



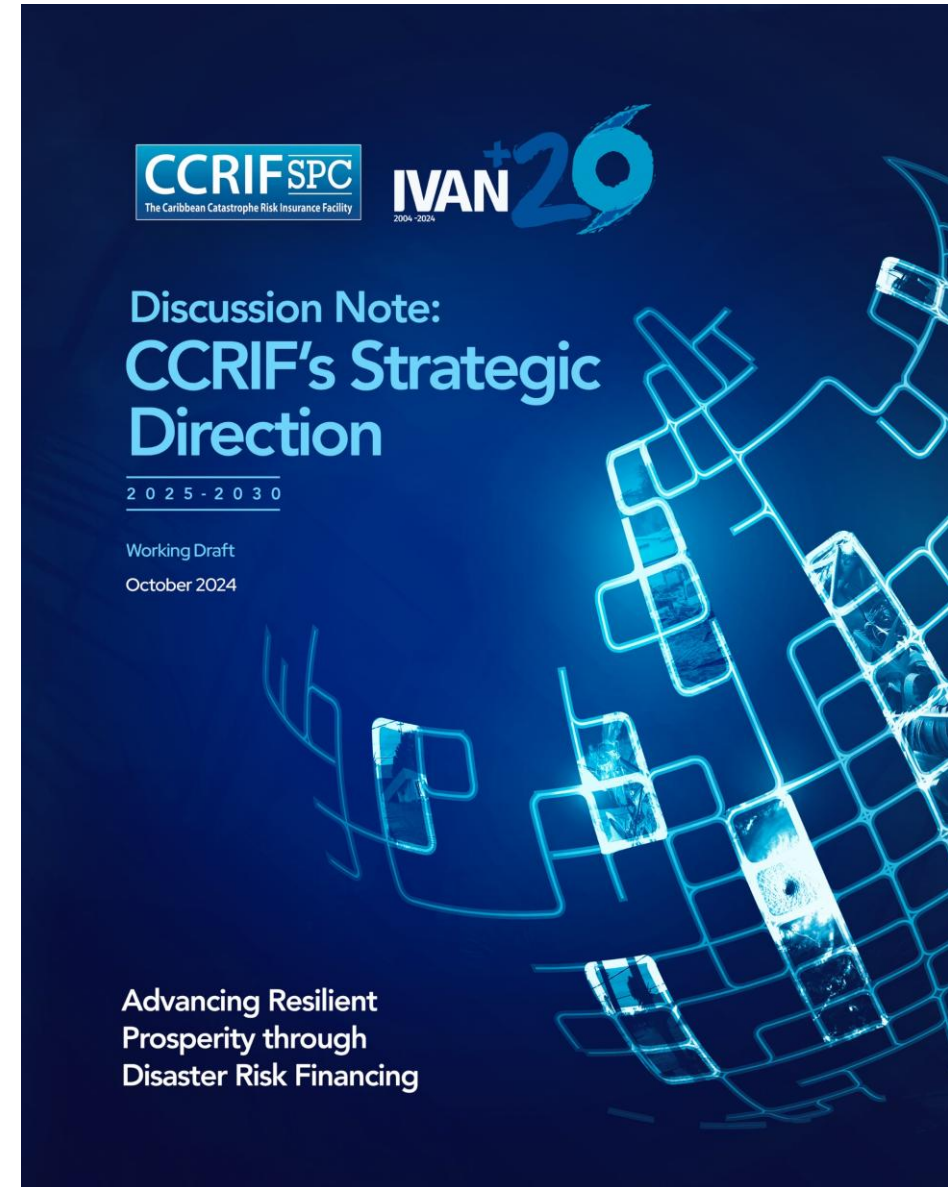
CCRIF SPC:

**The Caribbean and Central America
Development Insurer**



Synopsis of CCRIF's Strategic Direction 2025 – 2030

February 17, 2025



Outline

- **The Premise**
- **Measuring Success**
- **The Rationale**
- **Strategies to define Strategic Direction**
- **Proposed Implementation Timeframe**
- **Operationalizing CCRIF's Growth and Development Strategy**
- **Financial Strategy**
- **Next Steps**

The Premise

- CCRIF's success story
- Achieving its key value propositions of quick liquidity and affordable coverage
- Continuous innovation
- Increased climate change impact
- Significant protection gap
- Interest of Governments in scaling up
- Demand from non-sovereign sector
- Expansion of CCRIF capacity
- Continuing successful partnership with donors and other development partners
- Increased profile as our regions' development insurer

CCRIF: A Caribbean and Central America Success Story...

A Disaster Risk Financing Facility Success Story...

