

# About Us



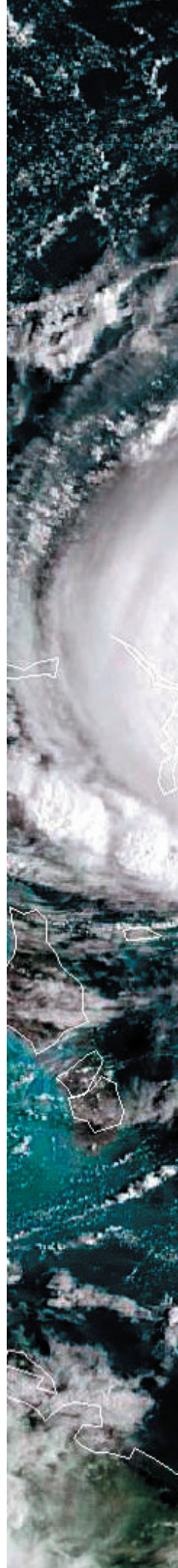
Providing access to quick liquidity  
after natural hazard events...



**CCRIF SPC is a regional catastrophe fund for Caribbean and Central American governments which limits the financial impact of devastating hurricanes, earthquakes and excess rainfall events by quickly providing financial liquidity to members when a policy is triggered. CCRIF also provides coverage to governments for the fisheries sector to limit the impact on fishers and fisheries infrastructure of tropical cyclone and rainfall events and to electric utility companies for their transmission and distribution systems.**

CCRIF was established in 2007 as the world's first multi-country, multi-peril, risk pool based on parametric insurance. The Facility was created as an immediate response to Hurricane Ivan in 2004, which caused billions of dollars of losses across the Caribbean; in both Grenada and the Cayman Islands, losses were close to 200% of the national annual GDP. Following the passage of Ivan, the Caribbean Community (CARICOM) Heads of Government approached the World Bank for assistance to design and implement a risk financing mechanism to support member governments and provide quick liquidity in the aftermath of disasters. This marked the beginning of what would become the Caribbean Catastrophe Risk Insurance Facility, now called CCRIF SPC.

CCRIF has 24 members – 8 more than the original 16 governments that joined in 2007 – 3 from Central America and 19 from the Caribbean and 2 electric utility companies. CCRIF helps to mitigate the short-term cash flow problems small developing economies suffer after major natural disasters. A critical challenge is often the need for short-term liquidity to maintain essential government services until additional resources become available. CCRIF represents a cost-effective way to pre-finance short-term liquidity to begin recovery efforts for an individual government after a catastrophic event, thereby filling the gap between immediate response aid and long-term redevelopment.



CCRIF offers 5 parametric insurance products – for tropical cyclones (based on wind and storm surge), earthquakes (based on ground shaking), excess rainfall (based on rainfall) and for the fisheries and electric utilities sectors – products not readily available in traditional indemnity insurance markets.



Earthquake  
Policies



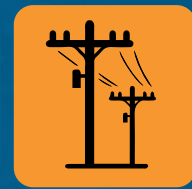
Tropical Cyclone  
Policies



Excess Rainfall  
Policies



Fisheries Policies  
- COAST



Electric Utilities  
Policies

## CCRIF'S PARAMETRIC INSURANCE

Unlike indemnity insurance, CCRIF's parametric insurance products are insurance contracts that make payments based on the intensity of an event (for example, hurricane wind speed, earthquake intensity, and volume of rainfall) and the amount of loss calculated in a pre-agreed model caused by these events. This allows CCRIF to make payouts very quickly, as loss adjusters are not needed to make on-the-ground assessments after a hazard event. CCRIF makes payouts to countries within 14 days after an event if a policy is triggered. Parametric insurance:

- covers the probability of a predefined event happening (e.g., a major hurricane or earthquake), instead of indemnifying actual loss incurred and pays out according to a predefined scheme
- insures a policyholder against the occurrence of a specific event by paying a set amount based on the magnitude of the event, as opposed to the magnitude of actual losses in a traditional indemnity policy
- makes a payment upon the occurrence of a triggering event, and is detached from a specific underlying physical asset or piece of infrastructure



CCRIF operates as a development insurance company – as the goods and services we provide are designed to enhance the overall development prospects of our members. Surpluses or profits go back to our members, through reduced costs of premiums and by developing technical assistance programmes in the areas of disaster risk management and climate change adaptation, including ecosystems-based adaptation, to enable member countries to reduce their vulnerabilities to natural hazards.

Parametric insurance policies are a key component in a country's disaster risk financing strategy and are designed to pre-finance short-term liquidity helping to close the protection gap, reduce budget volatility and allow countries to respond to their most pressing needs post disaster, including providing support to the most vulnerable.



