



World Food
Programme

SAVING
LIVES
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LIVES

CLIMATE RISK INSURANCE

Annual Report 2021



Odile, microinsurance beneficiary in her field in Anjahamahavelo, Madagascar.

WFP/Alice Rahmoun

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EAST AFRICA: WFP/Michael Tewelde

ASIA: WFP/Sayed Asif Mahmud

SOUTHERN AFRICA: WFP/Badre Bahaji

LAC: WFP/Sabrina Quezada

WEST AFRICA: WFP/Bintou Diallo

Acronyms

AA	Anticipatory Action
AF	Adaptation Fund
ARC	African Risk Capacity
ARV	Africa RiskView
ATP	Ability to Pay
AYII	Area Yield Index Insurance
ASALs	Arid and Semi-arid Lands
ASAP	Adaptation for Smallholder Agriculture Programme
BCM	Beneficiary Contact Monitoring
BMZ	Federal Ministry for Economic Cooperation and Development of the Federal Republic of Germany
CA	Conservation Agriculture
CCRIF SPC	Caribbean Catastrophe Risk Insurance Facility
CCS	Climate Capacity Score
CDRFI	Climate Disaster Risk Financing and Insurance
CERF	Central Emergency Response Fund
CIC	Community Inclusion Currencies
CO	Country Office
CoE	Center of Excellence on Gender-smart Solutions
CSA	Comité de Sécurité Alimentaire
CSP	Country Strategic Plan
DANIDA	Danish International Development Agency
FAO	Food and Agriculture Organization of the United Nations
FbF	Forecast-based Financing
FCDO	Foreign, Commonwealth, & Development Office
FCS	Food Consumption Score
FEWS NET	Famine Early Warning Systems Network
FFA	Food Assistance for Assets
FGD	Focus Group Discussions
FII	Forecast Index Insurance
FIP	Final Implementation Plan
FISP	Farmer Input Support Programme
GCF	Green Climate Fund
GIZ	German Agency for International Cooperation
GMI	Group Maturity Index
HARITA	Horn of Africa Risk Transfer for Adaptation
HDI	Human Development Index
HGSF	Home-Grown School Feeding
HII	Hybrid Index Insurance
ICRM	Integrated Climate Risk Management
IDF	Insurance Development Forum
IDP	Internally Displaced People

IFAD	International Fund for Agricultural Development
IGA	Income Generating Activities
IGP	InsuResilience Global Partnership
IPC	Integrated Food Security Phase Classification
IRI	International Research Institute for Climate and Society
KfW	German state-owned development bank
KOICA	Korea International Cooperation Agency
KPI	Key Performance Indicators
LSA	Lean Season Assistance
MIN	Micro Insurance Network
OCHA	United Nations Office for the Coordination of Humanitarian Affairs
OP	Operational Plan
PHL	Post-Harvest Loss
PICSA	Participatory Integrated Climate Services for Agriculture
PICAP	Pacific Insurance and Climate Adaptation Programme
PMG	Producer and Marketing Groups
PSNP	Productive Safety Net Program
RBA	Rome-based Agencies
RTP	Risk Transfer Parameters
RWH	Rain-Water Harvesting Systems
SAMS	Smallholder Agricultural Market Support
SBCC	Social and Behaviour Change Communication
SDC	Swiss Agency for Development and Cooperation
SDG	Sustainable Development Goals
SfC	Savings for Change
SIDA	Swedish International Development Cooperation Agency
SIPE	Satellite-Index Insurance for Pastoralists in Ethiopia
SNV	Netherlands Development Organization
SPM	Selection, Planning, and Management
TWG	Technical Working Group
UNCDF	UN Capital Development Fund
UNDP	United Nations Development Programme
UNU-EHS	UN University Institute for Environment and Human Security
USAID	United States Agency for International Development
VESA	Village Economic and Social Associations
VF	Vision Fund
VFM	Virtual Farmer's Market
VSL	Village Savings and Lending Group
WASH	Water, Sanitation, and Hygiene
WII	Weather Index Insurance
WTP	Willingness to Pay



Model of agroecology land showcased for participants farmers in Sampona.

