



Global Shield
against Climate Risks

Vision 2025 – Final Update

Six Years of Collaborative Action to Boost Financial Protection for the Most Vulnerable

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Content



IMPRINT

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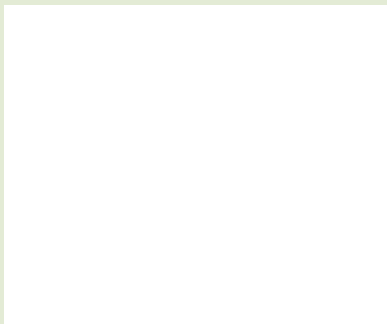
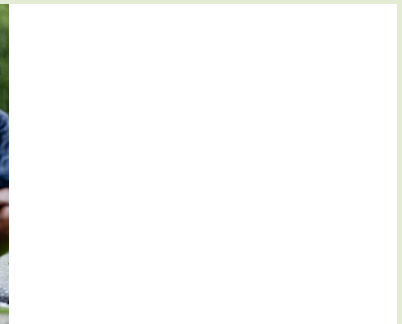
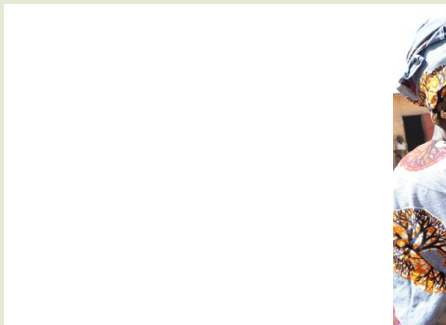
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Foreword



As we present this final Vision 2025 report, we are filled with gratitude for what the Climate and Disaster Risk Finance and Insurance (CDRFI) community has achieved over the years. What began as a shared understanding of the potential that lies in pre-arranging finance ahead of disasters, turned into commitment and collaboration under the V20/G20 InsuResilience Global Partnership and ultimately grew into concrete action to close the financial protection gap in climate-vulnerable countries. Through various programmes providing tailored assistance in partner countries and working hand in hand with the private sector, not least culminating in the development of the V20/G7 Global Shield against Climate Risks, we have collectively advanced the implementation of innovative pre-arranged finance and contributed to timely disaster responses all over the globe. These collective achievements, captured in this report, are a testament to what is possible when expertise meets collaboration.

As Vision 2025 concludes, we extend our sincere appreciation to all partners and reporting programmes for their continued collaboration and commitment over the past 6 years. Vision 2025's legacy endures in the knowledge generated and the partnerships formed, which will continue to inform and inspire resilience to the ever growing threats posed by climate risks in the years ahead.



Daniel Stadtmüller

Outgoing Team Lead Implementation and MEL, Global Shield Secretariat

Abbreviations

ADB	Asian Development Bank
ARC	African Risk Capacity
Cat DDO	Catastrophe Deferred Drawdown Options
CCRIF SPC	Caribbean Catastrophe Risk Insurance Facility
CDRFI	Climate and Disaster Risk Finance and Insurance
CoE	Centre of Excellence on Gender-smart Solutions
CRF	Climate Risk Fund
DREF	Disaster Response Emergency Fund
DRF	Disaster Risk Finance
E4DR	Strengthening Disaster Resilience and Risk Mitigation through Ecosystem-based Planning and Adaptation project
GIZ	Deutsche Gesellschaft für Internationale Zusammenarbeit (German Development Cooperation)
GSFF	Global Shield Financing Facility
IBR	International Bank for Reconstruction
IFRC	International Federation of Red Cross and Red Crescent Societies
IGP	InsuResilience Global Partnership
IVS	Input Voucher System
ISF	InsuResilience Solutions Fund
LDCs	Least Developed Countries
M&E	Monitoring and Evaluation
MEL	Monitoring, Evaluation and Learning
PCIC	Philippine Crop Insurance Corporation
PCRIC	Pacific Catastrophe Risk Insurance Company
RAM	Resilience through Accessible Microfinance Project
SMEs	Small and Medium-sized Enterprises
TAF	Technical Advisory Facility
USD	United States Dollar
WFP	World Food Programme

Introduction

“Major climate-related disasters such as Cyclone Fani in India and Bangladesh or Cyclone Idai in Mozambique dominated the headlines in 2019. As global humanitarian appeals hit new record levels, a tremendous strain is being felt by local and national social safety nets and the international humanitarian system.”¹

It was against the backdrop of the growing number of extreme weather events affecting vulnerable countries that the InsuResilience Global Partnership (IGP)² launched Vision 2025 and took a courageous attempt to increase financial protection for climate-vulnerable communities. Back then, a group of 74 organisations joined forces to accelerate and track implementation of *Climate and Disaster Risk Finance and Insurance (CDRFI)* instruments through a joint vision, a set of ambitious targets and corresponding indicators across six result areas³.

