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Gender Analysis of Climate and Disaster Risk Finance and Insurance in Costa Rica

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Preface

This assessment was conducted by Oxford Policy Management Europe GmbH on behalf of the Centre of Excellence on Gender-smart Solutions. The project manager is Alessandro Maggioni. The technical lead for this assessment is Paula Silva Villanueva.

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The Centre of Excellence on Gender-Smart Solutions (CoE) is an initiative under the Global Shield against Climate Risks and serves as a hub for advancing gender-responsive approaches within Climate and Disaster Risk Finance and Insurance (CDRFI). Its primary role is to centralize expertise, best practices, and resources

to ensure that gender equity is integrated into CDRFI solutions, fostering inclusive resilience against climate risks. To support the Global Shield In-Country Process (ICP), the CoE has commissioned Oxford Policy Management (OPM) to conduct a gender analysis. This analysis aims to identify gender-specific vulnerabilities and opportunities within the national context, providing critical evidence to inform the Global Shield stocktake and gap analysis.

The findings can help pinpoint protection gaps and guide the development and implementation of inclusive, gender-responsive strategies as part of the Global Shield support package. For more information email: gendercoe@globalshield.org

Content

Preface	2
List of Abbreviations	4
Executive Summary	6
Main findings	6
Conclusion and recommendations	7
1 Introduction	8
1.1 Purpose of this review	8
1.2 Methodological approach	8
1.3 Scope, limitations and structure of this study	9
2 Costa Rica's Risk Profile	10
3 Gender Differential Vulnerabilities to Climate and Disaster Risk	12
3.1 Drivers of vulnerability	12
3.2 Access and barriers to financial resources	15
3.3 Impact of intersectionality on vulnerability	18
4 National Policies and Programmes	20
4.1 Overview	20
4.2 CDRFIs programmes in Costa Rica: recent developments	21
5 Gender in Climate and Disaster Risk Finance and Insurance	24
5.1 Benefits of gender-responsive Climate and Disaster Risk and Insurance	24
6 Conclusions and Recommendations	27

List of Abbreviations

CAPRA	Comprehensive Approach to Probabilistic Risk Assessment
CDRFI	Climate and Disaster Risk Finance and Insurance
CONASSIF	Consejo Nacional de Supervisión del Sistema Financiero
CoE	Centre of Excellence on Gender-smart Solutions – Global Shield
CRI	Climate Risk Insurance
FONAFIFO	Fondo Nacional de Financiamiento Forestal
INAMU	Instituto Nacional de las Mujeres
INEC	Instituto Nacional de Estadística y Censos
INS	Instituto Nacional de Seguros
MiCRO	Microinsurance Catastrophe Risk Organisation
MINAE	Ministry of Environment and Energy
OPM	Oxford Policy Management
PES	Payment for Environmental Services (Pago de Servicios Ambientales)
SUGEF	Superintendencia General de Entidades Financieras
SUPEN	Superintendencia de Pensiones
SUGESE	Superintendencia General de Seguros de Costa Rica
SUGEVAL	Superintendencia General de Valores
UIIF	Urban Infrastructure Insurance Facility Project
UNDP	United Nations Development Programme

List of Tables, Figures, Boxes

Table 1:	Natural Disasters in Costa Rica 1990 – 2020	11
Table 2:	Transaction data according to average balances and number of people per sex. As of December 31, 2022*	16
Table 3:	Estimated funded activities by gender. As of December 31, 2022	17
Table 4:	Percentage of employment rates and Gender gaps in employment rates by socio-economic group	19
Figure 1:	Key Natural Hazard Statistics for 1980–2020	10
Box 1:	Main findings from the gender gap analysis in the agricultural and forestry sector	13
Box 2:	Gender inequalities in Costa Rica’s livestock sector	14
Box 3:	Key elements to support financial inclusion	22
Box 4:	Benefits of Climate Disaster Risk Finance and Insurance	25
Box 5:	Gender-responsive micro-insurance scheme examples in Latin America	26

Executive Summary

Climate-generated risks impose high and disproportionate impacts on vulnerable groups such as women, children, older adults and other socially excluded groups. These groups are usually financially vulnerable and have little or no access to instruments such as insurance, credit, and savings, which are essential for building resilience and mitigating the economic impacts of disasters.

Through in-depth desk research and key informant interviews, this paper synthesises the climate disaster risk finance and insurance (CDRFI) landscape in Costa Rica, focusing on identifying relevant gaps in integrating gender and, in part, social inclusion. To this end, the report presents Costa Rica's vulnerability to climate-induced disasters, the differentiated vulnerabilities to climate change impact, and a review of the country's CDRFI-related policy frameworks, ongoing initiatives and emerging opportunities. The report is limited to and based on the available documentation and programmes on CDRFI in Costa Rica and insights from key informant interviews.

Main findings

This study reveals that the CDRFI landscape in Costa Rica is mainly nascent. At present, **there is a lack of targeted climate and disaster risk insurance products designed specifically for women, children, older people, or people with disabilities.** However, there are positive developments that can support future CDRFI programmes in Costa Rica. Of particular importance is the National Climate Change Gender Action Plan.

The main gaps identified in this report can be categorised as follows.

- › **Institutional and Regulatory frameworks:** National plans acknowledge the importance of risk financing. Yet, these remain high-level policy goals without detailed regulatory frameworks or implementation plans. These can establish enabling conditions and appropriate regulatory frameworks for functioning and coordinating gender-responsive climate and disaster risk reduction measures and insurance.
- › **Gender and Climate data:** one of the most significant gaps is the non-availability of gender-disaggregated disaster risk and exposure information. The absence of data and analyses of climate and disaster impacts restricts the development of effective, targeted solutions to address the unique needs of women and marginalised groups in climate-related disasters. Furthermore, although gender mainstreaming is included in climate and disaster risk national policies, there is no comprehensive evaluation or data to track the impact of these initiatives on women in disaster scenarios.
- › **Access to financial products:** vulnerable populations, particularly women in rural areas, face significant challenges accessing formal financial services. This gap is especially pronounced for women and indigenous groups, who often have lower financial education and face social exclusion. This includes, for example, limited access to economic resources and assets. While a National Gender Action Plan for Climate Action (*Plan de Acción Nacional sobre Igualdad de Género en la Acción por el Clima*) is in place, it does not include risk financing as a mechanism to address gender and social exclusion.
- › **Product development, capacity and incentives:** there is a lack of targeted financial tools, such as disaster financing or insurance programmes or products, designed specifically for women, children, older people, or people with disabilities. The stakeholders interviewed also highlighted the lack of capacity and public and private incentives for product development.

Conclusion and recommendations

Addressing these gaps will be critical to ensuring that CDRFI programmes are genuinely inclusive and meet the needs of Costa Rica's most vulnerable populations. **The report concludes that, given the mainly nascent stage of CDRFI targeting vulnerable communities, an enabling environment suitable for reducing the protection gap is needed to address these four gaps.** Below, we provide specific recommendations across the four pillars aimed at policymakers responsible for enhancing the operational readiness of gender-responsive CDRFI in Costa Rica.

1. Establish a long-term government commitment to developing and scaling CDRFI programmes including a focus on gender responsiveness. To this end, specific recommendations include:

- › Develop policy, institutional, regulatory and operational guidelines to encourage gender-responsive CDRFI products by strengthening collaboration between financial sector regulators and other government agencies with gender equality mandates, such as the National Institute of Women (INAMU).
- › Mainstream gender responsive-CDRFI in existing climate and disaster risk policies and plans, particularly in the Climate Change Gender Action Plan.
- › Similarly, where possible, mainstream CDRFI instruments into ongoing policies and programmes that promote gender equality in the context of climate change, such as environmental programmes.
- › Support market development, including financing premium subsidies and/or tax reductions and mandating disaster risk insurance as necessary.

2. Generate quality data for the foundation of gender-responsive programmes. Given the different risks faced by women and the other burden of climate-related shocks for women, gender-targeted and gender-responsive instruments are crucial. To this end, recommendations include:

- › Develop robust climate risk data and modelling.
- › Generate gender-disaggregated data (by sex, age, ethnicity, and geographic location) and evidence of the differentiated vulnerabilities and impact of disasters.
- › Generate research and evidence to identify incentives, barriers and opportunities to using gender-responsive CDRFI mechanisms.

3. Support Inter-institutional coordination and public-private partnerships to facilitate knowledge exchange with key stakeholders. To this end, recommendations include:

- › Engage and invest in civil society as part of the broader enabling environment activities. Civil society organisations have deep knowledge about the vulnerabilities, livelihoods and risk management strategies of women, low-income households and excluded groups.
- › Facilitate dialogue among relevant government departments, insurance service providers, (micro) finance institutions, and grassroots and civil society groups to ensure, among other things, that gender roles and differentiated social needs are considered when designing insurance products and that such products are packaged and presented in ways that are gender-responsive initially, and gender transformative eventually.
- › Forge in-depth collaboration and discussions with communities. Conduct discussions to comprehend communities' risk transfer needs, demand for insurance, and ability over time to contribute towards the cost.

4. Support and incentivise product design and access targeting the most vulnerable and poor population groups. To this end, recommendations include:

Build capacity

- › For communities: support financial education and capacity-building support, particularly for the most vulnerable, to improve insurance literacy and skills.
- › For insurance providers: provide training and capacity-building to key stakeholders, including relevant government institutions and the private sector, to improve their understanding of the intersection of gender, climate change, and insurance and drive the design of effective insurance instruments.

Address barriers and generate incentives:

- › Address the main structural barriers that prevent the most vulnerable from accessing the financial system (e.g. access to land ownership, support a sustainable formalisation of activities, capacity development and training).
- › Prototype climate risk insurance products with different groups of women, recognising that women's profiles and needs may differ based on their lifecycle and economic segment.
- › Secure product availability and affordability through incentivising product creation as necessary (financing premium subsidies and tax reductions).
- › In some cases, it can be necessary and valuable for development partners or donor organisations to provide financial support for testing, improving, and scaling up insurance programmes. Support may cover various aspects, such as supervision, data collection, training, information campaigns, capitalisation, or premium subsidies.

