



InsuResilience  
GlobalPartnership

# InsuResilience Global Partnership Vision 2025

Reviewed version July 2021

At the first High-Level Consultative Group (HLCG) meeting of the InsuResilience Global Partnership ('the Partnership') held in December 2018, members agreed on the **Concept Note** of the InsuResilience Global Partnership and emphasized the **urgency of scaling up and accelerating risk financing in 2019** and beyond. They mandated the drafting of a **Workplan** by the InsuResilience Secretariat to determine objectives and activities of the Partnership until **2025**. This document sets out the **overall vision and four Overarching Workstreams** for the Partnership by 2025.

## Vision and aim of the InsuResilience Global Partnership (as per the 2018 Concept Note)

The vision of the Partnership is to **strengthen the resilience of developing countries** and to protect the lives and livelihoods of poor and vulnerable people from the impacts of disasters. The Partnership aims to enable a **substantial scale-up in the use of climate and disaster risk finance** and insurance solutions and approaches by developing countries, ultimately contributing to strengthening resilience by enabling faster, more reliable and cost-effective responses to disasters. Working in a complex environment, the Partnership aspires to achieve challenging results to mobilize efforts across a diverse range of partners. Given that resilience is a multidimensional concept, progress towards the vision is tracked in six complementary result areas.

## Aspirational result areas of the Partnership (as per the Concept Note 2018 and updated by the HLCG in 2021)

For each result area, one target for 2025 is highlighted as the lead indicator.

### Result area 1: *Total risk covered and number of people protected*

Result area (i) monitors the quantity of coverage provided by climate and disaster risk financing and insurance (CDRFI) instruments in poor and vulnerable countries.<sup>1</sup> It measures the overall protection gap, the number of beneficiaries, and the contribution of the private sector through underwriting capacity. **500 million poor and vulnerable people will be covered against climate and disaster shocks.**

### Result area 2: *Number of countries with comprehensive DRF strategies*

Result area (ii) monitors the uptake of comprehensive disaster risk financing strategies, and reporting upon these strategies, by poor and vulnerable countries. Comprehensive disaster risk financing (DRF) strategies and accurate risk reporting are conducive to the uptake of high-quality CDRFI instruments which reduce the impacts of disasters on populations. **In 80 vulnerable countries, comprehensive disaster risk finance strategies will be developed.**

<sup>1</sup> Vulnerable countries are those that are particularly susceptible to climate impacts as a result of both exposure and constrained adaptive capacity due to economic development levels. For InsuResilience Global Partnership, it includes all members of V20 group as well as those on the DAC-ODA list

### Result area 3: *Number of countries adopting CDRFI solutions*

Result area (iii) monitors the uptake of CDRFI solutions among poor and vulnerable countries. This complements result area (i), which looks at the quantity of CDRFI coverage, by considering the breadth of uptake across countries. It provides an easily understandable metric for tracking the spread of CDRFI instruments across vulnerable countries. **New or enhanced (sub-) sovereign pre-arranged risk financing and insurance mechanisms will be developed in 60 vulnerable countries.**

### Result area 4: *Increased cost-effectiveness*

Result area (iv) monitors the cost-effectiveness of CDRFI instruments, on the basis that the cost of an instrument is a critical component of its quality. The proposed indicators capture dimensions of cost-effectiveness for both privately and publicly supported schemes. **The proportion of publicly supported macro-level schemes meeting the relevant benchmarks will increase by 10 percentage points.**

### Result area 5: *Development/human impact*

Result area (v) monitors the positive impacts of CDRFI on human and economic development outcomes in vulnerable countries. Several development outcomes are tracked, including the targeting of CDRFI towards hazards that most jeopardize economic development, the speed at which funds are disbursed to support an effective response, the focus of coverage on vulnerable communities, and the extent to which gender-responsive approaches are prioritized. **15% of climate and disaster losses faced by vulnerable populations will be covered by pre-arranged CDRFI solutions.**

### Result area 6: *Increase in evidence*

Result area (vi) tracks the amount of evidence produced on CDRFI, as well as its use by InsuResilience partners. **The number of countries using catastrophe risk models will increase by 20%.**

## Indicators of the aspirational result areas

The InsuResilience Global Partnership Secretariat has developed a Monitoring and Evaluation (M&E) framework for Climate and Disaster Risk Finance and Insurance (CDRFI) to help achieve the vision set out in the [↗ Concept Note](#) from 2018. The members of the InsuResilience Global Partnership will work together to achieve the following **aspirational, transformative yet achievable results by 2025** through voluntary collaborative efforts that contribute to the indicators identified below.

Table 1 lists all InsuResilience result areas, indicators, and targets. Indicators in bold are the lead indicators per result area. The lead indicators capture the result area's core message and have the highest political significance. Complementary information is provided in the [↗ M&E Background Note](#).