Since then, annual reporting of achieved progress under Vision 2025⁴ has enabled greater transparency around the volume and impact of pre-arranged finance across a broad array of contributing programmes. Analyses of the collected information has enabled the identification of trends, existing needs and rising opportunities, including:

- › a continuous increase in beneficiaries across climate-vulnerable regions,
- › an increasing use of risk-layered, pre-arranged finance by affected countries,
- › potentials to increase the utilisation of the wide range of available instruments,
- › a constantly expanding project pipeline built on existing evidence and innovation,
- › an ongoing need to further assess and improve qualitative dimensions of CDRFI.



This final Vision 2025 Update showcases the achieved expansion of financial protection as well as greater recognition and awareness of pre-arranged finance against climate and disaster risk. This update presents the final results derived from the 2025 data collection, provides details on the overall progress across a period of 6 years and concludes this important collective effort. It also explores qualitative dimensions of CDRFI⁵, underlines how solutions already make a difference for governments and affected people and concludes with a compelling summary of derived learnings and recommendations. Impact stories provided by contributing programmes are featured throughout this report, a testament to the impressive repository of evidence and good practices.

1 Quote taken from InsuResilience Global Partnership Annual Report 2019.

2 All key documents related to IGP can be found on the [Adaptation Community](#).

3 For further details on Vision 2025 and the IGP's ambition: [Vision 2025](#).

4 See Annex 2 for the corresponding Monitoring & Evaluation framework.

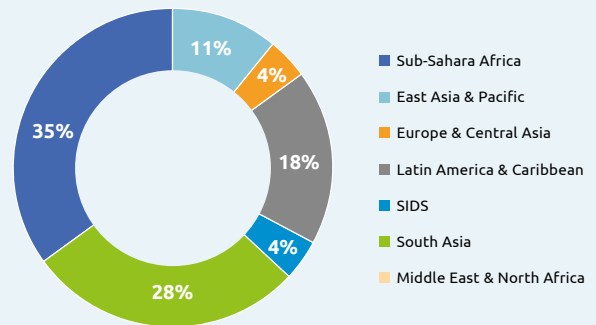
5 See in particular the mid-term reviews conducted: [Vision 2025 Update \(Mid-term review\)](#) and accompanying assessments of Indicator 4a, Indicator 4b, Indicator 4c.

Key highlights in 2025

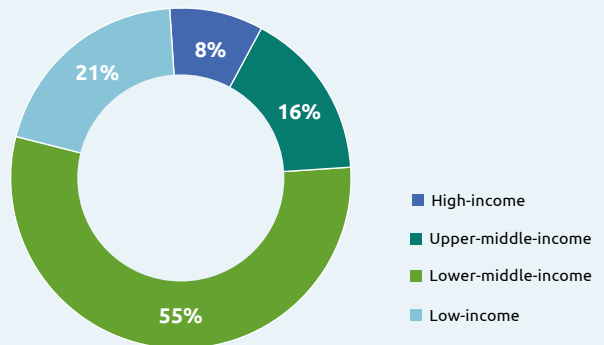
In 2025, an estimated 402 million people globally benefitted from access to CDRFI instruments and corresponding protection against the devastating impacts of climate-related events. Most beneficiaries live in areas and countries that are highly affected by extreme weather events, with the largest share of estimated beneficiaries located in Sub-Saharan Africa (35%). Comparing the share of beneficiaries across country income categories, we can conclude that most estimated beneficiaries in 2025 live in low- and lower-middle-income countries (76%).

The total volume of financial protection in 2025 amounts to USD 12.2 billion offered through a diverse set of macro-, meso-, and micro-level solutions. Financial protection was provided through a total of 852 projects leading to 491 active solutions (see below for more detail on projects and solutions).

Regional distribution of estimated beneficiaries in 2025



Share of beneficiaries across different country income categories in 2025



402
million
beneficiaries

30
programmes
reporting
852 projects

USD **12.2**
billion
in financial
protection

76%
of beneficiaries
residing in low-
and lower-
middle-income
countries

Progress towards Vision 2025 targets throughout the years

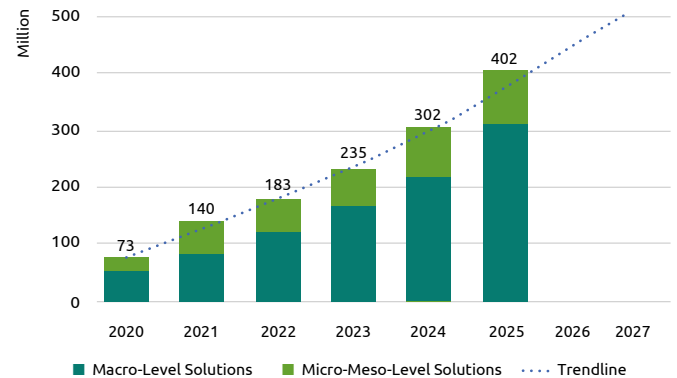
Over the course of six years, the collective ambition and effort monitored under Vision 2025 centred around one main global goal: to cover 500 million poor and vulnerable people annually against disaster and climate shocks through pre-arranged finance and insurance mechanisms⁶.