1 Introduction

Affordable insurance products mitigate the loss and damages caused by climate change. Yet, women and men often face very different risks and impacts. The Intergovernmental Panel on Climate Change (IPCC) acknowledges that, in many cases, these different risks and impacts are connected to non-climatic factors such as structural inequalities¹. These include labour profiles, asset ownership, household responsibilities, and decision-making power. As a result, climate-generated risks impose high and disproportionate impacts on vulnerable groups such as women, children, older adults and other socially excluded groups. Such groups are usually financially vulnerable and have little or no access to instruments such as insurance, credit, and savings, which are essential for building resilience and mitigating the economic impacts of disasters².

Despite several global and national efforts to enhance financial access, women, especially those in low-income and rural settings, are still largely excluded from financial systems. This exclusion reduces their capacity to undertake preventive risk management measures or recoup losses due to catastrophes. While women's entrepreneurship remains a substantial growth area, it is hindered by challenges related to credit and insurance, as highlighted by the UN Women 2023 report on financial resilience.

Gender-responsive Climate and Disaster Risk Finance and Insurance (CDRFI) consider the diverse needs, roles, and responsibilities of people of all genders, and as such, hold significant potential to strengthen the resilience of countries and to protect the lives and livelihoods of poor and vulnerable women and men, as well as their families, from the impact of disasters. Without identifying and incorporating gender-specific needs, vulnerabilities, challenges, constraints, and capacities, CDRFI mechanisms will not perform effectively for over half of their intended beneficiaries. At worst, they may entrench existing structural inequalities.

1.1 Purpose of this review

The research examines how the inclusion of a gender perspective has been mainstreamed in the CDRFI policy approaches and programmes in Costa Rica. To this end, this note takes stock of policies and programmes in Costa Rica mainstreaming of gender-responsive measures in CDRFI to identify existing gaps and offer recommendations for improvement, in agreement with the Centre of Excellence on Gender-smart Solutions focal person in Costa Rica and the in-country Support Structure. In particular, the analysis seeks to:

- To the extent possible, capture gender-differentiated vulnerabilities to climate and disaster risk.
- Analyse the level of gender mainstreaming and any critical gaps in present CDRFI policies, programmes, and frameworks, including other social dimensions where possible.
- Promote the potential of gender-responsive CDRFI to build the resilience of the most vulnerable and provide successful examples of gender mainstreaming within disaster risk finance and insurance.
- Provide policy advice to policymakers to improve gender-sensitive CDRFI systems.

In pursuing these specific objectives, this analysis is intended to promote equal access to financial resources for women, children and other vulnerable groups in Costa Rica.

1.2 Methodological approach

A combination of desk research and key informant interviews was conducted. This report builds on the available documentation on CDRFIs in Costa Rica. The literature review considers documentation of existing climate and disaster risk-related national policies, plans and programmes (for instance, the National Climate Action Plan). The literature review also builds on previous scoping studies, including the Organisation for Economic Co-operation and Development (OECD) and the General Superintendency for Insurance (SUGESE) review of the insurance system and the World Bank technical assessment of the financial sector in Costa Rica (2022). The desk research also includes global literature on gender and insurance to capture good practices and inform the formulation of the recommendations.

1 UN Secretary-General's High-Level Panel on WEE (2016). [Leave no one behind: A call to action for gender equality and women's economic empowerment](#).
2 World Bank, [Gender Equality and Women's Empowerment in Disaster Risk Management](#), (Washington, DC: World Bank, 2023).

To undertake this desk research, the dimensions of the InsuResilience Gender Lens framework were considered³. These dimensions include gender-related policy and institutional frameworks, gender-sensitive product development, financial accessibility, and workforce inclusion. In line with this framework, and where relevant, the study adopted an intersectionality lens to ensure that overlapping vulnerabilities – such as socio-economic status, sex, geographic location, and disability – were captured during the review.

The different sources of documentation have been complemented with insights from key informant interviews. A stakeholder analysis was performed to determine actors of influence within Costa Rica's CDRFI context. These stakeholders include micro-finance networks, insurance companies, non-governmental, and government entities. From this mapping, five key informants were shortlisted for in-depth interviews with representatives from the Instituto Nacional de las Mujeres (INAMU), the United Nations Development Programme (UNDP), the Microinsurance Catastrophe Risk Organisation (MiCRO), and the Fondo Nacional de Financiamiento Forestal (FONAFIFO).

The data collected during the in-depth interviews complement relevant data derived and provided by the support structure engaged in the Costa Rica Global Shield in country process. These include minutes of the meetings of two national workshops on CDRFIs (with gender components) and interviews with stakeholders from the private sector, including representatives from the Private Insurance Association of Costa Rica and Mapfre Costa Rica (a private company).

1.3 Scope, limitations and structure of this study

The scope of this review was restricted to those policies and programmes explicitly designed for CDRFI. Since 2015, Costa Rica has been leading gender negotiations in the context of the UN-FCCC and is one of the Gender Action Plan agents⁴. Yet, this is the first report bringing together gender and insurance policies and instruments in Costa Rica, considering also elements of social inclusion. This is partially explained by the fact that the CDRFI sector is still in the early stages of development, limiting the scope and depth of the gender analysis and insight captured in this report. Yet, the review identifies key opportunities for integrating gender-responsive CDRFI mechanisms in ongoing national efforts.

In addition, no gender-disaggregated data about climate risk, exposure, and vulnerability currently exists, representing a significant research limitation. The lack of gender-disaggregated data poses a significant challenge in designing effective gender-responsive CDRFI policies. This is recognised as a critical action point in the National Climate Change Gender Action Plan (2023) and is identified as a key recommendation in this report. This gap was addressed by expanding the scope of this research (CDRFI policies and programmes) to build on available data sets, such as agricultural and forestry policies, evaluations, and programmes. Although this data is not climate-specific, it enables us to build a comprehensive picture of the differentiated vulnerabilities of different groups. Furthermore, existing policies and programmes that aim to foster gender equality, largely focused on women as main targeted group. Other drivers of social exclusion such as age, disability and ethnicity are not addressed. This has limited the scope of the intersectional analysis originally envisioned for this research. Nonetheless, when available, we have included relevant data sets to highlight existing socio economic inequalities across different groups.

In addition, the study's strength lies mainly in the desk-based research that reduces direct community insight; a part of this shortcoming was addressed with the help of the stakeholder interviews, which allowed for an improved understanding of key barriers discussed in the report.

Following this introduction, the report is structured as follows:

- › **Section 2** of the report presents Costa Rica's climate risk country profile. It captures critical gendered vulnerabilities, focusing on the main barriers to accessing financial resources for the most vulnerable groups.
- › **Section 3** provides an overview of national and sub-national level strategies/policy frameworks relevant to CDRFIs and (although limited) projects and solutions currently in place or under development.
- › **Section 4** presents the potential benefits of gender-responsive CDRFI for Costa Rica, drawing on global literature, evidence, and regional examples.
- › **Section 5** focuses on the benefits of gender-responsive CDRFI products and solutions.
- › **Section 6** concludes with preliminary recommendations for policymakers in Costa Rica.

³ Centre of Excellence on Gender-Smart Solutions, [Step-by-Step Guidance: Gender Lens Investing in Climate and Disaster Risk Financing and Insurance \(CDRFI\) Solutions](#),

⁴ REDD+ Costa Rica (2019), [Gender Action Plan for the National REDD+ Strategy](#)

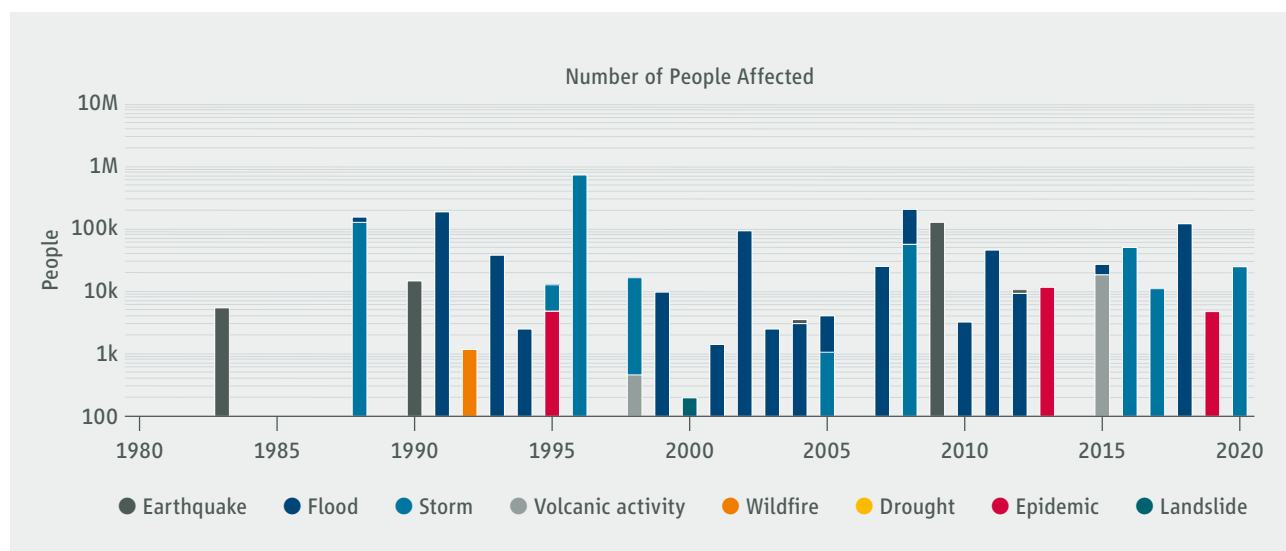
2 Costa Rica's Risk Profile

Climate change poses a critical challenge for all countries today, and Costa Rica is no exception. Costa Rica has the 8th highest economic risk exposure to three or more hazards, indicating the potential financial impact⁵. Namely, 77.9 per cent of Costa Rica's population and 80.1 per cent of the country's gross domestic product reside in areas at high risk of multiple hazards. The Emergency Event Database shows that from 1990 to 2020, the country has been affected by various climate-related hazards, including droughts, floods, landslides, storms, earthquakes, and wildfires, which have cost lives and caused economic damage (see **Figure 1** and **Table 1**).

