



REQUEST FOR PROPOSAL

Assignment Title: Consulting Services for the Update, Testing and Operationalization of CCRIF's BCP

1 Background

About CCRIF SPC The Caribbean Catastrophe Risk Insurance Facility (CCRIF) was formed in 2007 as the first multi-country risk pool in the world. CCRIF was the first insurance instrument to successfully develop parametric policies backed by both traditional and capital markets. It was initially designed as a regional catastrophe fund for Caribbean governments to limit the financial impact of devastating hurricanes and earthquakes by quickly providing financial liquidity when a policy is triggered. CCRIF helps to mitigate the short-term cash flow problems that developing economies tend to suffer after major natural disasters. The parametric nature of the insurance that CCRIF provides allows the facility to make rapid payouts after a policy is triggered, helping member governments finance their initial disaster response and maintain basic government functions and services after a catastrophic event. In brief, CCRIF's mission is to assist member governments and their communities in understanding and reducing the socioeconomic and environmental impacts of natural catastrophes. CCRIF was developed under the technical leadership of the World Bank and with a grant from the Government of Japan. It was capitalized through contributions to a multi-donor trust fund (MDTF) by the Government of Canada, the European Union, the World Bank, the Caribbean Development Bank, and the governments of the United Kingdom, France, Ireland, and Bermuda, as well as through membership fees paid by participating governments. CCRIF SPC is registered in the Cayman Islands with a board of directors responsible for governance and the strategic direction of the company and a chief executive officer responsible for managing the company on a day-to-day basis. It operates as a virtual organization, with no physical offices, supported by a network of service providers covering the areas of risk management, risk modelling, captive management, reinsurance, reinsurance brokerage, asset management, technical assistance, corporate communications, and information technology. Expansion into Central America in 2014, the facility was restructured into a segregated portfolio company (SPC) to facilitate offering new products and expansion into new geographic areas like Central America and is now named CCRIF SPC. The new structure, in which products are offered through several segregated portfolios (SPs), allows for total segregation of risk. In April 2015, CCRIF SPC signed an MOU with COSEFIN - the Council of Ministers of Finance of Central America, Panama, and the Dominican Republic - to enable Central American countries to formally join the facility. The expansion into Central America, as well as new products for the Caribbean, is supported through a new World Bank-administered multi-donor trust fund⁴ established for that purpose. The MDTF channels resources from various donors, including Canada's Department of Foreign Affairs, Trade and

Development; the United States' Department of the Treasury; the European Union's European Commission; and Germany's Federal Ministry for Economic Cooperation and Development. The expansion into Central America has the potential to diversify CCRIF's risk portfolio and improve access by Central American governments to reinsurance markets thus reducing the cost of risk transfer, allowing these benefits to be passed on to all CCRIF members. Parametric insurance is generally less expensive than an equivalent traditional indemnity insurance product as it does not require a loss assessment procedure after a disaster, allowing for claims to be settled quickly. In the case of CCRIF, within 14 days of an event. This is an important feature considering the urgent need for quick liquidity after a natural disaster. CCRIF currently offers five sovereign parametric insurance products – for tropical cyclones, earthquakes, excess rainfall, an electric utilities product and for the fisheries sector, known as the Caribbean Ocean and Aquaculture Sustainability Facility or COAST. Twenty-two governments: 19 Caribbean– and 3 Central American are members of CCRIF. The current strategic plan of the Facility covering the period 2022 - 2025 has a strong focus on scaling up, driven in part by the demand of members, donors and CCRIF's own sustainability assessments. Scaling up has involved rolling out new and improved parametric insurance models to underpin the Facility's products for tropical cyclones, earthquakes, and excess rainfall, and developing new products. CCRIF intends to bring new products to market for drought and agriculture and a rainfall run-off model, the latter being more applicable to larger countries as well as Guyana and Suriname which are not yet members of the Facility. CCRIF also is exploring providing parametric insurance to sectors such as water and housing. Scaling up is a key strategic objective of the Facility since less than 5 per cent of losses due to natural disasters are covered by insurance in developing countries compared to more than 40 per cent in developed countries. CCRIF has demonstrated that catastrophe risk insurance can effectively provide a level of financial protection for countries vulnerable to natural disasters. Members can purchase up to US\$150 million in coverage for each peril. Since 2007, CCRIF has made 44 payouts totalling approximately US\$245 million to 16 member governments. Payout amounts increase with the level of modelled loss, up to the pre-defined coverage limit specified in the country policy. CCRIF was not set up to cover all the losses on the ground but to provide quick liquidity within 14 days of the event. This rapid infusion of liquidity has been used by governments to address immediate priorities and to support the most vulnerable amongst the affected populations.

2 Scope of Works

- Part (i) Update CCRIF's Business Continuity Plan (BCP). The updated BCP should meet best practices to cover identified existing and emerging risks facing the firm. The Plan should meet the needs of the current and proposed organizational structure to be implemented in 2023. The BCP should meet the full requirements of the Cayman Islands Monetary Authority's Statement of Guidance on Business Continuity Management. The firm will refer to CCRIF's existing BCP and conduct research and interviews to update the BCP proportionate to the business risks faced by CCRIF and tailored to the scale and scope of its operations.

- Part (ii) Develop policies and procedures for annual training and conduct a training workshop with all relevant parties.
- Part (iii) Develop and Implement policies and procedures to test the BCP and conduct a test of the BCP. Test results should be analysed to evaluate the effectiveness of the BCP and the Plan updated to reflect proposed improvements. Submission of a test report including amendments to the plan is and as needed.
- Part (iv) Prepare Information Request Forms, Self-Assessment Questionnaires (quarterly and annual as relevant) for submission of information required for CCRIF to update the BCP. Prepare a Compliance Checklist for completion by management on a quarterly basis to ensure compliance with the requirements of the BCP.

The following timeframe must be strictly adhered to assuming a start date of January 13, 2023:

Activity	Deadline
Update of BCP	Jan 30, 2023
Board Approval	February 4, 2023
Training Plan and Workshop	February 13, 2023
Testing & Reporting	February 24, 2023
Delivery of Final Reports, policies, checklists	March 3, 2023
Operationalization of Plan (Development of compliance checklists and other templates)	March 9, 2023

3 Evaluation Criteria

Proposals will be evaluated based on the following criteria

Criteria	Marks
Experience based on similar consulting assignments - At least 10 years' experience in providing advisory services specific to the Scope of Works	35
Experience and composition of the assigned team - A suitably comprised team with accounting, finance, project management and IT experience and a lead consultant possessing 15 years' experience	30
Adequacy of approach to deliver the Scope of Works	35
Total	100

Bidders are asked to address each Criteria in the proposal. Fees are not to be quoted at this stage of the process.

4 Request for Technical Proposal from FIRMS

- CCRIF SPC now invites interested **Firms** to submit a Technical Proposal for this assignment. Bidders must disclose conflicts of interest
- Bidders are asked to submit a technical proposal for this assignment and not to include proposed fees. Fees will be negotiated with the successful firm based on CCRIF's budget for this assignment.
- Bidders are asked to specifically address each Criteria in Section 2 in the technical proposal.
- All firms interested in this opportunity should submit an application by email to: **procurement@ccrif.org** by **January 6, 2023 at 23:45 Cayman Islands time.**
- Applicants will receive a confirmation of their submission via email
- For additional information please contact us at: procurement@ccrif.org