Early on, the IGP recognised that both the implementation of a diverse set of interventions guided by key targets⁷ as well as a **multi-dimensional monitoring, evaluation and learning (MEL) framework for CDRFI** would be required to reach and track this goal and accompanying targets. The six result areas of Vision 2025 consider both quantitative and qualitative benchmarks for measuring impact. The following section outlines the progress achieved through collective efforts primarily through the analyses of beneficiaries, uptake of CDRFI solutions, and reported coverage volumes. Where reported data was insufficient to assess qualitative impacts, stories of various solutions implemented by Vision 2025 programmes illustrate the actual development and human impact.

Protection for 500 million vulnerable people: a consistent increase in beneficiaries across climate-vulnerable regions

Departing from a baseline of 73 million estimated beneficiaries in 2020, continuous growth has culminated into a total of roughly 402 million beneficiaries in 2025⁸. While the 500 million target set in 2019 has not been reached within Vision 2025's timeframe,

Total number of beneficiaries from 2020 to 2025



a compound annual growth rate of 40% reflects development partners' ability to leverage donor funding and increasingly turn financial and technical assistance projects into successfully deployed solutions at various levels. This represents a remarkable development considering various global challenges over the past six years, including the Covid-19 pandemic in 2020–2022, inflationary pressures across the globe, rising debt levels in developing countries, shifting donor priorities and significant reductions in development and humanitarian aid budgets. A linear projection of observed beneficiary growth⁹ suggests that 500 million estimated beneficiaries could be reached by end of 2027, assuming continued donor support and uptake of solutions by governments, businesses and households.

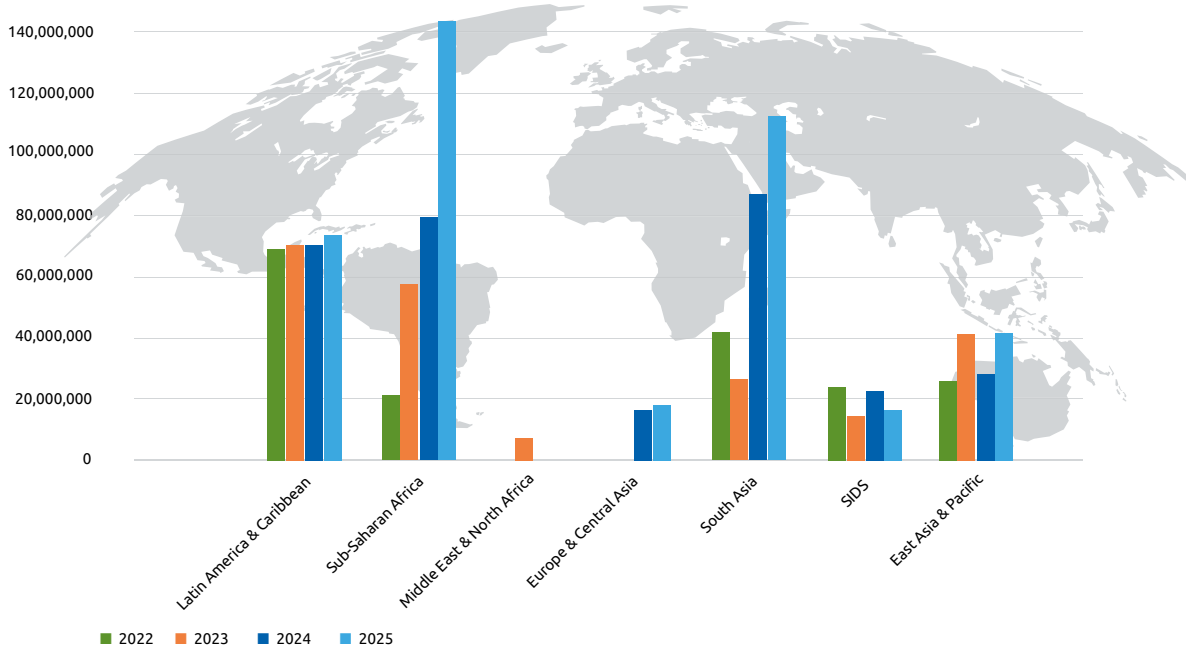
⁶ See IGP Vision 2025.

⁷ See Annex 2.

