



The Caribbean and Central America Parametric Insurance Facility and Development Insurer... A Strategy for Loss and Damage

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Vision Statement

A leading global development insurer, providing disaster risk financing products and services to members to improve lives and livelihoods, building resilience and advancing sustainable development agendas.

CCRIF's success and value to its members is measured by:

Quick Liquidity

Provides quick liquidity within 14 days of a natural hazard event when a policy is triggered.

Protection Gap

Helps to close the protection gap by providing insurance solutions for economic exposure.

Models and Products

Offers parametric insurance products underpinned by models customized for the regions we serve.

Risk Pooling

Benefits from the best prices for reinsurance, making coverage more affordable to members.

Innovation

Uses its base models to develop new products to support economic sectors and vulnerable persons.

Loss and Damage

Helps countries manage growing risks and losses from climate change.

CCRIF's Impact and Footprint

30

Members

78

Payouts
totalling
US\$390 m

7

Products

>5m

People have
benefitted

All payouts
within

14

Days

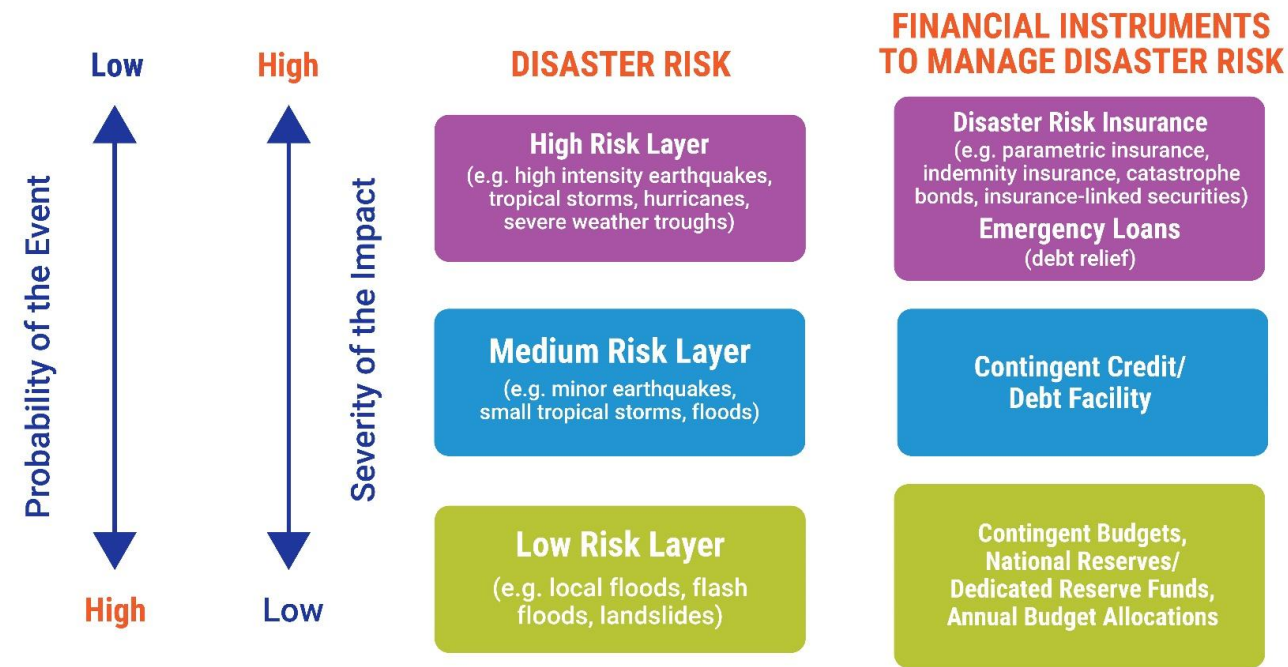
Annual
Coverage
Purchased

>\$1b

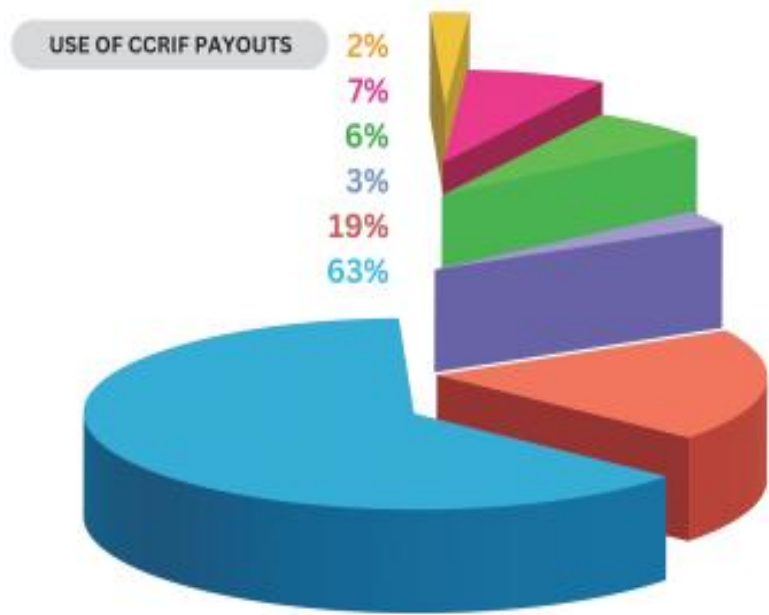
CCRIF PARAMETRIC INSURANCE:

