



UNITED NATIONS
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Institute for Environment
and Human Security



Build Disaster Risk
Resilience in the
Pacific through
Finance, Adaptation
and Insurance



Impact Capital
for Development

How Can Digital Services Empower and Build the Resilience of Women and the Socially Excluded Against Climate Change?



Pacific Update 2023

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Presentation Overview

- Development Challenge
- Why women's digital financial inclusion matter?
- UNCDF-PICAP's Approach
- CDRF Solutions
- Testimonials

Development Challenge

- **Deep-rooted gender inequalities** due to socially constructed roles, gender norms, and traditions, among other factors thus there is a lack of access to resources, including digital services limited revenue and capacity. Not unique to women - women led MSMEs, PWDs, and vulnerable groups.
- Pacific women's **access to finance is limited** due to low financial and digital literacy, informality, and lack of credit history which makes it difficult for them to demonstrate creditworthiness to access loans or other credit facilities.
- **Multiple roles for women to fulfill is a key hinderance** - The long distance, high cost, and time required to travel to access points is a considerable barrier to access financial services for Pacific Islanders, especially for women living in rural and maritime area.

Why does Women's Digital Financial Inclusion Matter?

Gender Equality and Social Inclusion

Women's economic
empowerment



Untapped market - revenue
opportunities for the private
sector

Poverty reduction and SDGs

Resilience and Security

Pacific Insurance & Climate Adaptation Programme

Objective: Improving the financial preparedness of PSIDS towards climate change and natural hazards

Market-based CDRFI targeted at:

- Low-income households & communities
- MSMEs
- Co-ops & Agri-agency associations and unions
- Financial institutions

➤ Fiji



➤ Samoa



➤ Kiribati



➤ Vanuatu



➤ Solomon Islands



➤ Timor Leste



➤ Tonga



➤ Papua New Guinea



➤ RMI



UNCDF Ecosystem Approach

Government Agencies



Reinsurer



Local Insurance Providers



UN Partners



Aggregators / Cooperatives / Clients



Digital Payment Providers



Insurtech



Data Partner



Risk Modeller



Insurance Literacy Partners



Welfare Product Aggregator



UNCDF/PICAP Digital Services



Impact Capital
for Development



Gender-sensitive Digital Onboarding Platform

Enables digital onboarding to inclusive insurance solutions.

- Eliminates travelling costs – remote onboarding
- lower e-KYC requirements (ID and location proof – driver's license, and voters ID have both details).

Digital Payments

- MNOs engaged in enabling premium payments and payouts via e-wallets
- Financial inclusion for women – especially those in remote areas without access to traditional banking services.



PICAP-GESI Strategy

Objective: Ensure that the most vulnerable and marginalised are fully represented in climate and disaster risk finance and insurance (CDRFI) instruments - truly 'leaving no one behind' in the digital era



Aligns to SDGs 13B: An insurance response mechanism that improves the resilience of women and other marginalised groups against climate shocks.



CYCLONE: COMBINED WIND AND RAINFALL COVER

- A combined wind and rainfall cover based on a pre-defined index.
- The pay-out is applicable on the occurrence of either wind or rainfall and also if both wind and rainfall triggers happen together.
- The cover pays out within two weeks once the thresholds listed below for wind speed and/or rainfall are met or exceeded.
- Multiple events within one policy year are covered up to a maximum of 100% of sum insured.
- Sum Insured: \$1000 and \$2000 (2 options)
- Premium: 10% of sum insured (e.g \$100 premium for \$1000 cover)

OPTION 1: SUM INSURED \$1000

Payout Structure Wind Speed (FJD)					Excess Rainfall		
Max Wind Speed Range (km/hr); TC Category*	Distance to the Eye of the Cyclone (km)				Index Definition	Cumulative rainfall over 5 consecutive days	
	0-25	25-50	50-75	75-100		Strike (mm)	Payout (FJD)
≥ 119 WS < 154 - Cat 1	\$37.5	\$0	\$0	\$0	Strike		
≥ 154 WS < 178 - Cat 2	\$125	\$50	\$0	\$0	Strike 1(≥)	300	\$125
≥ 178 WS < 209 - Cat 3	\$275	\$200	\$100	\$0	Strike 2(≥)	350	\$250
≥ 209 WS < 252 - Cat 4	\$400	\$325	\$225	\$100	Strike 3(≥)	400	\$375
≥ 252 - Cat 5	\$500	\$425	\$325	\$200	Strike 4(≥)	450	\$500
Total Maximum payout (sum insured)	100% or \$1000 combined						

* As per Saffir–Simpson hurricane wind scale, values are in FJD of sum insured
Wind data: JTWC
Rainfall data: ECMWF