⁸ These numbers include a submission by the Green Climate Fund, accounting for 12,960,590 beneficiaries across all projects with CDRFI components. These beneficiaries were not calculated with the methodology set out by the Vision 2025.

⁹ The presented growth is a result of an increasing number of programmes reporting active projects and an increase in offer and uptake of solutions. A linear extrapolation for estimation of future growth as opposed to an exponential growth rate is proposed to reflect a realistic increase in beneficiaries over time.

Distribution of beneficiaries by region from 2020 to 2025



Uptake of meso- and micro-level solutions has grown substantially since 2021. The number of protected people increased from 57.8 million in 2021 to 91.2 million in 2025. Nonetheless, the target of covering 150 million people in poor and vulnerable countries has not been met.

With over 140 million people protected, the majority of estimated beneficiaries is based in Sub-Saharan African countries, followed by South Asian countries and Latin America & the Caribbean. In Sub-Saharan Africa, beneficiary growth has followed a steady, mostly linear trajectory compared to other regions. In Latin America & the Caribbean, the number of beneficiaries remained constant with minor increases between 2020 and 2025, mainly due to the broad coverage already achieved at the sovereign level through the Caribbean Catastrophe Risk Insurance Facility (CCRIF) prior to this timeframe.

The greatest share of estimated beneficiaries resides in low- and lower-middle-income countries (76%). Consequently, despite unmet targets for overall beneficiaries and for beneficiaries of meso- and micro-level insurance, global CDRFI efforts do seem to be prioritising those who are in greatest need of pre-arranged finance. Whether providing quick liquidity for governments in times of response and recovery, compensating for climate-related business interruptions, or supporting households in bouncing back quicker after disasters, evidence is mounting that pre-arranged finance contributes significantly to the shift from prevailing dependency on ex-post humanitarian support to proactive risk management and faster disaster relief. Successful examples of such instruments are presented throughout this report, including stories of how innovative project design protects 140,000 people across Ethiopia, Malawi, Nepal and Pakistan and how Senegalese women are empowered to withstand climate shocks and to protect their livelihoods (see [Impact Stories 1 and 2](#)).

IMPACT STORY 1

Unlocking rapid, targeted community support ahead of time – anticipatory drought protection for 140,000 people in Ethiopia, Malawi, Nepal and Pakistan

By: Tearfund, with the support of Global Parametrics and the Natural Disaster Fund

Tearfund and Global Parametrics developed a multi-country anticipatory drought protection product supporting ~140,000 beneficiaries across Ethiopia, Malawi, Nepal, Pakistan. In 2025, the cover triggered twice, which resulted in rapid, targeted support ahead of anticipated end-of season food insecurity. For the trigger event in Malawi, payouts of USD 100,000 were received by Tearfund within 2 weeks of the initial trigger calculation and allowed context-specific action: in reply to forecasted rains, drought-resistant crops were used for replanting. The product is underpinned by a rolling calculation window allowing triggers and payouts during the coverage period in anticipation of seasonal losses. When needed, quick payouts can be facilitated by Tearfund pre-financing anticipatory actions upon formal notification of loss. To promote take up, the policy is partly subsidised by Humanity Insured and backed by a premium sustainability plan.

Further information can be found [here](#).



IMPACT STORY 2

Women-led savings groups boost insurance adoption in Senegal

By: World Food Programme

In Senegal, women-led savings groups have been central to expanding agricultural insurance access to 19,872 beneficiaries. By strengthening a culture of savings and supporting income-generating activities, these groups enabled members to gradually take over premium payments – with 54% paying independently after four years.

One example is Binta, a beneficiary who now purchases her insurance policy without WFP's premium subsidy support. Her small business, nurtured through the women's village savings group backed by WFP, generates enough income to cover her insurance costs – showcasing how savings groups empower members to achieve financial independence. Insurance payouts have helped households like Binta's to withstand climate shocks, secure food, and reinvest in farming, livestock, or their savings groups instead of resorting to harmful coping strategies. Beyond insurance, savings groups have boosted financial inclusion, offering accessible savings and low-interest loans within villages. This has improved household resilience, supported small businesses, and strengthened local economies.

