



Co-Chair Conclusions of the InsuResilience Global Partnership's 6th High-level Consultative Group (HLCG) Meeting

The Co-Chairs of the InsuResilience High-Level Consultative Group, Dr. Bärbel Kofler, Parliamentary State Secretary to Germany's Federal Minister for Economic Cooperation and Development, and H.E. Mambury Njie, Minister of Finance and Economic Affairs of The Gambia, are pleased to share the summary of the 6th meeting of the Group in the form of the following conclusions:

The High-Level Consultative Group (HLCG) of the InsuResilience Global Partnership reconvened on 7 April 2022 to follow up on the strategic topic set at its previous meeting, the enhancement of the Global Climate and Disaster Risk Finance and Insurance (CDRFI) Architecture. Following the InsuResilience recommendations for strengthening the Global CDRFI Architecture and the Principles for SMART Premium and Capital Support, the German G7 Presidency is seeking to rally further support among G7 partners in 2022 with the vision of establishing a Global Shield against Climate Risks. At the HLCG meeting, the concept of the Global Shield was introduced and HLCG members were requested to provide feedback.

Climate and Disaster Risk Finance and Insurance (CDRFI) enables a faster, more reliable, and cost-effective disaster response and reconstruction, and supports countries, businesses, and people in shifting from reactive crisis management to proactive risk management. Since its inception as the G7 InsuResilience Initiative in 2015, the InsuResilience Global Partnership (IGP) has had a tremendous impact. In total, G20plus partners to date have supported InsuResilience with more than 1.2 billion euros. 24 programs have since been set up to implement CDRFI solutions. At present, IGP is active with over 300 projects in more than 100 countries. Under the InsuResilience umbrella more than 150 million vulnerable people were financially protected against climate risks in 2021 alone.

Yet, more needs to be done to achieve the goals of the [InsuResilience Vision 2025](#) and to achieve sustainable and affordable protection against climate risks for the most vulnerable countries and communities. In October 2021, the HLCG addressed the current state of the Global CDRFI Architecture, identified gaps and discussed how existing structures could be enhanced to better fit the needs of the most vulnerable. Based on this input, a set of five [InsuResilience Recommendations](#) was developed, emphasizing the need for increasing the share of prearranged finance, improving coordination of solutions in countries, informing and strengthening local capacities, enabling risk-informed decision-making, and creating lasting resilience effects by linking CDRFI to broader resilience planning.

Following the [InsuResilience Recommendations for strengthening the Global CDRFI Architecture](#) and the [Principles for SMART Premium and Capital Support](#), Germany is seeking to rally further support among G7 partners in 2022 with the vision of establishing a Global Shield against Climate Risks to ensure a more sustained, coherent and systematic global CDRFI approach. At the HLCG Meeting, Jürgen Zattler, Director-General for Climate at Germany's Federal Ministry for Economic Cooperation and Development (BMZ), presented to the Group Germany's vision for working towards a Global Shield against Climate Risks and the key components to be developed in that context: 1) a truly global, flexible, and collaborative financing structure; 2) strong coordination between implementing programs to overcome fragmentation through a redesigned InsuResilience Program Alliance; and 3) G7 endorsement of the SMART Premium and Capital Support Principles.

The V20 underlined that the Global Shield needs to focus on mobilizing and providing access to new and timely financial resources, tackle affordability barriers through time-bound subsidization strategies, develop effective and appropriate delivery structures and include V20 representation in global governance processes. V20 members stressed that demand-side engagement is central to success and needs to be matched with coordination among delivery partners in the Program Alliance as service providers.

Subsequently, all other members of the InsuResilience HLCG provided valuable input for the development of the Global Shield initiative and expressed their commitment to further collaborate on the enhancement of the Global CDRFI Architecture.

G20plus members, focused on the ambition to take CDRFI to the next level in terms of scale and accessibility. To this end, the Global Shield could make a significant contribution through enhanced coordination as well as a scale-up of SMART premium and capital support. A well-coordinated financing structure should simplify the complex risk financing architecture and be responsive to demand-side challenges and needs of vulnerable societies and individuals. Speakers also stressed the need for the Global Shield to embed CDRFI within wider climate adaptation and to strengthen inclusive, localized national delivery systems such as social protection programs. Strengthening the central financial structure needs to go hand in hand with strong and comprehensive in-country coordination, including civil society.

Representatives from multilateral and implementing institutions expressed full support for the five recommendations and for the Global Shield to become embedded in the G7's joint commitments in 2022, highlighting its value for ongoing efforts to avert climate-related losses and damages. Through the Global Shield, comprehensive risk financing strategies should be underpinned by robust risk analytics, build on sustained funding support, mobilize private capital, and leverage deeper partnerships in countries, including with civil society and humanitarian organizations.

Representatives from the private sector and V20 members stressed that private sector participation can contribute towards reducing the financial protection gap and building sustainable and climate-resilient markets that are designed to handle risks in a highly effective and responsive manner. Representatives from academia and civil society highlighted that creating accessibility and inclusivity should be a key focus of the Global Shield, as should enhancing cooperation with speed and precision.

Representatives of G7 countries and the German G7 Presidency will take up the ideas and feedback from HLCG members and feed them into the upcoming discussions with G7 partners. One of the next steps for the G7 Presidency is to prepare the meeting of development ministers on 18–19 May 2022. IGP's work will continue to be guided by the InsuResilience recommendations for strengthening the Global CDRFI Architecture and will shape the political ambition for COP27 and beyond.

H.E. Mambury Njie

Minister of Finance and Economic Affairs
Republic of The Gambia

Dr. Bärbel Kofler

Parliamentary State Secretary to the Federal
Minister for Economic Cooperation and
Development

Federal Republic of Germany