



Global Shield
against Climate Risks

ANNUAL REPORT 2025

globalshield.org

Foreword



Dr Astrid Zwick
Co-Director Implementation & Institutional Development



In 2025, the Global Shield against Climate Risks moved from ambition to action – setting in motion a real transformative approach through the country-led identification and development of comprehensive financial protection measures. The accelerated submission of the Global Shield Countries’ Requests for Support, the rollout of tailored support packages, and the collaboration with regional risk pools - among many other partners - underscore the power of coordinated, pre-arranged finance solutions. As the Global Shield Secretariat transitions into a new phase and under a new host at Frankfurt School, I am certain the initiative will remain strongly committed to sustaining this momentum, supporting solutions that combine innovation, solidarity, and respect for country ownership.

2025 has been a year of transformation. Across continents, governments, communities, insurers and development partners came together to reshape how we respond to climate risks and disasters – not with reactive crisis management, but shifting the paradigm to proactive risk management applying pre-arranged finance. The Global Shield’s progress proves that climate justice and financial protection can go hand-in-hand. With a strengthened ecosystem with inclusive processes, we are laying the foundations for lasting resilience. Looking ahead, with the continued championing of equitable, inclusive, tailor-made solutions – the initiative can pave the way to leaving no one behind as climate risks intensify.



2025 has shown that the urgency of climate resilience can no longer be a distant aspiration – it is a present reality. Global Shield’s progress this year confirms what was envisioned: with country ownership and global solidarity, we can turn vulnerability into resilience. I am proud that Global Shield is delivering pre-arranged finance, not just promises, for some of the world’s most climate-exposed populations. Through our collective commitment, we are building systems that help protect livelihoods, safeguard climate-vulnerable people and communities, and ensure they have timely access to support when disasters strike.

This year marks a turning point for Global Shield. The “country-led, bottom-up” model we championed at inception is bearing fruit: eight countries have already progressed into implementation, while others are in advanced stages of finalising their Request for Support. The real-world impact we saw validates our approach, and I am convinced that Global Shield’s country-led model will be invaluable for countries seeking to access funding from the Fund for responding to Loss and Damage. We are not just designing tools but embedding financial protection systems that deliver when they matter most. I am truly inspired by our collective achievements and eager to see how these will scale up with renewed ambition and under new leadership of the Global Shield Secretariat in 2026 and beyond.



Nilesh Prakash
Co-Director Strategy & Engagement

The Global Shield: From Ambition to Action

Since its launch at COP27 in 2022, the Global Shield has charted a new course for climate risk finance: from fragmented, reactive responses to a systematic, country-led framework for pre-arranged financial protection. Rooted in the principles first laid out in the [Global Shield Ambition](#), the initiative builds on the legacy of the InsuResilience Global Partnership and scales it into an integrated architecture that can deliver sustainable protection to climate-vulnerable populations worldwide.

The Global Shield envisions a world where systematic, coherent, and sustained financial protection enables communities to anticipate, respond to, and recover from climate shocks. To realise this vision, at its core, Global Shield's mission is to increase protection for climate-vulnerable people and their livelihoods by facilitating "substantially more and better pre-arranged finance against disasters.

To translate the vision and mission into concrete action, Global Shield operates under **four high-level goals**:

- 1. Inclusive governance** – bringing together national governments, civil society, insurers, development partners and affected communities to ensure ownership, transparency, and equity.
- 2. Streamlined access to finance** – through a flexible, global financing architecture that matches country needs with the right instruments.
- 3. Stimulating innovation** – catalysing sustainable, context-appropriate financial solutions, including risk transfer, contingent credit, social protection linkages, and more.
- 4. Country-led, context-specific implementation** – recognising that each country's climate risks, vulnerabilities and institutional capacity differ, and designing tailored support accordingly. The In-Country Process ensures engagement, prioritisation, and ownership at every step.

Since the official launch in 2022, Global Shield has extended support to 12 countries and one region across Africa, Asia, Latin America and the Pacific. 2025 has been a year of action – where ambition turned into official requests, and requests into tangible, country-anchored commitments and the start of multiple implementation journeys.

The 2025 Global Shield Annual Report presents an overview of the progress made in the implementation of the initiative. The year also marks the end of the co-hosting arrangement of the Global Shield Secretariat with the current co-hosts, GIZ and United Nations University. From 1 January 2026, Frankfurt School of Finance & Management will assume the hosting of the Global Shield Secretariat, bringing financial innovation, research and solutions closer to beneficiary countries.

In-Country Processes: overview & highlights

Below are snapshots of all Global Shield country processes, reflecting both progress to date and a glimpse into what lies ahead.