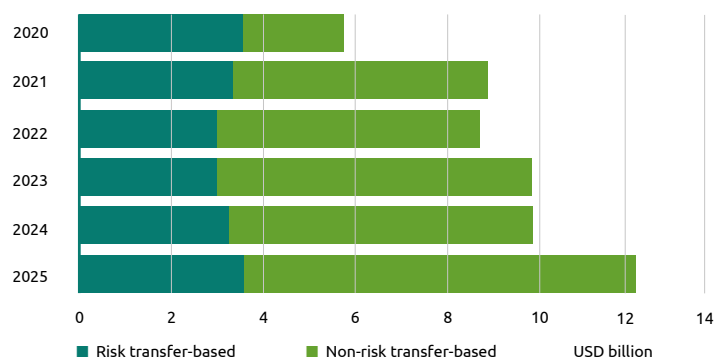


Coverage volumes show increasing use of risk layered pre-arranged finance

Despite the challenges mentioned above, programmes contributing to Vision 2025 maintained momentum and expanded financial protection volumes since 2019, with programmes reporting continued growth in aggregated coverage volume - now surpassing USD 12 billion. Coverage volume represents the amount of financial protection provided by CDRFI instruments and is determined by calculating the total maximum payouts that would be disbursed if trigger conditions for the covered risks are met. **An overall growth of more than 100% in coverage volume between 2020 and 2025** points to a successful design and deployment of new solutions, continued donor support to address affordability barriers, and a significant increase in the use of contingent credit instruments.

An increasing use of contingent credit is reflected in the significant growth in coverage volume of non-risk transfer-based instruments, from roughly USD 2.2 billion in 2020 to USD 8.8 billion in 2025. Understanding underlying motivations for the growing deployment of credit-based pre-arranged finance is complex and requires further analyses, but it does point to both an enhanced product offering by multilateral development banks as well as increasing recognition of layered risk financing strategies at sovereign levels. Within a layered approach, contingent credit is deployed alongside other financial arrangements to address risks of medium frequency and severity, thus unlocking more comprehensive protection, but also enabling risk transfer to be deployed for high-severity/low-frequency risk levels, where it is usually most cost-effective¹⁰.

Coverage volume offered by CDRFI solutions under Vision 2025 from 2020 to 2025



The volume of risk transfer-based financial protection remains at levels comparable to 2020. The biggest drivers continue to be sovereign risk transfer solutions offered by the regional risk pools, and the use of catastrophe bonds through the World Bank. Considering that a significant share of the transferred risk is ultimately absorbed by reinsurance or capital markets, the **USD 3.3 billion of risk transfer-based coverage¹¹ reported for 2025 could be seen as a proxy to Vision 2025's target of USD 5 billion of offered risk capital by the private sector.**

¹⁰ Layered risk financing would also entail the use of national contingency funds for risks with the highest frequency and lowest severity. Vision 2025 data does not offer any insight into the use of these financial arrangements or to what extent they are receiving growing interest. Further analyses are recommended.

¹¹ Please note that not all contributing programmes report policy limits of micro/meso-level insurance. Thus, coverage volume of risk transfer solutions reported here mostly consists of sovereign risk transfer, and the actual volume of risk transfer across all levels may be higher.

IMPACT STORY 3

Advancing scale and sustainability through public–private partnerships in Ethiopia

By: World Food Programme

In Ethiopia, WFP helped integrate insurance into the Government’s Input Voucher System (IVS) in partnership with Pula Advisors and the Agricultural Transformation Institute. This approach expanded coverage from 20,000 to over 280,000 farmers in only a few years, showing how embedding insurance within national systems drives efficient, scalable and sustainable solutions.

As a technical facilitator, WFP focuses on capacity strengthening, including support to the newly established Rural Finance Service Unit, and fosters public–private partnerships to address market gaps and make agricultural insurance more accessible, affordable, and sustainable. By taking a market-driven approach, the programme strengthens both supply and demand for financial services, ensuring long-term scale and sustainability.

Farmers already contribute 20% of the insurance premium, and 22% of the current policy holders are women.

Building on past programmes, the initiative aims to reach 7 million IVS farmers by 2030, protecting their investments and promoting greater uptake of quality agricultural inputs.

