

The Role of Government on Inclusive Insurance for Climate and Disaster Risk: Bangladesh Perspective

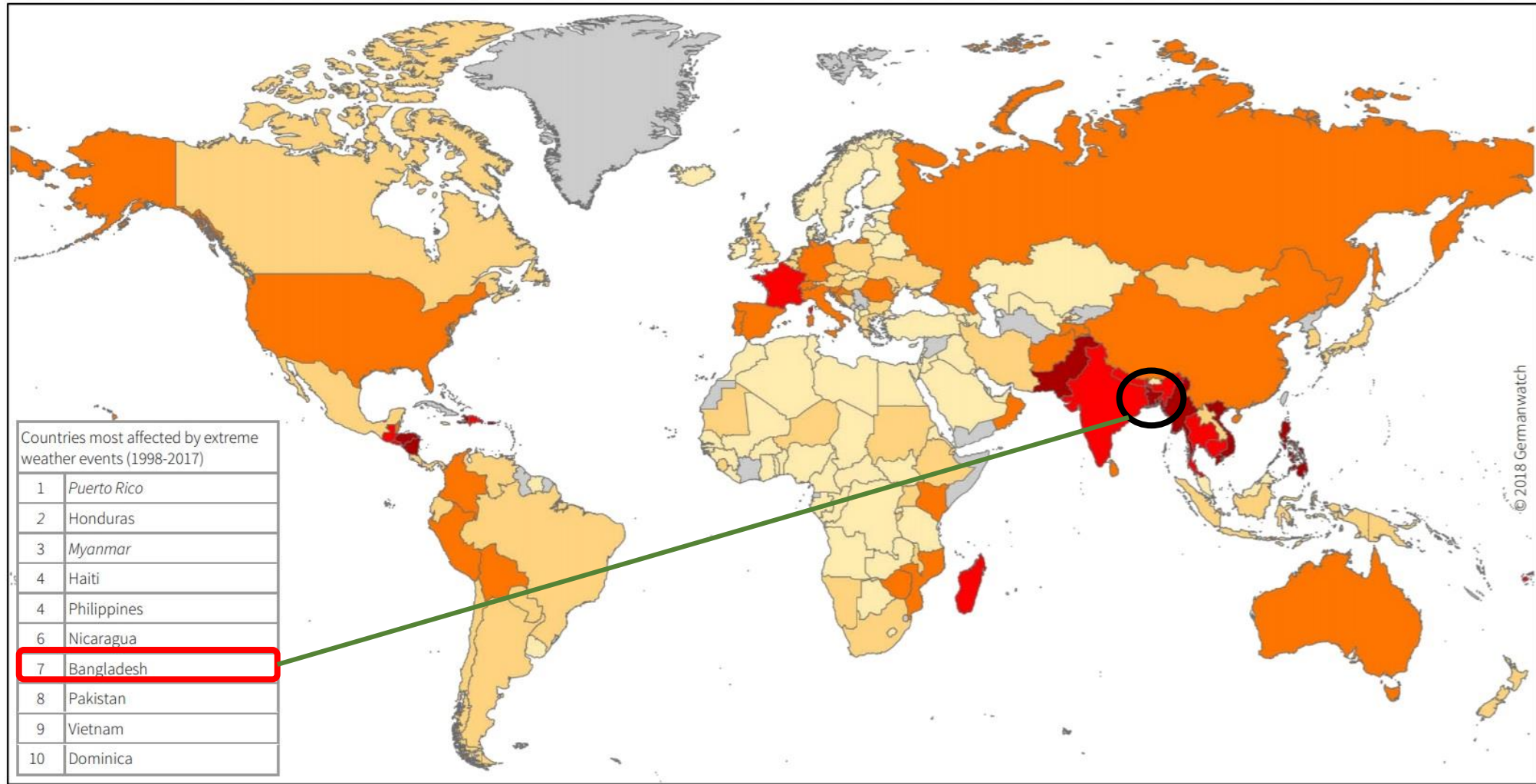
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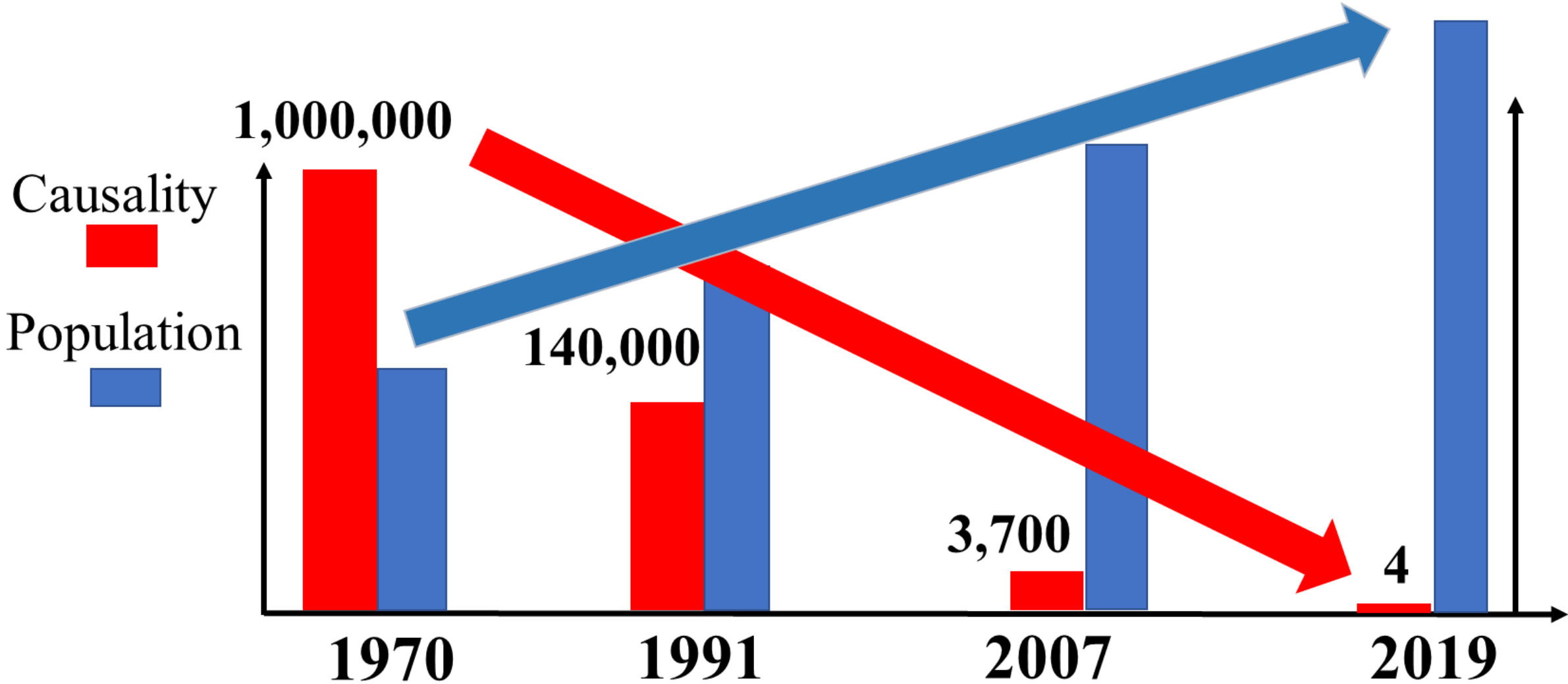
Climate Risk Index Ranking (1998-2017)