- Covers the probability (likelihood) of an event happening (e.g., a major hurricane), instead of indemnifying the actual loss that is incurred from the event and pays out according to a predefined scheme; this makes the scope of coverage broader than indemnity insurance.
- Insures a policyholder against the occurrence of a specific event by paying a set amount based on the magnitude of the event, as opposed to the magnitude of the losses as in a traditional indemnity policy
- Makes a payment upon the occurrence of a triggering event and is detached from a specific underlying physical asset or piece of infrastructure. Parametric insurance can provide protection against the losses that traditional insurance can't, or won't, such as difficult to underwrite assets or financial exposure.
- Makes payments based on the intensity of an event (for example, hurricane wind speed), and the amount of loss calculated in a pre-agreed catastrophe model.

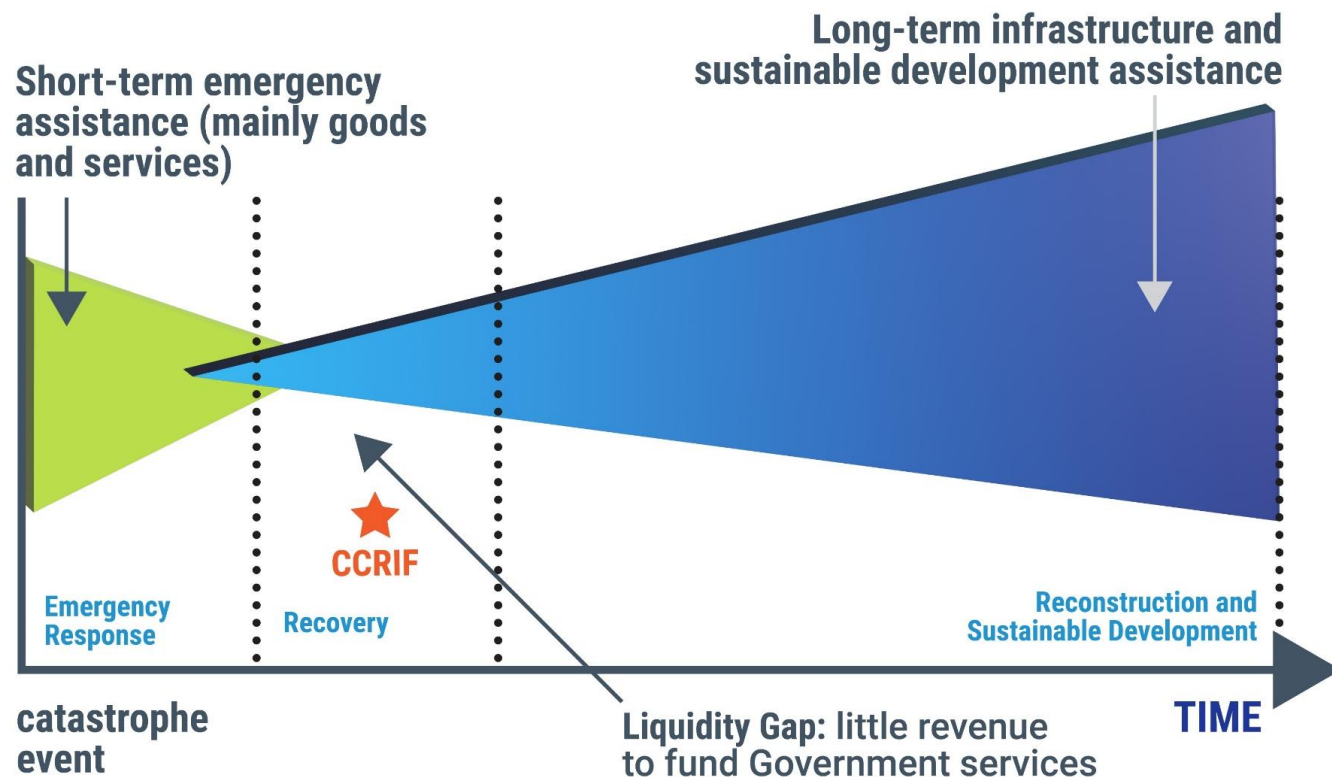
Positioning CCRIF among other Disaster Risk Financing Instruments



Risk Layers and Corresponding Disaster Risk Management Instruments



- Immediate post-event activities
- Long-term infrastructure work
- Risk mitigation activities to reduce vulnerability to future natural hazard events
- Economic sectors e.g. agriculture
- Allocated contribution to the national budget
- Capitalization of a recovery fund



Since 2007, CCRIF SPC has made 78 payouts totalling US\$390 million; the single largest payout: Grenada – US\$42.4 million for Hurricane Beryl

CCRIF payouts help to close the liquidity gap...

