MCII and GIZ Workshop

„ Developing a Strategic Concept for the Implementation of Climate Risk Insurance in an Integrated Climate Risk Management Approach “

Wolfgang Bücker,
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GIZ in the field of Insurance

Set up and objective:

- federally-owned corporation, organised as private-sector entity
- commissioned by public and private-sector bodies inside and outside Germany
- promotes complex reforms / processes of change
- Competence Centre FSD is part of Division: Sustainable Economic Development

Objective: to sustainably improve living conditions / prospects for people in developing / transition countries.

Insurance Sector is an integral part of Financial Sector Development:

- **Topics:**
  - Agricultural & Climate Risk
  - Microinsurance & Market Development
  - Regulation & Supervision

- **Main Partners:**
  - Access to Insurance Initiative (a2ii)
  - Munich Climate Insurance Initiative (MCII)
  - (Re)Insurance companies, regulators & supervisors, technology entities
  - Making Finance Work for Africa
FSD Products/Main Topics – Recent structure

002 - Microfinance (PM: F. Henrich)
- Regulation/Supervision
- Associations and Training Center
- Savings Mobilisation and Products
- Financial Literacy/Responsible Finance
- Islamic Banking

038 - Rural, SME and Agricultural Finance (PM: A. Riemann)
- Access to Finance in Rural Areas
- Agricultural Finance & Value Chains
- SME Finance
- Banking beyond Branches/New Technologies

190 - Financial Sector Stability & Development (PM: T. Foerch)
- Financial Sector Regulation & Supervision
- Financial Market Infrastructure
- Monetary Policy
- Capital Markets Development

093 – (Micro)Insurance, (PM 4140: J. Voss; PM 4310 J. Hennig)
- Insurance Regulation and Supervision
- Product Development
- Supporting Infrastructure
- Consumer Protection
- Weather & Agricultural Insurance

Green Finance (new Product)
- Policy Advice
- Green (self-) Regulation and Supervision
- Capacity Building for institutional Development
- Financing Instruments Energy (EE)
GIZ Insurance Topics, Teams and main Partners

**Unit ACRI**
Agricultural and Climate Risk Insurance

- Research
- Support
- Advisory Services
- Acquisition

**Main GIZ Partners:**
- AllianzRE
- Munich Climate Insurance Initiative (MCII)
- MunichRE CC Disaster Risk Management
- MunichRE Team Agro

**(Micro)Insurance Market Development**

- Knowledge Management
- Dialog Platform
- Market Development
- Networking

**Main GIZ Partners:**
- Microinsurance Network
- AllianzSE
- FIDES
- German Insurance Association – GDV

**Access to Insurance Initiative**
(Sector Project Insurance)

- Tool development
- Knowledge sharing
- Implementation

**Main GIZ Partners:**
- IAIS
- Munich RE Foundation
- BaFin Germany
- Microinsurance Network
- A2II partner organizations
GIZ Agricultural & Climate Risk Projects

Sector Projects (global)

Financial Systems Approaches to Insurance - Access to Insurance Initiative (A2ii)
Development of Integrated Systems of Social Protection

Uganda
Market Analysis and Drafting of Microinsurance and Micro Health Insurance Regulations

India
1 | Strategic Alliance with Allianz SE
2 | Rural Insurance Project (under preparation)

Ghana
Market Analysis and Regulatory Reform and Market Development Project

Peru
Insurance for micro agricultural credits for adaptation to climate change

Nigeria
Market Analysis and Regulatory Reform and Market Development Project

Ghana
1 | Innovative insurance products for adaptation to climate change
   2 | Promoting Microinsurance in Ghana

Asia Regional Projects
1 | Regulatory Framework Promotion of Pro-poor Insurance Markets in Asia
2 | Remote sensing-based Information and Insurance for Crops in Emerging economies (RIICE)

China
Insurance Instruments for Adaptation to Climate Change

Philippines
Strategic Alliance with Munich Re: CLIMBS Weather Protect

India
1 | Strategic Alliance with Allianz SE
2 | Rural Insurance Project (under preparation)

Kenya
Risk management strategies for adaptation to climate change in agriculture

Namibia
FIDES Namibia Microinsurance Initiative (PPP)

Uganda
Market Analysis and Drafting of Microinsurance and Micro Health Insurance Regulations

(China) Insurance Instruments for Adaptation to Climate Change

(Micro)Insurance general
Agricultural insurance
PPP/ Strategic alliances

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GIZ Dedication to Climate Risk Management

- Various climate risk insurance projects globally

- Agricultural & Climate Risk Insurance Unit (ACRI) within GIZ to serve as knowledge and advisory hub (-> collection of key elements / success factors for implementing sustainable agricultural insurance schemes)

- Cooperation with MCII (financed by BMU) to facilitate climate insurance solutions in integrated risk management approaches:
  - **Expectations:** Facilitate strategic dialogue with international climate risk experts
    - Share complementary expertise
    - Support in implementing the concept into GIZ climate risk projects
Expectations and Questions for this Workshop

- Collect approaches, first lessons learned and good practices from experts – that integrate the climate change and insurance/FSD perspective
  - Build the basis for developing a strategic concept
  - Clarify the role of insurance in an integrated climate risk management approach
  - Link the technical assistance provided by climate experts / think tanks to policy makers with the advice related to the implementation of insurance mechanisms for reducing climate risk

- Facilitate dialogue among experts and policy-makers to share knowledge and contribute jointly to a strategic concept that builds the basis for a blueprint (in the context of the upcoming policy making milestones in the international climate change debate 2015)
Thank you!

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Selected FSD Activities – Currently 47 programmes worldwide

Global
Alliance for Financial Inclusion
- Global alliance of over 85 countries to strengthen financial access
- Exchange platform for south-south dialogue

India
Microfinance and rural finance
- NABARD Linkage Banking, the world's largest microfinance program
- Reform of the credit cooperative structure

Tunisia
Promotion of the Microfinance Sector
- Establishing a supervisory authority

Vietnam
Central bank advisory Services
- Monetary policy
- Risk Management
- Forecasting

China
Central bank advisory Services
- Capital market development
- Transforming China's post bank into a modern intermediary

Africa
Making Finance Work for Africa
- Promoting inclusive financial systems
- Central interface to bring together banks, governments, donors and MFIs

Global
Access to Insurance Initiative
- Facilitating dialogue and good practice with regulators and other stakeholders

Algeria
Microinsurance for Young Entrepreneurs
- Income maintenance via microinsurance

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Financial Sector Stability
Microfinance
Agricultural Finance/SME
Insurance