



The Federal Ministry
for the Environment,
Nature Conservation
and Nuclear Safety

Insurance Solutions as an Adaptation Measure

**MCII side event at UNFCCC COP 18
Implementing Climate Risk Insurance: Helping
the Vulnerable to Manage Climate Change-Related
Loss and Damage**

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Norbert Gorißen

**International Climate Finance, International Climate Initiative
Federal Ministry for the Environment, Nature Conservation and Nuclear Safety,
Germany**



Adaptation to climate change - BMU context

- Adaptation to Climate Change needs **different approaches** and measures coming together in an overall adaptation strategy, **insurance solutions** may be one appropriate tool
- **public funds** are **limited**, a strategic allocation of funds is necessary
- **Demand** in partner countries has to be identified, products must fit into the specific framework
- **behavioural changes** need to be achieved – how do insurance projects support these changes?
- Involvement of the Private Sector necessary – what can public funds do to enhance **private sector engagement**?



Climate Finance on the Ground Insurance Projects within the Framework of the ICI

- The International Climate Initiative (**ICI**) is financing climate protection projects inter alia in developing countries since 2008
- **Adaptation** to climate change is one focus of the ICI portfolio and within this focus, insurance solution projects are one possibility to foster adaptation
- Currently: Implementation of **6 projects** within the ICI in the Caribbean, China, Ghana, Kenya, Peru, and Vietnam by various implementing agencies (SNV, MCII, GIZ)
- **First products sold** (China, Ghana)
- Capacity Development for policy frameworks are ongoing
- **Cooperation** with the **private sector** is initiated



MCII-led project: Climate Risk Adaptation and Insurance in the Caribbean

- ICI project, BMU support volume: 2 Mio. €, 2011 - 2014
- Aim: To expand the range of adaptation options related to Disaster Risk Reduction (DRR) and micro insurance for low-income people
- Consortium: MCII, Caribbean Catastrophe Risk Insurance Facility (CCRIF), MicroEnsure, Munich Re
- Findings in Jamaica, St. Lucia and Grenada during demand assessment prior to insurance product design:

Strong need to switch from using ex-post strategies to pro-actively employing ex-ante risk management approaches!



Climate Finance on the Ground Insurance Projects within the Framework of the ICI

- Innovative insurance approaches with foci on different aspects such as **capacity development**, data collection infrastructure, and **product development**
- Enable **access** to these products for vulnerable communities
- Move from strategies to **viable insurance solutions implemented** as part of adaptation strategies
- Provide incentives for **preventive measures and, thus, trigger adaptation**
- Offer products to be **picked up by the market** and **engage the private sector** in **scaling-up**
- **Goal** of these projects: Develop pilots that support the development of insurance solutions as part of integrated adaptation strategies



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Thank you for your attention!

Further information :

www.international-climate-initiative.com

programmbuero@programmbuero-klima.de