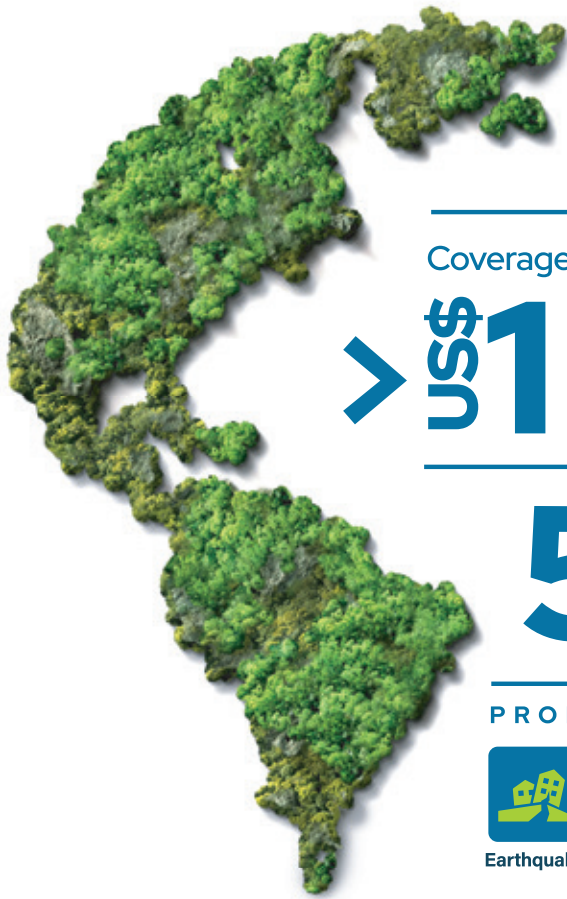


## CCRIF PAYOUTS

Between 2007 and 2022, CCRIF has made 58 payouts totalling US\$260 million to 16 of its members. CCRIF has demonstrated that catastrophe risk insurance can effectively provide a level of financial protection for countries vulnerable to natural hazards. CCRIF was not established to cover all losses on the ground but was developed to provide members with a rapid infusion of liquidity when a policy is triggered following a catastrophic event, allowing them to be able to address immediate priorities and to support the vulnerable.

Governments have used CCRIF payouts for a variety of purposes, including providing food, shelter, medicine and building materials to affected persons; immediate recovery and repair activities; stabilizing facilities such as water treatment plants; supporting key economic sectors such as agriculture and tourism; and implementing mitigation activities to increase resilience against future natural hazards and climate change, for example, improving critical infrastructure such as roads, drains, bridges, schools and other buildings and enhancing early warning systems.

15 years of Providing Access to  
**Quick Liquidity**  
in the Caribbean and Central America  
following Natural Disaster Events



**24**  
MEMBERS

Coverage Purchased

> **US\$ 1 Billion**

TOTAL PAYOUTS

**58** PAYOUTS | **US\$ 260** MILLION

PRODUCTS:



Earthquake



Tropical  
Cyclone



Excess  
Rainfall



Fisheries



Electric  
Utilities

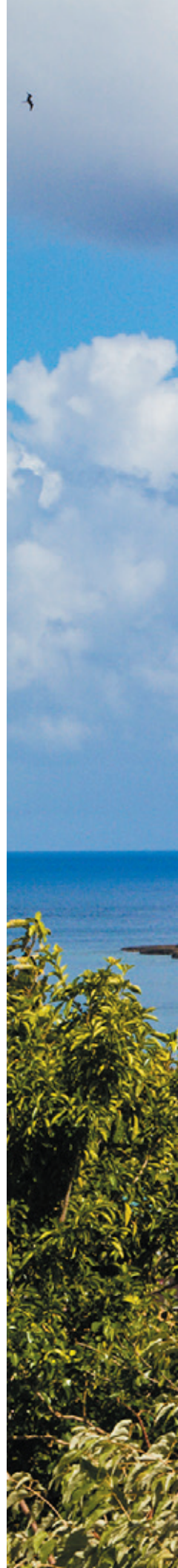


PERSONS BENEFITTING FROM PAYOUTS

> **3.5 Million**

POPULATION OF  
THE CARIBBEAN AND  
CENTRAL AMERICA

**50**  
MILLION



CCRIF's assessments based on monitoring the use of payouts by members have revealed that its payouts have benefitted over 3.5 million persons in the Caribbean and Central America.

Members have purchased more than US\$1 billion in coverage from CCRIF each year since 2020/21.

CCRIF was developed under the technical leadership of the World Bank and with a grant from the Government of Japan and has been supported by development partners and donors through the years – for initial capitalization of the Facility and to offer new products and facilitate entry of new members.

### OUR DEVELOPMENT PARTNERS AND DONORS *through the Years*

The World Bank

European Union

#### Governments of:

Bermuda, Canada, France, Germany, Ireland, Japan, Mexico  
United Kingdom, United States of America

Caribbean Development Bank

KfW, Germany



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