

The  
G7 Research Group  
at the Munk School of Global Affairs and Public Policy at Trinity College  
in the University of Toronto presents the

## 2018 Charlevoix G7 Final Compliance Report

10 June 2018 — 25 July 2019

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*“We have meanwhile set up a process and there are also independent institutions monitoring which objectives of our G7 meetings we actually achieve. When it comes to these goals we have a compliance rate of about 80%, according to the University of Toronto. Germany, with its 87%, comes off pretty well. That means that next year too, under the Japanese G7 presidency, we are going to check where we stand in comparison to what we have discussed with each other now. So a lot of what we have resolved to do here together is something that we are going to have to work very hard at over the next few months. But I think that it has become apparent that we, as the G7, want to assume responsibility far beyond the prosperity in our own countries. That’s why today’s outreach meetings, that is the meetings with our guests, were also of great importance.”*

Chancellor Angela Merkel, Schloss Elmau, 8 June 2015

*G7 summits are a moment for people to judge whether aspirational intent is met by concrete commitments. The G7 Research Group provides a report card on the implementation of G7 and G20 commitments. It is a good moment for the public to interact with leaders and say, you took a leadership position on these issues — a year later, or three years later, what have you accomplished?*

Achim Steiner, Administrator, United Nations Development Programme,  
in *G7 Canada: The 2018 Charlevoix Summit*

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## 12. Climate Change: Insurance Risk

“We will explore broadening disaster risk insurance coverage, including through global and regional facilities, such as the InsuResilience Global Partnership, to extend high-quality insurance coverage to vulnerable developing countries and beneficiaries in need and to encourage new types of insurance products for emerging risks.”

*Charlevoix: Blueprint for Healthy Oceans, Seas and Resilient Coastal Communities*

### Assessment

	Lack of Compliance	Partial Compliance	Full Compliance
Canada		0	
France	-1		
Germany			+1
Italy	-1		
Japan		0	
United Kingdom			+1
United States	-1		
European Union			+1
Average		0	

### Background

A report by the International Panel on Climate Change states that “a changing climate leads to changes in the frequency, intensity, spatial extent, duration, and timing of extreme weather and climate events, and can result in unprecedented extreme weather and climate events.”<sup>2883</sup> While it is key to mitigate and reduce the impacts of climate change, adaptation and resilience are also needed to respond to the effects of climate change.<sup>2884</sup> This is particularly true for countries vulnerable to the effects of climate change, who will be disproportionately impacted by climate-induced risks of disaster.<sup>2885</sup>

When vulnerable countries face disasters, reactive management results in the diversion of developmental finance.<sup>2886</sup> Disaster risk insurance prevents this by “strengthening disaster preparedness, rapid response, and recovery.”<sup>2887</sup> An example of such global initiatives is the InsuResilience Global Partnership for Climate and Disaster Risk Finance and Insurance Solutions. This partnership was born out of the 2015 G7 Climate Risk Insurance Initiative launched at the Elmau Summit in 2015. The partnership includes G20 countries and V20 (Vulnerable 20) nations, among other partners of this initiative. Created with the objective to “increase resilience amongst the most poor and vulnerable people,” the InsuResilience Global Partnership works with inter-sectoral members in “civil society, international organizations, the private sector, and academia.”<sup>2888</sup> An example of InsuResilience’s recent work is its response to Hurricane Irma and Maria. InsuResilience

<sup>2883</sup> Special Report of the Intergovernmental Panel on Climate Change, IPCC (Geneva) 2012. Access Date: 4 July 2018. [https://www.ipcc.ch/pdf/special-reports/srex/SREX\\_Full\\_Report.pdf](https://www.ipcc.ch/pdf/special-reports/srex/SREX_Full_Report.pdf).

<sup>2884</sup> About, InsuResilience (Bonn) Access Date: 4 July 2018. <https://www.insuresilience.org/about/>.

<sup>2885</sup> About, InsuResilience (Bonn) Access Date: 4 July 2018. <https://www.insuresilience.org/about/>.

<sup>2886</sup> About, InsuResilience (Bonn) Access Date: 4 July 2018. <https://www.insuresilience.org/about/>.

<sup>2887</sup> About, InsuResilience (Bonn) Access Date: 4 July 2018. <https://www.insuresilience.org/about/>.

<sup>2888</sup> About the InsuResilience Global Partnership, InsuResilience Global Partnership. Access Date: 30 August 2018.

<https://www.insuresilience.org/about/>

worked with the Caribbean Catastrophe Risk Insurance Facility to provide USD55 million to ten Caribbean countries to address the destruction resulting from Hurricane Irma and Maria.<sup>2889</sup>

At the G7 Elmau Summit in 2015, G7 members agreed to increase direct insurance coverage by 400 million people in the most vulnerable developing countries by 2020 through existing risk insurance facilities.<sup>2890</sup> This Climate Risk Insurance Initiative was further articulated in an annex to the summit communiqué, which stated the overall objective of the measure — to “stimulate the creation of effective climate risk insurance solutions and markets and the use of insurance-related schemes for people and assets at risk in poor and vulnerable developing countries ... enabl[ing] climate change adaptation and contribut[ing] to enhancing economic growth, poverty reduction, and climate resilience.”<sup>2891</sup> The G7 Research Group measured compliance with the Elmau commitment to “ ... intensify ... support particularly for vulnerable countries’ own efforts to manage climate change related disaster risk.” The compliance report found an average compliance score of +0.63 or 81 percent.<sup>2892</sup>

At the G7 Ise Shima Summit in 2016, G7 members were “ready to further promote the relevant initiatives on climate risk insurance ... such as InsuResilience.”<sup>2893</sup> However, there was no mention of climate risk insurance in the Taormina summit communiqué.

In June 2018, the G7 Charlevoix summit’s commitment to disaster risk insurance was articulated in the Charlevoix Blueprint for Healthy Oceans, Seas and Resilient Coastal Communities, which was also endorsed in the summit communiqué by all G7 members.<sup>2894,2895</sup> This places disaster risk insurance as part of a broader G7 commitment to reduce vulnerability to climate change, recognizing that climate change plays a role in the economic, social and environmental well-being of the planet. This commitment at the Charlevoix summit builds on the previous commitment at Elmau by encouraging new types of insurance products, specifying high-quality insurance coverage, and by not limiting action to existing initiatives.<sup>2896</sup>

### **Commitment Features**

At the G7 Charlevoix summit in June 2018, G7 leaders pledged to “explore broadening disaster risk insurance coverage, including through global and regional facilities, such as the InsuResilience Global Partnership, to extend high quality insurance coverage to vulnerable developing countries and beneficiaries in need and to encourage new types of insurance products for emerging risks.”

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<sup>2889</sup> ‘InsuResilience to Provide the Poor with More Financial Protection Against Climate Risks, UNFCCC (Bonn) 14 November 2017. Access Date: 4 July 2018 <https://unfccc.int/news/insuresilience-to-provide-the-poor-with-more-financial-protection-against-climate-risks>.

<sup>2890</sup> Leaders’ Declaration: G7 Summit, The G7 Research Group (Toronto) Access Date: 4 July 2018. <http://www.g7.utoronto.ca/summit/2015elmau/2015-G7-declaration-en.html>.

<sup>2891</sup> Leaders’ Declaration: G7 Summit, The G7 Research Group (Toronto) 8 June 2015. Access Date: 4 July 2018. <http://www.g7.utoronto.ca/summit/2015elmau/2015-G7-declaration-en.html>.

<sup>2892</sup> 2015 Schloss Elmau G7 Summit Final Compliance Report, The G7 Research Group (Toronto) 23 May 2016. Access Date: 4 July 2018. <http://www.g7.utoronto.ca/evaluations/2015compliance-final/2015-g7-compliance-final-160523.pdf>.

<sup>2893</sup> G7 Ise-Shima Leaders’ Declaration, The G7 Research Group (Toronto) 27 May 2016. Access Date: 4 July 2018. <http://www.g7.utoronto.ca/summit/2016shima/ise-shima-declaration-en.html>.

<sup>2894</sup> Charlevoix Blueprint for Healthy Oceans, Seas and Resilient Communities, The G7 Research Group (Toronto) 9 June 2018. Access Date: 4 July 2018. <http://www.g7.utoronto.ca/summit/2018charlevoix/oceans-blueprint.html>.

<sup>2895</sup> The Charlevoix G7 Summit Communiqué, 9 June 2018. Access Date: 9 June 2018. <http://www.g7.utoronto.ca/summit/2018charlevoix/communique.html>.

<sup>2896</sup> Charlevoix Blueprint for Healthy Oceans, Seas and Resilient Communities, The G7 Research Group (Toronto) 9 June 2018. Access Date: 4 July 2018. <http://www.g7.utoronto.ca/summit/2018charlevoix/oceans-blueprint.html>.