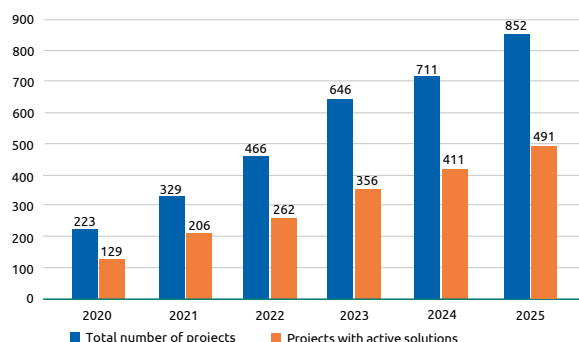


Layered risk financing is a vital component of macro-fiscal planning and disaster risk management. It is often formalised and implemented through the development of comprehensive disaster risk financing (DRF) strategies. Vision 2025 set out to promote the presence of comprehensive DRF strategies in 80 vulnerable countries (compare result area 2). A recent review revealed that 43 vulnerable countries have a government-approved DRF strategy in place¹². The second indicator under result area 2 assumes that countries with a comprehensive strategy would estimate expected losses (see [Annex 2](#) for details). In theory, comprehensive assessments of risk, including the quantification of average annual loss, take place as part of macro-fiscal planning and disaster risk management. Yet, capacity and resource constraints limit the availability of probabilistic risk modelling and metrics. Consequently, **strong partnerships between governments, local stakeholders and institutions working on CDRFI solutions are needed to capture context-specific needs and design, pilot, assess, improve and scale up risk-informed solutions.** A good example for such a fruitful partnership is the case of the World Food Programme in Ethiopia (see [Impact Story 3](#)): in partnership with international and local stakeholders such as Pula Advisors and the Agricultural Transformation Institute, a parametric insurance solution was integrated into the Government’s Input Voucher System, now protecting more than 280,000 farmers against disaster impacts in the agricultural system.

¹² This figure is based on World Bank submissions and desk-based research. It includes both publicly available DRF strategies and explicit mentioning of such strategies in official documentation, including Stocktake and Gap Analyses in Global Shield In-Country Processes. Vision 2025 reporting could not conclusively assess the number of DRF strategies that are currently in development.

Project Pipeline points to continued growth of CDRFI solutions over the next years

Project pipeline growth from 2020 to 2025



The number of projects and active solutions¹³ has almost quadrupled compared to the 2020 baseline.

This reflects the growing number of development, humanitarian, and civil society partners acknowledging the value of CDRFI and offering corresponding support in vulnerable countries. Projects with as yet inactive solutions show huge potential as they build the groundwork for the development of an instrument or pilot intervention (for instance see [Impact Story 4](#)), and over time, should result in an active solution deployed. With most of these solutions requiring several years of development before they are deployed and provide financial protection, data illustrates how the number of projects in any given year is similar to the number of active solutions 2–3 years later. With a significant increase in the number of projects seen over the past two years, we expect corresponding growth in active solutions over the coming years, leading to respective increases in coverage volume and beneficiaries.

Growth in active solutions is also reflected in the **increased number of countries with a meso- or micro-level solution in place**: Vision 2025 fell short of its set target of 70 climate-vulnerable countries¹⁴ with at least one active meso- or micro-level CDRFI solution by only 1 and at the same time greatly surpassed its goal of 60 countries with one or more macro-level solutions with a new high of 104.

¹³ Unlike a CDRFI-related project, an active CDRFI solution refers to a fully deployed risk finance or insurance instrument which is actually providing financial protection in a disaster scenario.

¹⁴ Climate-vulnerable countries are those that are particularly susceptible to climate impacts because of both exposure and constrained adaptive capacity due to economic development levels. Under Vision 2025 reporting, this includes all members of the V20 Group as well as those on the DAC-ODA list.

IMPACT STORY 4

Climate Risk Insurance complements ecosystem-based adaptation (EbA)

By: Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ)

The Philippines, along with neighbouring countries, boasts diverse and extensive coral and mangrove assets, which can substantially reduce the impact of tropical storms on the livelihoods of vulnerable people in coastal regions. The GIZ E4DR project in the Philippines works with local authorities, community-based organisations, and the national insurance sector to strengthen the usage of insurance to protect these nature-based resilience barriers and the people that depend on them. The main project partners are the Department of Economy, Planning, and Development, the Department of Agriculture, the Insurance Commission under the Department of Finance, and the Philippine Crop Insurance Corporation (PCIC).

The project aims for (1) the adoption of a regulatory framework on climate risk insurance, (2) Philippine insurers offering three new insurance products that financially protect coastal ecosystems and communities, and (3) the integration of climate risk insurance into the medium and long-term development plan of a local government unit.

Currently, a mangrove parametric insurance product against typhoon (wind speed) and storm surge (wave height) is being developed jointly with the PCIC. The innovative risk-financing mechanism is designed to enable rapid funding for mangrove assessment, clean-up, and restoration following climate-related events, especially typhoons. The product will be piloted in Eastern Visayas region, the epicenter of super typhoon Haiyan in 2013. Parallel to this, two climate risk insurance products for SMEs are being developed in partnership with a US-based university and a national commercial insurance company.

The GIZ E4Dr project also published three reports:

- (1) [Mapping Potential Funding Sources for Ecosystem-based Adaptation Insurance Premiums](#)
- (2) [EbA and Nature-based Insurance Solutions in the Philippines and Asia](#)
- (3) [Typhoon Risk Insurance for Marine Protected Areas in the Philippines](#)

Tracking of qualitative dimensions of CDRFI with mixed results

Vision 2025 set out to capture cost-effectiveness, human and development impact, and evidence around CDRFI through result areas 4–6 (see Annex 2), with the ambition to assess the impact of CDRFI beyond growth in solutions and financial protection volumes. While a robust analysis of these multidimensional aspects through a standardised set of indicators and self-reported data proved challenging over the years (for further details, see chapter: [Lessons learned & outlook](#)), the data collected still produced valuable insights into timeliness of payouts, gender-responsiveness, and basis risk monitoring, three relevant indicators related to these dimensions:

Timeliness of payouts

- › **Target for 2025:** 67% of all parametric premium-funded solutions meet the benchmark of 2 weeks duration until payout for macro-, 4 weeks for meso-, and 8 weeks for micro-level solutions.