Our Success can be measured by:

Increasing membership even beyond sovereigns to include the private sector.

Today CCRIF has 30 members up from the original 16 governments in 2007.



Our thrust to close the protection gap by increasing coverage and the number of parametric insurance products on offer. 6 parametric insurance products compared to 2 in 2007.



Our parametric insurance models are customized for the regions we serve and are data rich enabling model losses to more accurately reflect actual losses from an event, reducing basis risk.



Our ability to use our base models, TC and XSR, to create new products for key economic and social sectors – e.g. using the TC model to create a product for electric utilities (overhead transmission and distribution) –



Providing insurance products not readily available in traditional insurance markets

CCRIF: A Caribbean and Central America Success Story...

A Disaster Risk Financing Facility Success Story

Our Success can be measured by:

Speed of payouts – within 14 days of an event. A key value proposition.

Since 2007, CCRIF SPC has made 75 payouts totalling US\$358.5 million.



Payouts are key to operationalizing building back better (using payouts to make damaged infrastructure more resilient to future events) and building forward stronger (using payouts to build resilience)



Our ability to step up as a strategy for loss and damage and the ability of parametric insurance to address economic exposures



Conceptualizing and implementing special endorsements for CCRIF Policies... A Game Changer for Loss and Damage... RSIC, LDI, WST, responsive to climate change



Our TA Programme which underscores the link between providing parametric insurance and being a development insurer

The Rationale for the Discussion Note to Present CCRIF's Strategic Direction 2025 – 2030

The rationale for presenting CCRIF's Strategic Direction to 2030 can be viewed through 3 main lenses:

1. The multi-hazard environment in which members exist and the widening protection gap
2. The current strengths of CCRIF which can support scaling up and growth to meet the needs of its current and prospective members
3. Views and Perspectives of Members, Development Partners, and Stakeholders that acknowledge that the timing is right to grow and scale up CCRIF

5 Strategies have been identified for Defining CCRIF's Strategic Direction - Now and in the Short to Medium Term

Strategy #1 – Increasing Member Coverage among Existing Sovereigns


Strategy #2– Expanding Membership among Sovereigns in Existing Regions that CCRIF Currently Works in (Caribbean and Central America)

Strategy #3 – Increasing Product Development to Cover Additional Perils, Hazards, and Economic Sectors

Strategy # 4 – Exploring Other Disaster Risk Financing Instruments and Financing for Development Instruments

Strategy #5 Institutional Strengthening and the Completion of the scaling up CCRIF as an Organization

Start 2025/2026	Short Term - 2026-2027	Medium Term 2027-2030
Strategy #1: Increasing Member Coverage among Existing Sovereigns and Members		
	Strategy #2 – Expanding Membership among Sovereigns in Existing Regions that CCRIF Currently Works in	
Strategy # 3 – Increasing Product Development to Cover Additional Perils, Hazards, and Economic Sectors and give due consideration to hybrid products that marry parametric and indemnity insurance		
	Strategy #4 – Exploring Other Disaster Risk Financing Instruments and Financing for Development Instruments	
Strategy #5 Institutional Strengthening and the Completion of the Scaling Up of CCRIF as an Organization		



Proposed Implementation Timeframe

Operationalizing CCRIF's Growth and Development Strategy...