In this commitment, “explore” is understood as “to investigate, study, or analyze,” which indicates a collective commitment among the G7 to examine and look into enhancing disaster risk insurance coverage. Rather than a commitment that promises specific resources or a target increase, this commitment should be understood as one of learning, inquiry, and detailed discussion.<sup>2897</sup> Thus, this commitment does not bind G7 members to act to increase insurance coverage — it merely requires G7 members to take investigative efforts and demonstrate such explorative actions publicly, according to compliance assessment methodology.<sup>2898</sup> Examples of such exploration can include but are not limited to: publishing reports, proposals, or recommendations; as well as participation or leadership in discussions about and/or the commitment of resources towards disaster risk-related insurance.

In the text of the commitment, “broadening” is defined as actions to widen or “expand to encompass more people or things.”<sup>2899</sup> “Disaster risk insurance” is a form of disaster risk financing. According to the United Nations Development Programme, “disaster risk insurance schemes cover — against a premium — the costs incurred by the insured entity from extreme weather and natural disasters (such as earthquakes or floods). In the event of extreme weather and natural disasters, the insurer refunds a percentage of the costs incurred. Insurance schemes are widely used to increase the resilience of individuals, companies and public entities to external shocks and reduce their future expenditures in case of a disaster.”<sup>2900</sup> Coverage is defined as “the proportion of a population needing an intervention who receives it. Coverage is influenced by supply (provision of services) and by demand from people in need of services.”<sup>2901</sup>

The commitment states two goals in the G7’s exploration to broaden disaster risk insurance coverage. The first is to “extend high-quality coverage to vulnerable developing countries and beneficiaries in need” and the second is to “encourage new types of insurance products for emerging risks.” Any form of exploration in disaster risk-related insurance with the two aforementioned goals are considered for compliance.

The first part of the commitment sets the target audience of high-quality insurance coverage, namely vulnerable developing countries. Thus, actions that count toward compliance must have an explicit focus on aiding emerging economies and/or countries that are vulnerable to the impacts of climate change. Seeing that this commitment was made in the Charlevoix Blueprint for Healthy Oceans, Seas and Resilient Coastal Communities, intended “beneficiaries in need” of such disaster risk insurance coverage can and should include coastal communities and/or communities affected by marine health; or residents of developing countries and communities vulnerable to the effects of climate change. Notable examples of such “beneficiaries in need” include small island developing states.<sup>2902</sup>

The first part of this commitment is also qualified by the phrase “including through global and regional facilities.” “Including” expresses the G7’s collective intent that both facilities at a regional and global level must be engaged in this process of exploration. In other words, evidence of working

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<sup>2897</sup> Explore, English Oxford Living Dictionaries (Oxford) Access Date: 5 July 2018.  
<https://en.oxforddictionaries.com/definition/explore>

<sup>2898</sup> Compliance Coding Manual for International Institutional Commitments, G7 and G20 Research Groups (Toronto) 7 May 2018. Access Date: 30 August 2018.

<sup>2899</sup> Broaden, English Oxford Living Dictionaries (Oxford) Access Date: 30 August 2018.  
<https://en.oxforddictionaries.com/definition/broaden>

<sup>2900</sup> Disaster Risk Insurance, UNDP, Financing Solutions for Sustainable Development (New York) Access Date: 30 August 2018. <http://www.undp.org/content/sdfinance/en/home/solutions/disaster-risk-insurance.html>

<sup>2901</sup> Compliance Coding Manual for International Institutional Commitments, G7 and G20 Research Groups (Toronto) 7 May 2018. Access Date: 30 August 2018.

<sup>2902</sup> Small Island Developing States, Sustainable Development Knowledge Platform (New York) Access Date: 30 August 2018. <https://sustainabledevelopment.un.org/topics/sids/list>

with both types of facilities is necessary to score compliance in this section of the commitment. The InsuResilience Global Partnership is referenced in the commitment as an example of disaster risk financing. It is noteworthy that the text of the commitment, “such as,” implies that the use of InsuResilience Global Partnership is encouraged but not mandatory to achieve full compliance. Other examples of global disaster risk financing institutions aside from InsuResilience include the Disaster Risk Financing and Insurance Program operated by the World Bank; or the High-Level Advisory Board on the Financial Management of Catastrophic Risks and the Insurance and Private Pensions Committee at the Organisation for Economic Co-operation and Development.<sup>2903,2904</sup>

Thus, compliance in the first part of this commitment means that G7 members ought to demonstrate investigation in extending disaster risk insurance coverage to those most affected by climate change-induced developmental challenges, explicitly through both global and regional partners. Because the text of the commitment explicitly references the InsuResilience Global Partnership, member compliance with this part of the commitment should prioritize its involvement in this partnership. As referenced by the wording of the commitment, InsuResilience Global Partnership qualifies as both a global and regional facility, and would thus qualify the threshold for compliance with this portion of the commitment.

The second part of the commitment refers to encouraging new insurance products of emerging risks. Thus, G7 members must act to support the development of innovative insurance schemes, especially insurance products that target the changing risks facing coastal or vulnerable communities. It is important to note that “encourage” “does not imply strong measurability in the commitment. It should be taken as a soft commitment where no concrete action is to be taken.”<sup>2905</sup> “Emerging risks” are defined as “risks that are known to some degree but are not likely to materialize or have an impact for several years; ... [and] often very difficult to quantify but will have far-reaching impacts.”<sup>2906</sup> Therefore, actions that count towards this part of the commitment include but are not limited to working with private sector actors to offer new insurance products, consulting developing countries about their insurance needs, and investing in research and learning practices in the field of disaster risk insurance coverage etc.

Furthermore, the commitment specifies the role of both global and regional facilities in exploring disaster risk insurance coverage. Based on the text of the commitment, the phrase “global and regional facilities” also qualifies this second part of the commitment. Thus, the commitment intends for G7 members to fulfill both global and regional-level participation in both the former and latter portions of the commitment, and to score full compliance.

In summary, the commitment outlines two instruments and two outcomes for G7 action:

1. Explore broadening disaster risk insurance coverage through global [insurance] facilities such as the InsuResilience Global Partnership to extend high-quality insurance coverage to vulnerable developing countries and beneficiaries in need

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<sup>2903</sup> Disaster Risk Financing and Insurance (DRFI) Program, The World Bank (Washington) 2 February 2018. Access Date: 30 August 2018. <http://www.worldbank.org/en/programs/disaster-risk-financing-and-insurance-program>

<sup>2904</sup> Disaster Risk Financing, OECD (Paris) Access Date: 30 August 2018. <http://www.oecd.org/finance/insurance/disaster-risk-financing.htm>

<sup>2905</sup> Compliance Coding Manual for International Institutional Commitments, G7 and G20 Research Groups (Toronto) 7 May 2018. Access Date: 30 August 2018.

<sup>2906</sup> Taking a Strategic Approach to Emerging Risks, NC State Poole College of Management (Raleigh) 22 April 2016. Access Date: 30 August 2018. <https://erm.ncsu.edu/library/article/taking-a-strategic-approach-to-emerging-risks>

2. Explore broadening disaster risk insurance coverage through regional [insurance] facilities such as the InsuResilience Global Partnership to extend high-quality insurance coverage to vulnerable developing countries and beneficiaries in need
3. Explore broadening disaster risk insurance coverage through global [insurance] facilities such as the InsuResilience Global Partnership to encourage new types of insurance products for emerging risks
4. Explore broadening disaster risk insurance coverage through regional [insurance] facilities such as the InsuResilience Global Partnership to encourage new types of insurance products for emerging risks

For a full compliance score of +1, the G7 member must explore most of the four dimensions of this commitment, defined as three or more out of four of the aforementioned combinations of instruments and outcomes. It is key to note that the G7 member does not have to concretely act to deliver disaster risk insurance — explorative and investigative gestures are the foundation of this commitment.

For partial compliance, the G7 member will receive a score of 0 for taking actions in two out of the four aforementioned areas. Alternatively, if the G7 member has demonstrated concrete exploration in two areas, but actions weaker than merited by the term “exploration” in a third area (such as the verbal declaration of support in the absence of policy action), such scenarios would also be scored partial compliance, or 0.

Action in less than two of the aforementioned four areas will lead to a non-compliance score of -1, which means the G7 member failed to comply with this commitment.

### Scoring Guidelines

-1	The G7 member explores broadening disaster risk insurance coverage in two or less of the four areas of the commitment: 1) extend high-quality insurance coverage to vulnerable developing countries and beneficiaries in need via global facilities, 2) extend high-quality insurance coverage to vulnerable developing countries and beneficiaries in need via regional facilities, 3) encourage new types of insurance products for emerging risks via global facilities, and 4) encourage new types of insurance products for emerging risks via regional facilities.
0	The G7 member explores broadening disaster risk insurance coverage in two of the four aforementioned areas of the commitment.
+1	The G7 member explores broadening disaster risk insurance coverage in three or more of the four aforementioned areas of the commitment.