The impact of climate hazards varies across the country.

The country's capital city of San Jose tends to be the most intense and best documented in terms of losses⁶. **Droughts** generally affect only the Pacific Slope. They pose the most significant risks to the North Pacific and Northern zones near Nicaragua's border, increasing intensity, frequency, and length and affecting **water resource** availability. **Floods**, a result of extreme rainfall events, can affect all regions of the country and significantly impact the country's inhabitants. **Volcanic activity** is permanent, with eruption episodes that may be repeated every 30 years⁷. Considering these climate hazards, the agricultural sector appears to be one of the economic sectors most at risk from climate shocks and stressors. The rising temperatures and extreme heat conditions will result in significant implications for human health and agriculture⁸. Furthermore, storms and flooding are expected to impact the San Jose metropolitan area, with risks to water and sanitation systems as well as agricultural production⁹.

Figure 1. Key Natural Hazard Statistics for 1980-2020



Source: Climate Change Knowledge Web Portal. Costa Rica Profile. World Bank.

5 Comisión Nacional de Prevención de Riesgos y Atención de Emergencias (CNE). (2015). "Política Nacional de Gestión del Riesgo 2016-2030". San José, C.R.

6 Barrantes, J. (2010), "Prologo", Tópicos Meteorológicos Y Oceanográficos, Vol. 19, No. 1(2020), pp. 5-9.

7 Comisión Nacional de Prevención de Riesgos y Atención de Emergencias (CNE). (2015). "Política Nacional de Gestión del Riesgo 2016-2030". San José, C.R.

8 Climate Risk Profile: Costa Rica (2021): The World Bank Group

9 ibidem

Table 1. Natural Disasters in Costa Rica 1990 – 2020

Natural Hazard 1900–2020	Subtype	Events Count	Total Deaths	Total Allowed	Total Damage ('000 USD)
Drought	Drought	5			24,000
Epidemic	Viral Disease	3	3	21,638	
Flood	Riverine Flood	21	97	571,659	368,000
	Undefined	8	51	196,265	35,000
Earthquake	Ground Movement	17	2,616	164,493	365,700
Landslide	Landslide	7	200		
Storm	Tropical Cyclone	8	114	769,836	562,390
	Undefined	1	3	216,000	
Volcanic Activity	Ash Fall	7	104	109,771	5,000
Wildfire	Forest Fire	2		1,200	

Source: Climate Risk Profile: Costa Rica (2021): The World Bank Group

As the climate changes, weather-related disasters will likely continue to occur, exacerbating existing vulnerabilities in Costa Rica. In recent decades, Costa Rica has seen significant changes in the patterns of precipitation and increases in temperatures, as well as in land use and its degradation¹⁰. Variability continues to mark the annual expression of climate since the frequency and intensity of multiple phenomena can increase or decrease. Therefore, the climate of Costa Rica will be marked by dry extremes, such as the drought of 2008¹¹ and rainy extremes, such as during the El Niño of 2014–2015¹².

According to Costa Rica's National Adaptation Plan, the country has already experienced negative impacts of climate variability, including record economic losses from extreme hydrometeorological events such as episodes of the El Niño Southern Oscillation (ENSO)¹³. The Disaster Risk Management Policy presents projected losses from hydrometeorological disasters by 2030 and 2050, pointing to direct damages costing between US \$7 million and \$30 million¹⁴. As such, the country is working to understand, anticipate, and take action to reduce these impacts¹⁵.

10 Costa Rica (2018). Política Nacional de Adaptación al Cambio Climático de Costa Rica 2018–2030

11 Instituto Meteorológico Nacional Costa Rica (2008). Boletín Del Enos No. 11. 12 Mayo

12 Climate Risk Profile: Costa Rica (2021): The World Bank Group with reference to MINAE-IMN. (2015). "Costa Rica Informe Bienal de Actualización ante la Convención Marco de las Naciones Unidas sobre el Cambio Climático".

13 Costa Rica (2018). Política Nacional de Adaptación al Cambio Climático de Costa Rica 2018–2030

14 Comisión Nacional de Prevención de Riesgos y Atención de Emergencias (CNE). (2015). "Política Nacional de Gestión del Riesgo 2016–2030". San José, C.R.

15 Climate Risk Profile: Costa Rica (2021): The World Bank Group

3 Gender Differential Vulnerabilities to Climate and Disaster Risk

3.1 Drivers of vulnerability

Vulnerability is a function of socio-economic, geographic, demographic, cultural, political and environmental factors. Different groups face varying levels of vulnerability to climate change due to factors such as gender, age, social status, health, wealth, disability, and other sociocultural characteristics. International agreements like the 2030 Agenda¹⁶, the United Nations Framework Convention on Climate Change (UNFCCC)¹⁷, and the Paris Agreement¹⁸ acknowledge that climate risks often disproportionately affect women, men, and other vulnerable populations in distinct ways.

Research¹⁹ demonstrates that the impacts of climate change are not gender-neutral. Currently, gender-disaggregated data quantifying the differentiated impact of climate change is not available in Costa Rica. This has been identified as a critical priority action in the National Plan for Gender Equality in Climate Action (see [section 3](#)). Yet, in 2024, Costa Rica scored 0.79 in the global gender gap index²⁰, which shows a gender gap of approximately 21 per cent (women are 21 per cent less likely than men to have equal opportunities). Similarly, the country scored 0.68 in the gender gap index area related to economic participation and opportunity (women are 32 per cent less likely to have equal economic participation and opportunities than men).

Latest international and national research (see footnotes and [section 3.2](#)) in the field identifies several factors that increase the impact of climate disasters on women:

Limited access to resources²¹: Women often have less access to land, credit, and agricultural inputs than men (see [Box 1](#)). Their limited access to financial services and technology and lack of access to training and support networks also hamper their ability to recover from climate shocks.

Workload and Responsibilities²²: women's caregiving roles and the increased workload during and after disasters exacerbate gender inequalities in health and economic outcomes. Women typically bear a larger share of household responsibilities, including fetching water and firewood, which can become more burdensome during disasters. In general, unpaid work increases during and after disasters, leading to greater gender inequalities in health and economic outcomes.

Social and Cultural Norms²³: closely related to the point above, gender norms can restrict women's mobility and decision-making power, making it harder for them to access emergency services, information, and relief efforts during disasters.

Economic Vulnerability²⁴: women are more likely to be involved in subsistence farming and informal employment (see [box 1](#)), which are highly vulnerable to climate impacts. This financial instability exacerbates their vulnerability during and after climate disasters.

16 UN, "Transforming our world: The 2030 Agenda for Sustainable Development"

17 UNFCCC (2022), Synthesis report "Dimensions and examples of the gender-differentiated impacts of climate change, the role of women as agents of change and opportunities for women", June

18 UNCC, Press release "What is the Paris Agreement?"

19 FAO. (2017). "The role of gender in Climate-Smart Agriculture", Climate Smart Agriculture SourceBook, Rome. Available at; Inter-American Development Bank (2020) "Study of the Impacts of Climate Change on the Women and Men of the Caribbean: Pilot Programme for Climate Resilience Countries", Technical Note No IDB-TN-02064, , December 2020; UNFCCC (2022), Dimensions and examples of the gender-differentiated impacts of climate change, the role of women as agents of change and opportunities for women, Synthesis Report, June; UN Women (2024), "Gendered Analysis of the Impact of Climate Change on Poverty, productivity, and Food Security", Technical Report working paper.

20 Measures gender gaps in health, education, and quality of life. Computed by the UN.

21 Gender and Climate Change: Evidence and Experience" by Biodiversity International, CARE International et al. (2015); Climate Change and Gender Inequality in Agriculture" by World Bank (2019); UN Women, Press release (2022), "Explainer: How gender inequality and climate change are interconnected"

22 Neumayer, Eric, and Thomas Plümper (2007) "The Gendered Nature of Natural Disasters: The Impact of Catastrophic Events on the Gender Gap in Life Expectancy, 1981-2002." Annals of the Association of American Geographers, vol. 97, no. 3, pp. 551-66; UNDP, Press release (2023) "What does gender equality have to do with climate change?"; Explainer: How gender inequality and climate change are interconnected | UN Women – Headquarters, Press release (2022)

23 Behrman, J. A.; Bryan, E. and Goh, A. (2014) Gender, climate change, and group-based approaches to adaptation. In "Enhancing women's assets to manage risk under climate change: Potential for group-based approaches". Ringler, C.; Quisumbing, A. R. at al. (Eds) 2014. Pp. 3-8. Washington, D.C.: International Food Policy Research Institute (IFPRI); UNDP (2016) "Ensuring Gender-Responsive Climate Change Adaptation"

24 World Bank (2019), "Climate Change and Gender Inequality in Agriculture"

Box 1

Main findings from the gender gap analysis in the agricultural and forestry sector

- There are around **12,598 women producers** in Costa Rica²⁵. Namely, **72.8 per cent of women who work on farms** typically receive no form of payment or remuneration²⁶. A further examination of the data reveals that 17.2 per cent of women are permanently employed with pay, **48 per cent are permanently employed without pay**, 9.9 per cent are employed temporarily with pay, and **24.8 per cent are temporarily employed without pay**. By contrast, 27.6 per cent of men are permanently employed with pay, 45.8 per cent are permanently employed without pay, 9.3 per cent are temporarily employed with pay, and 17.3 per cent are temporarily employed without pay²⁷.
- An analysis of the data on extreme rural poverty shows that **11.6 per cent of female-headed households** are living in **extreme poverty, compared to 8.3 per cent of male-headed households** living under this condition.
- Costa Rican women continue to experience a large gender gap related to land tenure²⁸. According to the 2014 Agricultural Census, only 15.6 per cent of farm owners in Costa Rica are women. **Most farms owned by individuals (84.4 per cent, or 68,389 farms) are held by men.**
- The land tenure gap between men and women in Indigenous Territories is much smaller than for non-indigenous lands: 32.7 per cent of farms in the hands of indigenous producers and located in the 24 indigenous territories, were managed by women. The lowest disparities in land tenure were found in the Bribri area and notably in the Talamanca Bribri territory.