CCRIF helps to close the protection gap

Supports building back better



CCRIF Parametric Insurance... A Game Changer and Strategy for Loss and Damage

- With the increasing frequency and intensity of hydrometeorological events caused by climate change, parametric insurance:
 - Helps countries and key sectors better manage growing risks and losses.
 - Addresses more than physical damage to assets and infrastructure - ***it provides solutions for economic exposure.***
 - Provides quick payouts compared to indemnity insurance, and can immediately support countries following a natural disaster, to keep the wheels of government turning, address business interruption, and the impact on the economy, specific key economic sectors and lives and livelihoods.
- Can make social protection systems more shock responsive – expanding horizontally and vertically in the face of disasters – that is increasing cash transfers to the vulnerable and supporting persons that may become in need following a disaster.
- Can be viewed as being better able to match capital to the risk caused by climate change – in other words parametric insurance and the use of risk pooling is more economically viable than traditional insurance for fiscally constrained countries.

CCRIF Looks Beyond Insurance to Broader Resilience Building and Sustainable Development

Promotes Regional Knowledge Building and South-South Cooperation: Partners with regional organizations and think-tanks such as CIMH, Climate Studies Group Mona, to generate shared solutions to address the multi-hazard risk environment that members exist in. Has invested over US\$2 million through the years.

Supports Public Policy Goals: Aligns insurance solutions with areas such as social protection, to make social protection policies more shock responsive and meet the needs of the most vulnerable following disasters.

Invests in Youth Development and Education: Since 2010 has invested over US\$2.5 million, providing 190 tertiary-level scholarships and 200 internships in areas related to CDRM and DRF. Building the cadre of future leaders.

Invests in Community Resilience Building: Invests in community resilience building and development by working with communities in areas such as ecosystem-based adaptation, climate change adaptation, and capacity building initiatives to build resilience. CCRIF has built the resilience of over 54 communities in member countries investing US\$4 million.

Fosters High Levels of Member Engagement: Continuously builds the capacity of members in new and emerging areas within the DRF landscape and provides opportunities to engage with them to better understand and address their DRF needs. Plays a key role in helping them understand the linkages with insurance and their debt and fiscal sustainability targets.

Joint work with other Risk Pools



Supporting The Generation of Leaders in DRM and DRF



Supporting Local Programmes that build resilience across member states



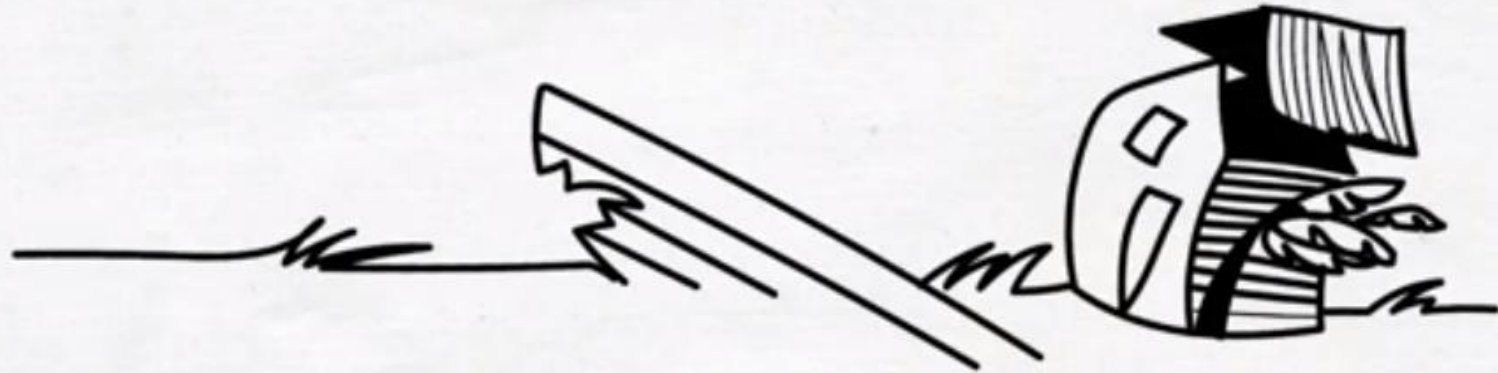
Member-centric, continuously building the capacity of members and key stakeholders



Regional Knowledge Building



The work and impact of CCRIF in the Caribbean and Central America



<https://www.youtube.com/watch?v=CBa0abHRI7Y>

Learn more about CCRIF: Scan the Code





Engage With Us:



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