WFP/Frederica Andriamanantena

Foreword

The climate crisis is a daily reality for millions of people around the world and a leading cause of hunger. More frequent and intense droughts, floods and storms are causing vulnerable people to lose their homes, crops and livelihoods. 2021 has been among the seven warmest years on record and, like previous years, adds to the list of worst years in terms of climate-related disasters.¹ Consecutive years of drought have created famine-like conditions in Madagascar, leaving many families without any means to feed themselves. In the Horn of Africa, an estimated 13 million people are suffering from hunger due to consecutive droughts and failed crops.² Every day, humanitarian needs are increasing in the face of compounding climate, health, and economic crisis.

2021 has also been a significant year for climate action, ending with the UN Climate Change Conference, COP26. While the outcomes of COP26 cannot be considered sufficient from a humanitarian perspective - falling behind the climate action goals needed to prevent the worst impacts of the climate crisis- they have put stronger focus on the conversation about climate-induced loss and damage. Loss and damage are the devastating and irreversible impacts of climate change that occur when mitigation and adaptation efforts have been insufficient.

In Glasgow, countries recognized the rising costs of loss and damage and agreed to hold a dialogue to discuss financing for it ahead of COP27.

In this context, investing in approaches to prevent, minimize and address loss and damage associated with the adverse effects of climate change is crucial for WFP. These approaches are focused on helping governments and communities to manage climate risks in a forward-looking manner and encompass a range of climate and disaster risk financing instruments – including climate risk insurance programmes.

Climate risk insurance enables vulnerable people to better cope with climate shocks. It can support smallholder farmers to absorb the effects of failed harvests, pastoralists to keep providing food and veterinary care to their livestock, micro and small entrepreneurs to continue their productive activities, and governments and humanitarian agencies to launch well-coordinated, efficient and early responses. When integrated with other risk management strategies such as nature-based protection, informal saving schemes or social safety nets, insurance solutions offer important financial protection from potentially catastrophic events.

Over the past decade, WFP has become the UN's leading organization making climate risk insurance solutions work for food insecure populations. On the community

1. World Meteorological Organization. 2022. [2021 on of the seven warmest years on record, WMO consolidated data shows.](#)
2. World Food Programme, 2022. [Millions face hunger as drought grips Ethiopia, Kenya and Somalia, warns World Food Programme.](#)

level, WFP promotes microinsurance solutions through its flagship approach for integrated climate risk management, the R4 Rural Resilience Initiative (R4). The approach combines a set of integrated risk management strategies that address both the climatic as well as non-climatic drivers of vulnerability. On the level of government systems, WFP promotes sovereign insurance products through its ARC Replica and macro-insurance programmes. These solutions allow governments and WFP to protect vulnerable people and communities with pre-arranged funding that enable rapid responses to climate shocks.

While 2021 was a year still marked by the COVID-19 pandemic and its resulting economic and social impacts, WFP was able to protect 2.7 million vulnerable people in 19 countries with climate risk insurance products. Under R4, WFP provided access to microinsurance solutions to nearly 395,000 households in 14 countries, benefitting 1.8 million people. Through its macro insurance programmes, WFP supported the governments of Burkina Faso, The Gambia, Mali, Mauritania, and Zimbabwe with macro-level climate risk financing instruments, protecting 750,000 people from catastrophic drought events. WFP also piloted sovereign risk financing approaches in Dominica.

In 2021, several major payouts were triggered under WFP-supported insurance programmes. In **Ethiopia**, following devastating drought conditions, over US\$980,000 in payouts were triggered under WFP's Satellite Index Insurance for Pastoralists in Ethiopia (SIPE) programme, benefitting nearly 125,000 people in the Somali region. Another payout of the same amount is about to be disbursed in 2022. After drought and pests destroyed crops during the 2020/2021 growing season, crop index insurance policies in **Malawi** triggered one of the largest payouts in Africa, totalling US\$2.45 million, benefitting around 325,000 people. In **Madagascar**, after two failed planting seasons, 17,500 people benefitted from payouts of US\$480,000. In **Mali**, after a late onset of the 2021 growing season resulted in crop failures, WFP received an ARC Replica insurance payout of US\$7.1 million to assist 204,000 people with emergency and resilience-building efforts in the country's drought-affected regions.

