



CCRIF INews

**CCRIF, A NOT-FOR-PROFIT COMPANY, IS THE FIRST AND ONLY
MULTI-COUNTRY RISK POOL IN THE WORLD**

CCRIF INTRODUCES 2-DAY TRAINING COURSE ON THE REAL-TIME FORECASTING SYSTEM (RTFS)

CCRIF has developed a 2-day course **“Understanding the Real-Time Forecasting System – a Practical Course Designed to Strengthen Caribbean Governments’ Disaster Response and Mitigation Capacity”**. This course, in the use of the Real-Time Forecasting System (RTFS), has been designed in collaboration with the Caribbean Institute of Meteorology and Hydrology (CIMH) with support from the Kinetic Analysis Corporation (KAC) to build capacity of meteorological officers, disaster and emergency managers, as well as individuals involved in hurricane risk management in other governmental and non-governmental agencies in CCRIF member countries.

The course will support users in their efforts towards effective preparedness and response, evacuation decision making, planning for pre-positioning of equipment and supplies, activation of mutual assistance arrangements and asset management as well as in contingency planning to secure critical infrastructure and operations prior to a hurricane. Additionally, the course will enable participants to improve their understanding of hurricane risks.

The training will be undertaken via an online platform on the CCRIF website at www.ccrif.org. Two sets of training will be

offered during this season:

- July 13 and 14, 2011
- July 19 and 20, 2011.

The course is divided into three modules and will cover topics including:

- Storm impact forecasting
- Introduction to the RTFS
- Storm simulation process
- Uses and applications of CCRIF RTFS
- Visualising Risk: RTFS Outputs in Google Earth and GIS
- RTFS Practical Session: Simulation of Hurricane Tomas

Participants will be provided with a training manual as well as online access to the RTFS during the 2011 Hurricane Season.

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SPECIAL FEATURE: World Forum of Catastrophe Programmes

CCRIF will host the World Forum of Catastrophe Programmes in Jamaica in October this year. The World Forum of Catastrophe Programmes is a mechanism for the exchange of information and experiences among systems covering natural catastrophe insurance involving any form of public participation. The Forum makes information and expertise available to bodies and institutions in various countries or other international agencies, as well as to private specialists and researchers interested in this category of insurance.

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CCRIF Hosts World Forum of Catastrophe Programmes in the Caribbean in October 2011



The Caribbean Catastrophe Risk Insurance Facility will host the 6th meeting of the World Forum of Catastrophe Programmes in Montego Bay, Jamaica during the period October 24 to 27, 2011. CCRIF's Executive Chairman, Milo Pearson, will be the conference chair.

The World Forum of Catastrophe Programmes (WFCP) came into being in San Francisco in 2006 at the commemoration of the centenary of the earthquake that struck that city in 1906. The WFCP is an informal platform created initially as a mechanism for the exchange of information and experiences among systems covering natural catastrophe insurance involving

any form of public participation.

Another fundamental aim of the WFCP is to make information and expertise available to bodies and institutions in various countries or other international agencies, as well as to private specialists and researchers interested in this category of insurance.

CCRIF is the one of twelve members of the WFCP and is the only member from the developing world. Each year the Forum holds a conference geared towards exchanging and sharing new information among its members. In the past, conferences have been held in Bucharest, Taipei, Iceland, Madrid and San Francisco. This is the first time the conference will be held in the Caribbean.

As the only multi-country catastrophe insurance programme, CCRIF continues to demonstrate the leadership in this area taken by Caribbean governments and is widely being



Save the dates!

October 24 to 27, 2011

**Half Moon
Resort Montego Bay
Jamaica**

viewed as a model for other regions in the world.

Currently, global interest in catastrophe risk insurance is particularly high in the aftermath of the earthquakes which occurred in New Zealand and Japan earlier this year and also within the climate change adaptation discussions.

Approximately twenty-five representatives from catastrophe insurance programmes are expected to attend the conference. Also, CCRIF proposes to invite key officials in the Government of Jamaica working in disaster risk reduction to participate in the conference.



