

From Innovation to Learning

Creating a CDRFI Roadmap
Day 1 – Opening



Sönke Kreft

Executive Director / Head of Section

Munich Climate Insurance Initiative (MCII)

Hosted at UN University Institute for Environment & Human Security

Katharina Nett

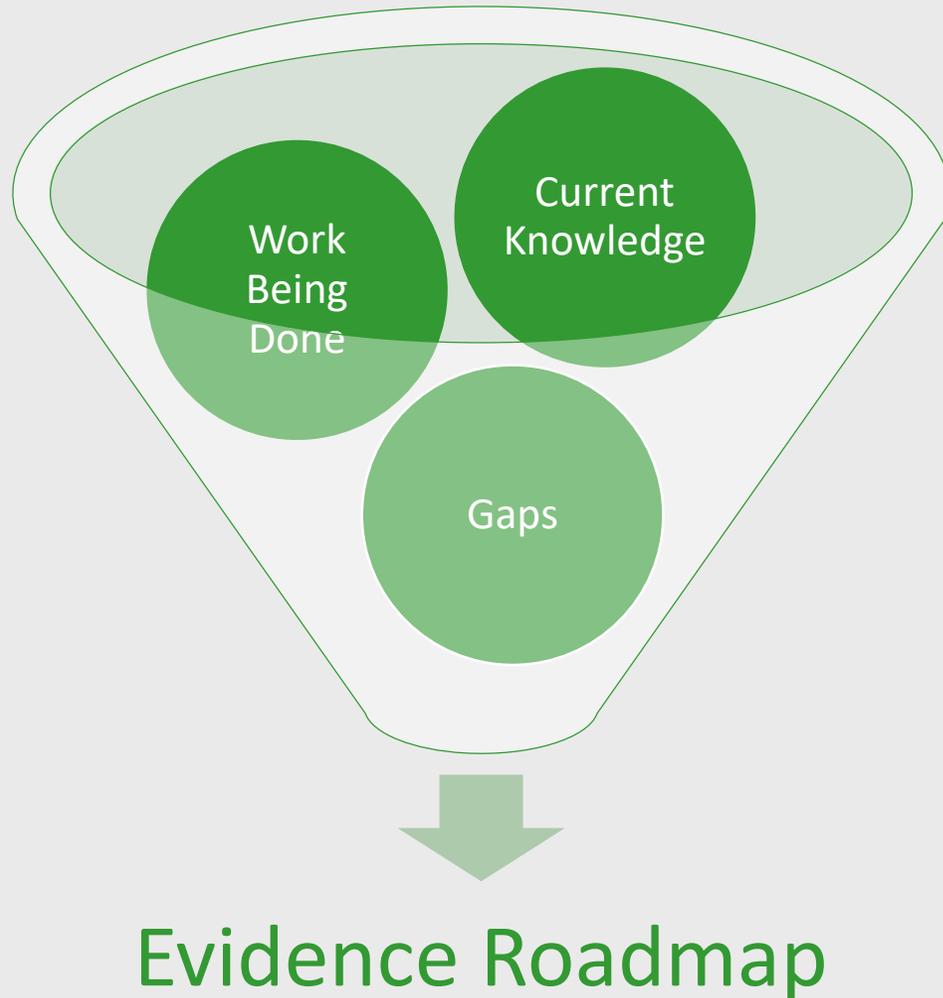
Advisor

InsuResilience Global Partnership Secretariat

Jennifer Denno Cissé

Senior Research Manager

Munich Climate Insurance Initiative (MCII)



Problem Statement

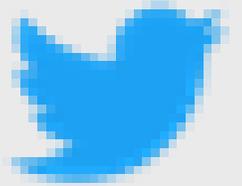
- Substantial innovation around DRF
- **Innovation not accompanied by adequate learning and evidence**
- Identify a) current knowledge, b) work being done, and c) gaps that need to be addressed
- Evidence roadmap will direct evidence investments / activities
- Ensure CDRFI efficiently & effectively supports vulnerable and exposed people, communities, and countries

General Information

- Each session will be recorded
- Today: Zoom webinar format
 - Use Q&A feature to participate
- Wed-Fri: Zoom conference format
 - Please use your video if possible
 - Conversation and input is encouraged!
- Email mcii@ehs.unu.edu with technical issues or questions