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### Canada: 0

Canada has partially complied with its commitment to explore broadening disaster risk insurance coverage, including through global and regional facilities, such as the InsuResilience Global Partnership, to extend high-quality insurance coverage to vulnerable developing countries and beneficiaries in need and to encourage new types of insurance products for emerging risks.

On 10 June 2018, Prime Minister Justin Trudeau announced that Canada will invest CAD 100 million in supporting the expansion of Climate Risk Insurance coverage for countries vulnerable to the effects of climate change, including small island developing states in the Caribbean.<sup>2907</sup>

On 5 September 2018, International Development Minister Marie-Claude Bibeau announced that the government will allocate CAD 9.25 million over the next three years to rebuild infrastructure such as primary schools in Dominica and pay the next two years of Dominica's Caribbean Catastrophe Risk Insurance Facility premium.<sup>2908</sup> This will be implemented with the Caribbean Development Bank to strengthen Dominica's disaster recovery and resilience.<sup>2909</sup>

On 26 November 2018, Minister Bibeau announced that 70 percent of the CAD100 million pledge for disaster risk insurance in vulnerable countries from the 2018 G7 summit has been allocated to Caribbean island territories.<sup>2910</sup> Moreover, she announced an additional CAD20 million for the Canada-Caribbean Resilience Facility at the World Bank.<sup>2911</sup> The federal government is working with Caribbean island territories to support the development of disaster risk facilities in the Caribbean.<sup>2912</sup>

On 6 May 2019, at the G7 Environment Ministers' Meeting, Canada proposed the Ocean Risk and Resilience Action Alliance (ORRAA), an initiative joined by all G7 members.<sup>2913</sup> This initiative aims to pioneer ground-breaking investments to regenerate coastal natural capital, build resilience in climate-vulnerable regions and communities, and foster multisector cooperation between stakeholders to unlock greater private investment in climate resilience.

The federal government has partially complied with this commitment. With regards to the first half of this commitment, Canada has explored broadening disaster risk insurance coverage through regional and international instruments, such as the Caribbean Development Bank and the World Bank, to extend high-quality insurance coverage to vulnerable developing countries and beneficiaries

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<sup>2907</sup> Working Together on Climate Change, Oceans, and Clean Energy, Prime Minister of Canada (Ottawa) 10 June 2018. Access Date: 27 June 2018. <https://pm.gc.ca/eng/news/2018/06/10/working-together-climate-change-oceans-and-clean-energy>

<sup>2908</sup> Canada Announces New Initiatives to Support Post-hurricane Reconstruction and Gender Equality in Caribbean Region, Global Affairs Canada (Ottawa) 5 September 2018. Access Date: 11 December 2018. <https://www.canada.ca/en/global-affairs/news/2018/09/canada-announces-new-initiatives-to-support-post-hurricane-reconstruction-and-gender-equality-in-caribbean-region.html>.

<sup>2909</sup> Canada, Backgrounder — Canada Announces New Initiatives to Support Post-hurricane Reconstruction and Gender Equality in Caribbean Region, Global Affairs Canada (Ottawa) 5 September 2018. Access Date: 11 December 2018. <https://www.canada.ca/en/global-affairs/news/2018/09/backgrounder---canada-announces-support-for-disaster-recovery-and-gender-equality-in-the-caribbean-region.html>.

<sup>2910</sup> Address by Minister Bibeau to the Building Resilience to Disasters and Climate Change in the Caribbean Conference, Global Affairs Canada, (Ottawa) 26 November 2018. Access Date: 7 December 2018. <https://www.canada.ca/en/global-affairs/news/2018/12/address-by-minister-bibeau-to-the-building-resilience-to-disasters-and-climate-change-in-the-caribbean-conference.html?fbclid=IwAR1RnDyaUpCOWkj2Xjn2FZ3H2UAEurCICYyZ1iZbJJsWhbffAcioKGJv9A8>.

<sup>2911</sup> Address by Minister Bibeau to the Building Resilience to Disasters and Climate Change in the Caribbean Conference, Global Affairs Canada, (Ottawa) 26 November 2018. Access Date: 7 December 2018. <https://www.canada.ca/en/global-affairs/news/2018/12/address-by-minister-bibeau-to-the-building-resilience-to-disasters-and-climate-change-in-the-caribbean-conference.html?fbclid=IwAR1RnDyaUpCOWkj2Xjn2FZ3H2UAEurCICYyZ1iZbJJsWhbffAcioKGJv9A8>.

<sup>2912</sup> Address by Minister Bibeau to the Building Resilience to Disasters and Climate Change in the Caribbean Conference, Global Affairs Canada, (Ottawa) 26 November 2018. Access Date: 7 December 2018. <https://www.canada.ca/en/global-affairs/news/2018/12/address-by-minister-bibeau-to-the-building-resilience-to-disasters-and-climate-change-in-the-caribbean-conference.html?fbclid=IwAR1RnDyaUpCOWkj2Xjn2FZ3H2UAEurCICYyZ1iZbJJsWhbffAcioKGJv9A8>.

<sup>2913</sup> G7 Environment Ministers Meeting: What are the Outcomes? G7 France. 7 May 2019. Access Date: 20 August 2019. <https://www.elysee.fr/es/g7/2019/05/07/g7-environment-ministers-meeting-what-are-the-outcomes.en>.



in need. However, Canada has not encouraged new types of insurance products on a global or regional scale, covering two dimensions of the four-part commitment.

Thus, Canada receives a score of 0.

*Analyst: Abdullahi Abdi*

**France: -1**

France has failed to comply with its commitment to explore broadening disaster risk insurance coverage, including through global and regional facilities, such as the InsuResilience Global Partnership, to extend high-quality insurance coverage to vulnerable developing countries and beneficiaries in need and to encourage new types of insurance products for emerging risks.

On 28 June 2018, Minister for the Ecological and Inclusive Transition Nicolas Hulot recognized islands that are at risk of flooding due to rising sea levels and advocated for setting more ambitious targets regarding climate change.<sup>2914</sup>

On 25 September 2018, in his speech at the United Nations General Assembly, President Emmanuel Macron acknowledged the importance of helping those living in regions most affected by climate change.<sup>2915</sup>

On 26 September 2018, at the One Planet Summit, France launched the Joint Pacific Initiative for Biodiversity, Climate Change, and Resilience, alongside the European Union, Australia, and New Zealand. The initiative focuses on supporting Pacific Island countries and territories in the protection, restoration, and enhancement of biodiversity, in order to reinforce the resilience of their socio-ecological systems and facilitate their adaptation to the impacts of climate change.<sup>2916</sup> France allocated EUR10 million to this initiative, which will also subsidize projects relating to the environment, ocean governance, and climate change adaptation.<sup>2917</sup>

On 29 October 2018, France and China launched a joint Earth Observation satellite. The goals of the China-France Oceanography satellite include global marine monitoring, risk reduction, disaster management, and recording the effects of climate change.<sup>2918</sup> Through the China-France Oceanography satellite and Joint Pacific Initiative for Biodiversity, Climate Change, and Resilience, the government emphasized its commitment to mitigating the effects of climate change by encouraging research in emerging risks and assisting Pacific Island countries to build resilience and adjust to the effects of climate change.

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<sup>2914</sup> The Environment: France Takes the Lead in Furthering Europe's Ambitions, Government of France (Paris) 28 June 2018. Access Date: 13 October 2018. <https://www.gouvernement.fr/en/the-environment-france-takes-the-lead-in-furthering-europe-s-ambitions>

<sup>2915</sup> United Nations General Assembly: Speech by President Emmanuel Macron, Government of France Ministry of Europe and Foreign Affairs (Paris) 25 September 2018. Access Date: 13 October 2018. <https://www.diplomatie.gouv.fr/en/french-foreign-policy/united-nations/events/united-nations-general-assembly-sessions/unga-s-73rd-session/article/united-nations-general-assembly-speech-by-president-emmanuel-macron-25-09-18>

<sup>2916</sup> Launch of the joint Pacific Initiative for Biodiversity, Climate Change and Resilience, European Commission (New York) 26 September 2018. Access Date: 5 December 2018.

<sup>2917</sup> Governments Launch Initiative on Biodiversity, Resilience and Climate Change, International Institute of Sustainable Development (New York) 11 October 2018. Access Date: 5 December 2018. <http://sdg.iisd.org/news/governments-launch-initiative-on-biodiversity-resilience-and-climate-change/>

<sup>2918</sup> China-France Oceanography Satellite to Assist with Disaster Management, UN Office for the Coordination of Humanitarian Affairs. 7 November 2018. Access Date: 5 December 2018. <https://reliefweb.int/report/world/china-france-oceanography-satellite-assist-disaster-management>

On 6 May 2019, at the G7 Environment Ministers' Meeting, France joined the Ocean Risk and Resilience Action Alliance (ORRAA), an initiative proposed by the Canadian delegation.<sup>2919</sup> This initiative aims to pioneer ground-breaking investments to regenerate coastal natural capital, build resilience in climate-vulnerable regions and communities, and foster multisector cooperation between stakeholders to unlock greater private investment in climate resilience.