- › **Highlights:** By 2023, 69% of solutions already fulfilled the Vision 2025 benchmark and showed a positive trend in the ability of CDRFI solutions to deliver quick funding when disasters hit.

Quick payouts are pivotal to an instrument’s efficacy and impact. At the sovereign level, speed is defined not only by the time needed to calculate the underlying index or parametric trigger and release funding, but also on effective money-out systems that channel funds quickly to affected communities and provide the needed disaster relief. The recent experience of Jamaica, where timely payouts enabled quick and effective response, is showcased below (see [Impact Story 5](#)).

Further innovative approaches designed to enhance quick support include linking parametric insurance solutions with anticipatory action plans in several countries in Africa and Southeast Asia (see [Impact Story 2](#)) and protecting the Disaster Response Emergency Fund through an innovative insurance mechanism developed by the International Federation of Red Cross and Red Crescent Societies (IFRC) with support by the InsuResilience Solutions Fund (see [Impact Story 8](#)).

IMPACT STORY 5

How pre-arranged financing supported Jamaica's response to Hurricane Melissa

Featuring CCRIF SPC & the World Bank’s Global Shield Financing Facility (GSFF)

Hurricane Melissa, a Category 5 storm, struck Jamaica on 28 October 2025, causing levels of devastation United Nations officials described as “never seen before”. Early assessments estimated damages equivalent to roughly 30% of Jamaica’s GDP. More than 626,000 people were affected, 45 lives were lost, and critical public services and fiscal stability were severely disrupted.

That’s where pre-arranged finance creates a fundamental turning point. Within days after the storm, Jamaica was able to draw on financial protection instruments the government had previously

established as core components of its disaster risk management strategy.

On 31 October 2025, just three days after Hurricane Melissa made landfall, the CCRIF announced that Jamaica could be “*certain of access to [quick] liquidity*” following the automatic triggering of its parametric insurance policy based on modelled losses. A record payout of USD 70.8 million (J\$11.4 billion) was confirmed under Jamaica’s tropical cyclone parametric coverage, scheduled to be paid within 14 days, subject to final model verification.

IMPACT STORY 5

Only a week later, CCRIF announced a second payout of USD 21.1 million after Jamaica's excess rainfall policy was triggered, bringing the total payout to USD 91.9 million (J\$14.8 billion). CCRIF had already advanced USD 8 million on 3 November for immediate liquidity, with the remaining USD 62.8 million due by 13 November, reinforcing the "speed" value proposition of parametric coverage.

At the same time, Jamaica's catastrophe bond, arranged through the World Bank, was triggered and delivered a full USD 150 million payout shortly after the event was verified in early November. The independent calculation agent AIR Worldwide confirmed that the hurricane met the bond's parametric trigger conditions, based on the storm's central pressure and track as reported by the National Hurricane Center.

Originally issued in July 2021 – the first catastrophe bond independently sponsored by a small island state – Jamaica renewed the instrument in April 2024, financing most of the premium from its national budget.

Together, these mechanisms provided the Government of Jamaica with rapid and flexible budget support. The funds enabled authorities to finance emergency response operations and initiate early recovery efforts without waiting for formal damage assessments, highlighting how pre-arranged financial protection can accelerate recovery in the aftermath of major disasters.

Sources

The World Bank (2025). [World Bank Catastrophe Bond Renews \\$150 Million Hurricane Coverage for Jamaica](#). Case study.

The World Bank (2025). [Hurricane Melissa triggers 100 payout of 150 million – World Bank Catastrophe bond for Jamaica](#). Press release.

International Monetary Fund (2025). [Jamaica Secures a Package of USD 6.7 Billion Over Three Years in International Support for Recovery and Reconstruction After Hurricane Melissa](#). Press release.



Gender-responsiveness

- › **Target for 2025:** All CDRFI solutions reported under Vision 2025 fulfil a set of criteria confirming gender-responsiveness, including
 - i) the use of sex-disaggregated data to monitor and evaluate impacts of payouts,
 - ii) the provision of gender-responsive trainings, and
 - iii) the alignment with gender policies (see [Vision 2025 MEL Background Note](#) for the full list of criteria).