OPTION 2: SUM INSURED \$2000

Payout Structure Wind Speed (FJD)					Excess Rainfall		
Max Wind Speed Range (km/hr); TC Category*	Distance to the Eye of the Cyclone (km)				Index Definition	Cumulative rainfall over 5 consecutive days	
	0-25	25-50	50-75	75-100		Strike (mm)	Payout (FJD)
≥ 119 WS < 154 - Cat 1	\$75	\$0	\$0	\$0	Strike		
≥ 154 WS < 178 - Cat 2	\$250	\$100	\$0	\$0	Strike 1(≥)	300	\$250
≥ 178 WS < 209 - Cat 3	\$550	\$400	\$200	\$0	Strike 2(≥)	350	\$500
≥ 209 WS < 252 - Cat 4	\$800	\$650	\$450	\$200	Strike 3(≥)	400	\$750
≥ 252 - Cat 5	\$1000	\$850	\$650	\$400	Strike 4(≥)	450	\$1000
Total Maximum payout (sum insured)	100% or \$2000 combined						

* As per Saffir–Simpson hurricane wind scale, values are in FJD of sum insured
Wind data: JTWC
Rainfall data: ECMWF

OBJECTIVE

To improve the financial preparedness and climate disaster risk resilience of Fiji's most vulnerable populations.

TARGET BENEFICIARIES



Social welfare participants living in high risk locations in Fiji

SUM INSURED

FJ\$400

per policy year

ANNUAL PREMIUM

FJ\$32 (less than \$1 per week)

per member

COVERAGE PERIOD

Cover duration is from September 2022 to September 2023.
Risk duration is from October 2022 to September 2023.

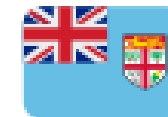
RISK/PERILS COVERED



Wind + Rainfall

*Any claim triggered within one month of the date of policy commencement will not be admissible.

**4,799 individuals
covered for
2022/2023 period
(47% women)**



Fiji



Tonga



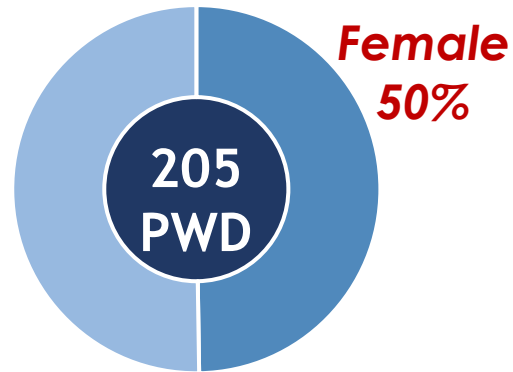
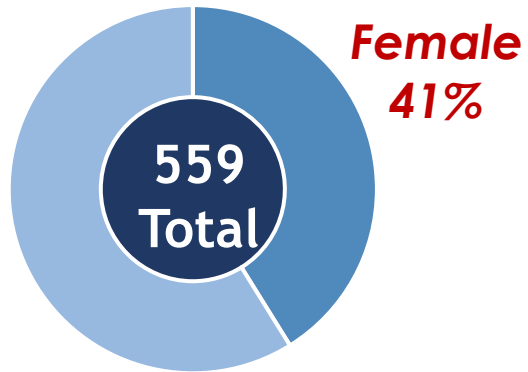
Vanuatu

4147 + 559 + 93

Fiji Payouts



JANUARY

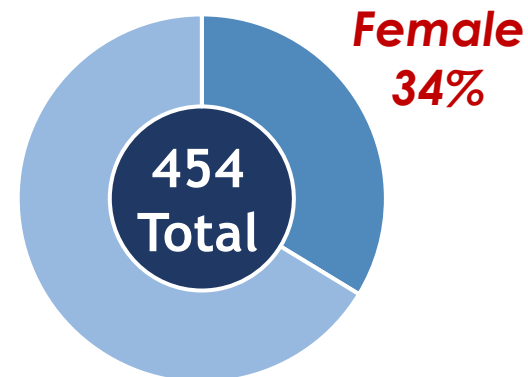


87%

13%

FJ\$100,000

FEBRUARY



73%

27%

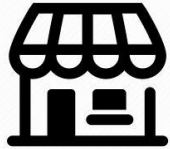
FJ\$101,000

Historic Parametric Insurance Payout- Fiji

Kalesi Ledua, farmer, caterer, and former chef, Nadi, Fiji

"Personally, it has boosted my ability to buy more stuff for my canteen business to generate more income. To have a positive mindset, move forward, advocate within my family, my community, and women in gender equality"

Received a payout through M-PAiSA in February 2023 after floods affected her home.



Kalesi re-invested the payout into her business to buy items for her canteen business and generate more income.



Payouts through digital channels made the process easy and efficient



Emele 'Emily' Qio, Cane Farmers' Co-Operative Savings and Loans Association Ltd (CCSLA) member, farmer, community leader, and MSME owner

"I live in an area where flooding is the norm. Receiving the payout has helped me feed my family and stand on my own feet instead of waiting around [for support]."

The excessive rainfall damaged her farm, and she struggled to restart her business without any other form of support.



Since receiving the payout, Ms. Qio now advocates for parametric insurance in her community and urges others to sign up.



The quick digital payout of claims and the non-requirement for any verification of losses were features of the product that Ms Qio described as 'empowering.'





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Unlocking Public and Private
Finance for the Poor

Thank You!

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