Italics: Countries where more than 90% of the losses or deaths occurred in one year or event

Source : Germanwatch "Global Climate Risk Index (2019)"

Causality Trend due to Cyclones in Bangladesh





‘Bangladesh role model in disaster management’

STAFF CORRESPONDENT

State Minister for Foreign Affairs Shahriar Alam on Thursday said Bangladesh is recognised as a leader in adopting a more holistic approach to disaster management and risk reduction.

The state minister was addressing as the chief guest the 2nd International Conference on Disability and Disaster Risk Management in

based on an ‘inclusive approach’, he further added. Shahriar said the recent crisis in the Rakhine State of Myanmar has caused a massive influx of forcibly deported Rohingya population to Bangladesh.

The Government and people of Bangladesh showed tremendous generosity and hospitality to them with much needed humanitarian assistance, he noted.

Bangladesh has set an example

“We are also mindful about the importance of confidence-building between the displaced population and host communities,” he noted.

Bangladesh is trying to address these issues through various measures and sectoral plans to ensure the uninterrupted socio-economic development of the District with the support of the local communities.

Resource mobilization remains crucial not only to meet life-saving

“Bangladesh is the best teacher to learn about the Climate Adaptation” (*Ban Ki-Moon, Former United Nations Secretary General, 10th July 2019 at Dhaka*)

Bangladesh Initiative related to Inclusive Insurance for Climate and Disaster Risk