Although France is a part of the InsuResilience Global Partnership, France has not taken any steps specifically pertaining to climate insurance. It has not encouraged the development of new insurance products or promoted insurance against climate disasters in vulnerable countries. Therefore, France has not fulfilled any of the four dimensions of this commitment.

Thus, France receives a score of -1.

*Analyst: Areej Malik*

### **Germany: +1**

Germany has fully complied with its commitment to explore broadening disaster risk insurance coverage, including through global and regional facilities, such as the InsuResilience Global Partnership, to extend high-quality insurance coverage to vulnerable developing countries and beneficiaries in need and to encourage new types of insurance products for emerging risks.

On 9 July 2018, State Secretary of the Federal Ministry for Economic Cooperation and Development Martin Jaeger delivered a statement at the Global Insurance Forum in Berlin, where he announced Germany's goal to insure 400 million more poor people against climate change by 2020.<sup>2920</sup> He also encouraged the insurance industry to work with the public sector to "develop insurance products that match client needs" and seek new markets and new products.<sup>2921</sup>

In August 2018, the Munich Climate Change Insurance Initiative published a discussion paper entitled "Climate Risk Insurance: Transparency, Participation, and Accountability: An overview assessment of regional risk pools," commissioned by the Federal Ministry for Economic Cooperation and Development (BMZ) and funded by the InsuResilience. The paper explores and offers recommendations to key issues faced by three sovereign risk pools: the Caribbean Catastrophe Risk Insurance Facility, the Pacific Catastrophe Risk Assessment and Financing Initiative, and the African Risk Capacity.<sup>2922</sup>

On 19 September 2018, Germany was the first donor to the World Food Programme (WFP) and the African Risk Capacity's new pilot climate risk financing mechanism, ARC Replica. The BMZ has committed EUR10 million to the WFP via public development bank KfW Bankengruppe throughout

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<sup>2919</sup> G7 Environment Ministers Meeting: What are the Outcomes? G7 France. 7 May 2019. Access Date: 20 August 2019. <https://www.elysee.fr/es/g7/2019/05/07/g7-environment-ministers-meeting-what-are-the-outcomes.en>.

<sup>2920</sup> Climate risk insurance: PPP the strategy for the future, says German official, Asia Insurance Review (Berlin) 10 July 2018. Access Date: 14 September 2018. [http://www3.asiainsurancereview.com/News/View-NewsLetter-Article/id/43444/Type/eDaily/Climate-risk-insurance-PPP-the-strategy-for-the-future-says-German-official?utm\\_source=News&utm\\_medium=Google&utm\\_campaign=GoogleNews](http://www3.asiainsurancereview.com/News/View-NewsLetter-Article/id/43444/Type/eDaily/Climate-risk-insurance-PPP-the-strategy-for-the-future-says-German-official?utm_source=News&utm_medium=Google&utm_campaign=GoogleNews)

<sup>2921</sup> Climate risk insurance: PPP the strategy for the future, says German official, Asia Insurance Review (Berlin) 10 July 2018. Access Date: 14 September 2018. [http://www3.asiainsurancereview.com/News/View-NewsLetter-Article/id/43444/Type/eDaily/Climate-risk-insurance-PPP-the-strategy-for-the-future-says-German-official?utm\\_source=News&utm\\_medium=Google&utm\\_campaign=GoogleNews](http://www3.asiainsurancereview.com/News/View-NewsLetter-Article/id/43444/Type/eDaily/Climate-risk-insurance-PPP-the-strategy-for-the-future-says-German-official?utm_source=News&utm_medium=Google&utm_campaign=GoogleNews)

<sup>2922</sup> Climate Risk Insurance: Transparency, Participation and Accountability: An overview assessment of regional risk pools, Munich Climate Insurance Initiative (Munich) August 2018. Access Date: 15 October 2018. [http://www.climate-insurance.org/fileadmin/mcii/pdf/DiscussionPaperSeries/MCII\\_DiscussionPaper\\_Vol2\\_2018\\_CRI\\_Transparency\\_Participation\\_Accountability\\_FINAL.pdf](http://www.climate-insurance.org/fileadmin/mcii/pdf/DiscussionPaperSeries/MCII_DiscussionPaper_Vol2_2018_CRI_Transparency_Participation_Accountability_FINAL.pdf)

the year of 2019.<sup>2923</sup> ARC Replica is a product designed to expand climate risk insurance coverage and improve the quality of emergency humanitarian response in African countries that are prone to climate risks.<sup>2924</sup>

On 12 October 2018, in partnership with the government of the United Kingdom and the World Bank Group, Germany announced a USD145 million Global Risk Financing Facility (GRiF) to strengthen the financial resilience of countries vulnerable to climate and disaster risks. Over the next five years, the GRiF will provide financing for national disaster response mechanisms and programs, better allowing governments to implement effective insurance solutions.<sup>2925</sup>

On 8 November 2018, Germany committed EUR5 million to support the implementation of the Sendai Framework for Disaster Risk Insurance.<sup>2926</sup> This fund aims to help the United Nations Office for Disaster Risk Reduction achieve its mandate, which includes promoting mechanisms for disaster risk transfer and insurance for public and private investments.<sup>2927</sup>

On 11 December 2018, the Munich Climate Insurance Initiative (MCII) reported at the 24th Climate Change Conference of the Parties (COP24) that along with the Vulnerable Twenty (V20), MCII discussed the potential for “solutions that allow vulnerable countries to ensure greater financial protection, like insurance, and de-risk investments.”<sup>2928</sup> MCII is a technical partner and member of the InsuResilience Partnership, and it supports the “development of V20-led initiatives for enhanced financial protection and investments through the Sustainable Insurance Facility (SIF) and the Accelerated Financing Mechanisms for Maximal Resilience and 100% Renewable Energy.”<sup>2929</sup>

On 18 December 2018, the German Federal Ministry of Economic Cooperation and Development supported a two-day workshop in Bangkok, Thailand to promote “disaster risk transfer, insurance, risk-sharing and retention” in the Asia Pacific region.<sup>2930</sup>

In January 2019, the Caribbean Catastrophe Risk Insurance Facility (CCRIF) Segregated Portfolio Company announced that the government of Panama has joined the facility and purchased

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<sup>2923</sup> Climate risk insurance: Germany supports new initiative, World Food Programme (Rome) 19 September 2018. Access Date: 15 October 2018. <https://www.wfp.org/news/news-release/climate-risk-insurance-germany-supports-new-initiative>

<sup>2924</sup> ARC Replica, World Food Programme February 2018. Access Date: 21 October 2018. [https://docs.wfp.org/api/documents/WFP-0000063792/download/?\\_ga=2.21551483.1331056199.1540157252-838637024.1538527934](https://docs.wfp.org/api/documents/WFP-0000063792/download/?_ga=2.21551483.1331056199.1540157252-838637024.1538527934)

<sup>2925</sup> World Bank Group, Germany, and UK launch \$145 million facility to support earlier action on climate and disaster shocks, The World Bank (Washington) 12 October 2018. Access Date: 21 October 2018. <https://www.insuresilience.org/world-bank-group-germany-and-uk-launch-145-million-financing-facility-to-support-earlier-action-on-climate-and-disaster-shocks/>

<sup>2926</sup> Germany gives € 5 million for Sendai Framework implementation, United Nations Office for Disaster Risk Reduction (Geneva) 6 November 2018. Access Date: 20 December 2018. <https://www.unisdr.org/archive/61797>

<sup>2927</sup> Sendai Framework for Disaster Risk Reduction 2015 — 2030, United Nations. Access Date: 20 December 2018. [https://www.preventionweb.net/files/43291\\_sendaiframeworkfordrren.pdf](https://www.preventionweb.net/files/43291_sendaiframeworkfordrren.pdf)

<sup>2928</sup> At COP24, right before CVF press event, the V20 demands a broad climate and disaster risk financing and insurance agenda, Climate Insurance (Katowice) 11 December 2018. Access Date: 17 June 2019. <http://www.climate-insurance.org/unfccc/mcii-at-cop24/mcii-press-briefing/>

<sup>2929</sup> At COP24, right before CVF press event, the V20 demands a broad climate and disaster risk financing and insurance agenda, Climate Insurance (Katowice) 11 December 2018. Access Date: 17 June 2019. <http://www.climate-insurance.org/unfccc/mcii-at-cop24/mcii-press-briefing/>

<sup>2930</sup> Planning for a Resilient Future in Asia and the Pacific, UNDRR (Bangkok) 18 December 2018. Access Date: 18 June 2019. <https://www.unisdr.org/archive/62695>

parametric insurance for rainfall.<sup>2931</sup> This coincides with the EUR15 million support from the German Federal Ministry of Economic Cooperation and Development in December 2018 to support the expansion of CCRIF to Central America.<sup>2932</sup>

On 6 May 2019, at the G7 Environment Ministers' Meeting, Germany joined the Ocean Risk and Resilience Action Alliance (ORRAA), an initiative proposed by the Canadian delegation.<sup>2933</sup> This initiative aims to pioneer ground-breaking investments to regenerate coastal natural capital, build resilience in climate-vulnerable regions and communities, and foster multisector cooperation between stakeholders to unlock greater private investment in climate resilience.

