

# 2016 Climate Conference Addressing CLimate Risk For Sustainable Development

Climate Risk Management

Through Insurance

By

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September 29, 2016

# Scope of the Framework

This Framework addresses the provision of MicroAgri designed to cover the risk protection needs of all stakeholders in the agriculture value chain.

# MicroAgri Coverage

MicroAgri shall refer to both standard indemnity based and parametric-based microinsurance which may be used to insure all assets and economic activities related to the agriculture, forestry, fisheries, and agro-processing sectors in the Philippines.

- a. Standard indemnity-based microinsurance shall refer to microinsurance products that indemnify the insured for all or a portion of actual covered losses incurred when one or more pre-defined events occur within the term specified in the policy contract.
- b. Parametric-based microinsurance or index-based microinsurance shall refer to microinsurance products that indemnify the insured when one or more pre-defined parameters/indices have been breached (triggers or thresholds) within the term specified in the policy contracts. Instead of indemnification based on actual loss measurement, the benefit amounts are determined by one or more parametric formulae or indices which yield proxy estimates that are correlated to the actual losses.

# Parametric-Based MicroAgri

The parameters/indices that may be used in constructing proxy loss formulae in parametric-based MicroAgri include:

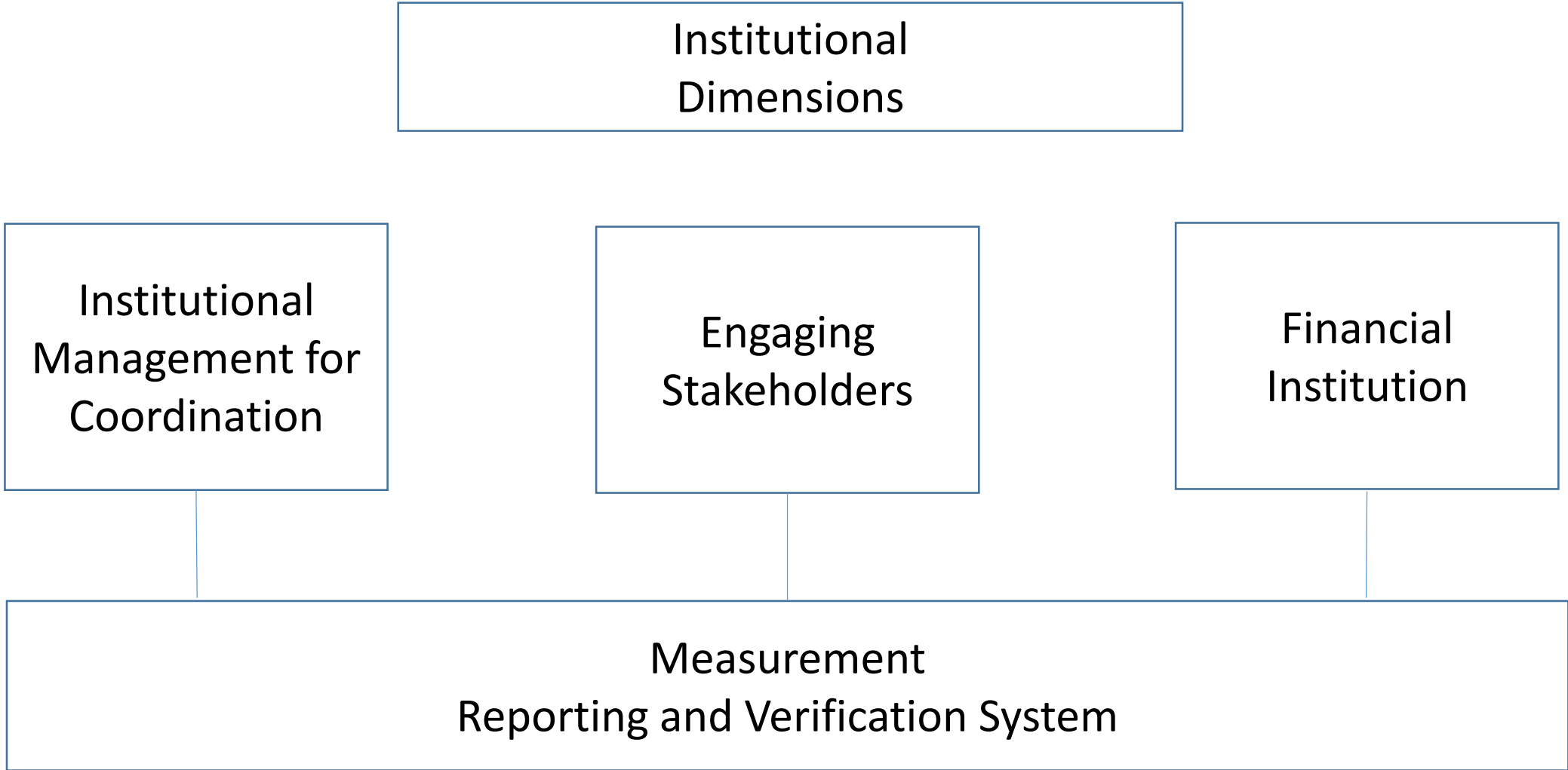
- a. Wind speed (kph),
- b. Temperature (degrees Celcius),
- c. Relative humidity (percentage),
- d. Water levels, rainfall (amount of, in mm); and
- e. Other similar indices that may be permitted by the Insurance Commission.