Support for Enhancing Insurance Sector

Support for reliable weather, water, and climate information services



Index-based Flood Insurance for Farmers

Weather Index Insurance for Farmers



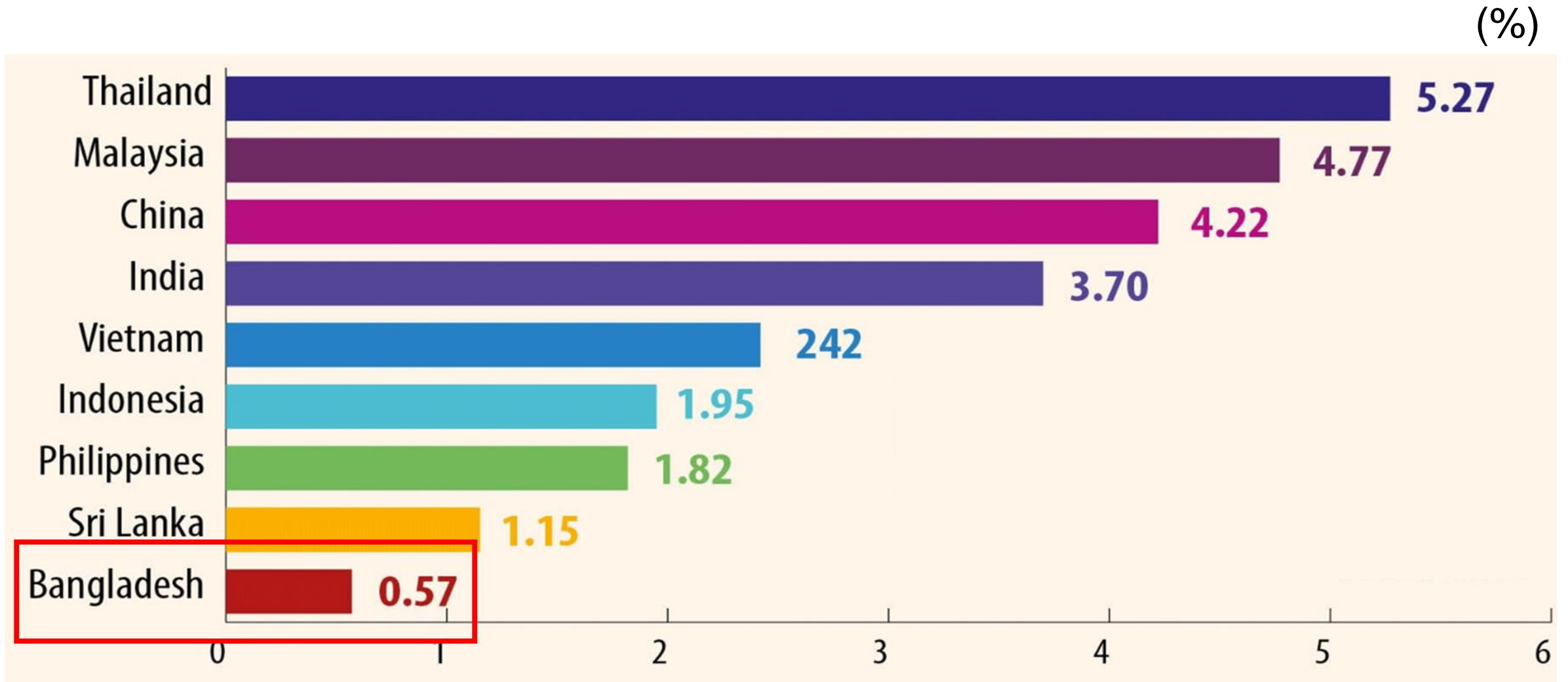
Bangladesh Initiative related to Forecast based Actions/ Financing

Bangladesh Red Crescent Society with German Red Cross, American Red Cross, Swiss Red Cross, CARE Bangladesh, WFP, Start Fund supported from DFID are promoting Forecast based Financing (FbF).

In 2019, more than 5,000 flood affected people got money through mobile banking system 3 days before the flood happened.



Insurance Penetration Rate in Major Asian Countries in 2018



Source : Swiss Re

Challenges of Inclusive Insurance for Climate and Disaster Risk

- Though Government of Bangladesh is promoting to enhance insurance sector, peoples may not fully ready to accept insurance products related risk transfer. Convincing business model is also not established yet.
- Success of Inclusive Insurance are largely depending on accurate forecasting and early warning capacity. But climate risk insurance related accurate data are not always available in the country.

Challenges of Inclusive Insurance for Climate and Disaster Risk

- As projected the effects of climate change will be more severe in the future, Insurers may have difficulties in pricing risks. Re-Insurance system with other major international insurers have not still established in the country.
- Though Government enforces building code, Private Buildings in the large cities are not complying building code thus vulnerable against earthquakes. Risk calculation and premiums setting for urban areas remain difficult.

What to do

- Preparing infrastructure inventory data and detail disaster history and making them available
- Expanding Comprehensive information of Inclusive Insurance with evidence based pilot actions
- Enhancing technical and management capacity at different level should be enhanced, especially for Grassroots level
- Clarifying institutional monitoring mechanism of Inclusive Insurance for Climate and Disaster Risk
- Refining Sustainable Financing Mechanisms

Thank you