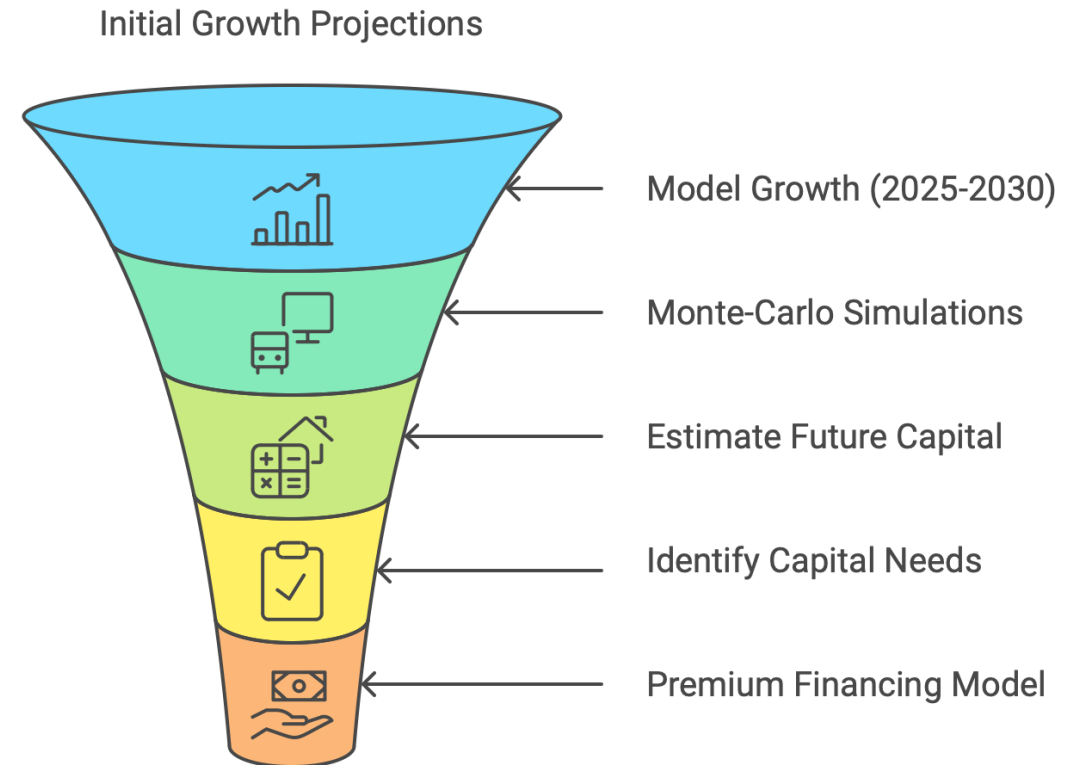
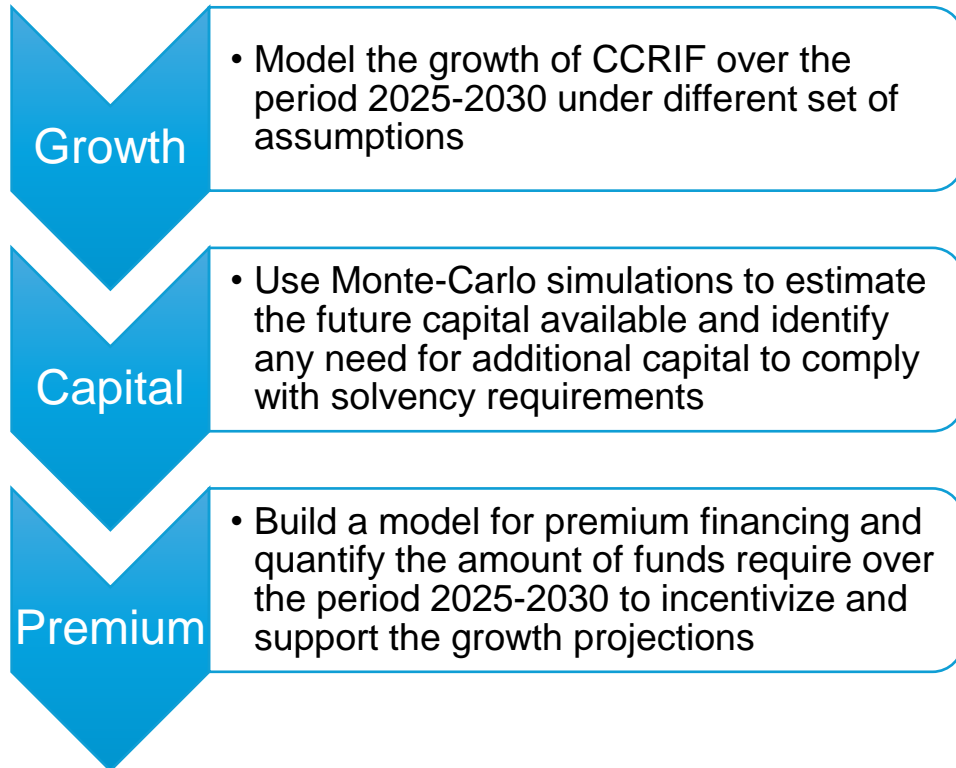
the 5 strategies...

- Reflect the needs and expectations of members and are 'member-centric'.
- Will build on existing partnerships and successful engagements with our DPs and build relationships with new partners.
- Are in keeping with areas where DPs have expressed interest in partnering and collaborating with CCRIF.
- Will explore CCRIF's untapped potential for smart and sustainable growth.
- Are forward-looking, bold and strategic and anticipate future disaster risk financing needs, addressing new and emerging risks.
- Are aligned to the CCRIF strategic priorities as contained in the 2022 – 2025 Strategic Plan.
- Better define CCRIF as the development insurer in the Caribbean and Central America.
- Recognize the need for the mobilization of resources from several channels, including pooled funds (Loss and Damage Funds, the Global Shield etc.), tapping into vertical funds and concessional financing, raising resources from nontraditional partners (foundations, global philanthropies, relief charities etc.)