Moreover, the Cabécar group, together with the Bribri, show the largest number of indigenous women involved in agriculture. These groups operate under a matrilineal system, compensating with social institutions the gaps in policy and regulations. However, also these women **struggle to receive formal recognition of their properties**²⁹.

- The CEDAW committee report³⁰ also shows that **rural women face major challenges in obtaining titles and owning property**, rendering them ineligible to participate in certain projects, receive support, and benefit from environmental and agricultural incentive programmes.
- Some Costa Rican **cantons with lower social development indexes** are in areas where there is a **higher percentage of women** producers and a greater proportion of forests.
- Women tend to have smaller areas at their disposal for growing crops** and coffee production is the main activity. Yet, the agricultural census found that a high percentage of crops produced by women were for household consumption.
- There is a greater percentage of women engaged in the management and protection of natural forests. Yet, Women have little access to capacity-building processes and information that are relevant to their farm systems, as they are not recognized as producers or conservation agents. This is so because, in many cases, they work on a smaller scale and near their homes.
- Many areas under higher risk of forest fires correspond to areas with more women-owned farms³¹.

25 REDD+ Costa Rica (2019), Gender Action Plan for the National REDD+ Strategy, with reference to INEC, 2017. A Vision of the Agricultural Sector based on the 2014 National Agricultural Census.

26 Costa Rica National Agricultural Census 2014

27 INEC, 2017. A Vision of the Agricultural Sector based on the 2014 National Agricultural Census

28 REDD+ Costa Rica (2019), Gender Action Plan for the National REDD+ Strategy

29 ibidem

30 INAMU, 2017. Committee on the Elimination of Discrimination against Women. Costa Rica's seventh periodic report.

31 REDD+ Costa Rica (2019), Gender Action Plan for the National REDD+ Strategy

Lack of Representation³²: women's underrepresentation in decision-making processes at all levels – local, national, and international – limits their ability to influence climate policies and disaster management strategies. This lack of representation in agricultural and climate-related decision-making bodies results in policies that do not fully consider their unique vulnerabilities and capacities, leading to policies and interventions that do not fully address their needs and vulnerabilities.

The agricultural and agribusiness sector in Costa Rica reflects to various degrees all the above factors of gendered vulnerability, which exposes women to more significant climate disaster-related risks. The sector represents a substantial contribution to the national economy, accounting for a little over 10 per cent of the country's employment in 2022³³, and contributing 3.8 per cent of GDP. In 2023, it also led the country's exports, with 19 per cent of total exports³⁴, employment and incomes.

Data available shows how both at the local and national levels, in Costa Rica, women face gender inequalities in relation to land tenure, participation in decision-making, training and access to information, access to finance and control of economic resources, and childcare responsibilities³⁵. Women and children are among the highest-risk groups, and there are significant barriers to accessing the formal financial sector. Agriculture accounts for 36 per cent of Costa Rica's land use, and recent studies have captured gender differences in the country's agriculture and forestry sectors. **Box 1** summarises key findings of gender analysis in this sector.

When examining gender inequalities in the livestock sector, we observe a similar pattern of challenges that intertwine structural, socio-economic, and cultural factors, shaping a profile of higher climate-related risk for women. In this sector, we also encounter issues such as limited access to resources, lack of representation, higher economic vulnerability, and cultural and social factors.

Box 2

Gender inequalities in Costa Rica's livestock sector

- **Only 42 per cent of women own the land** they work. This limits their access to credit and restricts their participation in sectoral discussions. The majority of women manage less than 20 hectares and own fewer animals than men.
- 85 per cent of women do not receive any **economic compensation** for their agricultural work, which forces them to seek additional income outside livestock production, increasing their overall workload. Income from livestock production is mainly reinvested in the farm and used for **household expenses**.
- **The workload** women livestock keepers face, characterized by double and triple working hours, poses a major challenge that restricts their participation and permanence in livestock farming.
- **Limited access to land** plays a key role in restricting women's decision-making influence in livestock production. Overall, 33 per cent of women indicate that they have limited decision-making possibilities in their livestock activities.
- Only 16 per cent of women hold board positions in livestock organisations, and their **participation** is often limited by discriminatory practices and domestic responsibilities.
- Limited access to **training and education**. 77 per cent of women demand training in various subjects, such as administration, product diversification, sustainable livestock management, among other subjects related to the strengthen and their productive activity.

Source: UNDP (2023), *Análisis de la situación de las mujeres ganaderas en Costa Rica* | Programa De Las Naciones Unidas Para El Desarrollo"

32 UN Women, Press release (2022), "Explainer: How gender inequality and climate change are interconnected"

33 SEPSA (2023), "Desempeño del Sector Agropecuario 2022"

34 For more details, please see: *Costa Rica Trade Indicators 2021* | WITS Data

35 REDD+ Costa Rica (2019), *Gender Action Plan for the National REDD+ Strategy*

3.2 Access and barriers to financial resources

Affordable insurance products and the availability of savings can mitigate the losses and damages caused by climate events. However, access to insurance is influenced by several factors, including access to the financial ecosystem (bank accounts, savings, pensions and the securities market), financial barriers (cost of insurance premiums, deductibles, and out-of-pocket expense) and employment status. Regarding the latter, in Costa Rica, structural gaps negatively impact women and indigenous communities; these include the capability of having their own income, economic resources and assets, especially in the agricultural and livestock sectors (see **Box 1** and **Box 2** above).

Global Findex data from 2021 reveals that 61 per cent of women (aged 15 and above) owned a bank account, compared to 76.3 per cent of men³⁶. This reflects a gender gap of 15 percentage points. Interviewees highlight that this is partly due to restrictive and patriarchal social norms overlaying limited financial literacy, which further restricts their access. Women's difficulties accessing the formal banking system is a key barrier to promoting inclusive financial access and tailored insurance products. Opportunities for financial inclusion, particularly for women, hinges on expanding financial and digital literacy programmes.

According to the Ministry of Agriculture and Livestock (MAG)³⁷, **the productive activities carried out by women in rural areas tend to progress slowly. They encounter greater difficulties accessing lines of credit**, the means of production and have less time available due to their domestic and caregiving responsibilities. The extra burden of domestic work and caregiving limits the economic autonomy of these women, who find themselves at a disadvantage in terms of access, management, and enjoyment of the resources of time, work, and income.

The profile of economic vulnerability of women in Costa Rica also concerns their regular **access to the labour market** and employment status and the related subscription to the Mandatory Labor Risk Insurance (Seguro Obligatorio de Riesgos del Trabajo – RT). Of the total number of employed persons, the RT does not cover 775,872, of which 296,628 (14 per cent) are women and 478,244 (22 per cent) are men. Even though there are fewer women not covered by the RT, it is important to note that they are also the ones with the lowest employment at the national level, which is around 37 per cent and for men, 63 per cent³⁸.

If we compare the data on the employed population estimated by the National Institute of Statistics and Census (*Instituto Nacional de Estadística y Censos*, INEC)³⁹, the highest rates of occupational risk unprotection are found among women over 45. Specifically, the coverage rate for women between 45 and 59 is 44.2 per cent. This drops even further for women aged 60 and over, where the proportion is only 23.3 per cent. Age and gender are thus interacting factors in shaping the economic vulnerability of social groups.

As highlighted in **Box 1**, women in the **agricultural sector** suffer a marked inequality in revenue distribution. This gap needs to be combined with the high level of informality among **women-led organisations** in rural areas. The last National Time Use Survey by the INEC shows how around **82 per cent** of these organisations **operate with various degrees of informality**⁴⁰. This aspect limits their options to access formal credit from commercial banks⁴¹.

36 The Global Findex Database provides almost 300 indicators on account ownership, payments, saving, credit, and financial resilience. Findex data is reported for all indicators by country, region, and income group. Available here: The Global Findex Database 2021 <https://www.worldbank.org/en/publication/globalfindex/Data>

37 MAG, 2017. Our Farm Notebook. "Women agricultural producers".

38 *ibidem*

39 Based on the continuous employment survey until December 2022, as mentioned in **III Informe brechas entre hombres y mujeres en el acceso y uso del sistema financiero en Costa Rica** (2023)

40 For more details, please see **INEC 2023**

41 AFI and SUGESE (2024). The Role Regulators Play in Closing the Financial Inclusion Gender Gap: A Case Study of Costa Rica. See: https://www.afi-global.org/wp-content/uploads/2024/04/Costa-Rica_The-Role-Regulators-Play-in-Closing-the-Financial-Inclusion-Gender-Gap.pdf

Table 2. Transaction data according to average balances and number of people per sex. As of December 31, 2022*

Balance		%	Beneficiaries	%	arrears > 90 days
Women	113,249.00	28 %	8,435	32 %	2,84 %
Men	286,317.00	72 %	17,548	68 %	2,78 %
Total	399,566.00	100 %	25,983	100 %	2,79%

* Figures in millions of Colons

Source: Sistema Banca de Desarrollo, III Informe brechas entre hombres y mujeres en el acceso y uso del sistema financiero en Costa Rica (2023)

Access to financial resources in Costa Rica reveals significant disparities between genders. Women producers receive less financial support for their farms. Very few farms generally receive financial support⁴², and women receive much less funding than men. According to INEC data, 9.1 per cent of farms owned by women producers received some type of financing, compared to 14.3 per cent of those owned by male producers. Women producers did not receive financial support for several reasons⁴³: they failed to request it (89.3 per cent), their ability to pay was limited (2.3 per cent), they did not hold title to their property (2.2 per cent), they lacked collateral (1.5 per cent), or they had a poor credit history (0.1 per cent). Many women do not have a bank account, so their access to financial resources or incentives is limited⁴⁴; moreover, if they receive money, they usually have no control over it.