Latin America

Costa Rica



- Costa Rica submitted its formal Request for Support to Global Shield in May 2025, becoming the first Latin American country to do so.
- The country’s multi-stakeholder consultations involved the Ministry of Finance and the national insurance regulator SUGESE, aiming to identify gaps in financial protection across sectors including agriculture, fisheries, tourism – all key to national livelihoods and nature-based economies.
- Costa Rica’s Request envisages redesigning its National Emergency Fund (FNE) to make it more resilient and responsive, moving beyond reactive crisis response toward sustained financial resilience.

- The plan includes introducing parametric insurance schemes – with subsidised premiums – and enhancing risk data, technical know-how and insurance culture, so small-scale farmers, fishers and tourism-dependent communities can access affordable coverage before disaster strikes.
- Looking ahead to 2026, implementation will focus on building technical capacity, piloting parametric insurance, and embedding inclusive insurance frameworks that reflect gender and social inclusion. Thanks to Global Shield support, Costa Rica is transforming from vulnerability to proactive resilience – safeguarding both people and nature.



Peru



- Peru has taken a decisive step towards strengthening its financial protection against climate and disaster risks by hosting its inaugural Global Shield In-Country workshop in October 2025.
- Through a series of thematic consultations, the Ministry of Environment (MINAM) is pursuing a stakeholder-inclusive approach and working full-steam on collecting and integrating available information on Climate and Disaster Risk Financing and Insurance (CDRFI), including existing instruments, political and institutional environment, past impacts and needs outlined by relevant stakeholders from the public and private sectors, civil society, academia and cooperation.
- The In-Country Process is characterised by the enormous commitment that In-Country Process stakeholders bring to the table to jointly identify the most urgent steps and possibilities to foster Peru’s financial protection to climate and disaster risks. A draft Request for Support is expected towards the end of the first quarter of 2026.

Africa

Ghana



- Perhaps the earliest Global Shield success story is Ghana’s. After a comprehensive gap analysis and two multi-stakeholder workshops, the government submitted its Request for Support in 2024.
- In 2025, Ghana received its first sovereign-level payout: two drought insurance disbursements totalling nearly USD 3 million (USD 960,202 and USD 1,927,334) by the African Risk Capacity Ltd. (ARC Ltd.) – thanks to premium support provided by the Global Shield Solutions Platform (GSSP) and KfW under the Global Shield support package.
- These payouts were distributed to farming communities affected by prolonged dry spells, helping to cushion income losses and stabilise food security. For many smallholder households, this funding was not just relief, but a demonstration that risk financing can deliver fast, predictable support – reinforcing confidence in insurance-related disaster risk finance.
- In 2026, Ghana plans to expand coverage – scaling insurance, integrating social protection, and exploring similar risk transfer tools for floods and other hazards. The country may also pilot inclusive agricultural insurance schemes for smallholders, supported by Global Shield’s Coordination Hub.



Senegal



- Senegal began its In-Country Process in mid-2024 and has since advanced to submitting a Request that outlines four main priorities: strengthening state-level financial protection, developing risk-transfer instruments tailored to local contexts, protecting households and businesses, and enhancing climate risk governance through better data, regulation, and institutional capacity.
- Currently GSSP and ARC Ltd. are working on developing a sovereign-level flood insurance product, along with meso- and micro-level flood insurance

- schemes for climate-vulnerable households. They are finalising technical designs, conducting hazard modelling, and assessing domestic insurance-market capacity to share flood risks.
- The 2026 outlook includes further feasibility assessments, premium financing strategies, and alignment with public asset insurance linked to maintenance and repair funds – setting the stage for a comprehensive national Disaster Risk Financing (DRF) system rooted in context-specific risk analysis.

The Gambia



- As a small coastal nation, The Gambia faces compounding risks – from sea-level rise, floods, coastal erosion, droughts, and windstorms. Its 2024 Global Shield workshop initiated a comprehensive review of its financial protection landscape.
- Under Global Shield, The Gambia is building a disaster risk finance strategy that connects its National Disaster Fund with adaptive social protection systems, ensuring that cash transfers after climate shocks reach households quickly.

- The Global Shield Financing Facility (GSFF) approved a USD 10 million grant to develop CDRFI instruments, targeting around 775,000 climate-vulnerable individuals.
- Additionally, the country is launching an Inclusive Insurance Market Development Committee – aimed at modernising regulation, enabling parametric flood and windstorm insurance, and expanding coverage to coastal livelihoods like fisheries and tourism. Looking ahead, 2026 will shape the design of these instruments and the enabling institutional environment needed for sustainable implementation.