CCRIF 2025-2030

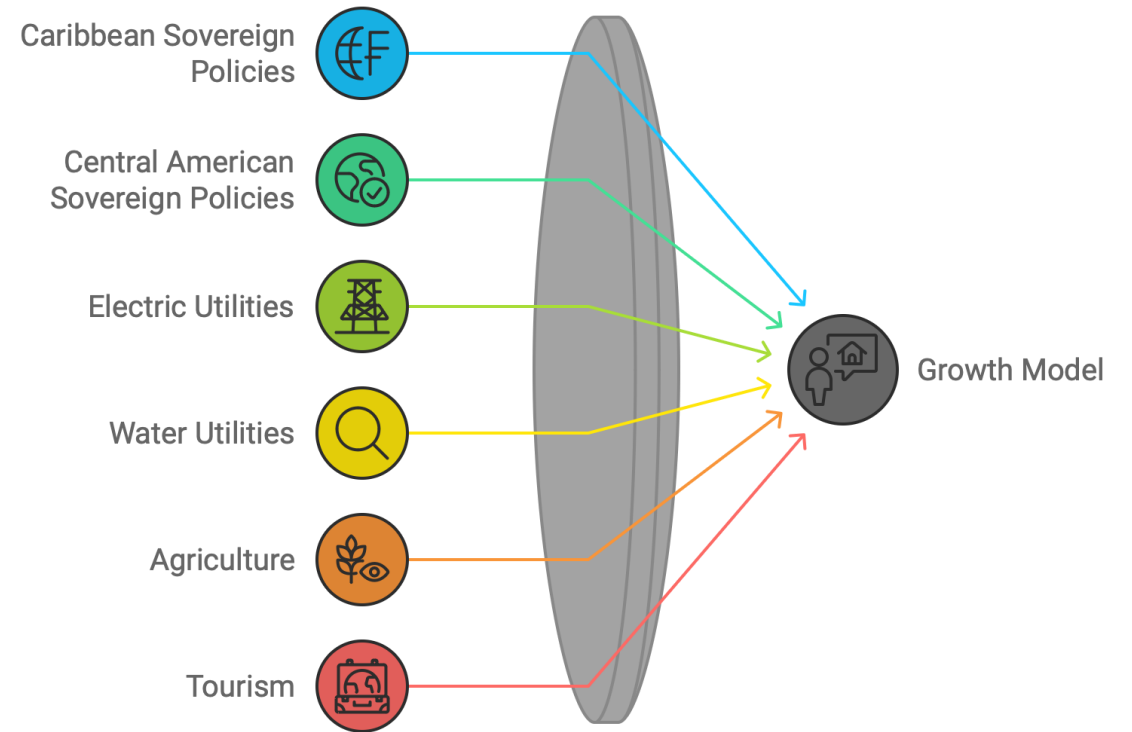
Growth Projections – Capital
Requirement Premium Financing