Table 1 – The InsuResilience Targets and Indicators

RESULT AREA	INDICATOR	TARGET
<b>i. Total risk covered and number of people protected.</b>	a. Reduced protection gap.	10% of climate and disaster losses in vulnerable countries absorbed by pre-arranged CDRFI solutions.
	<b>b. People covered.</b>	<b>In 2025, 500 million poor and vulnerable people are covered against climate and disaster shocks.</b>
	c. People accessing micro-level insurance.	150 million poor and vulnerable people covered by microinsurance.
	d. Underwriting capacity offered.	An additional USD 5 billion of total underwriting capacity offered by the insurance industry for climate risk insurance.
<b>ii. Number of countries with comprehensive DRF strategies.</b>	<b>a. Presence of comprehensive DRF strategies.</b>	<b>80 vulnerable countries with comprehensive disaster risk finance strategies in place.</b>
	b. Risk reporting.	60 vulnerable countries reporting their climate risk and expected losses.
<b>iii. Number of countries adopting CDRFI solutions.</b>	<b>a. Uptake of macro-level CDRFI.</b>	<b>60 vulnerable countries with new or enhanced (sub-)sovereign pre-arranged risk financing and insurance mechanisms integrated within prevention, preparedness, response, and recovery plans that are anchored in a country's adaptation system.</b>
	b. Uptake of meso- and micro-level CDRFI.	70 vulnerable countries have developed property and agricultural meso- or micro-level insurance solutions.
<b>iv. Increased cost-effectiveness.</b>	a. Basis risk monitoring.	All parametric schemes satisfy at least 2 of the criteria for high-quality basis risk monitoring. Additional data on basis risk in parametric and indemnity products is collected.
	<b>b. Low cost of providing coverage.</b>	<b>10%-point increase in the proportion of publicly supported macro-level schemes meeting the relevant benchmarks beyond the 2020/21 baseline. Research is carried out on the components of expenditure by micro- and meso-level schemes.</b>
	c. Competitive private insurance markets.	10% increase in the number of competitive insurance markets among the countries with active micro-, meso- and macro-level insurance solutions under IGP.
	d. Efficacy in support of vulnerable countries.	50% increase in the number of schemes fulfilling more criteria for pro-poor targeting of donor funds.
<b>v. Development / human impact.</b>	a. Material hazards targeted.	80% of countries prioritize their most critical hazards for financial protection.
	b. Timeliness of pay-outs.	20% increase in the proportion of parametric premiums going towards products with rapid pay-outs and clear targets for delivering funds to affected populations.
	<b>c. Reduced vulnerable group protection gap.</b>	<b>15% of climate and disaster losses faced by vulnerable populations absorbed by pre-arranged CDRFI solutions.</b>
	d. Gender-responsive CDRFI.	All schemes fulfil all three criteria for gender-responsive CDRFI.
<b>vi. Increase in evidence.</b>	a. Number of peer-reviewed pieces of evidence produced.	80% of the gap areas identified in the evidence roadmap are covered by new research.
	b. High uptake of new evidence.	30% increase in the number of downloads of reports and resources from the IGP website.
	<b>c. Accessibility of catastrophe risk models.</b>	<b>20% increase in the number of countries using catastrophe risk models over the 2020/21 baseline.</b>

## Overarching WORKSTREAMS and CROSSCUTTING OBJECTIVES

The Overarching Workstreams further define the aspirational result areas of the Partnership and guide the outputs and activities of the Partnership and involved actors by 2025. Moreover, the deliverables stemming from the aforementioned Workstreams incorporate **two Crosscutting Objectives**:

- › **Pro-Poor approach:** Activities stemming from the Workplan should be centred around poor and vulnerable people.
- › **Gender mainstreaming:** Design and promote gender-sensitive approaches and tools to be integrated across all Workstreams. Ensure crosscutting coordination of gender-sensitive approaches, capture and leverage best practices.



## Workstream 1 : STRATEGIC GUIDANCE & CONVERGENCE

Guide the integration of CDRFI solutions in global climate change and resilience frameworks.

- › The Partnership serves as the ‘go-to’ platform for knowledge, products and services around climate and disaster risk finance: the platform bundles the diverse expertise and perspectives of its members into a **global financial resilience architecture** for climate and disaster risks that feeds into a broader climate adaptation and resilience agenda.
- › Members and relevant stakeholders have successfully **aligned their respective CDRFI activities to the pro-poor principles** in a manner that maximizes climate and disaster resilience of poor and vulnerable people.
- › Through its diverse membership and efforts to aid collaboration with various stakeholders in the field of CDRFI, the Partnership contributes to the **achievement of the relevant Sustainable Development Goals (‘SDGs’)** in order to answer the call to end poverty, protect the planet and ensure all people enjoy peace and prosperity.
- › **The Partnership has strengthened the connection between CDRFI solutions and broader resilience efforts, such as investments in resilient infrastructure,** in order to better capture resilience dividends.
- › **Monitoring and evaluation outputs have been standardized in a robust and reliable system** to inform a consistent and comprehensive collection of data, taking into account **pro-poor, gender- and conflict-sensitive approaches** and focusing on outputs that **help show positive impact of CDRFI solutions.**
- › A set of **clear criteria** for reporting has been established in order to guide the development of **useful, sustainable and reliable products and/or practices** in the high-risk regions, which are fully embedded in broader climate adaptation and resilience frameworks.
- › **Liaising with the IMF** was successful in **establishing a joint approach** in order to feed the work of the Partnership into the global landscape of financial and fiscal resilience and stability.