Participants at the meeting of the World Forum of Catastrophe Programs in 2009 in Taipei

CCRIF Executive Chairman, Milo Pearson is in the front row, third left.

CCRIF Calendar of Events

Visit our website at www.ccrif.org to view our calendar of events



CCRIF UWI Partnership to be Expanded



The University of the West Indies marked the inauguration of the UWI-CCRIF Scholarship Programme in a handover ceremony held at the Mona campus on May 26, 2011. In the first year of the programme, CCRIF has provided scholarships worth US\$49,000 to six students at the University who are pursuing courses of study in areas related to disaster management.

In his opening remarks, University Registrar, Mr William Iton expressed the University's appreciation to CCRIF for the assistance to build the region's capacity for effective disaster management. He indicated that the increased collaboration between UWI and CCRIF would result in the further development of forward-looking solutions geared towards reducing the risks created by the pronounced regional natural hazard landscape.

Dr Simon Young, CEO of Caribbean Risk Managers Ltd – CCRIF's Facility Supervisor, reiterated CCRIF's interest in strengthening its partnership with UWI. He indicated that **“CCRIF hopes to be able to sign a Memorandum of Understanding with UWI to work in other areas that support disaster risk reduction – for example, CCRIF would like to provide its catastrophe risk modelling tools to the University as a means of building technical capacity in the region in the areas of catastrophe modelling and risk management.”**

Also attending this ceremony were Professor Alvin Wint, Pro Vice-Chancellor, Undergraduate Studies and Professor Ronald Young, Pro Vice-Chancellor, Post-Graduate Studies who both stressed the importance of enhancing the regional capacity in disaster management as we pursue the path to sustainability.

The six students who received CCRIF scholarships for the 2010/2011 year include three graduate students who are pursuing a Masters degree in the Disaster Management programme at the Mona Campus (Jamaica):

- Ms Gerarda Ramcharansingh
- Mr Kevin Douglas
- Mr Dorlan Burrell

and three undergraduate students:

- Ms Odene Baker - Department of Geography & Geology (Mona Campus)
- Ms Wanda Monrose - Department of Civil & Environmental Engineering (St Augustine Campus, Trinidad)
- Mr Rhon-Paul Soltau - Department of Civil & Environmental Engineering (St Augustine Campus, Trinidad)

The UWI-CCRIF Scholarship Programme is part of CCRIF's Technical Assistance Programme which is designed to help Caribbean countries deepen their understanding of natural hazards and catastrophe risk, and the potential impacts of climate change on the region, thereby leading to increased regional climate change resilience through improved risk management.



Back Row, l-r – Mr Rhon-Paul Soltau, scholarship recipient; Mr William Iton, University Registrar; Dr Simon Young, CEO Caribbean Risk Managers, Facility Supervisor CCRIF; Prof Alwyn Wint, Pro Vice-Chancellor, Undergraduate Studies; Prof Ronald Young, Pro Vice-Chancellor, Graduate Studies; and Mr Dorlan Burrell, scholarship recipient. Front Row, l-r – scholarship recipients, Mr Kevin Douglas, Ms Odene Baker, and Ms Gerarda Ramcharansingh

CCRIF Technical Assistance Programme

The CCRIF Technical Assistance (TA) 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. The technical assistance programme consists of three main components as follows:

- **Component 1:** Scholarship/ Professional Development Programme
- **Component 2:** Regional 'Strategic' Knowledge Building
- **Component 3:** Support for Local Disaster Risk Management (DRM) Initiatives

CCRIF Member Countries Renew Hurricane and Earthquake Policies

Discussions with countries regarding renewal of their policies commenced in March and by June 1 CCRIF had issued invoices and new policies to all 16 member countries.

The Second-Generation CCRIF risk model was used to underpin the 2011-12 policies. Throughout the year, updates were made to the input databases of the model to reflect new data. This initiative forms part of CCRIF'S continued effort to produce an even more accurate representation of the levels of hurricane and earthquake risks faced within the Caribbean region and particularly amongst CCRIF member states.