Objectives



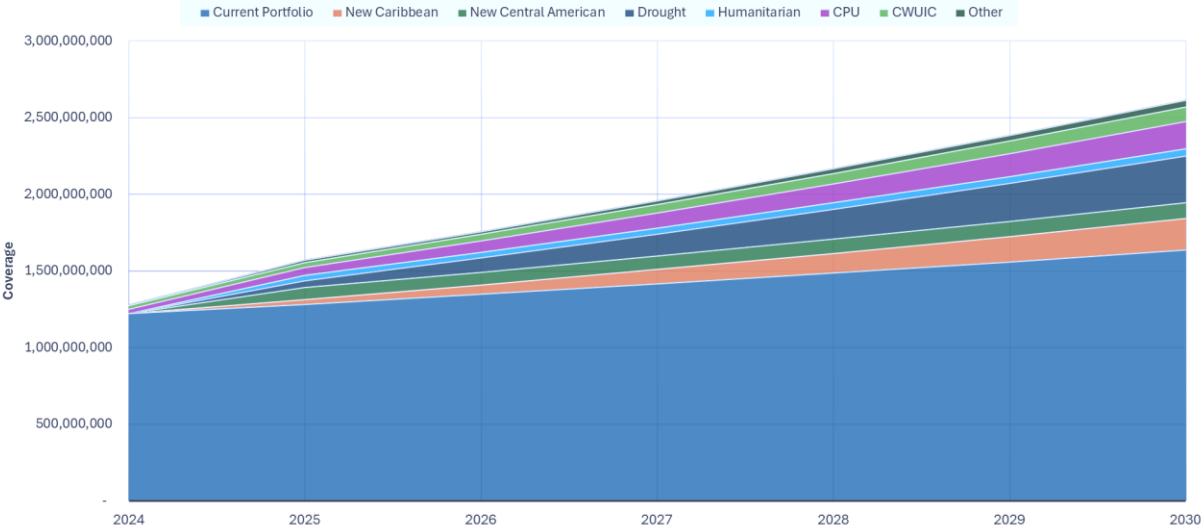
Methodology and assumptions

Conservative Scenario	Accelerated Scenario
5% year-to-year coverage growth in existing policies	10% year-to-year coverage growth in existing policies
6 new Caribbean countries and territories (1 per year)	
2 new Central American countries	
12 new electric utilities (2 per year)	
12 new water utilities (2 per year)	
12 drought policies (2 per year)	
2.5% per annum new humanitarian top up	
6 new state-owned agencies (1 per year)	12 new state-owned agencies (2 per year)
	10 new tourism policies (2 per year)