Asynchronous

- See our webpage for participation options: <https://climate-insurance.org/news/creating-a-cdrfi-evidence-roadmap/>
- Google docs for input and evidence
- Mendeley groups
- On Twitter @_MCII_ and
 - #EvidenceRoadmap
 - #DRFmicro
 - #DRFmeso
 - #DRFsrp
 - #DRFmacro
 - #DRFnonins



Tues 8 Sep (15:00-17:00 CEST)

Opening & Framing – Vision 2025 and the Evidence Roadmap

Presentations: Sönke Kreft (MCI),
Katharina Nett (InsuResilience Global Partnership)

Pro-Poor Principles & Success Criteria

Presentations: Sönke Kreft,
Swenja Surminski (LSE Grantham)

Q&A Panel

Moderator: Jennifer Denno Cissé

Panel: Sönke Kreft, Katharina Nett, Swenja
Surminski



The Situation



- Even under a 1.5-degree scenario, climate impacts will devastate lives and livelihoods, decrease GDP and require long-term adaptation strategies
- The impact is the greatest among poor and vulnerable communities

The approach



- Putting **pre-arranged, predictable financing** in place for early action, relief and recovery
- **Planning better** to manage risks before they occur, and to reduce the impact of shocks and bounce back better in the face of climate and disaster risk
- **Strengthening** people's / countries' ability to deal with climate shocks through financial resilience

The Outcome

- **November 2017:** Launch of the InsuResilience Global Partnership at COP23 in Bonn
- **Collaboration platform** for G20 and V20 countries and private sector, public sector & civil society for financial protection against climate change.
- **84 members** to date

Vision and Workstreams of the Partnership

Vision & Central Objective

Vision: Strengthen the resilience of developing countries and protect the lives and livelihoods of poor and vulnerable people against the impacts of disasters

Objective: Enable more timely and reliable disaster response through the use of climate and disaster risk finance and insurance

Cross-cutting topics: Pro-poor Approach & Gender Mainstreaming

Four Workstreams:

Strategic Guidance &
Convergence

Capacity Building &
Knowledge
Management

Action &
Implementation

Collaborative Network

M&E /
Impact Working Group

InsuResilience G7 target

- Aggregate beneficiary numbers, ensuring accountability, and consistency in methodology throughout programs and years

Vision 2025

- Develop a comprehensive, partnership-wide M&E framework, engaging various stakeholders of the Partnership
- Highlight the holistic scope of the Partnership through broader impact dimensions, and providing evidence on long-term resilience impact of CDRFI

2015

2020

2025

Vision 2025 – 6 Result Areas

(Quantitative) result areas I. - III.

(Qualitative) result areas IV. - VI.

I.
Number of people protected and total risk covered by risk-finance and insurance arrangements.

II.
Number of countries with comprehensive disaster risk-finance strategies in place.

III.
Number of countries adopting CDRFI solutions integrated within comprehensive risk management systems.

IV.
Increased cost-effectiveness/value for money of risk-finance and insurance arrangements.

V.
Development/human impact of these risk-finance and insurance arrangements through increased resilience to disasters.

VI.
Increase in evidence relating to the most effective and most cost-efficient climate CDRFI solutions.

→ Focus on clear, countable figures that can be captured in a quantitative survey

→ Focus on a long-term effects of CDRFI
→ Additional ex-post evaluations covering broader (transformational) impacts on resilience will be necessary beyond year-to-year indicators.