Malawi



- Malawi, already familiar with drought insurance via ARC Ltd. and microinsurance pilots, formally launched its Global Shield activities in April 2025.
- The country's plan seeks to operationalise its National Disaster Risk Management Fund and National Climate Change Fund – embedding risk transfer tools like sovereign drought insurance and microinsurance into social protection systems.
- In 2025, the expansion of the Social Cash Transfer Programme (SCTP) enabled record-fast payouts for drought-triggered shocks – reducing disbursement time from six months to one month, with around 330,000 people benefiting – especially women-headed households.
- A new GSFF grant of USD 10 million will finance additional investments in risk transfer instruments to back the social protection fund and facilitate dynamic inclusion of new beneficiaries.
- Looking towards 2026, Malawi aims to link its social protection systems more explicitly with climate-risk financing, expand microinsurance reach, and integrate climate-vulnerability data into registries – bringing financial protection closer to rural and low-income communities.

Somalia



- 2025 saw a major milestone: Somalia hosted its inaugural Global Shield workshop in Mogadishu, bringing together national and international stakeholders to embark on the first In-Country Process in a fragile and conflict-affected state (FCS) context.
- As an FCS facing recurrent droughts, floods and coastal risks, Somalia's need for systematic financial protection is acute. The workshop laid the groundwork for a transition from reactive humanitarian aid to proactive, risk-informed and context-sensitive financial protection mechanisms.
- Somalia has nearly finalised its Stocktake and Gap Analysis, and its Request for Support is being drafted. The government will be collaborating with the Global Shield to design a tailored support package reflecting its unique risk landscape over the coming months.

Rwanda



- In September 2025, Rwanda convened a national workshop as part of the Global Shield In-Country Process, bringing together government, development partners, civil society and other stakeholders to chart a path toward climate-resilient financial protection.
- The workshop results will feed into a gap analysis and a tailored Request for Support, expected in early 2026. Over the long term, Rwanda aims to leverage Global Shield financing to strengthen its disaster risk financing architecture, integrate risk transfer tools, and align with its broader adaptation and climate resilience strategies.

Madagascar



- Launched in 2024, Madagascar began its In-Country Process with a workshop convened by the Cell for Prevention and Emergency Management Support (CPGU) and the Ministry of Economy and Finance (MEF), supported by the Global Shield Secretariat.
- Over the past months, the country carried out a stocktake of existing programmes, assessed protection gaps, and prepared its Request for CDRFI Support that was submitted in November 2025.
- Madagascar's support package is expected to be finalised in the first quarter of 2026 with a focus on contingent finance, risk transfer instruments, and other risk financing tools at territorial level – all adapted to the country's exposure to tropical cyclones, floods, droughts and other climate hazards.

Asia and Pacific

Pakistan



- After extensive federal and provincial-level consultations led by the Ministry of Climate Change and Environmental Coordination (MoCC&EC), Pakistan finalised its Request for Support in May 2025 – making it the first Asian country to complete the In-Country Process under Global Shield.
- 2025 was tragic and instructive: following devastating floods that affected millions, Pakistan's plan outlines a bold, risk-layered strategy combining anticipatory finance, parametric insurance, catastrophe bonds, and institutional capacity building.
- The support package will leverage the GSFF, notably through the World Bank-backed Resilient and Accessible Microfinance Project, which secured USD 102 million in March 2025. Alongside this, the newly proposed Climate Risk Fund – offering contingent liquidity for microfinance providers – targets nearly 1.9 million people over five years.
- By mid-2026, Pakistan aims to reinforce the CRF with a parametric insurance backstop, institutionalise a national CDRFI implementation cell, and integrate risk financing tools across sovereign, meso- and micro-level mechanisms. The goal: ensure climate shocks no longer derail livelihoods, but are met with prompt, predictable financial protection.

The Philippines



- In August 2025, the Philippine government convened a national dialogue under Global Shield, led by the Department of Finance, to define financial protection priorities against climate- and disaster-related risks.
- This marks a significant stride in the country's path toward submitting a full Request for Support. Over 2026, we anticipate further stakeholder consultations, gap analysis, and preparation of a formal Request – laying the basis for resilience-building support tailored to the archipelago's vulnerability to typhoons, floods, droughts and coastal hazards.



Pacific (Fiji)



- Under the leadership of the Ministry of Finance, Fiji undertook extensive national consultations to map ongoing CDRFI initiatives and identify priority financial protection gaps, with findings validated at a national workshop in April 2025.
- Drawing on these validated gaps, the in-country support structure developed a comprehensive Request for Support, which was formally submitted to the Global Shield in December 2025.
- The Request charts a comprehensive pathway for boosting Fiji’s financial resilience, prioritising stronger disaster risk financing systems, expanded social protection and sovereign coverage, better protection of economic sectors and critical infrastructure, improved climate-risk data and modelling, and dedicated measures to support communities facing loss and damage.
- The presentation of a Support Package is expected in early 2026, with implementation expected to begin in the second half of 2026.