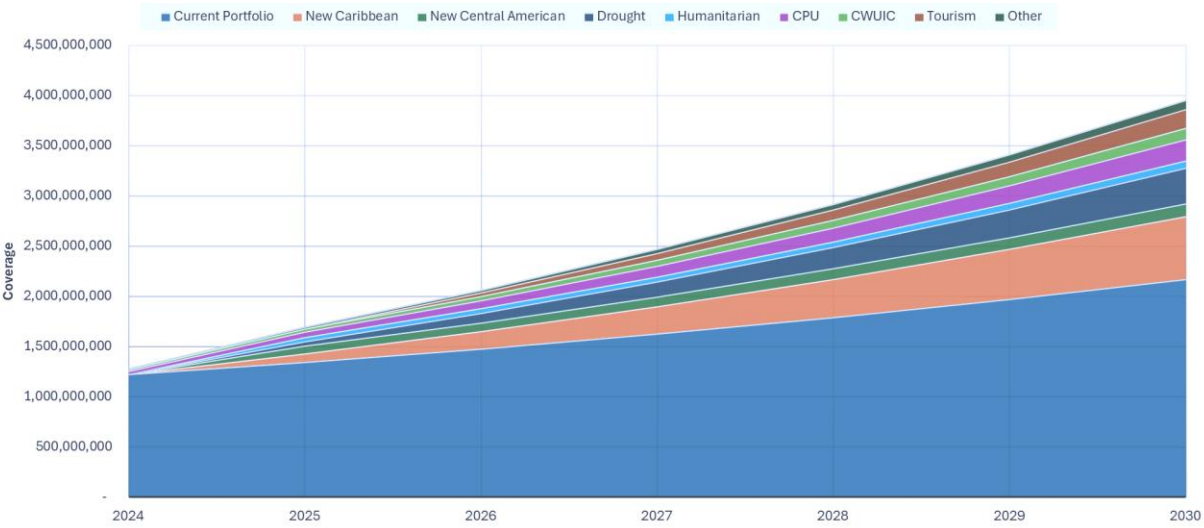


Model results

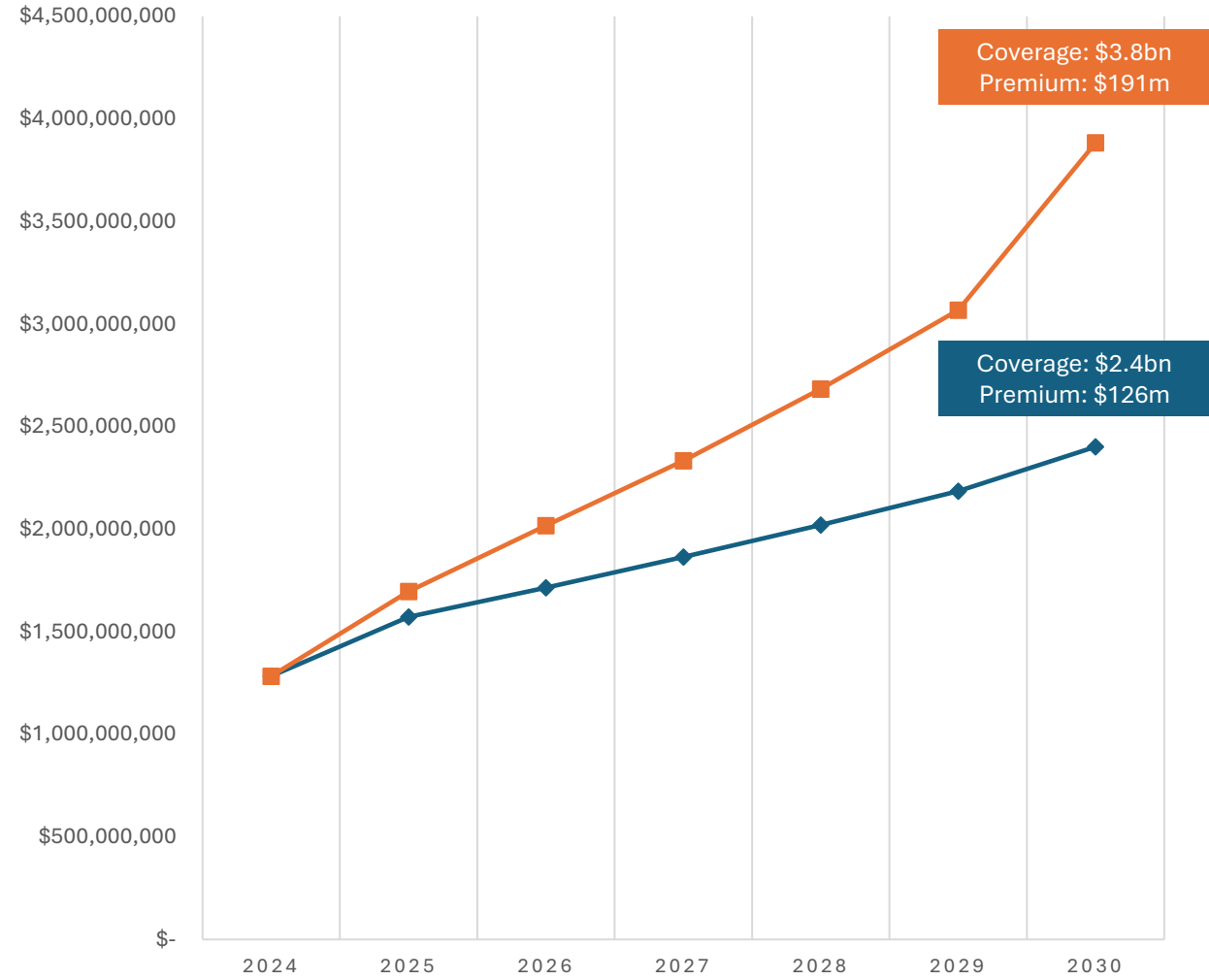
Coverage Growth (Conservative Scenario)



Coverage Growth (Accelerated Scenario)