Although most countries opted to retain their Hurricane and/or Earthquake coverage at the same level as the past year, a few countries made some adjustments. This was done mainly by either varying their premium levels and/or attachment/exhaustion points.

For the 2011-2012 policy year, countries were again allowed to co-fund their premium with a portion of their paid-in Participation Fee. This is a continuation of the revised policy for members who have reached 3 continuous years of coverage with the Facility. The requirement for these countries was relaxed so that the paid-in Participation Fee need only be one half of the required premium. Several countries utilised this option, with funds going towards subsidising their premiums. The countries who exercised this option were particularly pleased given the current economic climate.

CCRIF entered into its fifth policy year on 1 June 2011.

NOAA's Update for the 2011 Atlantic Hurricane Season

The National Oceanic and Atmospheric Administration (NOAA) announced that it expects more storms than average in 2011. During the 2011 season, which spans June 1 to November 30, NOAA is forecasting 12 -18 tropical storms, 6 - 10 hurricanes and 3 - 6 major hurricanes with winds of 111 mph or greater. Each of these ranges has a 70 percent likelihood, and indicates that activity will exceed the seasonal average of 11 named storms, six hurricanes and two major hurricanes.

NOAA's forecast is based, primarily, on three factors:

- 1) Since 1995, the tropical multi-decadal signal has brought ocean and atmospheric conditions conducive for development in sync, leading to more active Atlantic hurricane seasons.
- 2) Ocean waters remain warmer than average - sea surface temperatures where storms often develop and move across the Atlantic are up to two degrees Fahrenheit warmer than average.
- 3) La Niña, which continues to weaken in the equatorial Pacific Ocean, is expected to dissipate by June but its impacts, such as reduced wind shear, are expected to continue into the hurricane season.

New Programme to be Launched

Climate Risk Adaptation and Insurance in the Caribbean



In March, Dr Simon Young, CEO of CaribRM, CCRIF Facility Supervisor, attended a meeting in Bonn to informally launch the project entitled **“Regional institutions, adaptation, and insurance: Expanding coverage for medium level weather extremes in vulnerable countries using risk reduction and innovative insurance solutions coverage.”** Supported by the German Federal Ministry of the Environment and Nuclear Safety (BMU), this project is being implemented within the Munich Climate Insurance Initiative (MCII) by a partnership made up of Munich Re, MicroEnsure and CCRIF.

Currently referred to as the Climate Risk Adaptation and Insurance in the Caribbean programme, its main objective will be to help vulnerable people adapt to extreme

weather events. The programme will design and implement products that combine risk reduction and insurance for low income groups such as small farmers and day labourers in the region. The products will target medium-level weather extremes such as hurricanes and drought, which are likely to increase in frequency and intensity with climate change.

Several introductory workshops will be held in the region over the coming months. Also, CaribRM (on behalf of CCRIF) and MicroEnsure started data-gathering field work in the Caribbean, in Saint Lucia, Guyana and Jamaica in early June.

About CCRIF

CCRIF is a risk pooling facility, owned, operated and registered in the Caribbean for Caribbean governments. It is designed to limit the financial impact of catastrophic hurricanes and earthquakes to Caribbean governments by quickly providing short-term liquidity when a policy is triggered. It is the world's first and, to date, only regional fund utilising parametric insurance, giving Caribbean governments the unique opportunity to purchase earthquake and hurricane catastrophe coverage with lowest-possible pricing. CCRIF represents a paradigm shift in the way governments treat risk, with Caribbean governments leading the way in pre-disaster planning. CCRIF was developed through funding from the Japanese Government, and was capitalised through contributions to a multi-donor Trust Fund by the Government of Canada, the European Union, the World Bank, the governments of the UK and France, the Caribbean Development Bank and the governments of Ireland and Bermuda, as well as through membership fees paid by participating governments.