In 2022, the Development Banking System⁴⁵ data showed that only 32 per cent of all loans were granted to women⁴⁶, whereas 68 per cent were given to men. Looking at the number of loans granted in 2022, men received 9,113 more loans than women: the gap corresponds to 35 per cent. The gender gap is exacerbated by the loan amount. Men received 173,068 million colons more than women, accounting for a 43 per cent difference (see **Table 2**).

The data indicates an even lower percentage in the agriculture sector, with only 20 per cent of loans given to women. Most were lines of credit for working capital and buying assets, representing 16 per cent and 22 per cent of all loans granted for these two lines of credit, respectively⁴⁷.

When we look at the distribution of resources provided by the financial system to women and men across different sectors, we see that more than 50 per cent of these resources are used for productive activities in the agricultural sector (see **Table 3**). This further highlights the relevance of financial support in these activities. Contrary to other sectors, we observe a gender inequality in the percentage of financial support provided to men and women in the agricultural sector, with a 16 per cent gap in favour of men.

Access to finance for indigenous communities is also below that of the average Costa Rican citizen⁴⁸. Complete financial exclusion is especially widespread among indigenous populations of different ethnic origins. In addition, those barely linked to the financial system mainly own savings accounts, which are low-cost to run but have a low functionality level. This makes addressing the volatility of personal finances extremely difficult for indigenous communities and creates poverty traps for them⁴⁹.

42 While Costa Rica has a relatively long history in microinsurance, it is estimated that only between 4 % and 12 % of the target population is covered by a microinsurance product. For instance, see: Micro Insurance Network (2021), "The Landscape of Microinsurance"

43 INEC, 2017. A Vision of the Agricultural Sector based on the 2014 National Agricultural Census.

44 State of the Nation on Sustainable Human Development, 2016. Twenty-second report

45 The Development Banking System (Sistema Banca para el Desarrollo) is a public policy that brings together the efforts of different entities involved in the financing and promotion of productive projects and has important implications for the financial inclusion of women.

46 Disaggregated data (age, ethnicity, geographic location) is not available

47 REDD+ Costa Rica (2019), *Gender Action Plan for the National REDD+ Strategy*

48 Sunel, E. (2020) Boosting access to credit and ensuring financial inclusion for all in Costa Rica. OECD Economics department working papers no. 1623. [https://one.oecd.org/document/ECO/WKP\(2020\)31/en/pdf](https://one.oecd.org/document/ECO/WKP(2020)31/en/pdf)

49 ibidem

Table 3. Estimated funded activities by gender. As of December 31, 2022

Sector	Women	Men
Agropecuario	51 %	67 %
Commerce	20 %	14 %
Service	20 %	11 %
Tourism	4 %	2 %
Industry	2 %	2 %
Other activities	3 %	3 %
Total	100 %	100 %

Source: Sistema Banca de Desarrollo, III Informe brechas entre hombres y mujeres en el acceso y uso del sistema financiero en Costa Rica (2023)

At the community level, most existing climate finance instruments in Costa Rica focus on income generation and access to loans. For example, the Payment for Environmental Services Program in Costa Rica is a financial mechanism where landowners receive direct payments for the environmental services that their lands produce when adopting sustainable land use and forest management techniques. From 1997 to 2017, on average, only 15.1 per cent of Payment for Environmental Services (PES) contracts were signed with women-owned farms⁵⁰. The Gender gap analysis conducted as part of the REDD+ shows, for instance, that Costa Rican rural women are facing a series of gender gaps related to recognition, procedures, and distribution, which are preventing them from becoming involved in and benefiting from these initiatives⁵¹.

Efforts to accelerate financial inclusion in the mitigation sector include the launch of the Ministry of Environment and Energy (MINAE) and the UNDP BioFin programme +Mujeres +Natura, which comprises three financial mechanisms to support access to financial resources for women in rural areas⁵²:

- › **Crédito Mujer Rural**, FONAFIFO, where FONAFIFO shifted its crediting rules to offer better loan conditions for rural women to boost economic development and improve their quality of life. Between 2020–2021, 22 loans have been allocated to rural women for 64 million colones (105 thousand dollars)
- › **Crédito Mujeres Natura**, Fundecooperación, approved 98 loans to rural women for almost 800 million colones.
- › **Pago de Servicios Ambientales a Mujeres** started in 2020, prioritising PES (Pago de Servicios Ambientales – PSA) for women forest and forest plantation owners⁵³.

Interviewees highlighted that changes to crediting rules were key to enabling rural women access to credit. 60% of FONAFIFO's clients included women who had not had banking access before. Measures for inclusion included i) offering lower interest rates, ii) reducing and simplifying bureaucratic processes, iii) providing capacity building and technical assistance to improve financial literacy, and iv) increasing premium payment flexibility. Interviews revealed that these enabling conditions were only possible by subsidising the operational cost. Yet, interviewees also acknowledge that there still are minimum compliance regulations that prevent poor women (poverty ratio below \$5.50 a day)⁵⁴ from accessing credits and loans. For example, despite efforts to reach the most vulnerable women, one out of three candidates did not access credit opportunities due to the lack of a guarantor.

Stakeholders also highlighted that although the loans allow for the purchase of life insurance, most clients do not include it in their loans as this would increase the premium payment. Modalities like FONAFIFO provide a learning opportunity for the design of CDRFI products as they consider the characteristics of their farms and the gender gaps they face in land tenure, access to information, and the lack of technical support and resources to hire forest regents and follow the necessary PES procedure.

⁵⁰ ibidem

⁵¹ ibidem

⁵² Please see, [BioFin, Finanzas para la biodiversidad](#).

⁵³ Compared with the previous years, this initiative is associated with an increasing rate of women with a finalised PES contract in the years 2021, 2022, 2023. However, the gap between men and women remains present. For details please see the [programme statistics published by FONAFIFO](#).

⁵⁴ World Bank Group (2021) [Poverty and Equity Brief. Costa Rica](#).

3.3 Impact of intersectionality on vulnerability

Apart from sex-based disparities, other vulnerable groups – including minorities, disabled persons, and older people – face heightened risks during disasters. These groups are often marginalised in both disaster planning and response efforts due to social exclusion, discrimination, and lack of access to essential resources.

Like anywhere else in the world, gender inequalities vary widely across socio-economic groups: between younger and older generations, between urban and rural areas, between indigenous and non-indigenous populations, between migrant and native workers, and between couples and single parents. When these characteristics intersect, the vulnerability levels are even higher.

For example

- › The World Bank (2021) report⁵⁵ highlights how in Costa Rica, persons with disabilities are 24 per cent less likely to complete primary education, on average, and this figure increases to 30 per cent if they also belong to an Indigenous group.
- › The latest OECD report on Gender equality in Costa Rica (2024) highlights that in urban areas, women's employment rates exceed those of women in rural areas by more than ten percentage points (see [Table 4](#)).

Furthermore, in rural areas, the gender employment gap (35 per cent) is significantly more pronounced than in urban areas (22 per cent). These differences likely reflect the considerable time that rural women spend on unpaid work responsibilities, such as housekeeping, and caring for children and other family members. At the same time, when rural women work for pay, they are more likely to be employed in the informal sector. Indeed, of all employed women in rural areas, 52 % work in the informal sector,

which is slightly higher than the share among rural men (49 %) and much higher than the corresponding share of employed women in urban areas (35 %). Women from poor, rural areas may contribute to the family income by engaging in subsistence agriculture, home-based production, or unpaid domestic and care work, with little extra time to devote to paid work activities and fewer opportunities to find a regular job.

To place the precarious working conditions of rural women in Costa Rica in context, it is important to recall that in 2022, the average household income level in rural areas was 39 percentage points lower than in urban areas (INEC, 2022[40]). In terms of poverty incidence, the percentage of households in poverty equalled 28 per cent in 2022 in rural areas (2 percentage points higher than in 2021), compared to 21 per cent in urban areas (where no significant change was registered relative to the previous year).

Furthermore, Indigenous women experience multiple and intersecting forms of disadvantage due to their gender, indigenous origins, and social and economic conditions.

In the eight territories where the bulk of Costa Rica's indigenous population resides, the average employment rate of women (17 per cent) is strikingly lower than that of men (56 per cent), on top of being lower than the employment rate of rural women more generally. Only 13 per cent of Indigenous girls have a secondary school degree.

⁵⁵ World Bank Group (2021) *Disability Inclusion in Latin America and the Caribbean: A Path to Sustainable Development*.

Table 4. Percentage of employment rates and Gender gaps in employment rates by socio-economic group.

	2023					
	I Quarter			II Quarter		
	Men	Women	Men-Women	Men	Women	Men-Women
Total employment rate	63.1	38.2	24.9	63.9	38.4	25.6
Employment rate by Age Group						
15 – 24 years	33.2	23.4	9.8	31.7	28.2	6.5
25 – 44 years	85.5	59.1	26.6	86.9	59.8	27.1
45 years and above	57.9	28.3	29.5	59	27.2	31.7
Employment rate by Level of Education						
Full primary or less	62.5	23.4	39.2	63.1	23.8	39.3
Less than secondary	57.5	35.5	22.0	58.1	33.7	24.4
Full secondary of university without title	62.1	40.9	21.2	63.2	43.1	20.1
University with title	75.9	64.9	11	76.5	63.2	13.3
Employment rate by Geographical Area						
Urban	62.4	40.1	22.3	63.4	41.1	22.3
Rural	64.9	32.8	32.2	65.3	30.3	35
Employment rate among workers with informal job						
Urban	38.8	39.1	-0.2	35.9	35.4	0.6
Rural	48.7	52.6	-3.9	48.6	52	-3.4

1. Employed population as a percentage share of the working-age population.

2. As a percentage share of the total employed population. Informal employment includes the following workers: i) Wage earners not registered with social security by their employers, ii) Unpaid care workers, iii) Self-employed and employers who are owners of unincorporated enterprises (not registered in the National Property Register and that do not keep formal accounts).