On 27 May 2019, InsuResilience Solutions Fund, supported by the German Federal Ministry for Economic Cooperation and Development, opened its second call for proposals for the development of climate risk insurance products.<sup>2934</sup> The fund offered up to EUR2.5 million to partnerships, between “user” (e.g., national or regional government bodies, non-governmental organizations, local insurers) and “implementing partner and potential risk taker” (e.g., reinsurance companies) with a concept for a new climate insurance product.<sup>2935</sup>

Germany continues to support and develop improved risk insurance mechanisms for climate-related disasters in vulnerable countries. It has provided support for the development and implementation of new insurance products and worked to broaden the discussion by publishing new research. Germany has fulfilled both the regional and global-level requirements of both parts of the commitment, thus complying with all four dimensions of this commitment.

Thus, Germany receives a score of +1.

*Analysts: Emma Bulmer and Stephanie Pak*

### **Italy: -1**

Italy has failed to comply with its commitment to exploring broadening disaster risk insurance coverage, including through global and regional facilities, such as the InsuResilience Global Partnership, to extend high-quality insurance coverage to vulnerable developing countries and beneficiaries in need and to encourage new types of insurance products for emerging risks.

On 21-23 November 2018, Italy hosted 55 European countries for the 2018 European Forum on Disaster Risk Reduction. Prime Minister Giuseppe Conte highlighted the focus on protecting development and growth from disasters associated with climate change.<sup>2936</sup> On 22 November 2018, a plenary session entitled “Making the economic case for disaster risk reduction,” led by the Norwegian Directorate for Civil Protection and the Italian Banking, Insurance and Finance Federation, addressed the role of the insurance sector as an “absorber of risk and provider of risk

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<sup>2931</sup> CCRIF expands membership in Central America – Welcomes Panama, InsuResilience (Grand Cayman) January 2019. Access Date: 10 March 2019. <https://www.insuresilience.org/ccrif-expands-membership-in-central-america-welcomes-panama/>

<sup>2932</sup> CCRIF expands membership in Central America – Welcomes Panama, InsuResilience (Grand Cayman) January 2019. Access Date: 10 March 2019. <https://www.insuresilience.org/ccrif-expands-membership-in-central-america-welcomes-panama/>

<sup>2933</sup> G7 Environment Ministers Meeting: What are the Outcomes? G7 France. 7 May 2019. Access Date: 20 August 2019. <https://www.elysee.fr/es/g7/2019/05/07/g7-environment-ministers-meeting-what-are-the-outcomes.en>

<sup>2934</sup> InsuResilience Solutions Fund – 2nd Call for Proposals is Open!, InsuResilience. 27 May 2019. Access Date: 9 June 2019. <https://www.insuresilience.org/insuresilience-solutions-fund-2nd-call-for-proposals-is-open/>

<sup>2935</sup> InsuResilience Solutions Fund – 2nd Call for Proposals is Open!, InsuResilience. 27 May 2019. Access Date: 9 June 2019. <https://www.insuresilience.org/insuresilience-solutions-fund-2nd-call-for-proposals-is-open/>

<sup>2936</sup> Italy to Host European Discussions on Disaster Losses, United Nations Office for Disaster Risk Reduction (Geneva, Brussels) 4 October 2018. Access Date: 20 December 2018. <https://www.unisdr.org/archive/61027>

expertise.”<sup>2937,2938</sup> The Chair’s Communiqué emphasized that the implementation of the Sendai Framework for Disaster Risk Reduction 2015-2030, which includes promoting disaster risk insurance, should be accelerated with a deadline of 2020.<sup>2939,2940</sup> It also emphasized the crucial role of financial innovation, although without any mention of the exploration of new insurance-related developments.<sup>2941</sup> The Declaration of Stakeholders also mentioned promoting and exploring investments in disaster resilience.<sup>2942</sup>

On 6 May 2019, at the G7 Environment Ministers’ Meeting, Italy joined the Ocean Risk and Resilience Action Alliance (ORRAA), an initiative proposed by the Canadian delegation.<sup>2943</sup> This initiative aims to pioneer ground-breaking investments to regenerate coastal natural capital, build resilience in climate-vulnerable regions and communities, and foster multisector cooperation between stakeholders to unlock greater private investment in climate resilience.

Within the compliance period, Italy has not taken any steps to extend insurance coverage to vulnerable developing countries or further explore insurance products at the regional or global level. Therefore, Italy has complied with less than two of the four dimensions of this specific commitment.

Thus, Italy receives a score of –1.

*Analysts: Emma Bulmer and Stephanie Pak*

### **Japan: 0**

Japan has partially complied with its commitment to explore broadening disaster risk insurance coverage, including through global and regional facilities, such as the InsuResilience Global Partnership, to extend high-quality insurance coverage to vulnerable developing countries and beneficiaries in need and to encourage new types of insurance products for emerging risks.

On 21-22 June 2018, Japan hosted the Asia-Pacific Economic Co-operation Workshop on Financial Management of Public Assets against Disaster Risks, leading the discussion about insuring public assets against climate and disaster risks. Specifically, Japan emphasized the importance of collecting data to develop efficient insurance products.<sup>2944</sup>

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<sup>2937</sup> 2018 European Forum on Disaster Risk Reduction on 21 – 23 November, United Nations Office for Disaster Risk Reduction (Rome) Access Date: 20 December 2018. <https://www.unisdr.org/conference/2018/efdr>

<sup>2938</sup> Conference Handbook, European Forum for Disaster Risk Reduction (Rome) 21 November 2018. Access Date: 20 December 2018. [https://www.preventionweb.net/files/57664\\_handbookprogrammelowdef.pdf](https://www.preventionweb.net/files/57664_handbookprogrammelowdef.pdf)

<sup>2939</sup> Sendai Framework for Disaster Risk Reduction 2015 — 2030, United Nations. Access Date: 20 December 2018. [https://www.preventionweb.net/files/43291\\_sendaiframeworkfordrren.pdf](https://www.preventionweb.net/files/43291_sendaiframeworkfordrren.pdf)

<sup>2940</sup> High-Level Communiqué of the Chair Protecting Europe’s citizens: the social contract on disaster resilience, European Forum for Disaster Risk Reduction Conference (Rome) 22 November 2018. Access Date: 20 December 2018. [https://www.preventionweb.net/files/57664\\_hlcommuniquefinalconverted.pdf](https://www.preventionweb.net/files/57664_hlcommuniquefinalconverted.pdf)

<sup>2941</sup> High-Level Communiqué of the Chair Protecting Europe’s citizens: the social contract on disaster resilience, European Forum for Disaster Risk Reduction Conference (Rome) 22 November 2018. Access Date: 20 December 2018. [https://www.preventionweb.net/files/57664\\_hlcommuniquefinalconverted.pdf](https://www.preventionweb.net/files/57664_hlcommuniquefinalconverted.pdf)

<sup>2942</sup> High-Level Communiqué of the Chair Protecting Europe’s citizens: the social contract on disaster resilience, European Forum for Disaster Risk Reduction Conference (Rome) 22 November 2018. Access Date: 20 December 2018. [https://www.preventionweb.net/files/57664\\_hlcommuniquefinalconverted.pdf](https://www.preventionweb.net/files/57664_hlcommuniquefinalconverted.pdf)

<sup>2943</sup> G7 Environment Ministers Meeting: What are the Outcomes? G7 France. 7 May 2019. Access Date: 20 August 2019. <https://www.elysee.fr/es/g7/2019/05/07/g7-environment-ministers-meeting-what-are-the-outcomes.en>

<sup>2944</sup> APEC Workshop on Financial Management of Public Assets against Disaster Risks, The World Bank (Washington DC) 21 June 2018. Access Date: 28 August 2018. <http://www.worldbank.org/en/news/feature/2018/06/21/apec-workshop-on-financial-management-of-public-assets-against-disaster-risks-drmhubtokyo>

On 4 August 2018, during the 19th meeting of the foreign affairs ministers of the Association of Southeast Asian Nations Plus Three (ASEAN+3) in Singapore, Foreign Minister Taro Kono recognized the importance of disaster risk financial products after the flooding disasters in Japan this past July. The government will explore building disaster resilience in Asian countries. Minister Kono reiterated Japan's support for the Southeast Asia Disaster Risk Insurance Facility's launch of a catastrophe risk insurance pool for Laos and Myanmar in 2019.<sup>2945</sup> This reiterates a commitment made at the 21st ASEAN+3 Finance Ministers' Meeting in Manila, Philippines, on 4 May 2018.<sup>2946</sup>