2021 also saw the expansion of WFP's insurance programmes in the Latin America and Caribbean region. Over 2,500 farmers and small and micro entrepreneurs accessed microinsurance solutions in **El Salvador**, **Guatemala**, and **Nicaragua**, protecting agricultural

production from the risks of drought, earthquakes, and excess rainfall, benefitting nearly 13,000 people. In **Cuba**, WFP has provided technical assistance to the national insurance company to develop an Area Yield Index Insurance (AYII) prototype, a type of insurance that protects farmers' low yields due to several risks, including drought, pests and diseases. WFP also expanded to Asia, launching a microinsurance pilot for social welfare beneficiaries in **Fiji**, protecting them from financial losses in the wake of heavy winds. In addition, WFP provided technical assistance to the Government of **Zambia**, supporting the design of an improved index insurance product under the Government's Farmer Input Support Programme (FISP), which insured over one million people for the 2021/22 agricultural season.

WFP has continued its engagement with global insurance networks and platforms in 2021- notably the InsuResilience Global Partnership (IGP), the Insurance Development Forum (IDF) and the Micro Insurance Network (MIN)- and strengthened partnerships with international agencies and institutions, including the International Fund for Agricultural Development (IFAD) and the Africa Risk Capacity (ARC). These partnerships enable the scaling-up of climate and disaster risk finance and insurance solutions.

In 2022, WFP will expand its insurance programmes in Asia, East and West Africa, while continuing to scale up investments in existing program countries. Efforts will be intensified to improve integration and layering between different risk financing solutions, including with forecast-based financing and contingency finance for governments, and village savings mechanisms for local communities. Specific focus will be put on compiling lessons from the field and gathering robust evidence on the benefits of managing risk in a forward-looking and preventative manner. Additional partnerships and resources will be sought to sustainably expand and scale up climate risk insurance coverage, generate evidence, and build institutional capacity for risk financing.

We are grateful for the continuous support of our partners and donors, and look forward to continuing this important work in 2022.

Gernot Laganda

*Chief, Climate and Disaster Risk Reduction Programmes
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VISION, GOALS, TARGETS

Vision

The World Food Programme (WFP) is the leading humanitarian organization saving lives and changing lives, delivering food assistance in emergencies and working with communities to improve nutrition and build resilience. WFP's vision is to end global hunger by helping reduce risk and vulnerability to shocks and achieving sustainable food security and nutrition.

For WFP, enabling access to climate and disaster risk financing and insurance solutions is central to fulfilling its mandate of saving lives and changing lives while ending global hunger.

Through its climate risk insurance programmes, WFP supports governments and communities to cope with shocks, financing early responses after catastrophic events, enabling faster recovery from climate extremes and promoting resilience-building measures that protect individuals and communities from growing climate risks.

Safeguarding **food security** and **building resilience** through **financial protection** for the most vulnerable

- Investing in systems and facilitating the creation of conducive market conditions for sustainable insurance services while making products more innovative, efficient, and valuable to the insured.
- Adopting risk-layered approaches, combining several climate risk financing solutions, to efficiently address different levels of risk.
- Fostering integration and linkages with WFP programmes, as well as government and private sector programmes and initiatives.
- Strengthening existing collaboration with international agencies, institutions and global insurance networks and platforms.
- Generating robust evidence on the impacts and effectiveness of climate risk insurance and early action.

Enabling access to **sustainable** and **scalable climate risk insurance** solutions through **integrated** and **risk-layered** approaches

Goals

WFP aims to build the resilience of vulnerable and food

Targets

4 million people protected by climate risk insurance by **2026**

预览已结束，完整报告链接和二维码如下：

https://www.yunbaogao.cn/report/index/report?reportId=5_31037