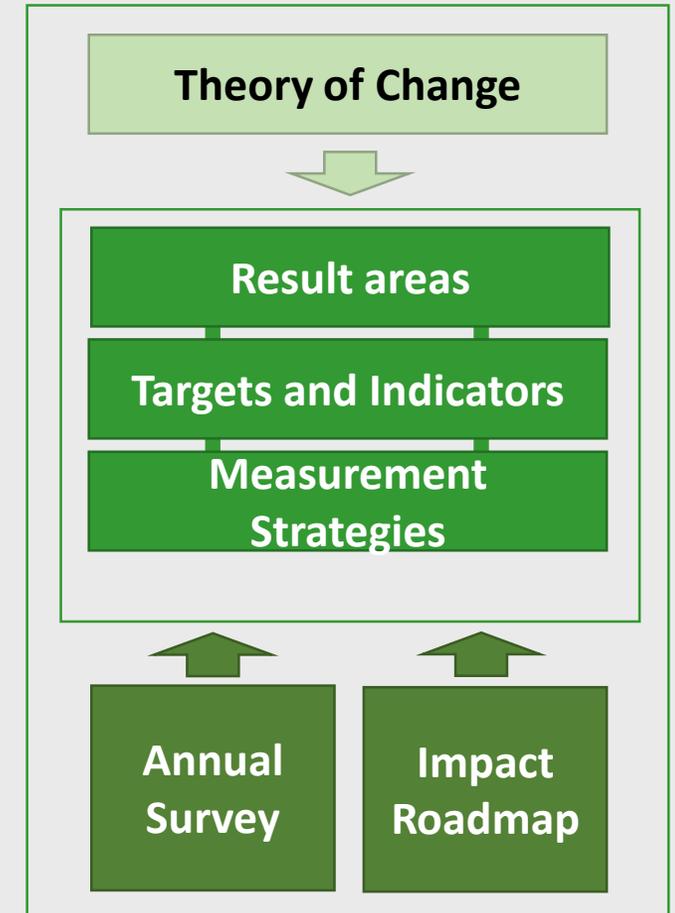
Objective

- The Partnership's M&E framework sets out global standards for impact measurement and monitoring of CDRFI solutions.

Current Workstreams

- **M&E Framework:** Create indicators and objectives for qualitative dimensions, development of impact strategies.
- **Theory of Change:** Set out theoretical background for coherence of the M&E strategy.
- **Annual Survey:** Develop a new survey and analysis tool for thorough data collection and measurement of indicators.
- **Evidence roadmap:** Create a new holistic research agenda for impact evaluation of CDRFI until 2025 (MCII, Impact Working Group).

InsuResilience M&E Strategy



Objectives of our impact workstream are twofold:

- 1. Impact of the Partnership:** Identify and assess the ways in which the Partnership affects resilience of poor and vulnerable people and countries (Vision of the Partnership)
 - Building on Theory of Change
 - Feeding into **result area v**
- 2. Impact of CDRFI:** Increase evidence on the impact and pro-poor design of CDRFI solutions more broadly, feeding into a larger impact evaluation agenda and supporting learning and innovation; e.g. enabling conditions
 - Feeding into **result area vi**

Within the Partnership

- Different financial instruments on different levels (micro, meso, macro) require very different kinds of methodologies.
- Resilience is multifaceted, making it a challenging concept in the context of impact evaluations → How to create a reliable index?



More generally

- Instrument is relatively new in the development context; reliable long-term evaluations still lacking.
- Many existing studies focus on micro insurance and are set in agricultural sector, there is a need to extend this setting of other urban and economic sectors.
- Need more consistency, quality, availability and a simplified process of data collection.
- Need to measure impact of non-payout situations.

How to refine the methodology for special cases and products beyond insurance?

Momentum on the topic:

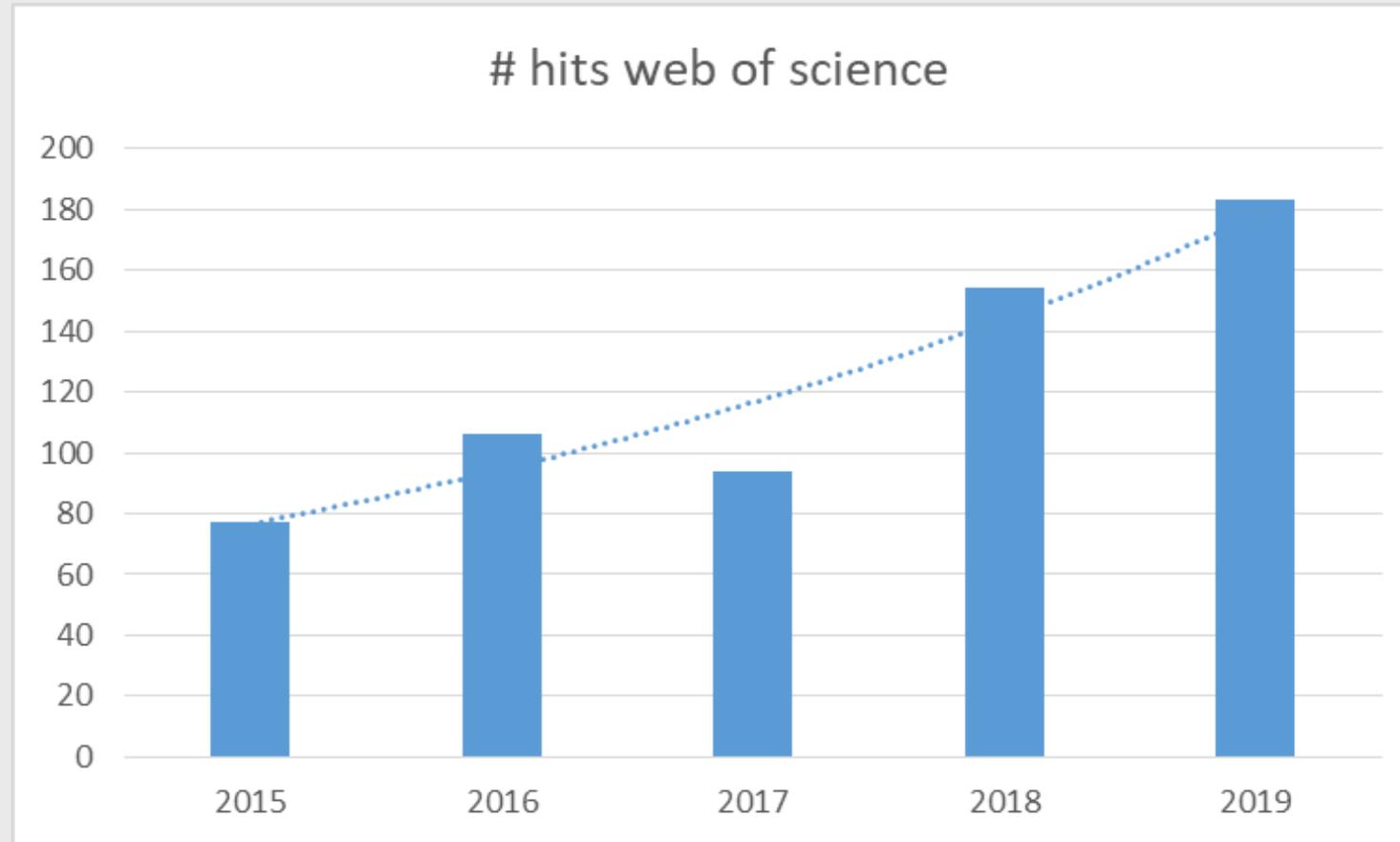
- Vision 2025: “Result areas VI: Increase in evidence relating to the most effective and most cost-efficient climate and disaster risk finance and insurance (CDRFI) solutions”

vi) Increase in evidence relating to the most effective and most cost-efficient climate CDRFI solutions.

- ▶ Number of pieces of evidence produced
- ▶ High uptake of new evidence
- ▶ Accessibility of catastrophe risk models (mirroring private and public sector commitments under result areas v.)
- ▶ Influence of evidence in supporting public and private actors, and reflection in instrument design