On 18 December 2018, alongside the Finance Ministries of Cambodia, Indonesia, Lao PDR, Myanmar, and Singapore, Japan signed a Memorandum of Understanding for the establishment of the Southeast Asia Disaster Risk Insurance Facility.<sup>2947</sup> It will be Asia's first regional facility to provide disaster risk insurance and it will be supported by the World Bank.<sup>2948</sup>

On 17 January 2019, the Japanese Ministry of Finance and the World Bank co-organized a technical briefing for the Japanese insurance industry with regards to the Southeast Asia Disaster Risk Insurance Facility.<sup>2949</sup> The meeting aimed to gather expertise on possible insurance products and the challenges of creating innovative disaster risk insurance in countries in the Association of Southeast Asian Nations (ASEAN).<sup>2950</sup>

On 6 May 2019, at the G7 Environment Ministers' Meeting, Japan joined the Ocean Risk and Resilience Action Alliance (ORRAA), an initiative proposed by the Canadian delegation.<sup>2951</sup> This initiative aims to pioneer ground-breaking investments to regenerate coastal natural capital, build resilience in climate-vulnerable regions and communities, and foster multisector cooperation between stakeholders to unlock greater private investment in climate resilience.

Through the regional platforms of the Asia-Pacific Economic Cooperation forum and ASEAN+3, Japan has recognized the need to develop more efficient insurance products through data collection and private sector expertise, and it has committed to building disaster-related resilience in developing countries across Asia. However, Japan has not complied with this commitment on a global level. Therefore, Japan has complied with two parts of the four dimensions of this commitment using exclusively regional instruments.

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<sup>2945</sup> The 19th ASEAN Plus Three Foreign Ministers' Meeting, Ministry of Foreign Affairs of Japan (Tokyo) 4 August 2018. Access Date: 28 August 2018. [https://www.mofa.go.jp/a\\_o/rp/page4e\\_000880.html](https://www.mofa.go.jp/a_o/rp/page4e_000880.html)

<sup>2946</sup> The Joint Statement of the Finance Ministers' Meeting on the Establishment of the Southeast Asia Disaster Risk Insurance Facility (SEADRIF), Ministry of Finance of Japan (Tokyo) 4 May 2018. Access Date: 28 August 2018. [https://www.mof.go.jp/english/international\\_policy/financial\\_cooperation\\_in\\_asia/20180504\\_e.pdf](https://www.mof.go.jp/english/international_policy/financial_cooperation_in_asia/20180504_e.pdf)

<sup>2947</sup> ASEAN Asia First Regional Climate Disaster Risk Financing Facility, The World Bank, 18 December 2018. Access Date: 16 June 2019. <http://www.worldbank.org/en/news/feature/2018/12/18/asean3-countries-establish-asias-first-regional-climate-and-disaster-risk-financing-facility>

<sup>2948</sup> ASEAN Asia First Regional Climate Disaster Risk Financing Facility, The World Bank, 18 December 2018. Access Date: 16 June 2019. <http://www.worldbank.org/en/news/feature/2018/12/18/asean3-countries-establish-asias-first-regional-climate-and-disaster-risk-financing-facility>

<sup>2949</sup> Southeast Asia Disaster Risk Insurance Facility (SEADRIF) Technical Briefing for Japanese Insurance Industry, The World Bank (Tokyo) 17 January 2019. Access Date: 16 June 2019. <http://www.worldbank.org/en/news/feature/2019/01/17/southeast-asia-disaster-risk-insurance-facility-seadrif-technical-briefing-for-japanese-insurance-industry-drmhubtokyo>

<sup>2950</sup> Southeast Asia Disaster Risk Insurance Facility (SEADRIF) Technical Briefing for Japanese Insurance Industry, The World Bank (Tokyo) 17 January 2019. Access Date: 16 June 2019. <http://www.worldbank.org/en/news/feature/2019/01/17/southeast-asia-disaster-risk-insurance-facility-seadrif-technical-briefing-for-japanese-insurance-industry-drmhubtokyo>

<sup>2951</sup> G7 Environment Ministers Meeting: What are the Outcomes? G7 France. 7 May 2019. Access Date: 20 August 2019. <https://www.elysee.fr/es/g7/2019/05/07/g7-environment-ministers-meeting-what-are-the-outcomes.en>

Thus, Japan receives a score of 0.

*Analyst: Nammal Khan*

### **United Kingdom: +1**

The United Kingdom has fully complied with its commitment to explore broadening disaster risk insurance coverage, including through global and regional facilities, such as the InsuResilience Global Partnership, to extend high-quality insurance coverage to vulnerable developing countries and beneficiaries in need and to encourage new types of insurance products for emerging risks.

On 15 June 2018, the Centre for Global Disaster Protection allocated GBP 2,025,000 to Risk Analytics, Research, and Monitoring & Evaluation.<sup>2952</sup> Based in London, this centre was developed by the Department for International Development (DFID) in July 2017 with the mandate to carry out financial analyses and assist developing countries with disaster planning.<sup>2953</sup> The centre is also supported by the government of Germany and the World Bank.<sup>2954</sup>

On 30 June 2018, the Challenge Fund called for proposals on disaster risk financing instruments. The fund is an initiative created by the DFID and Centre for Global Disaster Protection, along with the Global Facility for Disaster Reduction and Recovery and the World Bank. This call for proposals will allow for the development of new types of financial risk insurance products.<sup>2955</sup>

On 4 July 2018, the government announced measures to support British Overseas Territories in the Caribbean in the event of future hurricanes. In addition to humanitarian assistance, the government supported the inclusion of British Virgin Islands and Montserrat as new members in the Caribbean Catastrophe Risk Insurance Fund, in which DFID played a role since the fund's inception.<sup>2956</sup>

On 11 July 2018, during the discussion on “Insurance for Global Development & Resilience” at the Global Insurance Forum, Senior Advisor in the Department for International Development Nicola Ranger recognized the importance of disaster risk insurance and the InsuResilience Global Partnership in helping governments manage risks.<sup>2957</sup>

On 11 July 2018, CEO Hector Ibarra announced that the DFID will be sponsoring Global Parametrics, a climate risk transfer start-up. Global Parametrics will participate in the testing of

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<sup>2952</sup> Centre for Global Disaster Protection Development Tracker, Department for International Development (London) 27 July 2018. Access Date: 27 August 2018. <https://devtracker.dfid.gov.uk/projects/GB-1-205231>

<sup>2953</sup> Centre for Global Disaster Protection, DFID in the News (London) 20 July 2017. Access Date: 27 August 2018. <https://dfidnews.blog.gov.uk/2017/07/20/centre-for-global-disaster-protection/>

<sup>2954</sup> Centre for Global Disaster Protection, DFID in the News (London) 20 July 2017. Access Date: 27 August 2018. <https://dfidnews.blog.gov.uk/2017/07/20/centre-for-global-disaster-protection/>

<sup>2955</sup> Call for Proposals: Challenge Fund Round 3, Global Facility for Disaster Reduction and Recovery (Washington D.C.) 30 June 2018. Access Date: 27 August 2018. <https://www.gfdr.org/en/challenge-fund/round-3>

<sup>2956</sup> New hurricane preparedness plans for British Overseas Territories in Caribbean, the Government of United Kingdom (London) 4 July 2018. Access Date: 27 August 2018. <https://www.gov.uk/government/news/new-hurricane-preparedness-plans-for-british-overseas-territories-in-caribbean>

<sup>2957</sup> Insurance Development Community Meets to Design Shared Roadmap for New York Climate Summit 2019, InsuResilience Global Partnership (Berlin) 12 July 2018. Access Date: 27 August 2018. <https://www.insuresilience.org/insurance-development-community-meets-to-design-shared-roadmap-for-new-york-climate-summit-2019/>

disaster risk insurance through the Natural Disaster Fund.<sup>2958</sup> This is a disaster hedge fund that will be receiving a GBP 25,000,000 investment from the DFID over a 20-year period starting in 2018.<sup>2959</sup>

On 12 October 2018, the UK, in partnership with the World Bank and the government of Germany, announced a USD 145,000,000 Global Risk Financing Facility (GRiF) to help vulnerable countries manage the financial impact of climate change and natural hazard-induced shocks.<sup>2960</sup> According to the World Bank, “over the next five years, the GRiF will provide financing to set up mechanisms such as national disaster insurance programs that can help channel money to people affected by disasters when they need it.”<sup>2961</sup> In collaboration with the GRiF, the UK’s Centre for Global Disaster Protection will provide technical assistance in developing, testing, and improving financial solutions.<sup>2962</sup>

On 6 May 2019, at the G7 Environment Ministers’ Meeting, the UK joined the Ocean Risk and Resilience Action Alliance (ORRAA), an initiative proposed by the Canadian delegation.<sup>2963</sup> This initiative aims to pioneer ground-breaking investments to regenerate coastal natural capital, build resilience in climate-vulnerable regions and communities, and foster multisector cooperation between stakeholders to unlock greater private investment in climate resilience.

