

InsuResilience Investment Fund (IIF)

The InsuResilience Investment Fund (IIF) provides debt and equity financing, complemented by technical assistance to increase the resilience of low-income households and micro, small and medium-sized enterprises with regards to extreme weather events and natural catastrophes through the development and distribution of insurance products.

Initiators

Created by KfW on behalf of the German Ministry for Economic Cooperation and Development (BMZ), the IIF started its commercial activities in January 2015, under the German G7 presidency.

The IIF is part of the G7 InsuResilience Initiative which aims to increase access to direct or indirect insurance coverage against the impacts of climate change for an additional 400 million of the most vulnerable people in developing countries by 2020.

Objectives

Facilitating the adaptation to climate change by improving access to and use of climate insurance solutions in developing countries.

Improving the resilience of poor and vulnerable households as well as micro, small and medium-sized enterprises (MSME) with regards to extreme weather events. Financing investees, namely qualified corporates along the value chain of insurance (e.g. insurers, brokers, aggregators).

Scope of activities

- Debt and equity finance for investees
- Technical Assistance facility for investees
- Premium Support facility for investees
- Crowding-in of private sector via co-investments in the IIF or in investees



Gela Pshavelas owns 0.5 hectare vineyard in Kakheti – Kistauri (Georgia). The region is known for its wine and grape production. Source: BlueOrchard

Success story

“Being honest, back in time I was sceptical about insurance products and I decided to insure about half of my entire harvest. Now, as the hail damaged my vineyard and the insurance provided the coverage I needed to continue my business, I plan to insure the entire harvest in future. In my region (Kakheti) there is always a risk of sudden climate changes and subsequent harvest damages, so the insurance becomes vital to my company’s growth and development.”

Gela Pshavelas

»» KfW Climate Risk Insurance: Project Portfolio

InsuResilience Solutions Fund (ISF)

Targeted market: global;

Insurance approach: macro- meso- and micro-level;

Financial commitment: EUR 15 m

Providing partial grant funding and advice for the development of climate risk insurance products, to bring insurance solutions from concept to implementation stage ready for market placement.

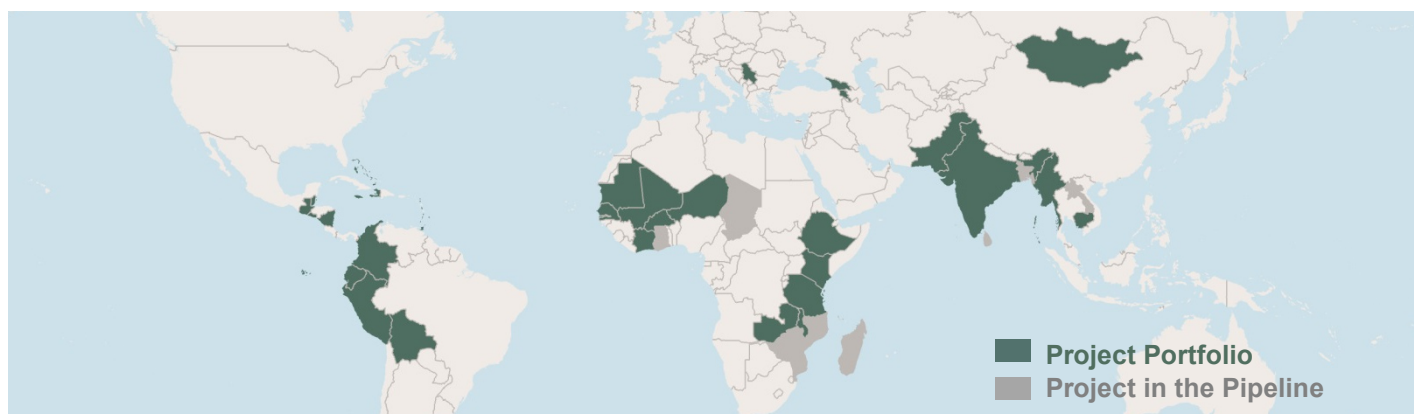
InsuResilience Investment Fund (IIF)

Targeted market: global;

Insurance approach: meso- and micro-level;

Financial commitment: EUR 74.8 m

Promotion of the development of climate risk insurance products by providing debt and equity, along with technical assistance.



The Caribbean and Central American Catastrophe Risk Insurance Facility (CCRIF)

Targeted market: Central America and the Caribbean;

Insurance approach: macro-level;

Financial commitment: EUR 15 m

Support of an existing index insurance pool which offers index insurance policies against earthquakes, tropical cyclones and excess rainfall.

MiCRO (SDC Mandate)

Targeted market: Central America;

Insurance approach: micro-level;

Financial commitment: EUR 3.6 m

Promotion of need-based insurance solutions against natural disasters.

Direct Climate Agricultural Insurance

Targeted market: Serbia;

Insurance approach: micro-level;

Financial commitment: EUR 8.5 m

Combination of working capital loan (seed) and insurance of basic risks to professionalise farm risk management.

Agricultural Insurance in Armenia

Targeted market: Armenia;

Insurance approach: meso- and micro-level;

Financial commitment: EUR 5.3 m

Development of need-based agricultural insurance solutions for poor and vulnerable households.

African Risk Capacity (ARC)

Targeted market: Africa;

Insurance approach: macro-level;

Financial commitment: EUR 92.2 m

Provision of index insurance policies against drought to qualified member states of the African Union.

ARC Replica

Targeted market: Africa;

Insurance approach: macro-level;

Financial commitment: EUR 10 m

Replication of insurance policies of ARC member states for international humanitarian aid organisations.

Rural Resilience Initiative (R4)

Targeted market: Ethiopia;

Insurance approach: micro-level;

Financial commitment: in the pipeline

Supporting the upscale of WFP's Rural Resilience Initiative (R4) in Ethiopia to increase the resilience of low-income farm households.

»»

Contact

KfW Group

KfW Development Bank

Competence Centre Financial Sector & Education

Palmengartenstrasse 5-9

60325 Frankfurt am Main, Germany

Telephone +49 69 7431 9101 / -1757

Carolin.Stetter@kfw.de / Martin.Knoll@kfw.de