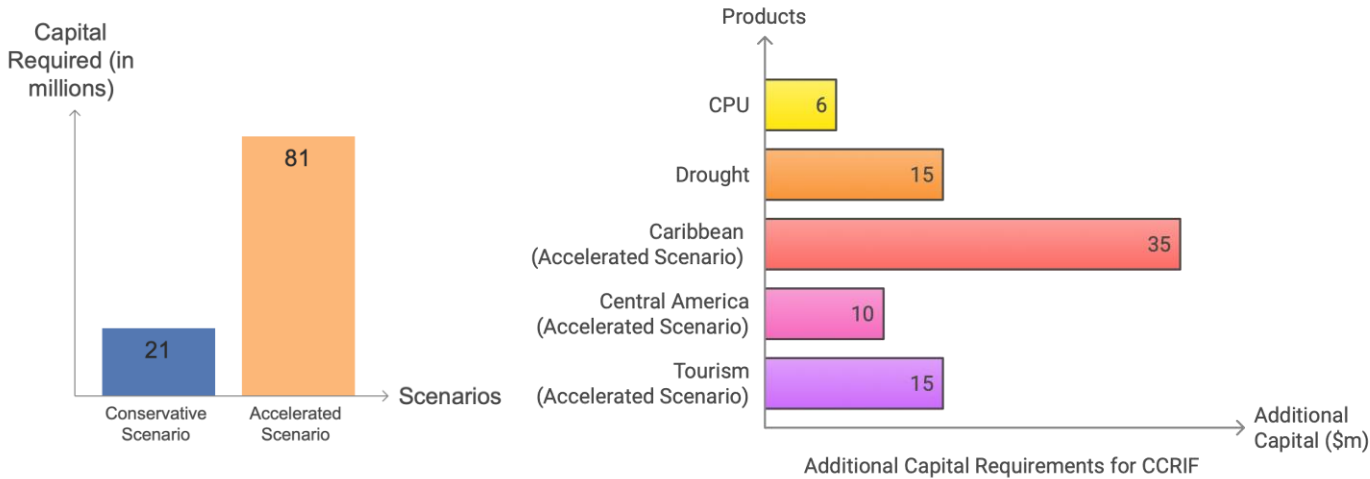


Conservative Accelerated

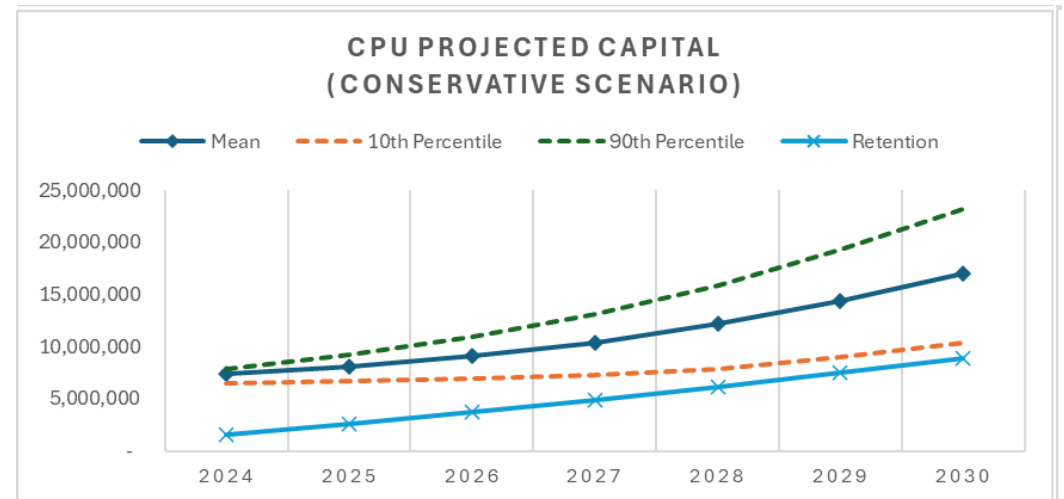
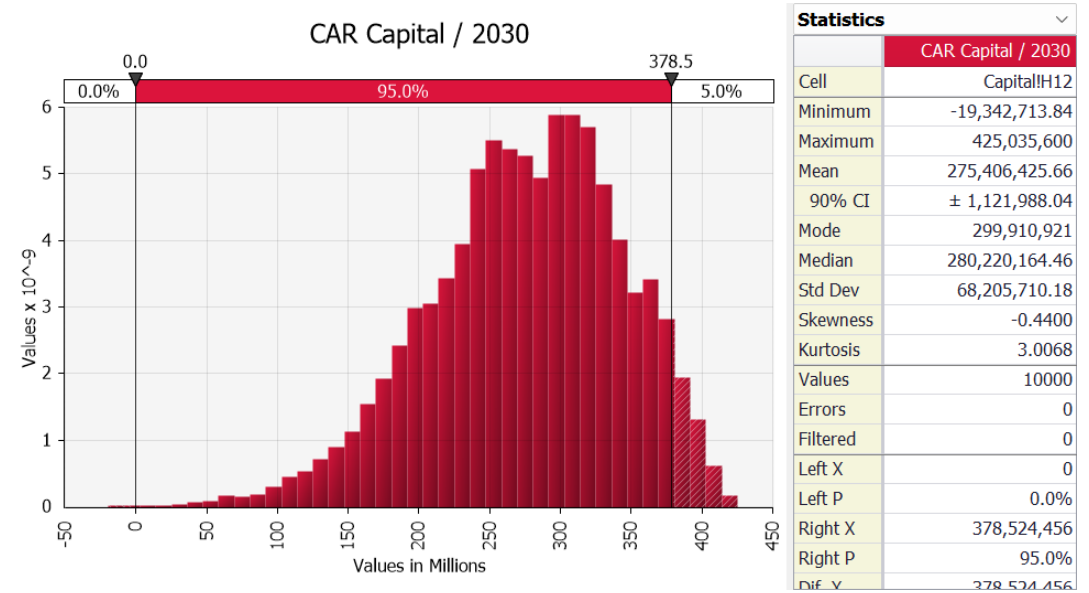


Capital expectations and requirements

CCRIF will require **\$21m** and **\$81m** of additional capital to match requirements based on conservative and accelerated scenarios respectively.

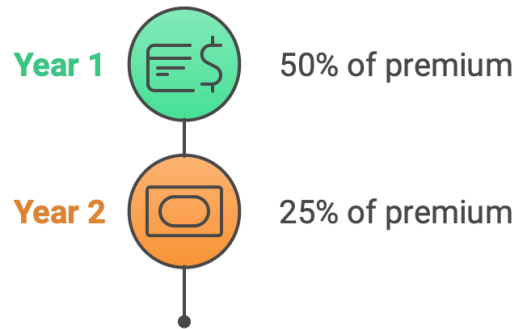


Caribbean Capital by the end of 2030 (Conservative Scenario)



