for 2025, the vision makes a decisive, actionable, and transformative contribution to the global resilience agenda:

- **500 million poor and vulnerable people** are to be protected against disaster and climate shocks through pre-arranged risk financing and insurance mechanisms;
- Of these, **150 million people** are to be *directly covered by microinsurance*;
- **10 per cent of average annual climate and disaster losses** in V20 and other vulnerable countries are to be **covered** through pre-arranged risk financing and insurance mechanisms;

- comprehensive **climate risk financing** strategies are to have been prepared with **80 countries**.

RESULTS

The Federal Ministry for Economic Cooperation and Development (BMZ) has so far contributed **around 550 million euros** in support of various risk financing and insurance solutions in the context of the InsuResilience Global Partnership. At the global Climate Adaptation Summit (CAS) in January 2021, BMZ committed an **additional 120 million euros to bilateral support for climate risk finance and insurance**. A total of **22 programmes with 218 projects in 101 countries** are either **active or currently being developed** and are contributing to the objectives of the Partnership.

At the Secretary-General's Climate Action Summit in September 2019, **the BMZ signed an agreement with the United Nations Development Programme (UNDP) and the Insurance Development Forum (IDF)** on a technical assistance programme for vulnerable countries up until 2025. **Germany is contributing 30 million euros** to the implementation of this public-private partnership. In this context, the insurance industry is providing **5 billion US dollars in aggregate insurance capacity**. **In Peru**, one of the 20 focus countries, **the first project** has already been launched, aimed at strengthening the resilience of **50,000 public schools** to climate risks.

The **African Risk Capacity (ARC)** is a **regional risk pool** that provides insurance at the government level for African countries. The BMZ has provided **support of around 70 million euros to the ARC, which by 2020 had already provided security for 72 million people**. As part of its COVID-19 Emergency Programme, the BMZ has assumed **premium payments for ARC drought insurance in 2020**. As a result, up to **20 million poor people in Africa who are particularly vulnerable to crises will be reliably insured** against drought damage for the 2020/21 agricultural season.