CCRIF Customer Values

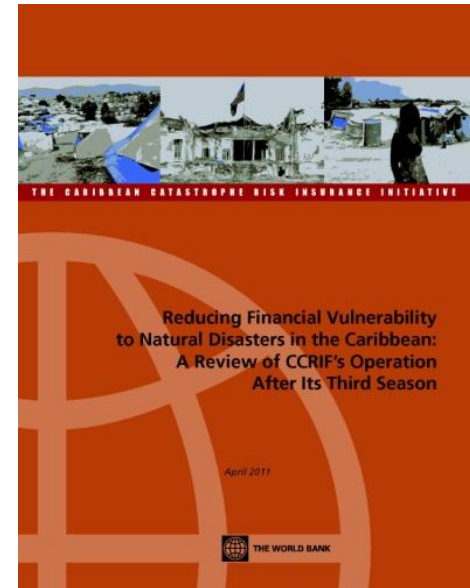
1. Fill a gap in available insurance offerings for natural catastrophes
2. Ensure a joint reserve mechanism for future benefits
3. Provide member countries confidence in its ability to provide financial support
4. Supply tools and strategies for enhanced disaster risk management
5. Provide the highest degree of service at the best possible price
6. Ensure speedy payouts
7. Meet best standards in transparency and accountability
8. Effectively communicate with members and stakeholders

Reducing Financial Vulnerability to Natural Disasters in the Caribbean: A Review of CCRIF's Operations after its Third Season

In April, the World Bank published a report, "**Reducing Financial Vulnerability to Natural Disasters in the Caribbean: A Review of CCRIF's Operation After its Third Season.**" This review provides an external assessment of CCRIF during its third year of operations – from June 1, 2009 to May 31, 2010. The review assesses CCRIF's 2009-2010 operations and its challenges, and provides recommendations and identifies opportunities that the Facility can take advantage of going forward.

Key Findings of the Report:

- CCRIF remains organisationally lean and strengthened key aspects of its operational structure and performance and governance framework in 2009–2010
- CCRIF's financial strength and risk-bearing capacity have continued to strengthen
- In 2009–2010, CCRIF continued to search for ways to increase its value to its members and consolidate its role as an important contributor to disaster risk reduction in the Caribbean. This was exemplified by the launch of a technical assistance programme
- CCRIF continued its research and development programme to finalise its second-generation hazard loss estimation model, develop an excess rainfall product, and support the efforts of the Caribbean Electrical Utility Service Corporation (CARILEC) to develop a parametric insurance facility for its members.



Copies of this report were forwarded to all CCRIF members and over 500 of its key stakeholders. It can also be downloaded from the World Bank website.

Quick Update – CCRIF Excess Rainfall Product



Following a comprehensive review of outputs from the Regional Rainfall Model which was developed for CCRIF by Kinetic Analysis Corporation (KAC) in collaboration with the Caribbean Institute of Meteorology and Hydrology (CIMH), CCRIF has concluded that the model and, particularly, the historical rainfall record produced by the model using US NOAA data, is not yet sufficiently robust for use to underpin a parametric policy. Unfortunately, this means further delay in the launch of the planned excess rainfall policy.

After broad consultation with industry experts, the CCRIF Board will make a decision at their June meeting as to the best way to bring a product to CCRIF's clients which meets the technical requirements of international reinsurers. CCRIF will announce the plan and timeframe for launch of the Excess Rainfall product in late June.

CCRIF Real Time Forecasting System...

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What is the RTFS?

The Real-Time Forecasting System (RTFS) is a storm impact forecast tool which provides users (CCRIF member countries and various international development partners) with real-time hurricane hazard and impact information. The RTFS is made available at the beginning of the Atlantic Hurricane Season each year, which starts on June 1, or when a storm becomes active within the designated CCRIF monitoring region.

The CCRIF RTFS provides information not available from other hurricane weather sources or forecasting systems. While all hurricane weather sites tell the user where the storm is going, and how strong it is likely to be, the CCRIF RTFS tells the user what it is likely to do when it gets there - in terms of: wind speed over land, storm surge and wave heights along the coast, total expected rainfall, number of people affected by wind speed category, expected general damage levels, and expected down-time for ports and airports.