The area-based yield / average-based yield measurements and methodologies (crop-cutting, remote imagery and others) may also be applied for determining payout values.

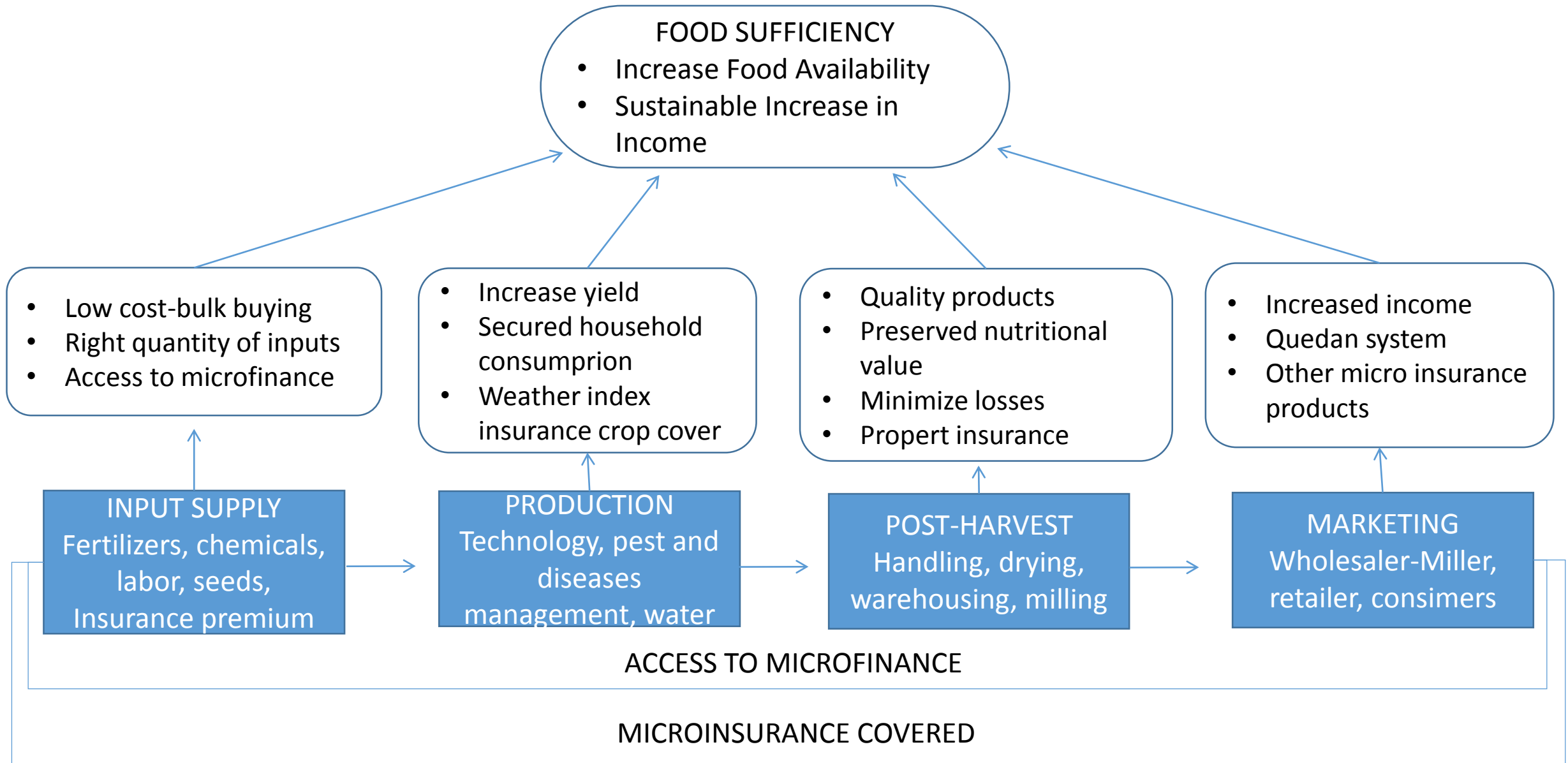
# Enhancing financial resilience: the role of disaster risk financing strategies



# Climate Risk Management Via Agri Insurance



# Food Sufficiency Program With Responsive Agricultural insurance



# Agricultural Insurance Initiatives

