

CCRIF

The Caribbean Catastrophe Risk Insurance Facility



CCRIF UPDATE- Main Achievements and Lessons Learned

**Strategic Donor Meeting in Support of the
Caribbean Catastrophe Risk Insurance Facility**

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Main Achievements

New Initiatives (e.g. Excess Rainfall)



Capacity Building Initiatives

Success Factors





Main Achievements



CCRIF is the world's first multi-country risk pool, offering unique parametric hurricane and earthquake coverage to 16 participating governments in the Caribbean Region





Since 2007, CCRIF has made eight payouts totalling US\$32 million, including a payout of US\$ 8 million within a 14-day period to the Haitian Government following the devastating 2010 earthquake – this payout enabled the Haitian public sector and emergency services to continue to function in the months afterwards.

The claims paying capacity of CCRIF for the 2011/2012 policy year was significantly greater than the modelled aggregate annual loss with a 1 in 1,000 chance of occurring, thus comfortably falling within CCRIF's guidelines for financial security and substantially better than any of its peers in either the public or private sector.

CCRIF was recognised by AM Best in its January 2013 Innovative Showcase for “good innovative/non-traditional approach to reinsurance for emerging/economically challenged countries.”





All 16 CCRIF member countries have renewed their Hurricane and Earthquake policies each year (29 policies per year)

Members are allowed to fund up to half of their premium with a portion of their paid-in Participation Fee

Hurricane and Earthquake Policies

For 2012/13, CCRIF provided a premium rebate equal to 25% of the premium paid in 2011/12, following a claims-free 2011/12

Total payouts to date -
US\$ 32,179,470



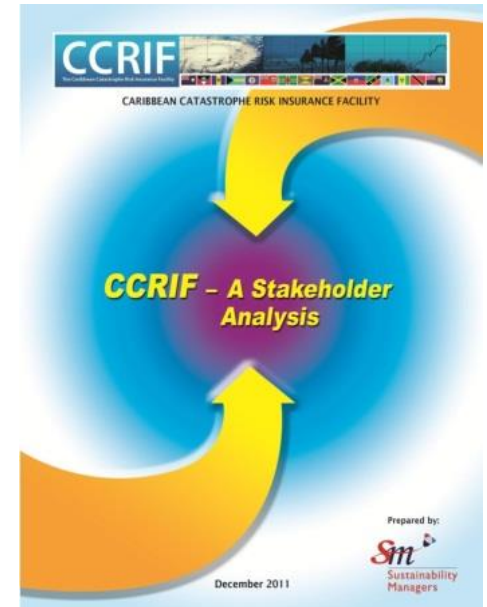
Hurricane and Earthquake Payouts to Date

Event	Country Affected	Payouts (US\$)
Earthquake, 29 November, 2007	Dominica	528,021
Earthquake, 29 November, 2007	Saint Lucia	418,976
Tropical Cyclone Ike, 2008	Turks and Caicos Islands	6,303,913
Earthquake, 12 January, 2010	Haiti	7,753,579
Tropical Cyclone Earl, August 2010	Anguilla	4,282,733
Tropical Cyclone Tomas, October 2010	Barbados	8,560,247
Tropical Cyclone Tomas, October 2010	Saint Lucia	3,241,613
Tropical Cyclone Tomas, October 2010	St. Vincent and the Grenadines	1,090,388
Total for 2007 - 2012		US\$ 32,179,470

All payouts made within 1 month of event



- Annual reviews of first 3 years of CCRIF's operation (World Bank)
- Beneficiary Assessment (World Bank) & Stakeholder Analysis 2011
- 2012 Implementation Completion and Results Report (ICR) – World Bank



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Assessments of CCRIF

“CCRIF was right there in 14 days, very responsive.” [TCI]

“CCRIF has gotten policy-makers to focus on disaster management.” [Antigua & Barbuda]

“CCRIF has influenced increased collaboration among meteorology and disaster management.” [Barbados]

“100% Caribbean, very much a part of regional DRM. This institution is long overdue.” [Bahamas]

In 2009, CCRIF launched its Technical Assistance Programme to provide an ongoing mechanism for grant support within the Caribbean region for capacity building initiatives and the development and implementation of projects which have a strong potential for improving the effectiveness of risk management. The Programme aims to help Caribbean countries deepen their understanding of natural hazards and catastrophe risk, and the potential impacts of climate change on the region.