## Workstream 2 : ACTION & IMPLEMENTATION

Enable effective action and implementation of high-quality CDRFI solutions in poor and vulnerable countries.

- › The Partnership has **empowered vulnerable countries** to integrate CDRFI in their country planning and to make risk-informed decisions on macro-, meso-, and micro-levels.
- › **CDRFI is mainstreamed** into disaster risk management strategies and climate change adaptation frameworks as well as macro-fiscal policies of vulnerable countries, including e.g. Nationally Determined Contributions (NDCs), National Adaptation Plans (NAPs), country budgetary planning, and regulatory frameworks.
- › **The Partnership fosters strong country ownership** of solutions across all stakeholders by highlighting and incorporating where necessary **local or indigenous knowledge and best practices** in order to ensure long-term sustainability.
- › The Partnership **strengthens demand-driven implementation initiatives**, particularly by supporting the development of integrated and people-centred climate-smart insurance solutions for micro-, small-, and medium-sized enterprises ('MSMEs'), in collaboration with the V20-led Sustainable Insurance Facility ('SIF').
- › **Implementing programs**, including those of the Program Alliance such as the Global Risk Financing Facility ('GRiF'), the InsuResilience Solutions Fund ('ISF'), and the Centre For Disaster Protection, are **aligned and integrated with broader efforts** so as to efficiently allocate donor commitments to implement country-tailored CDRFI solutions, adopt and promote innovations in data, financial instruments, and insurance tools where appropriate, and improve integration with broader resilience efforts.

- › The Partnership has strengthened its **collaboration with the private sector** along tangible areas of action in order to harness private risk expertise and risk capital to create solutions for the benefit or improved resilience of poor and vulnerable people, including further cooperation between credit and insurance providers.
- › Improved **affordability and quality of solutions** has been achieved by scaling up appropriate business models and increasing levels of financial protection in vulnerable countries, with a particular focus on a consistent and sustainable approach to premium financing and adaptive social protection.
- › The Partnership supports the **mobilization of adaptation finance** by coordinating systematic efforts to promote adaptation investments, for example, by pursuing green finance taxonomies as envisioned by the EU Sustainable Finance Agenda.



### Workstream 3 : CAPACITY BUILDING & KNOWLEDGE MANAGEMENT

Build capacities of all stakeholders to guarantee wide-ranging understanding of CDRFI through comprehensible information, easily disseminated through user-friendly knowledge-sharing platforms.

- › **Customized training** on disaster risk management and CDRFI solutions has been provided for different target groups, **including national and local governments, women and marginalized groups** in various regions, to minimize knowledge gaps and empower vulnerable persons to manage risk effectively.
- › A collection of **evidence-based best practices** has been used to identify effective and cost-efficient CDRFI solutions applied to the different regions and respective circumstances.
- › A **comprehensive knowledge portal** of services has been established around CDRFI, bundling complementary products and tools of contributing programs.
- › **Gender-sensitive insurance mechanisms** play a key role in gender-equitable disaster risk management strategies. The Partnership **collects sex-disaggregated data** and **supports the design, promotion and integration of gender-sensitive approaches** to CDRFI solutions to increase gender equality and empower women and girls.
- › The Partnership has improved **access to and understanding of data and modelling** for vulnerable countries and communities in different regions, ensuring that information related to CDRFI is readily available and user-friendly for the global community.

### Workstream 4 : COLLABORATIVE NETWORK

Foster collaborations to drive the development of CDRFI solutions through well-established networking and management of information.

- › The Partnership is **recognized as a core network for all stakeholders** in the CDRFI space, including national and sub-national governments, international organizations, the private sector, academia and civil society.
- › The Partnership has **influenced international climate finance and humanitarian efforts** towards more reliable, timely and cost-efficient financing of climate and disaster risks by fostering an ex-ante approach to finance (e.g. through forecast-based financing) in order to create a seamless flow of support between climate and disaster risk finance and humanitarian efforts.
- › The **HLCG is highly recognized as an ambassador** for CDRFI and uses its network to improve financing for disaster response and reconstruction and to promote the use of CDRFI.
- › **Membership has been expanded** to include at least 75% of the Vulnerable Group of 20 ('V20') countries and 50% of Group of 20 ('G20') countries in the Partnership.
- › A **thriving dialogue and collaboration between V20 and G20** countries on financial and fiscal resilience has been established.
- › **Active participation** in events ensures the continued collaboration of members and partners within the global community.