Bangladesh



- Bangladesh officially launched its In-Country Process in December 2024, with the first national workshop in Dhaka. With more than 110 participants from government, civil society, the private sector, and development partners, the workshop served as a multi-stakeholder consultation to identify national priorities for climate and disaster risk financing and protection gaps.
- Building on the inaugural workshop, extensive bilateral consultations, questionnaire surveys, focus group discussions, and desk research informed both the Stocktake and Gap Analysis as well as the gender analysis. Key gaps identified so far include lack of mainstreaming disaster risk financ into national policies, inefficient use of funds due to limited risk layering, fragmentation of risk information and low modelling capacities, missing links of social protection with DRF and limited availability and use of market-based financial instruments.
- The findings were presented for validation during the second national workshop in Dhaka in December 2025, where stakeholders will help prioritise CDRFI needs for Bangladesh’s Request for Support, expected to be finalised in the first quarter of 2026.

Leveraging the Country-Led Model of Global Shield



The strength of the Global Shield lies in its country-led, bottom-up model, where national governments and stakeholders define their climate and disaster risk priorities through an inclusive, multi-stakeholder In-Country Process. This ensures that support is tailored, nationally owned, and aligned with each country's context.

As global attention shifts toward Loss & Damage finance, the Global Shield's model offers a ready pathway. Because many participating countries have completed CDRFI gap analyses and submitted Requests for Support, they are already primed to tap into emerging funding windows, such as the Fund for responding to Loss and Damage (FRLD). The Global Shield's structured approach – combining several, tailor-made and country-context-specific solutions – can integrate seamlessly with FRLD mechanisms, ensuring timely and predictable support when climate disasters strike.

By engaging with the Santiago Network, Global Shield countries gain access to technical assistance, risk-assessment expertise, capacity-building, and coordinated support for Loss & Damage readiness. This strengthens institutional resilience and aligns national DRF planning with global efforts – helping countries navigate evolving climate finance landscapes more effectively.

By supporting regional risk pools through the Global Shield Solutions Platform (GSSP) and strengthen-



ing adaptive social protection via the Global Shield Financing Facility (GSFF), the Global Shield translates its country-led model into scalable, resilient financial mechanisms able to deliver rapid, predictable support when climate disasters strike. GSSP's backing of regional pooled insurance and risk-sharing platforms allows countries to collectively manage and transfer climate risk – reducing individual fiscal burden and enabling cheaper, more reliable coverage. At the same time, GSFF's support for adaptive social protection ensures that vulnerable households – especially women, small farmers or low-income families – receive timely cash transfers or insurance payouts when disasters hit, embedding social resilience at the grassroots. Combined, these two elements help the Global Shield's country-led approach scale beyond one-off aid, making pre-arranged finance a credible pillar within the evolving global loss and damage finance landscape.

Last but not least, the CVF-V20 Joint Multi-Donor Fund (JMDF) remains central to translating the Global Shield's country-led vision into ground-level outcomes. In 2025, JMDF financing supported the first national Loss & Damage funding programme under Global Shield in Ghana, the Akosombo Loss and Damage Funding Program (AkoLAD), with a similar programme for Pacific Island countries, the Pacific Loss and Damage Funding Program (PacLAD), showcasing the JMDF's role in delivering inclusive, community-focused climate resilience.

Looking ahead

As 2025 draws to a close, the Global Shield stands at the threshold between early achievements and systemic scale-up. The stories from Ghana, Pakistan, Costa Rica, Malawi and others demonstrate that pre-arranged finance – when governed inclusively, designed with context, and backed by global solidarity – can transform reactive disaster responses into dignified, reliable financial protection.

In 2026, with the hosting of the Global Shield Secretariat transitioning to Frankfurt School of Finance & Management, we aim to deepen these successes: finalising support packages, piloting innovative risk transfer instruments, embedding climate-risk finance into social protection systems, and multiplying beneficiaries across continents. As climate change intensifies, the need for such systems grows more urgent.

We gratefully acknowledge the participation of governments, implementing partners, risk pools, civil society, private-sector actors, development banks, UN agencies, and all country-level stakeholders – whose commitment underpins every step of the In-Country Process and every financial protection solution designed to ultimately safeguard those who need it most. We will build on this momentum to drive innovative financial solutions – not just to respond to disasters, but to prevent them from becoming humanitarian crises.

We especially extend our appreciation to the donor countries – Germany, France, Luxembourg, the United Kingdom, Ireland, Denmark, Canada, Japan, the United States, and the European Union – for the continued financial support to the Global Shield initiative.

Together, we can close the financial protection gap – and build a world where resilience is not the exception, but the rule.





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