Scholarship/Prof. Dev. Programme

- Students across the region to benefit
- Scholarships for BSc and MSc programmes
- Continued professional development

Regional Knowledge Building

- Partnerships with regional institutions
- Funding for regional technical projects in natural hazards/risk science

Support for Local DRR Initiatives

- Support for NDCs, NGOs and other community-based organisations in local hazard risk management and climate change initiatives





UWI and Extra-regional Scholarship Programmes



Implementation of the Climate Risk Adaptation and Insurance in the Caribbean programme (with MCII, MicroEnsure, MunichRe - supported by BMU)



Expansion of the Economics of Climate Adaptation initiative in the Caribbean



2010 – present

- 21 scholarships
- Valued at approximately US\$268,250

CCRIF/UWI Scholarship Programme

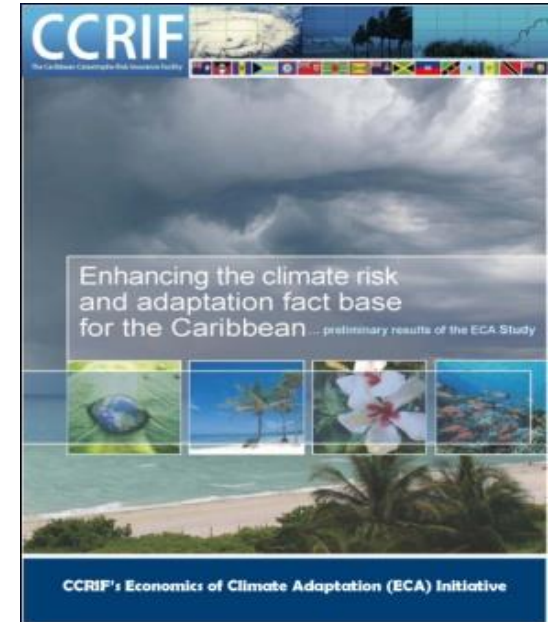
- Bachelors and masters degrees in areas related to disaster risk management

Extra-regional Scholarship Programme

- Launched in 2011
- Masters or MBA programmes in areas related to disaster risk management or climate change at institutions in UK, USA, Canada (and in areas not available in the Caribbean)



- ECA Study conducted in 8 pilot countries in 2010
- Implemented by CCRIF, CCCCC, UN-ECLAC and other partners
- Next steps: to develop and incorporate the ECA methodology throughout the Caribbean
- MoU with IDB to support ECA in Trinidad & Tobago



Key Regional Findings from the ECA Study

Current climate risk in the Caribbean is already high, with expected losses of up to 6% of local GDPs

Climate change could result in a damage increase equaling an additional 1 - 3% of GDP in the worst case scenario

Some countries could avoid up to 90% of the expected damage by implementing cost-effective adaptation measures

- 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)
- Livelihood Protection and Loan Protection Policies to be launched in next 3 months in Jamaica and Saint Lucia, then expanded regionally





Memoranda of Understanding Signed

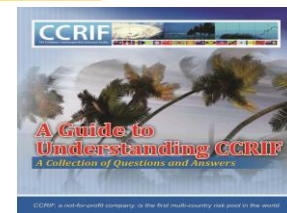
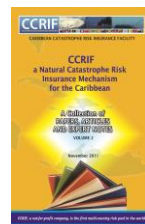
- Caribbean Institute of Meteorology and Hydrology
- Caribbean Disaster and Emergency Management Agency
- UN Economic Commission for Latin America and the Caribbean
- Caribbean Community Climate Change Centre
- Organisation of Eastern Caribbean States
- UWI-Seismic Research Centre
- Inter-American Development Bank

In Discussion

- Caribbean Community (CARICOM)
- University of the West Indies (regional capacity building)



- Over 35 technical publications produced and distributed to stakeholders to support better understanding of CCRIF as well as hazards and DRM
- Support provided for the hosting of various conferences in the region (CDM conference supported for the last 5 years)
- Provides access and training each year (over 150 users each year) to the CCRIF Real-Time Forecasting System (RTFS)





New Initiatives – CCRIF-Swiss Re Excess Rainfall Product



Since early 2010, CCRIF has been engaged in research towards the development of an excess rainfall product for the Region. This has been in direct response to the interest expressed by many CCRIF participating countries and stakeholder partners in making available coverage for heavy rainfall.



Success Factors/Lessons Learned