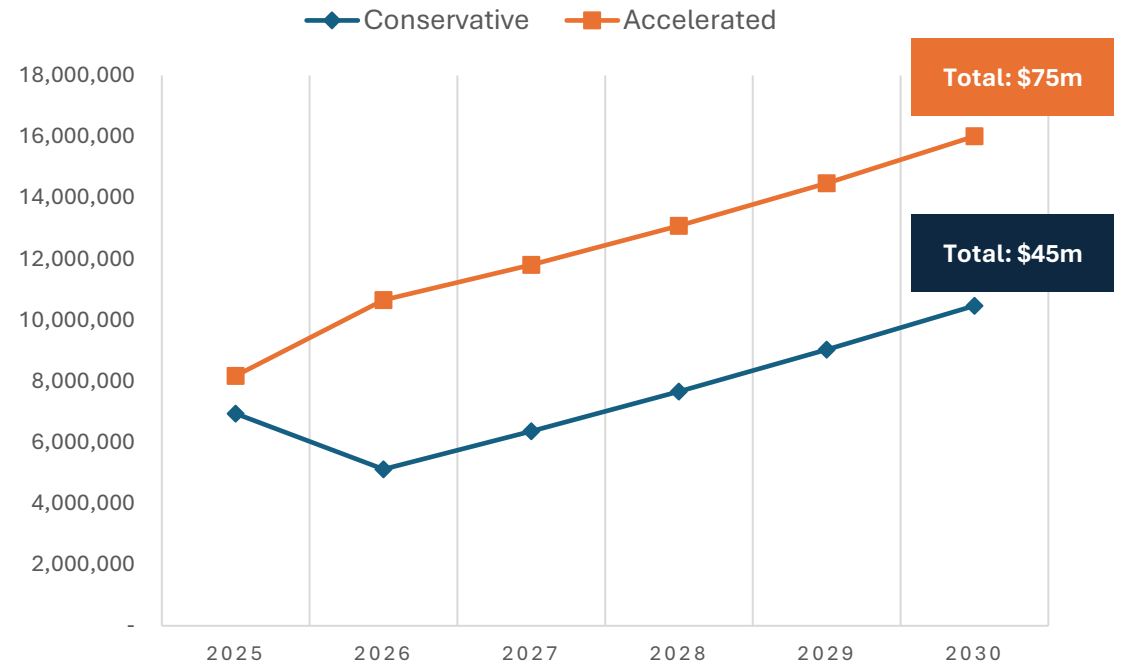
Premium Financing

Proposed Premium financing model for **all new policies**:



Premium financing projected over the next 5 years are **\$45m and \$75m** based on conservative and accelerated scenarios respectively.

PREMIUM FINANCING REQUIREMENTS

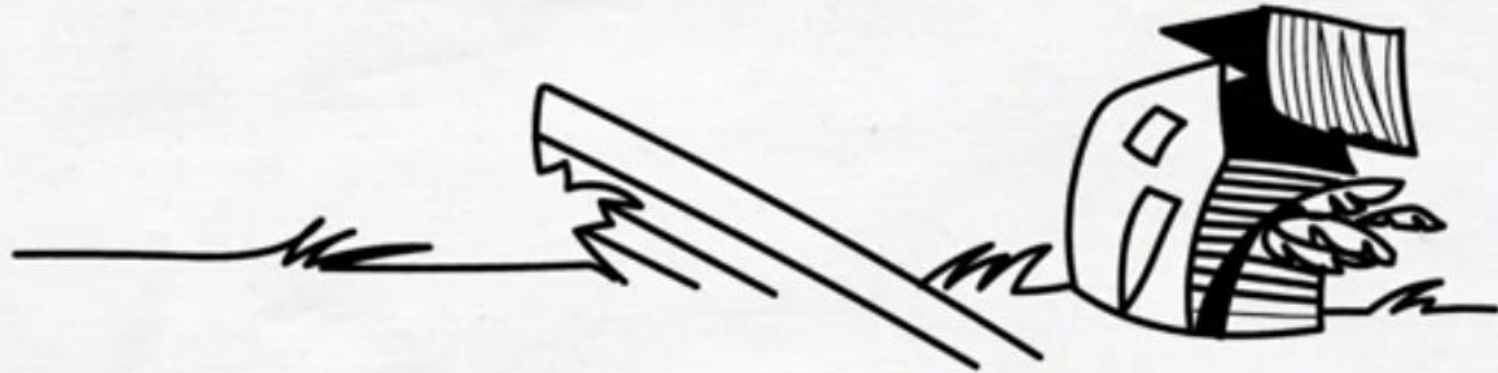


Learn more: Scan the Code





The work and impact of CCRIF in the Caribbean and Central America



<https://youtu.be/D-eDuiZr1Yo>



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