As the governmental institution responsible for administering overseas aid projects, the Department for International Development has worked to broaden the coverage of the Caribbean Catastrophe Risk Insurance Fund and carry out global initiatives to develop new insurance products.

The United Kingdom has fulfilled the first half of this commitment through regional instruments and complied with the latter half of the commitment only through global facilities. To fulfill all four dimensions of this commitment, the UK needs to encourage new insurance products through regional organizations. Therefore, the United Kingdom has fully complied with this commitment in three of its four total dimensions.

Thus, the United Kingdom receives a score of +1.

*Analyst: Nammal Khan*

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<sup>2958</sup> Driving Prosperity in Low-Income Countries by Re-thinking Climate Risk, Global Parametrics (London) 11 July 2018. Access Date: 27 August 2018. <http://www.globalparametrics.com/blog/driving-prosperity-in-low-income-countries-by-re-thinking-climate-risk>

<sup>2959</sup> Britain Puts \$35 million into Natural Disaster Hedge Fund, Reuters News (London) 24 February 2018. Access Date: 27 August 2018. <https://uk.reuters.com/article/uk-britain-development-hedgefunds/britain-puts-35-million-into-natural-disaster-hedge-fund-idUKKCN1G721Q>

<sup>2960</sup> World Bank Group, Germany, and UK Launch \$145 Million Financing Facility to Support Earlier Action on Climate and Disaster Shocks, InsuResilience (Washington) 12 October 2018. Access Date: 15 October 2018. <https://www.insuresilience.org/world-bank-group-germany-and-uk-launch-145-million-financing-facility-to-support-earlier-action-on-climate-and-disaster-shocks/>

<sup>2961</sup> World Bank Group, Germany, and UK Launch \$145 Million Financing Facility to Support Earlier Action on Climate and Disaster Shocks, InsuResilience (Bonn) 12 October 2018. Access Date: 15 October 2018. <https://www.insuresilience.org/world-bank-group-germany-and-uk-launch-145-million-financing-facility-to-support-earlier-action-on-climate-and-disaster-shocks/>

<sup>2962</sup> World Bank Group, Germany, and UK Launch \$145 Million Financing Facility to Support Earlier Action on Climate and Disaster Shocks, InsuResilience (Bonn) 12 October 2018. Access Date: 15 October 2018. <https://www.insuresilience.org/world-bank-group-germany-and-uk-launch-145-million-financing-facility-to-support-earlier-action-on-climate-and-disaster-shocks/>

<sup>2963</sup> G7 Environment Ministers Meeting: What are the Outcomes? G7 France. 7 May 2019. Access Date: 20 August 2019. <https://www.elysee.fr/es/g7/2019/05/07/g7-environment-ministers-meeting-what-are-the-outcomes.en>



### **United States: -1**

The United States has failed to comply with its commitment to explore broadening disaster risk insurance coverage, including through global and regional facilities, such as the InsuResilience Global Partnership, to extend high-quality insurance coverage to vulnerable developing countries and beneficiaries in need and to encourage new types of insurance products for emerging risks.

On 23 November 2018, the United States Global Change Research Program, an interagency panel consisting of 13 federal agencies, published a report evaluating the risks of climate change in the United States and in vulnerable communities.<sup>2964</sup> The report explores the impacts of climate change on American humanitarian aid, and includes a description of the success of American investments in Ethiopian agriculture, which provided farmers an index-insurance program that links “payouts to certain indexes of extreme weather.” This insurance proved beneficial to Ethiopian farmers in the case of 2015 droughts.<sup>2965</sup> It also states that “similar index insurance products are being developed through public-private partnerships across Africa, Asia, and Latin America.”<sup>2966</sup>

On 6 May 2019, at the G7 Environment Ministers’ Meeting, the US joined the Ocean Risk and Resilience Action Alliance (ORRAA), an initiative proposed by the Canadian delegation.<sup>2967</sup> This initiative aims to pioneer ground-breaking investments to regenerate coastal natural capital, build resilience in climate-vulnerable regions and communities, and foster multisector cooperation between stakeholders to unlock greater private investment in climate resilience.

The US government has not extended insurance for climate-related incidents in vulnerable countries, through either regional or global facilities; nor has the US researched broadening the scope of such coverage through new types of insurance products.

Thus, the United States receives a score of -1.<sup>2968</sup>

*Analyst: Abdullabi Abdi*

### **European Union: +1**

The European Union has fully complied with its commitment to exploring broadening disaster risk insurance coverage, including through global and regional facilities, such as the InsuResilience Global Partnership, to extend high quality insurance coverage to vulnerable developing countries and beneficiaries in need and to encourage new types of insurance products for emerging risks.

On 4 October 2018, the European Commission and Austria’s submitted report on climate finance to the United Nations Framework Convention on Climate Change were published.<sup>2969</sup>

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<sup>2964</sup> Fourth National Climate Assessment Volume II: Impacts, Risks, and Adaptation in the United States, U.S. Global Change Research Program (Washington) 2018. Access Date: 12 December 2018. <https://data.globalchange.gov/report/nca4>

<sup>2965</sup> Fourth National Climate Assessment Volume II: Impacts, Risks, and Adaptation in the United States, U.S. Global Change Research Program (Washington) 2018. Access Date: 12 December 2018. <https://data.globalchange.gov/report/nca4>

<sup>2966</sup> Fourth National Climate Assessment Volume II: Impacts, Risks, and Adaptation in the United States, U.S. Global Change Research Program (Washington) 2018. Access Date: 12 December 2018. <https://data.globalchange.gov/report/nca4>

<sup>2967</sup> G7 Environment Ministers Meeting: What are the Outcomes? G7 France. 7 May 2019. Access Date: 20 August 2019. <https://www.elysee.fr/es/g7/2019/05/07/g7-environment-ministers-meeting-what-are-the-outcomes.en>

<sup>2968</sup> This non-compliance was determined after a deep search of the following websites: <https://www.usaid.gov>, [nca2018.globalchange.gov](https://nca2018.globalchange.gov), [www.cnn.com](https://www.cnn.com), [www.climateinitiativesplatform.org](https://www.climateinitiativesplatform.org), [www.insurancejournal.com](https://www.insurancejournal.com), [www.internationalinsurance.org](https://www.internationalinsurance.org), [www.climatelinks.org](https://www.climatelinks.org)

On 26 September 2018, at the One Planet Summit, the EU participated in the launch of the Joint Pacific Initiative for Biodiversity, Climate Change, and Resilience, alongside France, Australia, and New Zealand. The initiative focuses on supporting Pacific Island countries and territories in the protection, restoration, and enhancement of biodiversity, in order to reinforce the resilience of their socio-ecological systems and facilitate their adaptation to the impacts of climate change.<sup>2970</sup>

On 5 December 2018, the EU participated in the 24th Conference of the Parties (COP) to the United Nations Framework Convention on Climate Change, where it discussed “Unleashing the potential for climate change action with blockchain and other disruptive technologies.”<sup>2971</sup> During this side event, EU representatives and other delegates stated that utilizing better means of investment funds and bonds, as well as insurance, can lead to smarter methods of climate-risk reduction.<sup>2972</sup> The discussion encouraged new types of insurance products for emerging risks globally.<sup>2973</sup>

On 9 December 2018, during COP24, as a part of the steering body of the InsuResilience Global Partnership, the EU agreed to work on the vision of scaling up pre-arranged financing to assist vulnerable communities.<sup>2974,2975</sup>

On 10 December 2018, the Director of Planet and Prosperity at the European Commission’s Directorate-General for International Cooperation and Development Carla Montesi announced at COP24 that the EU will be joining the InsuResilience Global Partnership.<sup>2976</sup>

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<sup>2969</sup> Subject: Biennial Submissions from the EU and its Member States on their Updated Strategies and Approaches for Scaling up Climate Finance from 2014 to 2020, United Nations Framework Convention on Climate Change (Vienna) 4 October 2018. Access Date: 19 October 2018.

<http://www4.unfccc.int/sites/SubmissionPortal/Documents/201810041701---AT-10-04-EU%20Submission%20on%20Strategies%20and%20Approaches.pdf>

<sup>2970</sup> Launch of the joint Pacific Initiative for Biodiversity, Climate Change and Resilience, European Commission (New York) 26 September 2018. Access Date: 5 December 2018.

<sup>2971</sup> Unleashing the Potential for Climate Change Action with Blockchain and Other Disruptive Technologies, COP24 Climate Change Conference, EU Pavillion (Katowice) 5 December 2018. Access Date: 8 December 2018.

