Way forward

The Principles reflect emerging experience of members’ efforts for the Partnership to promote implementation of climate and disaster risk finance and insurance solutions. Based on the roles of the Partnership’s members as agreed upon in the InsuResilience Concept Note, and the aspirational character of the Principles, they serve as a guide for all actors that commit to the Partnership.

Specifically,

› Governments
  Consider the Principles in identifying appropriate financial mechanisms to address risks in their countries, especially with regard to the poor and vulnerable populations.

› International development partners
  Recognize the Principles in the delivery of strategic development priorities around protection of poor and vulnerable populations and leverage ongoing initiatives to maximize impact.

› Civil Society Organizations (CSO) and Non-governmental Organizations (NGO)
  Promote the Principles in empowering communities to use “ground-truth” activities of the Partnership and apply principles where CSOs contribute to solutions directly or in their implementation.

› Private sector
  Consider the Principles in shaping product innovation, supporting market development and contributing to public-private partnerships.

All members and stakeholders should furthermore engage in sharing experiences and learnings from applying the Principles, including through the Partnership’s structures such as the working groups. This is also important to allow for the possibility to further refine the Principles and their interpretation over time.

Background of the Principles

The InsuResilience Pro-Poor Principles are aspirational principles towards the fulfillment of which all members of the Partnership should strive. Similar to other related frameworks mentioned in the preamble, the InsuResilience Principles are a set of voluntary principles for incorporating a people-centered approach to Climate and Disaster Risk Financing and Insurance Solutions. They were developed building on a call for submissions, different webinars and a workshop. The Principles origins sequentially and intertwine, thus highlighting that various aspects related to the planning and implementation of Climate and Disaster Risk Financing and Insurance Solutions require different angles to ensure cohesive operational frameworks.

By empowering all stakeholders to understand, contribute to, and implement a bottom-up approach to risk financing, the Principles aim to support, enable and facilitate long-term resilience. They do so by aiming to enhance the combination of risk financing solutions and embedding these into comprehensive risk management strategies, thereby simultaneously fostering climate risk reduction, adaptation and broader development efforts. As such, they should also provide a frame of reference for designing and implementing risk financing solutions that correspond with a people-centered approach. Stakeholders may consider the further operationalisation of the Principles individually and/or collectively by developing guidelines or checklists for implementation that enable the Partnership’s members to take and demonstrate action.
The InsuResilience Global Partnership for Climate and Disaster Risk Finance and Insurance Solutions was launched at the 2017 UN Climate Conference in Bonn and has gathered support from academia, civil society and the private sector. The Partnership aims to strengthen the resilience of developing countries and protect the lives and livelihoods of poor and vulnerable people against the impacts of disasters. To reach these objectives, the Partnership is taking a principle-based approach that puts people’s needs at the center of climate and disaster risk finance and insurance. 

The InsuResilience Pro-Poor Principles presented here strive to align with, and promote a human rights-based approach to climate and disaster risk finance (both in terms of the design of financial protection strategies and solutions, and of their implementation). By focusing on the agency of end users, the Principles maintain that financial protection is only one component of a comprehensive risk management strategy. The Principles are aspirational and share emerging experiences of “Members”’ efforts to embed a people-centered approach within their respective operations, thereby de-risking ways to contribute to the Partnership’s objective.

The following Principles distill experience, lessons and good practice in realizing climate and disaster risk finance and insurance solutions that increase the resilience of poor and vulnerable people. These Principles align with, and promote a human rights-based approach to climate and disaster risk finance, and are rooted in the values of deliberative reach, with a focus on the agency of end users.

1. Impact
Create positive and lasting change for poor and vulnerable people.

Sub-principles

- Increase resilience
- Transform institutional frameworks
- Monitor, evaluate, and learn from activities and results

2. Quality
Implement adequate and high quality climate and disaster risk finance and insurance solutions that address the needs of poor and vulnerable people.

Sub-principles

- Embrace ongoing learning
- Apply best techniques and practices
- Ensure needs centered processes
- Manage basis risk
- Provide inclusive and targeted support
- Leverage resources
- Be transparent and accountable
- Leave no one behind

3. Ownership
Encourage demand-driven approaches through environments that are conducive to stakeholder action, with a focus on the agency of end users.

Sub-principles

- Support demand-driven solutions
- Build capacity and empower
- Be transparent and accountable

4. Complementarity
Develop a mix of innovative and impactful climate and disaster risk finance and insurance solutions building from existing institutional frameworks.

Sub-principles

- Follow evidence based decision making
- Manage risks comprehensively
- Follow evidence based decision making
- Be inclusive and gender-responsive
- Provide inclusive and targeted support
- Enhance accessibility

5. Equity
Climate and disaster risk finance and insurance solutions should provide inclusive and targeted support to promote equitable growth.

Sub-principles

- Follow evidence based decision making
- Ensure needs centered processes
- Be transparent and accountable
- Leave no one behind

1 These Principles operationalize the InsuResilience Concept Note, including its definitions on concepts such as its target groups and the like.

2 While the efforts of the InsuResilience Partnership focus first and foremost on alleviating the effects of climate impacts on low and lowest income people, namely those living in areas prone to the impacts of climate change.

3 Partnerships here refer to collaborations between public and private actors, and civil society, such as Public-Private Partnerships (PPP) and / or Public-Private-People Partnerships (PPP), e.g. relating to community-based organizations, Takaful, cooperatives.

4 Increased climate risks, and given their already strained adaptive capacity, the poor and vulnerable should not carry the burden of increased climate risks, and given their already strained adaptive capacity.

5 Climate and disaster risk finance and insurance solutions should provide inclusive and targeted support to promote equitable growth.