How does the RTFS Work?

For modelling of current events, the RTFS uses the full array of real-time weather data for the Automated Tropical Cyclone Forecast (ATCF) system, NOAAPORT and other sources. Extensive use is also made of remote sensing data from orbital platforms developed by NASA and other agencies for compiling up-to-date environmental and land use information.

For socio-economic sector-specific impact assessments primary source information from international agencies (including the World Bank and the International Monetary

Fund) is utilised as well as information from the US Government and national/regional organisations and agencies responsible for sectoral data.

After simulating the storm based on the latest storm forecast information issued by the National Hurricane Center (NHC) and incorporating the relevant socio-economic data to determine the potential impact of those hazards on affected territories, the following information for use by CCRIF countries is provided:

- maximum expected hazard intensity for wind speed, wave and storm surge height, and cumulative rainfall across the entire impact area of the storm
- estimates of the impact on the territory by varying hazard levels
- estimates of the operational impact of the storm on major ports and airports
- maximum expected hazard values from the current storm as forecast, for up to five user-selected locations. For the maximum wind speed values, the time at which the maximum will occur is also provided

Utilising a 3D high-resolution modelling platform, detailed information on the expected hazard levels and their impacts from tropical cyclones for the entire Caribbean region is produced. For CCRIF, the RTFS simulates all storms in the CCRIF Analysis Area between 55°W-91°W longitude and 8°N-34°N latitude, which encompasses all CCRIF countries.

Sign up to Access the CCRIF RTFS for the 2011 Hurricane Season

To register to access the CCRIF-RTFS, contact pr@ccrif.org. There are no limits in terms of numbers of people who can be registered for access.

Once your registration is received, you will be issued with an ID and password which will allow access to the RTFS via the CCRIF website. Please note that the registration process for the 2011-2012 Hurricane Season is required whether or not you or your colleagues accessed the RTFS last year.

New Addition to the CCRIF RTFS

RTFS users will be able to access previous storm files through an archive [by storm] that would become available on the RTFS section of the CCRIF website this Hurricane Season.



CCRIF Introduces New Board Member

Ms Faye Hardy, Manager of the Treasury Unit at the Caribbean Development Bank (CDB), has been nominated to the CCRIF Board of Directors by the Caribbean Development Bank (CDB). She will replace Dr Warren Smith, the new president of the CDB, who resigned due to his new responsibilities. CCRIF wishes to thank Dr Smith for his years of service and looks forward to working with him in his new capacity and also wishes to welcome Ms Hardy to the Board.

World Bank to Undertake Beneficiary Assessment of CCRIF

In June 2011, the World Bank will undertake a beneficiary assessment of CCRIF as part of its normal process towards preparation of the World Bank's Implementation Completion Report on CCRIF. The beneficiary assessment is an approach to information gathering which assesses the value of an activity or project as it is perceived by its principal users. The approach is qualitative in that it attempts to derive understanding from shared experience as well as observation, and gives primacy to the centrality of stakeholders' point of view. The beneficiary assessment will take the form of in-depth conversational interviewing around key themes or topics with key CCRIF stakeholders and members (including disaster and emergency management officials, meteorological officers, and Ministry of Finance officials in CCRIF Member countries). Consultants of the World Bank will be in contact with stakeholders during June.

Sustainability Managers is retained as CCRIF's Corporate Communications Manager

The CCRIF Board made the decision to extend the contract for Sustainability Managers, the current Corporate Communications Manager, to May 31, 2013. The Corporate Communications Manager is responsible for general public relations and communication, publications development, events planning, advertising management, strategic planning, and training and facilitation for the Facility.



Sixteen governments are currently members of CCRIF:

Anguilla, Antigua & Barbuda, Bahamas, Barbados, Belize, Bermuda, Cayman Islands, Dominica, Grenada, Haiti, Jamaica, St. Kitts & Nevis, St. Lucia, St. Vincent & the Grenadines, Trinidad & Tobago and Turks & Caicos Islands