Source: Elaboration of OECD (2024)⁵⁶ from Instituto Nacional de Estadística y Censos (Costa Rica), “Sinopsis I-IIT2023 – Condición de actividad por sexo y zona”

Costa Rica’s latest national census indicates that at least 100,000 Costa Ricans identify as members of one of the country’s eight Indigenous communities. According to data from the International Work Group for Indigenous Affairs (IWGIA), many of these people live in dire socio-economic circumstances. For example, 70 per cent of the Bribri people live below the poverty line.

Therefore, while there is a general need to ensure that CDRFI policies and programmes benefit all women, priority should be given to Indigenous women and women living in remote areas. At the national level, Costa Rica has integrated a gender perspective as a central theme and cross-cutting issue in climate change action, particularly in its national plan for climate action and national REDD+ strategy. Yet, these documents primarily focus on women as vulnerable groups with limited to no reference or data about other sources of exclusion and vulnerability such as age, disability or ethnicity (see [Section 4](#), below).

⁵⁶ OECD (2024) Gender Equality in Costa Rica: Towards a Better Sharing of Paid and Unpaid Work. [Gender Equality in Costa Rica | OECD](#)

4 National Policies and Programmes

4.1 Overview

Costa Rica has adopted several climate and disaster risk management strategies and instruments over the last years, but there remains a significant gap in risk insurance mechanisms. Costa Rica has made substantial progress in strengthening its institutional and legal framework and mainstreaming climate and disaster risk management in its national development programme. The approval of the first disaster risk financial strategy⁵⁷, the strengthening of the National Emergency Fund, and the development of plans in different sectors (e.g., transport and agriculture) are key examples of progress made to date. The country has also made progress in building codes, environmental and climate change adaptation regulations, and land use planning.

Costa Rica's National Disaster Management Policy for 2016 – 2030 calls for risk reduction investments through financial protection instruments, including insurance products⁵⁸. It recognises the need to understand the differential vulnerabilities of people and social, economic, and environmental systems to climate variability and change. Nonetheless, the policy does not include concrete measures to enhance their resilience and adaptive capacity. The policy links adaptation to disaster risk management under a longer-term vision of capacity building that aims to prepare for future climatic risks. Costa Rica has implemented fiscal planning measures to ensure adequate financial resources to respond to disasters. This includes creating disaster contingency funds and developing fiscal rules for managing public debt⁵⁹. Yet, the policy calls for a coherent framework, enabling institutions to plan and have insurance mechanisms to prevent and respond to emergencies.

The 2020 NDC update sets out several objectives for the financial sector, including a critical goal related to the management of climate-related financial risks⁶⁰. Among other goals, strengthening financial instruments such as insurance to

finance adaptation and mitigation needs is identified as a critical goal. Costa Rica was the first country to receive a Catastrophe Deferred Drawdown Option (Cat DDO) loan from the World Bank in 2008. In 2023, Costa Rica Secured an additional \$160 million loan from the World Bank to strengthen the government's ability to manage risk from natural and pandemic-related hazards, including adverse effects of climate change and disease outbreaks. With a Cat DDO option, this loan provides pre-arranged financing for use in a major disaster⁶¹.

Costa Rica has also strongly emphasised climate change adaptation for the agriculture and livestock sectors. The State's Policy for Agri-Food (Agro-Alimento) for 2010 – 2021 identifies a set of adaptive measures for the industry. Adaptation options include, for example, providing incentives to diversify the crop mix, investing in technological improvements such as irrigation systems and observation technologies to address a changing climate profile, strengthening productive value chains by incorporating small producers from rural territories and family farmers and strengthening national agricultural policies⁶².

Regarding gender, the trend in climate change policies over time has been positive. Since 2015, Costa Rica has been leading gender negotiations in the context of the UNFCCC and is one of the Gender Action Plan agents for this convention⁶³. This commitment is reflected in national policies, with Costa Rica's Nationally Determined Contribution (NDC) indicating the country's support for a transformational gender approach, including people with disabilities and Indigenous communities, to public climate governance, as well as their participation in the policy formulation and implementation of climate-related activities⁶⁴. The National Plan for Gender Equality in Climate Action (2023) and the Gender Action for the National REDD+ Strategy (2019) represent an important step that strengthens the commitment made by its NDC.

57 Estrategia Nacional De Gestión Financiera del Riesgo de Desastres de Costa Rica Ministerio de Hacienda,

58 Comisión Nacional de Prevención de Riesgos y Atención de Emergencias (CNE). (2015)". San José, C.R. Namely, see the reference to the Lineamiento 18, pg. 45

59 International Monetary Fund (2023) *Costa Rica: Fourth Review Under the Extended Arrangement Under the Extended Fund Facility*, First Review Under the Resilience and Sustainability Arrangement, Request for Modification of Reform Measure Under the Resilience and Sustainability Facility, and Monetary Policy Consultation-Press Release; and Staff Report.

60 UNCC (2022) *Costa Rica Nationally determined contributions – NDC 2020*

61 World Bank Press release (2023), "Costa Rica Secures \$160 Million from the World Bank for Disaster Risk Reduction", March.

62 Ministerio de Agricultura y Ganadería (2011) *Política de Estado para el Sector Agroalimentario y el Desarrollo Rural Costarricense*.

63 REDD+ Costa Rica (2019), *Gender Action Plan for the National REDD+ Strategy*

64 UNCC (2022) *Costa Rica Nationally determined contributions – NDC 2020*

The National Plan for Gender Equality in Climate Action (INAMU, UNDP, MINAE) comprises five action areas. In climate and disaster risk management, the plan aims to ensure access to information, tools, and resources to strengthen women's resilience to climate change. Likewise, it establishes a governance and management model shared between INAMU and MINAE, in charge of inter-institutional and inter-sector coordination for implementing, monitoring and reporting the 40 priority actions registered by various institutions, organizations and local governments.

Access to climate and disaster risk insurance was raised as a demand from rural women engaged in the national plan consultation process. However, stakeholders interviewed for this research report that risk financing mechanisms were not included in the plan as, back then, it was considered that the country did not have in place the required 'enabling conditions' – that is, a favourable gender-responsive insurance market and instruments that could guarantee women's access. The Global Shield against Climate Risk initiative, which seeks to provide and facilitate more and better pre-arranged protection against climate and disaster related risks for vulnerable people, presents an opportunity to integrate climate and disaster risk insurance into Costa Rica's ongoing gender-responsive climate policy and actions.

4.2 CDRFIs programmes in Costa Rica: recent developments

The advancement of CDRFIs in Costa Rica has been slow. The Costa Rican insurance sector is a small part of a largely banking-dominated financial system⁶⁵, where insurance penetration rates are low: 2.3 per cent in 2023⁶⁶, with a slight increase compared with the 2.2 per cent in 2021⁶⁷, and vast segments of the low-income population and micro and small businesses, particularly in the agricultural sector, remain excluded from financial protection from natural and climate risks. This is below the average for Latin America (3.1 per cent), which already has a low insurance penetration rate compared to the global average⁶⁸.

The supervisory and regulatory structure of the Costa Rican financial system is composed of five bodies: the National Council for the Supervision of the Financial System (**CONASSIF**) constitutes the senior steering body of the supervisory and regulatory system of Costa Rica. CONASSIF supervises the four superintendencies: the General Superintendency of Financial Institutions (SUGEF), the General Superintendency of Securities (SUGEVAL), the Superintendency of Pensions (**SUPEN**) and the General Superintendency for Insurance (**SUGESE**)⁶⁹. CONASSIF has the authority to issue regulations regarding the authorisation, regulation, supervision, oversight, and operations of the superintendencies and the entities they supervise. Such rules are proposed and drafted by the superintendencies. SUGESE issues resolutions and guidelines on insurance (circulars, letters, resolutions, legal criteria and opinions). The Instituto Nacional de Seguros (INS) is a state-owned insurer focused on providing products and services related to the insurance market, using commercialisation channels such as direct purchase, independent agents, and state institutions. ASSA Compañía and Pan American Life follow the lead as leading insurers⁷⁰.

Research conducted by SUGESE and the OECD found that only 3 per cent of all losses from disasters caused by natural hazards were insured, and only 26 per cent of homes had coverage against catastrophes. Furthermore, insurance coverage is very asymmetric, with agricultural insurance coverage in Costa Rica currently only 1 %.⁷¹

Given the country's high exposure to natural disasters, SUGESE⁷² has implemented various initiatives to promote **inclusive insurance** in Costa Rica. INS is subject to SUGESE supervision and complies with additional reporting requirements to the Legislative Assembly. Notably, in 2019, SUGESE issued legal criteria to clarify that **parametric insurance is allowed under existing legislation**, and in 2020, it updated its Strategic Plan, including actions on climate change. In 2020, CONASSIF approved the regulation on inclusion and access to Insurance, facilitating regulation to address sectors underserved by the insurance industry. More recently, the Access to Insurance Initiative (A2ii), with support from the International Association of Insurance Supervisors (IAIS), is working with SUGESE to foster inclusive insurance markets.

65 OECD (2019) *Costa Rica: Review of the Insurance system*.

66 Estimated by MAPFRE Economics (2022), press release.

67 OECD *Insurance Statistics* (2022)

68 Estimated by MAPFRE Economics (2022), press release.

69 See <https://www.sugese.fi.cr/>

70 There are currently 13 insurance companies operating in Costa Rica, one state-owned and 12 privately held ones. Of these, three are non-life insurers and 10 are composite insurers. See below, OECD (2019)

71 See OECD (2019), *Costa Rica: Review of the insurance system*.

72 SUGESE participates in the objectives and goals of the National Development Plan, defined every 4 years by the Executive Branch of the Government, as part of the Public Finance, Monetary and Financial Supervision Sector, together with the other three superintendencies. It maintains communication with national governmental bodies, such as the Ministry of Education and the Judicial Branch, in the context of specific strategic projects such as catastrophic risk and financial education. The presence within CONASSIF of the Finance Minister and the BCCR Governor facilitate communication and coordination with the State bodies.

Interviews reveal that these changes in legislation are a step in the right direction and have incentivized the development of parametric insurance schemes (still under development). Yet, stakeholders highlighted that restricted access to gender and climate data and limited access to the most vulnerable to the banking systems pose critical bottlenecks for the design of parametric products.