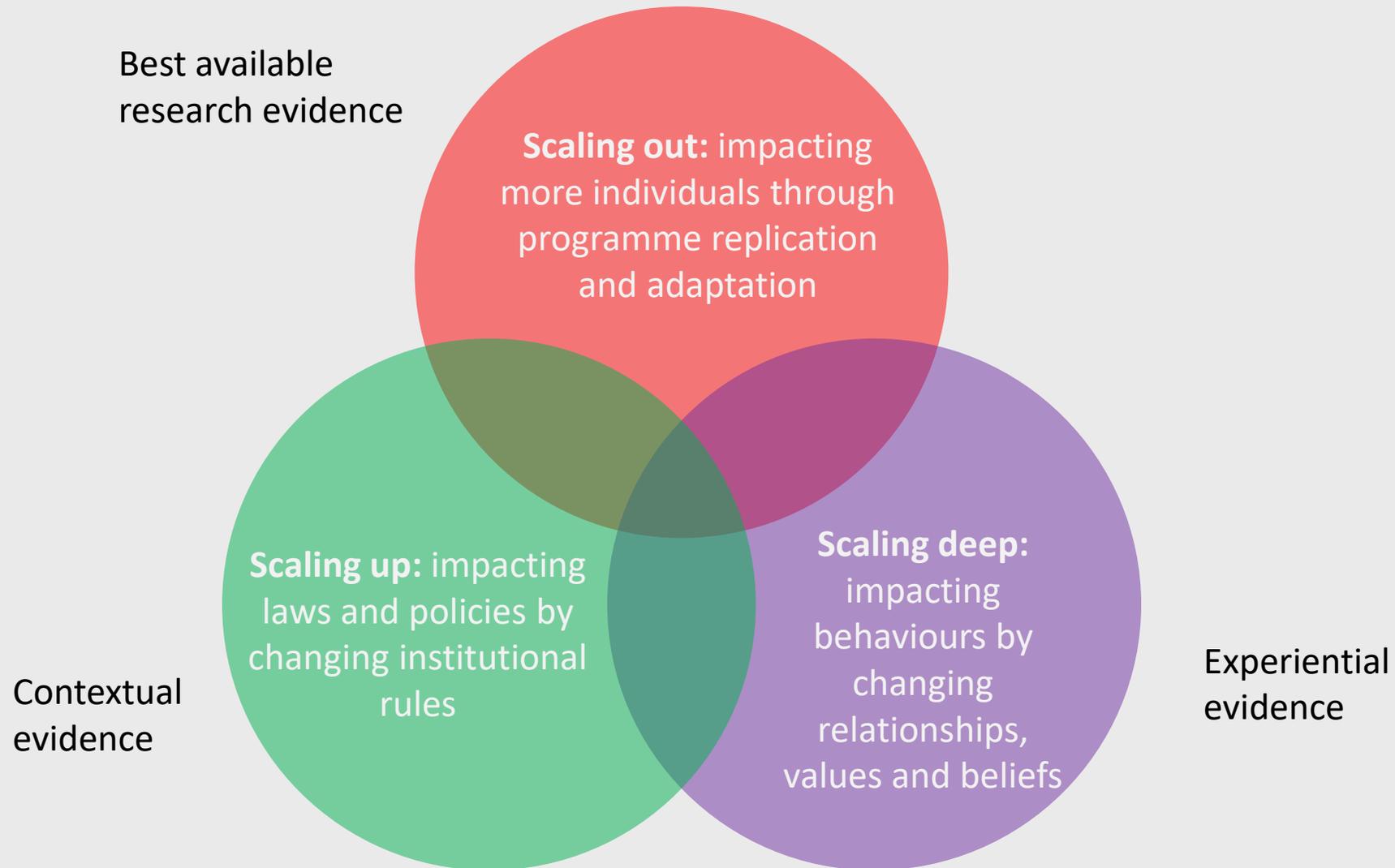
From Vision 2025: https://www.insuresilience.org/wp-content/uploads/2019/09/InsuResilience-Global-Partnership_Vision-2025-with-Workplan1.pdf

Momentum on the topic:



Web of Science: Key search Climate Risk Insurance

Role of Evidence in Creating Change



Towards Collective Impact on Evidence

Governments:

Demonstrate public value of CDRFI approaches

CSO: Evidence based influence of programme formulation, implementation and monitoring and evaluation. Groundtruthing of activities

**Common
Agenda**

**Mutually
enforcing
activities**

**Joint
success
framework**

**Continuous
Communication**

**Backbone
organization**

Academia: Contribute to global knowledge goods – innovate academic methods and standards

Implementing agencies: Cross-agency learning and programmatic improvements

Private sector: Benchmark product parameters towards users needs

1. Impact

Create positive and lasting change for poor and vulnerable people.



2. Quality

Implement adequate and high quality climate and disaster risk finance and insurance solutions that address the needs of poor and vulnerable people.



3. Ownership

Ensure demand-driven approaches through environments that are conducive to stakeholder action, with a focus on the agency of end users.



4. Complementarity

Develop a mix of synergistic climate and disaster risk finance and insurance solutions building from existing institutional frameworks.



5. Equity

Climate and disaster risk finance and insurance solutions should provide inclusive and targeted support to promote equitable growth.



Specifically,

› Governments

Consider the Principles in identifying appropriate financial mechanisms to address risks in their countries, especially with regard to the poor and vulnerable population.

› International development partners

Recognize the Principles in the delivery of strategic development priorities around protection of poor and vulnerable populations and leverage ongoing initiatives to maximize impact.

› Civil Society Organizations (CSO) and Non-governmental Organizations (NGO)

Promote the Principles in empowering communities to use 'ground-truth' activities of the Partnership and apply principles where CSOs contribute to solutions directly in their implementation.

