



Insurance for Climate Change Adaptation project

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

Bonn, April 11-12, 2013



Objetivo



Small businesses, producer organizations, and regional/local government entities on Peru's north coast have the possibility of insurance coverage against extreme natural hazards by way of new, innovative insurance products.



PROJECT COUNTERPARTS

**Private, insurance and
financial institutions**

**Develop climatic
insurance products**

**National and
international research
institutions**

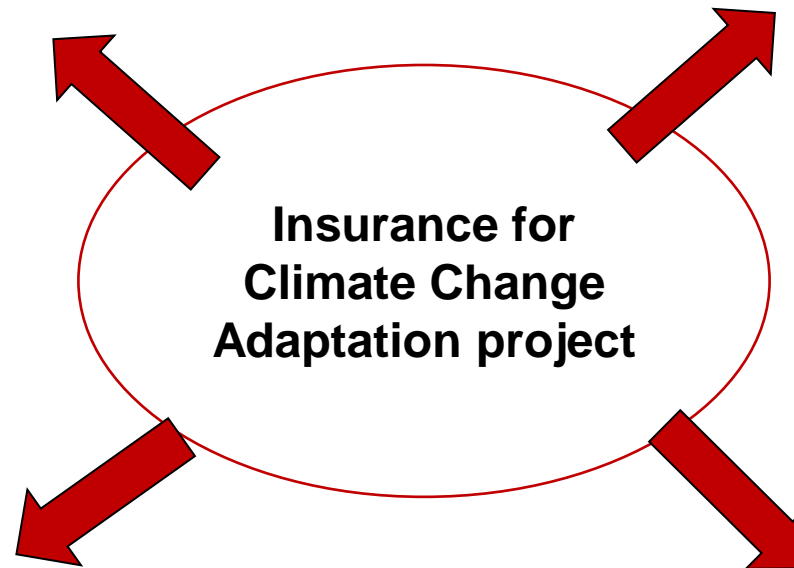
**Guarantee the
scientific viability**

**Governmental
entities**

**Political and legal
support**

**Regional
governments**

**Political and technical
support at regional level**





Main Achievements

1. Purchase of the insurance against extreme El Niño EENIP	
Pro	<ul style="list-style-type: none">• Portfolio protection alternative to be covered against systemic risk
Pending	<ul style="list-style-type: none">• Proportional treatment• Better grading
Cons	<ul style="list-style-type: none">• Price• Sale strategy• Low familiarity with the product
Conditions	<ul style="list-style-type: none">• Insurance culture• Implicit Insurance for the Government• Excessive optimism in Peru• “too new” Factor
Sale structure	<ul style="list-style-type: none">• Parametric and Indemnity products (not versus)• Tailored products according to the demand



Main Achievements

2. GIZ acts as facilitator between the counterparts

Contribution	<ul style="list-style-type: none">• Constant dialogue between the private and public actors• Impartiality in selection of consultants results in better management.• Coordination between the governmental entities.
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3. Products design

Catastrophic agricultural insurance	<ul style="list-style-type: none">• Support for improving the existing national climatic insurance provided information for technical decisions, but not many political decisions.
Index based insurance regulation	<ul style="list-style-type: none">• Specific and adapted regulation



Main Achievements

4. Territorial Involvement

Contribution	<ul style="list-style-type: none">• Participation of regional entities is a mean of insurance promotion
Achievement	<ul style="list-style-type: none">• First, awareness of local authorities and second, product marketing.• Integration of existing climatic comitee at the regional government level.

5. From the academic information to the practical one

Contribution	<ul style="list-style-type: none">• Documentation of information on the web site.• Workshops, digital courses and exchange of experiencies.
Difficulties	<ul style="list-style-type: none">• Lack of information at the national level about the Extreme El Niño Insurance product - EENIP.• Mistrust for a new product.
Requirement	<ul style="list-style-type: none">• More in-depth references and explanation. As long as the Government does not understand the product, it will be more difficult to create an adequate institutional framework.• More information dissemination



Success factors, resource requirements and lessons learned





Thank you very much

<http://seguros.riesgoycambioclimatico.org>

Por encargo de:

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Ministerio Federal de Medio Ambiente,
Protección de la Naturaleza
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