[http://ec.europa.eu/clima/events/0124/calendar\\_en.htm#schedule](http://ec.europa.eu/clima/events/0124/calendar_en.htm#schedule)

<sup>2972</sup> Unleashing the Potential for Climate Change Action with Blockchain and Other Disruptive Technologies, COP24 Climate Change Conference, EU Pavillion (Katowice) 5 December 2018. Access Date: 8 December 2018.

[http://ec.europa.eu/clima/events/0124/calendar\\_en.htm#schedule](http://ec.europa.eu/clima/events/0124/calendar_en.htm#schedule)

<sup>2973</sup> Unleashing the Potential for Climate Change Action with Blockchain and Other Disruptive Technologies, COP24 Climate Change Conference, EU Pavillion (Katowice) 5 December 2018. Access Date: 8 December 2018.

[http://ec.europa.eu/clima/events/0124/calendar\\_en.htm#schedule](http://ec.europa.eu/clima/events/0124/calendar_en.htm#schedule)

<sup>2974</sup> EU Joins the InsuResilience Global Partnership to Boost Disaster Risk Financing and Insurance, European Commission’s Directorate-General for International Cooperation and Development. 28 December 2018. Access Date: 8 February 2019. [https://ec.europa.eu/newsroom/devco/item-detail.cfm?item\\_id=641729&utm\\_source=devco\\_newsroom&utm\\_medium=Website&utm\\_campaign=devco&utm\\_content=EU%20joins%20the%20InsuResilience%20Global%20Partnership%20to%20boost%20disaster%20risk%20finan&ang=en](https://ec.europa.eu/newsroom/devco/item-detail.cfm?item_id=641729&utm_source=devco_newsroom&utm_medium=Website&utm_campaign=devco&utm_content=EU%20joins%20the%20InsuResilience%20Global%20Partnership%20to%20boost%20disaster%20risk%20finan&ang=en)

<sup>2975</sup> The InsuResilience Global Partnership – A Multi-Stakeholder Initiative to Protect the Poor and Vulnerable Against Disasters, InsuResilience, EU Pavilion (Katowice) 10 December 2018. Access Date: 8 February 2019.

<https://www.insuresilience.org/the-insuresilience-global-partnership-a-multi-stakeholder-initiative-to-protect-the-poor-and-vulnerable-against-disasters/>

<sup>2976</sup> EU Joins the InsuResilience Global Partnership to Boost Disaster Risk Financing and Insurance, European Commission’s Directorate-General for International Cooperation and Development. 28 December 2018. Access Date: 8 February 2019. [https://ec.europa.eu/newsroom/devco/item-detail.cfm?item\\_id=641729&utm\\_source=devco\\_newsroom&utm\\_medium=Website&utm\\_campaign=devco&utm\\_content=EU%20joins%20the%20InsuResilience%20Global%20Partnership%20to%20boost%20disaster%20risk%20finan&ang=en](https://ec.europa.eu/newsroom/devco/item-detail.cfm?item_id=641729&utm_source=devco_newsroom&utm_medium=Website&utm_campaign=devco&utm_content=EU%20joins%20the%20InsuResilience%20Global%20Partnership%20to%20boost%20disaster%20risk%20finan&ang=en)

On 31 January 2019, the EU signed two agreements with the World Bank's Global Facility for Disaster Reduction and Recovery to provide funding totalling EUR30.7 million to improve disaster risk resilience in Caribbean countries.<sup>2977</sup> Of the sum, EUR3 million will go to the Technical Assistance Program for Disaster Risk Financing and Insurance in Caribbean Overseas Countries and Territories), which will help them identify possible insurance schemes.<sup>2978</sup>

On 18 February 2019, the European Council reaffirmed its commitment to the Paris Agreement and disaster risk reduction.<sup>2979</sup> The EU committed itself to integrating disaster risk reduction, resilience-building, food and nutrition security, conflict prevention, and sustainable development as means of climate change risk management.<sup>2980</sup>

On 9 April 2019, along with the Global Facility for Disaster Reduction and Recovery and the United Nations, the EU supported the World Bank in conducting a Post-Disaster Needs Assessment with regards to the floods in Lao PDR in 2018.<sup>2981</sup> The assessment highlights the need to develop a national disaster risk financing and insurance strategy, as well as the importance of Lao PDR's participation in the Southeast Asian Disaster Risk Insurance.<sup>2982</sup>

On 6 May 2019, at the G7 Environment Ministers' Meeting, the EU joined the Ocean Risk and Resilience Action Alliance (ORRAA), an initiative proposed by the Canadian delegation.<sup>2983</sup> This initiative aims to pioneer ground-breaking investments to regenerate coastal natural capital, build resilience in climate-vulnerable regions and communities, and foster multisector cooperation between stakeholders to unlock greater private investment in climate resilience.

On 28 May 2019, the EU launched the Caribbean Regional Climate Resilience Building Facility alongside the World Bank's Global Facility for Disaster Reduction and Recovery.<sup>2984</sup> The EU allocated approximately EUR28 million towards the project, providing financial support for "technical assistance, disaster insurance and resilient investment facilitation" in the Caribbean.<sup>2985</sup>

The discussion at COP24 regarding new types of insurance products and the EU's membership in the InsuResilience Partnership reflects the EU's compliance with the two goals of this commitment

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<sup>2977</sup> Euro 30 Million to Help Caribbean Enhance Climate Resilience and Adaptation, The World Bank (Brussels) 31 January 2019. Access Date: 16 June 2019. <http://www.worldbank.org/en/news/press-release/2019/01/31/euro-30-million-to-help-caribbean-enhance-climate-resilience-and-adaptation?fbclid=IwAR3ZgUvo7UIcllBWPdBmabJGKCFcfCYFYqWfohecmAbveZJHrtQzwb-M>

<sup>2978</sup> Euro 30 Million to Help Caribbean Enhance Climate Resilience and Adaptation, The World Bank (Brussels) 31 January 2019. Access Date: 16 June 2019. <http://www.worldbank.org/en/news/press-release/2019/01/31/euro-30-million-to-help-caribbean-enhance-climate-resilience-and-adaptation?fbclid=IwAR3ZgUvo7UIcllBWPdBmabJGKCFcfCYFYqWfohecmAbveZJHrtQzwb-M>

<sup>2979</sup> Climate diplomacy: Council adopts Conclusions, Council of the European Union (Brussels) 18 February 2019. Access Date: 1 March 2019. <http://data.consilium.europa.eu/doc/document/ST-6153-2019-INIT/en/pdf>.

<sup>2980</sup> Climate diplomacy: Council adopts Conclusions, Council of the European Union (Brussels) 18 February 2019. Access Date: 1 March 2019. <http://data.consilium.europa.eu/doc/document/ST-6153-2019-INIT/en/pdf>.

<sup>2981</sup> Recovery and Resilience in Lao PDR, The World Bank. 9 April 2019. Access Date: 16 June 2019. <http://www.worldbank.org/en/news/feature/2019/04/09/recovery-and-resilience-in-lao-pdr>

<sup>2982</sup> Recovery and Resilience in Lao PDR, The World Bank. 9 April 2019. Access Date: 16 June 2019. <http://www.worldbank.org/en/news/feature/2019/04/09/recovery-and-resilience-in-lao-pdr>

<sup>2983</sup> G7 Environment Ministers Meeting: What are the Outcomes? G7 France. 7 May 2019. Access Date: 20 August 2019. <https://www.elysee.fr/es/g7/2019/05/07/g7-environment-ministers-meeting-what-are-the-outcomes.en>.

<sup>2984</sup> EU launched \$28 million regional climate resilient building facility, Caribbean News Now! (Bridgetown) 3 June 2019. Access Date: 10 June 2019. <https://www.caribbeannewsnow.com/2019/06/03/eu-launched-28-million-regional-climate-resilient-building-facility/>.

<sup>2985</sup> EU launched \$28 million regional climate resilient building facility, Caribbean News Now! (Bridgetown) 3 June 2019. Access Date: 10 June 2019. <https://www.caribbeannewsnow.com/2019/06/03/eu-launched-28-million-regional-climate-resilient-building-facility/>.

pertaining to global partnerships. The EU's Caribbean Regional Climate Resilience Building Facility and its support for the Technical Assistance Program for Disaster Risk Financing and Insurance reflect its compliance with the other two goals pertaining to regional partnerships.

The EU currently co-funds three projects implemented by the Global Facility for Disaster Risk Reduction and the World Bank. The three projects are the Central America Catastrophe Risk Programme, the Global Partnership on Disaster Risk Financing Analytics, and the Africa Disaster Risk Financing Initiative within the framework of the programme "Building Disaster Resilience in Sub-Saharan Africa." The EU has also advanced its regional partnerships by funding the Regional Climate Resilience Building Facility. Therefore, the EU has fully complied with this commitment in all of its four total dimensions.

Thus, the European Union receives a score of +1.

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