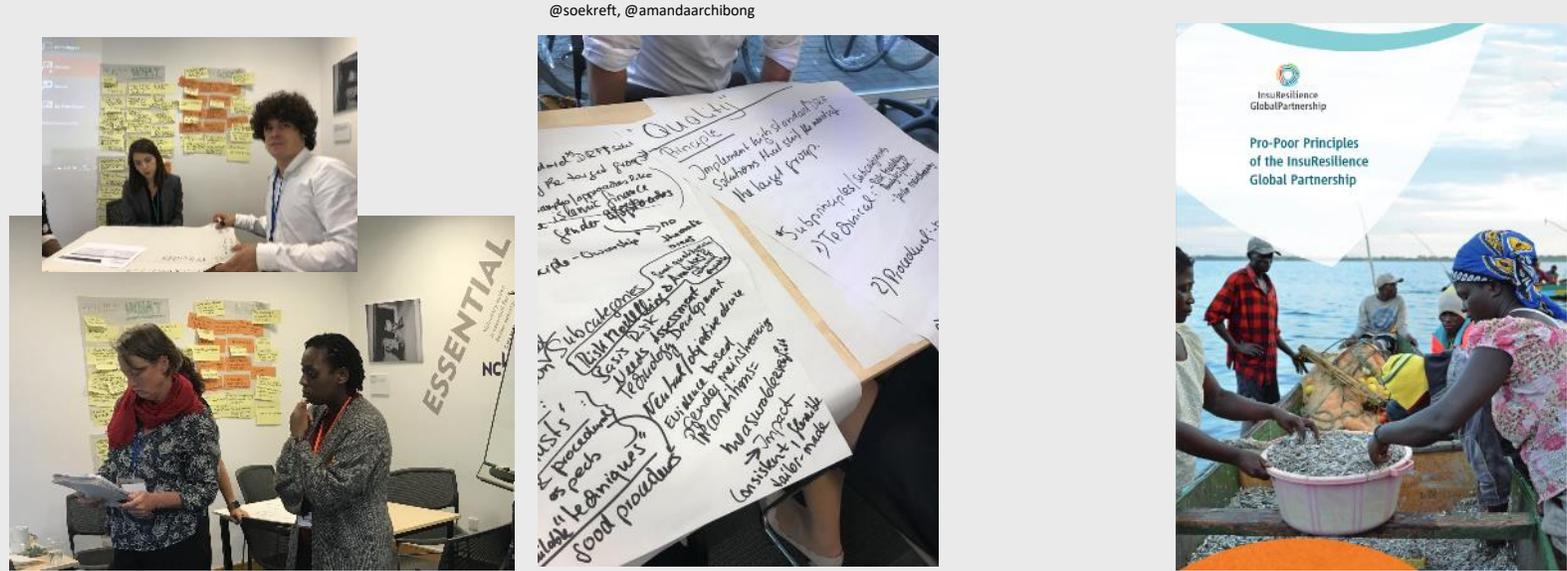
› Private sector

Consider the Principles in shaping product innovation, supporting market development and contributing to public private partnerships.



The Pro-Poor Principles

Code System	equity	ownership	complementarity	quality	impact
equity		1	2	2	2
ownership	1		5	1	1
complementarity	2	5		6	2
quality	2	1	6		3
impact	2	1	2	3	



Literature review;
coding framework
of principled
based policy
frameworks

Stakeholder workshop
(IGP+) with participants
from governments,
implementing agencies
and CSO

Review and consultation
process of draft-principle
document in transparent
and inclusive process
among interested IGP
members

Endorsement through
HLCG 1 at COP24

- Strategic document: Role of evidence in CDRFI
- Structure
 - Big trends, important normative frameworks, joint agendas
 - Important knowledge areas and authoritative research work
 - Ongoing knowledge frontiers in CDRFI impact research
 - Current evidence voids and future teamed pursuits
 - Milestones and measurements for success

Evidence Roadmap



Literature and evidence briefs

Virtual engagement with academics and practitioners

Synthesis of workshop proceedings, drafting and editing of evidence roadmap as part of the IGP Impact Working Group

