



## Finding solutions: inclusive insurance in managing the climate and disaster risk for the vulnerable

**16th Consultative Forum on Inclusive Insurance - Climate and disaster risk: building resilience, bridging the protection gap in Africa.**

*Written by the Access to Insurance Initiative (A2ii) and the MiN*

Insurance is an essential piece of the risk management that can help build resilience against natural disasters. It has significant potential to offset both the immediate shocks of extreme weather, which are more frequent and severe because of climate change and the long-term effects such as food and water insecurity, job losses and poor economic growth, to name but a few. But how does it fit into a broader risk management framework and how can inclusive insurance effectively function as part of the solution in regions most affected by climate-related catastrophic shocks and disasters, where those who are most vulnerable live?

On 12 and 13 June in Johannesburg, the 16<sup>th</sup> Consultative Forum will bring together the industry, implementing agencies, donors, insurance regulators and supervisors, and climate change experts to discuss the roles and responsibilities of the insurance sector and aim to provide solutions to some of these challenges in reducing the protection gap - the difference between insured and uninsured economic losses - in climate risk and natural disaster insurance, specifically in the context of Africa.

The poorest people and countries are the most vulnerable to 'natural' catastrophes. In the decade to 2014, 89% of storm-related fatalities were in lower-income countries. The World Bank reports that climate change could push an additional 100 million people into extreme poverty by 2030. In 2018, global losses from 'natural' catastrophes amounted to US\$160 billion – only half of which was insured. In emerging economies, approximately only 10% of climate-related risks are covered.

We need to urgently focus our efforts on enabling innovative approaches to increase access to insurance against natural disasters and climate risks to the unserved and underserved and be able to bridge the protection gap. An estimated 5.4 billion people live on between two and ten dollars a day and they remain extremely vulnerable to shocks that could swiftly push them back into the abyss of deep poverty.

The upcoming Forum – jointly organised by the International Association of Insurance Supervisors (IAIS), the Access to Insurance Initiative (A2ii), the Microinsurance Network (MiN), and the InsuResilience Global Partnership, and hosted by the African Insurance Organisation (AIO) – aims to shed light on enabling and unlocking innovative approaches that could boost climate resilience for individuals, households, farmers, value chains and micro and small businesses in emerging markets. Senior figures from industry, supervisory authorities and the public sector will gather in South Africa to discuss the best way forward.

Join us at the event to contribute to this important debate. The event will be live-streamed in English and French. Links will be available soon here.