Strategic Donor Meeting in Support of CCRIF SPC
March 23, 2015

Discussion Points

Cassandra Rogers (IDB): (In response to a point in Dr. Justin Ram's presentation) Why are Guyana and Suriname considered resilient? Disaster deficit index shows that Guyana and Surinam are low – what is the basis for the comment?
Justin Ram (CDB): they are vulnerable – given the large land area for both countries and the debt to GDP ratios, they are better off than other CDB developing countries – they have room within that larger country to find shelter and government finances are in a better position than some of the other borrowing member countries.

Saundra Bailey (CCRIF): Regarding resilience – hazards play a part in determining whether a country is resilient – what does scaling up mean to CCRIF with respect to long-term serviceability – what does that mean to CCRIF in the medium to long term?
Akiba Reid (CCRIF): According to dynamic financial analysis (DFA), the probability of a payout would not put the organization at risk. CCRIF does a DFA when we look at options for scaling up – also look at reinsurance – as we look to take on more risk we ensure that we transfer sufficient risk to the reinsurance market. Justin Ram: There are other ex ante financing options available. Countries need to get into counter cyclical fiscal policies.

David Farrell (CIMH): When we make a comparison of disasters in Guyana with the rest of the region – we are comparing apples and oranges… If Guyana were in the eastern Caribbean – the impact would be very different – the factors driving disasters are very different.

With the focus on ex ante risk transfer strategies – are countries necessarily fixing the underlying problems – are countries shifting to these an-ante risk transfer solutions and not fixing infrastructure. Can ex ante financing solutions be a disincentive for fixing underlying problems?

Seibert Frederick (Ministry of Finance, Barbados): I am concerned with scaling up given the fiscal situations in the countries and their high debt to GDP ratios and large fiscal deficits. How feasible are ex ante financing options? Do we have the fiscal space? How do we invest in these options? Is there an approach that can be used given the fiscal space within the countries?
Justin Ram: Ex ante financing is just but one tool in your box – all this has to happen as you build overall resilience in the economy.

Steven Hillier (DFID): How much does CCRIF need to capitalize the excess rainfall product?
Milo Pearson (CCRIF): CCRIF capitalized $25 million and is seeking matching funds from this donor meeting – not looking exclusively at donors that capitalized CCRIF initially. CCRIF launched the product two years ago and we are still looking for additional funding for several

sources. The request is that we have this type of discussion so that we can continue to offer new products such as this one.

Regarding adequate coverage: how much more does a country need to spend to give them adequate coverage?
Akiba Reid: For the 16 CCRIF countries, adequate coverage is about 25% of their loss; currently countries' coverages are less than 15% – halfway where they need to be. We need about $20 million to get countries to that point.

Bridget Carle (SwissRe): Working to increase resiliency is important – adaption and risk mitigation are a good focus – but insurance is important to all countries to progress further.