SUGESE acknowledges the need for stronger financial protection for women as a critical factor that increases the resilience of households facing loss of income, health issues and impacts of climate disasters. This is particularly relevant considering the gender inequalities highlighted in [Section 3.2](#) above. Economically vulnerable women, without access to resources and with informal activities, are the first to be excluded from the system. Therefore, banking is one of the first steps toward financial inclusion. Women with income levels that meet their basic needs and who are already banked can initiate access to financial products such as credit, savings, and insurance⁷³.

Of the 12 insurance providers supervised by SUGESE active in Costa Rica in 2023, only two confirmed to have insurance products in their portfolio that explicitly target women and are designed to address the specific needs of this economically vulnerable group. Five products are focused on covering health issues, and only one is life insurance. However, the coverage of these insurance products is extremely low, raising questions about how to design a tailored insurance product and a marketing and distribution strategy. When asked about key barriers to the design and implementation of CDRFI products for the most vulnerable, stakeholder interviews (from the private and public sectors) highlighted how existing distribution channels for insurance are limited, especially when credit cards are required to sell certain insurance products. This excludes a large segment of the population outside formal banking systems. In addition, interviewees also refer to the challenges of offering affordable (low-cost) products. In particular, they point to current TAX regulations, where the 4 % tax for firefighters is levied on all insurance premiums. This tax is seen as increasing the cost of the premium.

A gender-responsive marketing and distribution strategy requires knowledge and understanding of the nature of the existing gaps. Again, collecting and analysing Gender-disaggregated data is a critical step. In 2023, the four superintendencies supervising the regulation of the financial ecosystem in Costa Rica (account opening, savings, insurance, pensions, and the stock market) worked on a Gender Gap Report, exploiting and valorising all available data.

Box 3

Key elements to support financial inclusion

Experience in the design and implementation of climate insurance products targeting economically vulnerable groups cumulated in various national contexts across the world, shows that some actions which can support financial inclusion are:

- **Use of Mobile Technology:** Leveraging mobile technology to offer insurance through apps and text messaging can facilitate access to women in rural and remote areas⁷⁴.
- **Microinsurance:** Develop microinsurance products that are affordable and tailored to the specific needs of unbanked women. Such insurance can cover weather risks such as droughts, floods and storms⁷⁵ (see [Box 5](#) for some examples).
- **Education and Awareness:** Implement financial education and awareness programmes on the importance of climate insurance. This may include community workshops and information campaigns⁷⁶.
- **Public-Private Partnerships:** Encourage partnerships between governments, NGOs and the private sector to develop and distribute climate insurance products. These collaborations may include subsidies to reduce the cost of premiums⁷⁷.

73 III Informe brechas entre hombres y mujeres en el acceso y uso del sistema financiero en Costa Rica (2023)

74 World Economic Forum, Press release (2024), [El acceso a los servicios financieros puede transformar la vida de las mujeres: una experta explica cómo](#), March

75 IPA (2018), [Cambio Climático e Inclusión Financiera](#), August

76 World Economic Forum, Press release (2024), [El acceso a los servicios financieros puede transformar la vida de las mujeres: una experta explica cómo](#), March

77 ibidem

In 2022, the National Insurance Institute⁷⁸ (INS) launched the first (and only registered) parametric insurance scheme focused on the coffee sector. However, the interviewee noted that the INS did not raise interest among farmers, and the product was unsuccessful. To raise awareness and demand for parametric insurance, the lesson from the region points to the importance of participatory processes whereby farmers are engaged in evaluating and designing the insurance scheme⁷⁹. In relation to gender, the National Insurance Institute (INS) has not yet developed gender-specific insurance products or collected gender-disaggregated data.

The World Bank's technical assessment of Costa Rica's financial sector identified the expansion of micro and parametric insurance as a key recommendation⁸⁰. Interviews for this research show that a lack of awareness, knowledge, and capacity regarding climate risk insurance and gender-responsive approaches are critical barriers to innovation in the insurance sector. Stochastic modelling of natural hazards (e.g., the Comprehensive Approach to Probabilistic Risk Assessment – CAPRA) and satellite data services, such as flood risk maps, which could inform the design of parametric insurance, are also operational in the country⁸¹. Nonetheless, interviewees identified technological challenges (model data and software) as the primary technical challenges for the design of insurance products.

The World Bank report⁸² points out that building awareness and capabilities with private insurance companies is a crucial challenge. Many of these firms have been established recently, and part of the population still prefers state-owned insurers. Private insurers are cautious about their costs, shareholder interests, and profitability. As such, there is a sentiment that this limits innovation in the insurance market.

Recognizing the need for expertise, capacity-building efforts and training programmes have taken place in the country. This includes, for example, the Urban Infrastructure Insurance Facility Project (UIIF)⁸³ (hosted by ICLEI – Local Governments for Sustainability) and the training in Disaster Risk Finance for key actors – including the Ministry of Finance, SUGESE, and the National Emergency Commission – hosted by the World Bank Disaster Risk Financing and Insurance Program (DRFP) in 2023.

Despite efforts to date, families, particularly the most vulnerable groups, do not have access to CDRFI solutions to improve their financial resilience. Insurance can be a tool to help people manage risk more effectively, yet it has yet to be available for poor and vulnerable people in Costa Rica. As Costa Rica continues to grapple with the effects of climate change, adopting CDRFI instruments offers a promising avenue to strengthen the financial resilience and preparedness of climate-vulnerable individuals and households against extreme weather events.

78 Prior to 2008, the sole insurance operator in Costa Rica was the National Insurance Institute (INS), a 100% state-owned composite insurance entity and financial group. INS is the only insurance company operating in Costa Rica authorised to undertake both reinsurance and direct insurance activity pursuant to the powers vested in it under the INS law (Law No 12).

79 Comisión Económica para América Latina y el Caribe (CEPAL)/Consejo Agropecuario Centroamericano del Sistema de la Integración Centroamericana (CAC-SICA), (2021) *Mejores prácticas y lecciones aprendidas sobre los seguros agropecuarios en Centroamérica y la República Dominicana* (LC/MEX/TS.2021/23), Ciudad de México

80 World Bank (2022) *Costa Rica financial sector assessment program technical note greening financial systems*. Technical Note, September

81 Please see, CAPRA (2012), *CAPRA in Costa Rica*, and *RAS Costa Rica*

82 World Bank (2022) *Costa Rica financial sector assessment program technical note greening financial systems*. Technical Note, September

83 UIIF supports cities in Latin America and the Caribbean to better manage their risks and, at the end of the process, acquire an insurance premium. The tailored insurance mechanisms provide rapid access to financial resources, covering critical infrastructure and residents most vulnerable to the impacts of such disasters. To this end, UIIF supports local governments to include a gender agenda while designing insurance products to increase the financial resilience of vulnerable groups, especially women.

5 Gender in Climate and Disaster Risk Finance and Insurance

5.1 Benefits of gender-responsive Climate and Disaster Risk and Insurance

Over the last decade, parametric insurance⁸⁴ against extreme weather events has increased in the Caribbean, Latin America, and Central America⁸⁵. It protects people, companies, institutions, and governments and reduces their burden, as risks spread across many shoulders even before potential damage occurs. Climate insurance schemes can significantly reduce climate disasters' impact on women in the agricultural sector and **contribute to gender equality and poverty reduction**. **Gender-responsive schemes** can play a key role in improving the different profiles of gender inequalities.

Climate risk insurance helps to provide timely and reliable finance to cover some economic losses, particularly compared to other (usually) ad hoc post-disaster financing options, such as aid, loans, and family assistance. This allows for rapid emergency assistance and reconstruction, helping to save lives, protect livelihoods and assets, and safeguard development gains. **Box 4** below summarises research findings on the potential impacts of Climate and Disaster Risk Finance.

However, evidence demonstrates that CDRFI instruments tend to be gender-biased and socially non-inclusive. This further creates hurdles for women and other marginalised communities to enrol in such programmes and schemes. The importance of integrating gender in CDRFI is underlined by the fact that 'gender-blind' insurance schemes may reinforce power differentials between women and men and, as a result, increase vulnerability (as well as potential losses) to those most exposed to and impacted by disasters and the adverse effects of climate change.⁸⁶

Furthermore, non-tailored product design and complex eligibility criteria that require women to own a business and a bank account widen the gender inequality gap. Lessons to date highlight that making climate risk insurance available is not enough. The extent to which insurance helps close the gaps in protecting vulnerable groups against climate risks depends on how it is structured. Interviews for this research highlight the lack of knowledge and capacity within the insurance sector as a critical barrier to designing gender-responsive insurance instruments.

84 Parametric insurance, also called index-based insurance, is a non-traditional insurance product that offers pre-specified payouts based upon a trigger event – as opposed to traditional insurance, which offers payouts based on the magnitude of the losses.

85 Insuralex (2024) "[Parametric Insurance in Latin America: An update](#)"

86 Caribbean Policy Development Centre (2021) Gender and Climate and Disaster Risk Finance and Insurance. A focus on Small-scale Farmers in Antigua and Barbuda, Barbados and Grenada

Box 4

Benefits of Climate and Disaster Risk Finance and Insurance

Recent research demonstrates that⁸⁷

- › Providing **timely finance** improves financial liquidity after a disaster; insurance can play a role **at the micro level as a safety net and buffer for people**, as they may not have to resort to coping strategies that might impede sustainable development. This financial support can cover crop failures, livestock losses, and damage to agricultural infrastructure. It can also help people **avoid slipping (back) into poverty**⁸⁸ (e.g., insurance can help reduce distress asset sales and increase food security, enabling faster recovery after a shock). This is critical in the Costa Rica agricultural sector, characterised by a high level of informality and of fragility of women-led formal entrepreneurial activities⁸⁹.
- › Gender-responsive insurance schemes can promote **empowerment and inclusion providing training and capacity-building** components. This may not only improve agricultural practices⁹⁰ but also enhances decision-making power within their communities⁹¹.
- › Group-based insurance schemes can strengthen **community bonds and collective resilience**. When women are part of such schemes, they can support each other in times of crisis, share resources, and collectively advocate for better services and policies⁹².
- › There are examples of insurance products⁹³ that bundle **health and disability** coverage with climate insurance. This approach ensures that women are protected not only from economic losses but also from health-related impacts of climate disasters.
- › At the **micro level, insurance can also help unlock opportunities**. It may help increase savings, investments in higher-return activities, and creditworthiness, all of which might allow people to escape poverty traps or threats. Insurance also encourages risk reduction behaviour, e.g., by enabling people to work for their insurance coverage by engaging in community-identified projects to reduce risk and build climate resilience.
- › Insurance may contribute to **economic growth** at the macro level by allowing for more effective risk management.
- › **Insurance can act as a catalyst for risk assessment at both micro and macro levels**. Risk assessment is a vital part of insurance as it is the precondition for calculating premium levels for policyholders. Accordingly, insurance can facilitate regional and international data analysis, such as establishing data standards, methods, and repositories. Assessing the risk of loss and damage is a **prerequisite for identifying needs and policy priorities**.