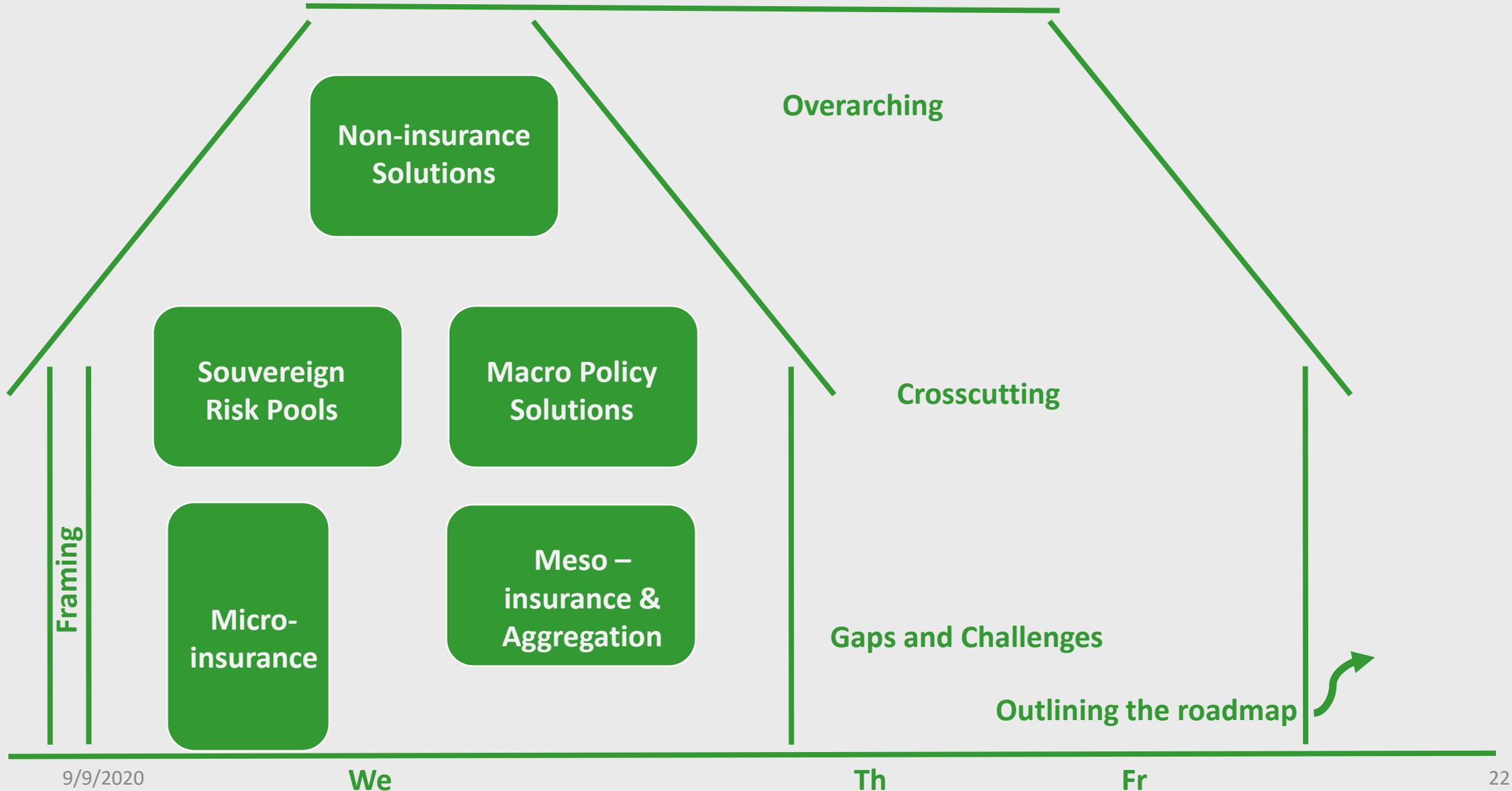
Publishing of Evidence Roadmap at appropriate high-level event

Swenja Surminski

Head of Adaptation Research

Grantham Research Institute on Climate Change and the Environment
London School of Economics and Political Science (LSE)

Workshop Overview



9/9/2020

We

Th

Fr

22

Day	Session
Wednesday 15:00-18:00 CEST	Breakout groups <ul style="list-style-type: none">• Microinsurance• Meso and aggregation• Sovereign Risk Pools• Macro Policy Solutions• Non-insurance DRF
Thursday 15:00-17:00	<ul style="list-style-type: none">• Breakout Groups Readout• Gaps and challenges in the• Evidence Roadmap
Friday 15:00-17:00 CEST	<ul style="list-style-type: none">• Outlining the Roadmap• Next Steps and Close

Moderator

Jenn Cissé

Panelists

Katharina Nett

Sönke Kreft

Swenja Surminski

Please use the Q&A feature to send us your questions and comments

