



Climate Risk Management: NAP and Insurance

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The Climate Risk Continuum and its Management

Prevention and
Risk Avoidance
("Adaptation
measures")

Risk Retention

Risk Transfer
e.g. Insurance

Additional
Measures



NAP & Adaptation Policies



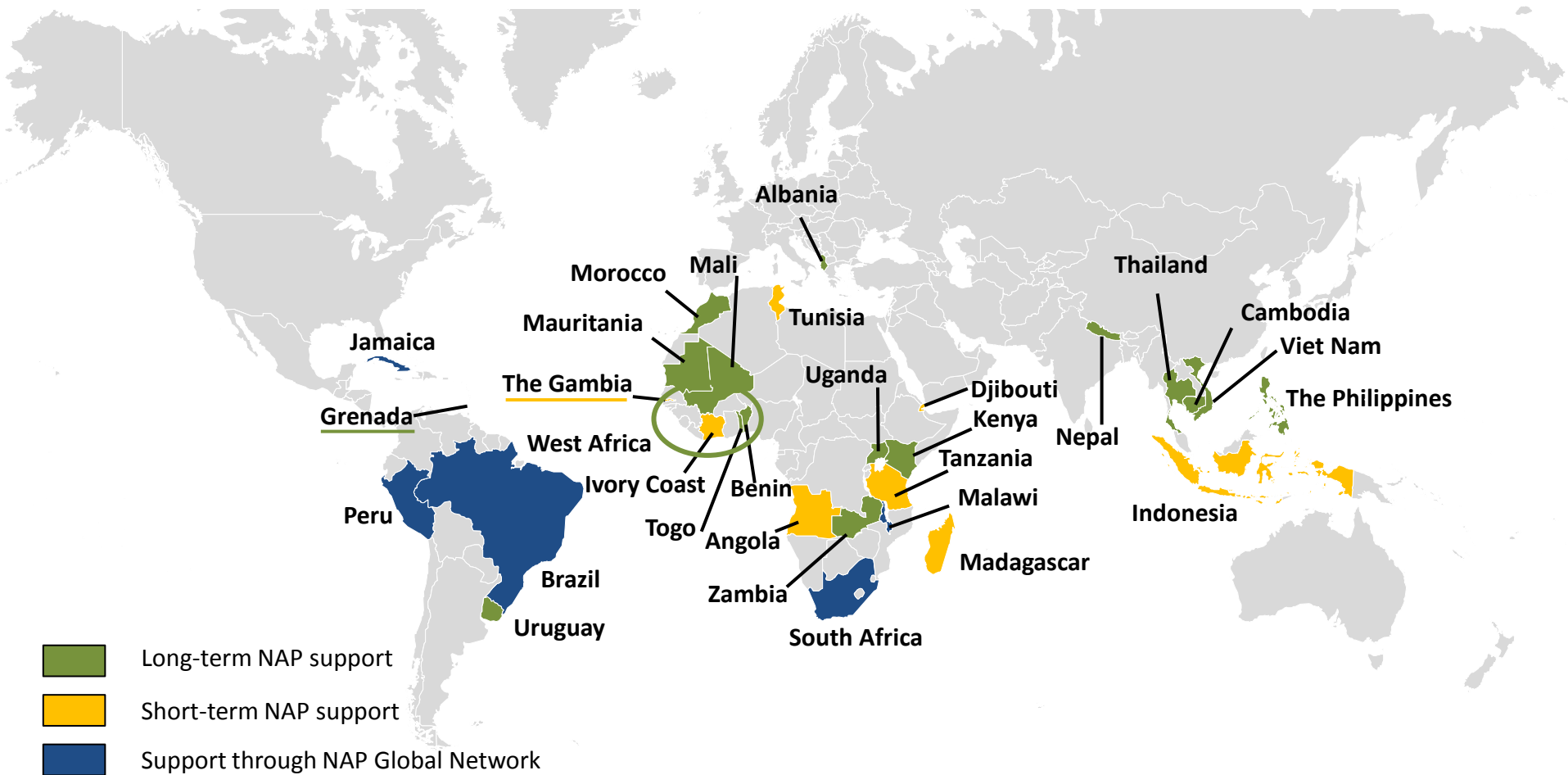
Level of Risk



The National Adaptation Planning Process

- Established 2010 by the COP under UNFCCC
- **Main goals:**
 - Address *medium- and long-term adaptation needs*
 - Reduce vulnerability
 - Integrate (=mainstream) CC adaptation into new and existing development planning processes, *within all relevant sectors and levels*
- **Characteristics:**
 - Country-driven, participatory, non-prescriptive, build on existing efforts, iterative process, including mechanisms for learning and M&E

Germany's NAP Support Worldwide





GIZ's Support on Insurance

Financial Inclusion

General (micro) insurance market development

- Facilitating multi-stakeholder dialogue
- Providing financial literacy to sales staff as well as to target customers
- Supporting microinsurance regulation process
- Enhancing access to products



Agricultural / Climate Insurance

- Facilitating multi-stakeholder dialogues
- Advisory services for national risk transfer systems
- Supporting the development of data infrastructure and index based insurance products
- Promoting the approach of integrated risk management (incl. risk prevention measures)

GIZ's Current Insurance Project Portfolio

- Financial Inclusion (with a focus on insurance)
- Agricultural and climate risk insurance

Egypt

- PPP with Allianz SE on microinsurance
- Microinsurance Regulation

Georgia

- Country Diagnostic

India

- Rural Insurance Services Programme

Southeast Asia

- Agricultural Insurance, Food Security and Remote sensing technology (RIICE project)

Ghana

- Promoting Insurance in Ghana

Nigeria

- Promotion of Sustainable Economic Growth

Peru

- Climate, Agriculture and Risk Transfer

Paraguay

- Agri + Catastrophe Insurance for vulnerable rural families

Africa

- Making Finance Work for Africa

Uganda

- Advisory services to supervisor

Asia

- Regulatory Framework Promotion of Pro-poor Insurance Markets in Asia: Philippines, Mongolia, Nepal, Indonesia, Thailand, Vietnam

Asia

- RIICE Remote sensing-based Information and Insurance for Crops in Emerging economies Cambodia, India, Philippines, Thailand and Vietnam

Sector Projects / Insurance Initiatives (Global)

- Sector Project Financial systems approaches to insurance
- Access to Insurance Initiative
- PPP Allianz SE



Remote sensing-based Information and Insurance for Crops in Emerging economies (RIICE) – Asia

A partnership: SDC (Switzerland), BMZ, IRRI, sarmap, Allianz Re, GIZ implementing

Objective: Reduce the vulnerability of small-holder rice producers to natural catastrophes in Cambodia, India, Philippines, Thailand, Vietnam

2012 to current: proof-of-concept phase
from 2016: scaling-up



Result 1: Rice crop monitoring system: Remote sensing based detection of rice production areas, expected yields and yield losses (due to e.g. floods, droughts, ...) – operational and adopted e.g. by governments of Philippines, Cambodia, Vietnam

Result 2: Insurance products under development with commercial insurers, e.g. in Thailand; insurance pilots to start from 2016



Conclusions – for our discussion!

- Comprehensive climate risk management requires a mix of adequate responses.
- NAP is the overarching process to promote a coordinated approach to climate risk management.
- NAP can guide adaptation investments that themselves improve insurability.
- Insurance protects people from risks that adaptation measures cannot entirely prevent. For instance through the **G7 InsuResilience Initiative**.
- **We need to develop innovative, field-tested solutions that help to upscale and integrate coverage of both NAP and climate insurance.**