87 MCII (2016) *Climate risk insurance for the poor & vulnerable: how to effectively implement the pro-poor focus of InsuResilience* An analysis of good practice, literature and expert interviews.

88 International Fund for Agricultural Development (2020) *Making agricultural and climate risk insurance gender inclusive: How to improve access to insurance for rural women*, March

89 For more detail, please see Section 2.1 Access to finance, above.

90 InsuResilience Global Partnership (2021), *"Better Weather Protection for Tanzanian Farmers"*, October

91 InsuResilience Global Partnership (2020), Presse release *"Micro Insurance Company's Evacuation insurance against disasters"*, September

92 For some examples, please see the World Bank press release (2015): *"Index-Insurance: Protecting Women Farmers Against Weather Risk"*

93 See for instance the *Nibedita insurance in South Asia*.

Box 5

Gender-responsive micro-insurance scheme examples in Latin America

There are some examples of climate risk insurance (CRI) products in Latin America that have taken a gender-responsive approach. For instance, they targeted women clients through distributors that aggregate groups of women. Mutuals, credit unions and co-operatives are proven distribution channels to reach the most vulnerable people and in some countries these member-based organisation aggregated more women than men:

- › In **Guatemala**, Microinsurance Catastrophe Risk Organisation (MiCRO)⁹⁴ in its choice of CRI partner within the country aimed to primarily **target women and vulnerable individuals** engaged in small holder farming or entrepreneurial activities. MiCRO launched Esfuerzo Seguro in 2016, an **index-based product** offering protection against **earthquake, drought and excess rainfall**. The product was the first index-based insurance product offering protection **against business interruption to rural populations** in Guatemala, specifically economically vulnerable individuals engaged in small holder farming or entrepreneurial activities. In addition to the insurance product, clients received information and incentives to help them adopt measures that reduce risk and strengthen resilience against natural disasters. In 2019, 57 per cent of clients protected by Esfuerzo Seguro were women and 70 per cent dedicated to agricultural activities. Almost half (49 per cent) had received at least one payout, mainly due to drought. The gender-responsive approach substantiate into:
 - › **Data:** MiCRO's partners provide sex-disaggregated data on policyholders including the amount of the loan activity.
 - › **Partners:** Banrural in Gutamala primarily serves women and has taken proactive steps to make their branches accessible to indigenous women, for example having staff that speak the local indigenous languages and allowing them to wear their typical dress.
- › **Market research:** together with local partners, MiCRO ensured a (1) gender-balanced participation in focus groups and interviews to inform product design. The data collected for market surveys was analysed with a gender perspective including the (2) vulnerability on risks, (3) shocks and coping mechanisms experienced by potential clients during previous climatic events. This approach has provided insights including that women were more realistic in their ability to pay for index insurance coverage.
- › **Marketing:** MiCRO works with distribution partners to ensure that women are adequately represented in its financial education and marketing materials to ensure a balanced portrayal of **women clients**.
- › In **El Salvador** the World Food Programme is collaborating with local partners on an insurance solution that **protects farmers, micro-entrepreneurs and small businesses** against business interruption due to **excess rainfall, drought and earthquake**. In 2021, nearly **4,800 people benefited from insurance, including 47 per cent of businesses being led by women**. World Food Programme joined forces with the local cooperative insurer Seguros Futuro to tailor an existing weather-index microinsurance product to remove its credit component. As part of the initiative, policyholders were given microfinance and microinsurance training and were capacitated on the insurance product.

Sources: InsuResilience Global Partnership (2019) [Integrating Gender Considerations into Different Models of Climate Risk Insurance \(CRI\)](#);

InsuResilience Global Partnership (2021), [Making Access to Insurance Happen for People with Disabilities and Small Businesses and Micro-entrepreneurs](#).

In the future, these examples, along with others from the region and internationally, will provide an opportunity to build on les-

sons and best practices for designing and implementing gender-responsive CDRFIs in Costa Rica.

94 Microinsurance Catastrophe Risk Organisation (MiCRO) is a reinsurance company specialising in the design and implementation of natural hazard risk transfer solutions for vulnerable and low-income segments of the population.

6 Conclusions and Recommendations

This study reveals that the CDRFI landscape in Costa Rica is mainly nascent. Currently, **there is a lack of targeted insurance products designed specifically for women, children, older people, or people with disabilities**. However, there are positive developments that can support future CDRFI programmes in Costa Rica. Of particular importance is the National Climate Change Gender Action Plan.

As scaling up financing for adaptation and resilience will be a key challenge, there is a need to support the development of inclusive and affordable risk insurance, particularly for low-income households and climate-vulnerable farmers, to build financial resilience to climate-related natural disasters.

Addressing the challenges posed by climate change also provides an opportunity. Pro-poor and gender-responsive climate risk insurance is a pathway to resilient livelihoods and can contribute to objectives related to climate and disaster risks within a wide range of national policies and strategies.

Given the nascent stage of CDRFI targeting vulnerable communities, **an enabling environment suitable for reducing the protection gap is needed**. Actions need to be taken across four pillars: i) institutional regulatory frameworks, ii) gender and climate data generation, iii) enabling conditions to support supply and demand, and iv) dialogue and partnerships. Aimed at policymakers in Costa Rica, below, we provide specific recommendations across the four pillars. Significant investments are required to enhance CDRFI's operational readiness.

The multidimensional nature of climate vulnerability and gender concerns requires policymakers to adopt a holistic approach, integrating targeted gender frameworks into existing policies across all relevant sectoral levels. Therefore, the recommendations should be considered at all levels, working across ministries and vertically with subnational and local governments, the private sector, communities, and civil society.

1. Establish a long-term government commitment to developing and scaling CDRFI programmes. Specific recommendations include:

- Strengthen institutional, regulatory and operational policies to encourage gender-responsive CDRFI products by strengthening collaboration between financial sector regulators and other government agencies with gender equality mandates, such as INAMU.

- Mainstream gender-responsive CDRFI in existing climate and disaster risk policies and plans, particularly in the Gender Action Plan. Similarly, CDRFI should be integrated as a critical mechanism for financial inclusion in relevant policies and plans such as women's equality policy, agriculture, etc.
- Support market development, including financing premium subsidies and or tax reductions and mandating disaster risk insurance as necessary.

2. Generate quality data for the foundation of gender-responsive programmes. Given the different risks faced by women and the other burden of climate-related shocks for women, gender-targeted and gender-responsive instruments are crucial. To this end, recommendations include:

- Develop robust climate risk data and modelling.
- Generate gender-disaggregated data (by sex, age, ethnicity, and geographic location) and evidence of natural disasters' differentiated vulnerabilities and impact.
- Generate research and evidence to identify incentives, barriers and opportunities to the use of gender-responsive CDRFI mechanism.

3. Support Inter-institutional coordination and public-private partnerships to facilitate knowledge exchange with key stakeholders. To this end, recommendations include:

- Engage and invest in civil society as part of the broader enabling environment activities. Civil society organizations have deep knowledge about the vulnerabilities, livelihoods and risk management strategies of women, low-income households and excluded groups.
- Facilitate dialogue among relevant government departments, insurance service providers, (micro) finance institutions, and grassroots and civil society groups to ensure, among other things, that gender roles and differentiated social needs are considered when designing insurance products and that such products are packaged and presented in ways that are gender-responsive initially, and gender transformative eventually.
- Forge in-depth collaboration and discussions with communities. Conduct discussions to comprehend communities' risk transfer needs, demand for insurance, and ability over time to contribute towards the cost.

4. Support and incentivise product design and access

targeting the most vulnerable and poor population groups. To this end, recommendations include:

Build capacity

- › For communities: support financial education and capacity-building support, particularly for the most vulnerable, to improve insurance literacy and skills.
- › For insurance providers: provide training and capacity-building to key stakeholders, including relevant government institutions and the private sector, to improve their understanding of the intersection of gender, climate change, and insurance to drive the design of effective insurance instruments.

Address barriers and generate incentives

- › Address the main structural barriers that impede the most vulnerable from accessing the financial system (e.g., access to the banking system, land ownership, capacity development, and training).
- › Investing in financial literacy programmes to equip rural communities with knowledge to navigate financial systems effectively. Tailored educational initiatives can help

individuals understand the benefits of various financial products, thereby increasing their confidence in utilizing these services. Partnerships with local organizations can facilitate the delivery of these programmes, ensuring they are culturally relevant and accessible.

- › Prototype climate risk insurance products with different groups of women, recognising that women's profiles and needs may differ based on their lifecycle and economic segment.
- › Secure product availability and affordability through incentivizing product creation as necessary (financing premium subsidies and tax reductions). Subsidised insurance schemes should clear benchmarks for gender inclusion, so that stakeholders can hold themselves accountable for creating equitable opportunities for women and marginalised groups.
- › In some cases, it can be necessary and valuable for development partners or donor organizations to provide financial support for testing, improving and scaling up insurance programmes. Support may cover various aspects, such as supervision, data collection, training, information campaigns, capitalization, or premium subsidies.



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