Review of CCRIF’s Performance 2013-2015

Strategic Donor Meeting in Support of CCRIF SPC

Isaac Anthony
Chief Executive Officer, CCRIF
March 23, 2015
Structure of Presentation

Overview and Performance against Targets

New Initiatives

CCRIF’s Main Initiatives and Achievements
• CCRIF met most of our strategic targets

<table>
<thead>
<tr>
<th></th>
<th>2012-2013</th>
<th>2013-2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total number of targets</td>
<td>20</td>
<td>30</td>
</tr>
<tr>
<td>Number of targets applicable to policy year</td>
<td>19</td>
<td>25</td>
</tr>
<tr>
<td>Number and percentage of targets met or surpassed</td>
<td>14 (73.7%)</td>
<td>16 (64.0%)</td>
</tr>
<tr>
<td>Number and percentage of targets not met</td>
<td>5 (26.3%)</td>
<td>9 (36.0%)</td>
</tr>
</tbody>
</table>

Performance against targets for policy year 2014-2015 will be determined after the end of the year (May 31, 2015)
New Initiatives
In 2014 CCRIF was restructured into a segregated portfolio company (SPC) to facilitate offering new products and expansion into new geographic areas and is now named CCRIF SPC. The new structure, in which products are offered through a number of segregated portfolios, allows for total segregation of risk.

In July 2013 the World Bank issued its first ever cat bond – the US$30 million transaction is the first of the Bank’s newly created Capital-at-Risk Notes Program and will address earthquake and tropical cyclone risk in the CCRIF member countries.
Soon, CCRIF is expected to expand its membership to include countries in Central America through a partnership with COSEFIN.

Supported by CARICOM, COSEFIN, the World Bank and the US Department of the Treasury.
8 member countries purchased Excess Rainfall Policies for 2014/2015

- Anguilla
- Barbados
- Dominica
- Grenada
- Haiti
- St. Kitts & Nevis
- Saint Lucia
- St. Vincent & the Grenadines
CCRIF’s Main Initiatives and Achievements 2013-2015
TC, EQ, and XSR policies

For 2014/2015

15 TC policies (Bahamas did not renew policy)
- 13 EQ policies
- 8 XSR policies

CCRIF offered two premium discount options: 25% discount on TC and EQ and up to 50% discount on XSR

Countries can use up to 50% of their Participation Fee to fund premium

Total payouts to date: US$ 35.6 million
## Payouts to Date

### Payouts during 2013-2015 – all on Excess Rainfall policies

<table>
<thead>
<tr>
<th>Event</th>
<th>Country Affected</th>
<th>Payout (US$)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tropical Cyclone Gonzalo, October 2014</td>
<td>Anguilla</td>
<td>493,465</td>
</tr>
<tr>
<td>November Trough, 7-8 November 2014</td>
<td>Anguilla</td>
<td>559,249</td>
</tr>
<tr>
<td>November Trough, 7-8 November 2014</td>
<td>St. Kitts &amp; Nevis</td>
<td>1,055,408</td>
</tr>
<tr>
<td>Trough System, 21 November 2014</td>
<td>Barbados</td>
<td>1,284,882</td>
</tr>
</tbody>
</table>

**Total for 2007-2014: 12 payouts to 8 countries on Tropical Cyclone, Earthquake and Excess Rainfall Policies – US$35,572,474**

All payments made within 14 days
Technical Assistance Programme

- Scholarship programmes for UWI and other universities within and outside of the region
- Partnerships with regional organisations
- Expansion of ECA Study in the Caribbean
- Climate Risk Adaptation and Insurance in the Caribbean project
- Regional Internship Programme - NEW
- Small Grants Programme – NEW
Scholarship Programmes

Since 2009

• Scholarships worth almost US$600,000
• To 35 undergraduate and post-graduate students
• From 11 countries
• Theses/dissertations on CCRIF website
• Publication highlighting work of some recipients produced in 2014

CCRIF-UWI Scholarships

• Expanded to all 3 UWI campuses

CCRIF Scholarship Programme

• Expanded extra-regional scholarship programme to include Caribbean universities (other than UWI)
Agreements with:

- Caribbean Community Climate Change Centre – CCCCC
- Caribbean Disaster Emergency Management Agency – CDEMA
- Caribbean Institute for Meteorology and Hydrology – CIMH
- Inter-American Development Bank – IDB
- Organisation of Eastern Caribbean States – OECS
- United Nations Economic Commission for Latin America and the Caribbean – UNECLAC
- University of the West Indies – UWI
- University of the West Indies Seismic Research Centre – UWI SRC
• ECA Study conducted in 8 pilot countries in 2010

• Implemented by CCRIF, CCCCCC, UNECLAC and other partners

• Next steps: to finalise pilot study and develop and incorporate the ECA methodology throughout the Caribbean

• In 2013, MoU with IDB signed to expand the ECA methodology throughout the Caribbean. IDB conducted an ECA study in Trinidad and Tobago - report: *Understanding the Economics of Climate Adaptation in Trinidad and Tobago*
Implementing products that combine risk reduction and insurance for low-income groups such as small-scale farmers and day labourers

Led by MCII, in partnership with CCRIF, MicroEnsure and Munich Re

Supported by the German Federal Ministry for the Environment, Nature Conservation and Nuclear Safety (BMU)

3 Pilot countries: Saint Lucia, Jamaica, Grenada
Livelihood Protection Policy (LPP)

- Coverage against high winds and heavy rainfall for low-income individuals
- Available from local insurance companies
- Up to May 2014: 42 policies sold
- Policies triggered in Saint Lucia after December 2013 rains

Loan Portfolio Cover (LPC)

- Protection against default for lender institutions
- On the market – 2015
- No policies yet sold
• Continue to produce publications to increase knowledge about CCRIF and DRM
• Published Country Risk Profiles on CCRIF website
• Support provided for the hosting of various conferences in the region (last 6 Caribbean CDM conferences supported) and participated in external conferences
• Provides access (currently 304 users) and training each year for the CCRIF Real-Time Forecasting System (RTFS)
“The country has made it through tough fiscal times and kept paying premiums and the current situation is better now. We can’t be penny wise and pound foolish. Given the history of hurricane damage and lack of assistance from the developed world for damage, it is important to keep CCRIF’s coverage. St. Kitts and Nevis has seen the enormous financial benefits to be gained from participating in CCRIF.”

- Ministry of Finance representative from St. Kitts and Nevis
At the third annual United Nations world conference on disaster risk reduction, three Australian climate change and environmental academics are proposing the use of the CCRIF model for the Pacific region.

They have urged developed countries such as Australia, New Zealand and the US to support a similar scheme in the Pacific region.

“A similar scheme is urgently required for the Pacific region to assist countries like Vanuatu to cope with the immediate aftermath of events such as Cyclone Pam.”