- › **Highlights:** Work on gender-smart CDRFI has been anchored in Vision 2025 and its MEL framework, recognising the necessity for, as well as the potential of, gender-responsive solutions. A study¹⁵ commissioned by the Centre of Excellence on Gender-smart Solutions (CoE) assessed the status of the gender-responsiveness of programmes and projects as low. It provided a range of recommendations for access improvements to and use of sex-disaggregated data, reflection of gender needs in CDRFI and good practice examples and communication about existing tools. Albeit not tracked systematically since 2022, global CDRFI programmes recognise this crucial gap and are paying increasing attention to gender dimensions, which is reflected through a noticeable pick-up in gender-focused capacity building, knowledge exchanges, and the dissemination of success stories driving ambition and promoting good practice on gender-responsive CDRFI. [Impact Story 6](#) provides a powerful case highlighting how gender-smart solutions enable women in Colombia to secure their livelihoods through quick recovery. Additional examples of how gender dimensions are built into CDRFI solutions are presented through [Impact Stories 2](#) and [7](#).

INFO BOX

Centre of Excellence on Gender-smart Solutions (CoE)

The CoE has advanced Vision 2025's gender indicator 5d by strengthening awareness and capacity on gender-responsive CDRFI. Since 2022, through its Technical Advisory Facility (TAF), the CoE provided targeted technical support to nine partner entities, helping translate gender commitments into practical tools and operational guidance. A noteworthy example is the collaboration with the Insurance and Risk Finance Facility of the United Nations Development Programme (UNDP), where the TAF advised on integrating gender considerations into the facility's Theory of Change and results framework, including recommendations to introduce gender-responsive targets and improve monitoring of outcomes such as beneficiaries of inclusive insurance solutions and sovereign risk financing.

The CoE has also developed guidance notes, analytical briefs, and practical toolkits to support gender integration in CDRFI, and actively disseminated these insights through nine Live Talks, the Gender Community of Practice, and knowledge-sharing events, helping promote gender-responsive approaches across the wider CDRFI community and contributing to more inclusive risk financing programmes.

For more information, visit [Centre of Excellence](#)



¹⁵ See [The gender-responsiveness of InsuResilience projects](#).

IMPACT STORY 6

Resilience with equity: a gender-responsive CDRFI solution for over 7,000 rural women in Colombia

By: Micro

The Protected Woman Intervention was created as a direct response to the persistent gender gap in solutions: a parametric climate insurance product for women, developed through a public-private partnership with The Fondo Mujer Libre y Productiva of the Vice Presidency of the Republic of Colombia and guided by a gender mainstreaming approach. The instrument breaks longstanding barriers by covering income losses, even without land or asset ownership and providing automatic payouts when drought, excess rainfall, or earthquake thresholds are triggered. So far, 4,399 women have received a payout following drought or excess rainfall events, enabling quick recoveries. The design adapts to multiple productive contexts and aligns payments with women's real post disaster expenses. Implementation integrates gender sensitive communication, financial education, and accessible payment methods. By issuing policies in women's names, the programme strengthens financial autonomy, demonstrating how gender responsive CDRFI can reduce disaster induced wellbeing losses and close protection gaps where they are most acute. The Colombian government is seeking an expansion of the initiative and supports with premium subsidies.



Basis Risk¹⁶:

- › **Target for 2025:** All parametric schemes satisfy at least two of the criteria for high basis risk monitoring.
- › **Highlights:** In 2023, 60% of index-based risk financing instruments reported met these criteria, up from 40% in 2022. In 2023, a mid-term review was commissioned aiming at validating and further investigating the target. It concluded that most of the surveyed index-based solutions indeed met the high-quality basis risk monitoring criteria, pointing to a solid understanding of the importance of monitoring and minimising basis risk to increase effectiveness and reliability of payouts. Nonetheless, the study identified potential for enhancing products by using monitored information to update models and revealed that none of the surveyed products had a separate basis risk budget.

¹⁶ A more detailed description of basis risk can be found in this glossary and the mid-term assessment of Indicator 4a.

IMPACT STORY 7

Fostering resilience through accessible microfinance (RAM)

By: Global Shield Financing Facility and the World Bank

When floods hit, small borrowers are often the first to feel the shock – and the last to recover. The RAM Project is changing that. Co-financed by a **USD 25 million grant from the World Bank’s GSFF**, the project is part of the Global Shield’s support package in Pakistan and has helped launch and capitalise Pakistan’s **Climate Risk Fund (CRF)** – a new financing vehicle that delivers fast, reliable support to microfinance providers when floods disrupt borrowers’ livelihoods. In total, the CRF makes **USD 105 million** in contingent liquidity available to eligible lenders, ensuring they can keep credit flowing when it is needed most.

A **USD 20 million credit line** allows microfinance providers to pilot loans bundled with agritech services, helping farmers boost productivity and resilience. To guard against extreme climate shocks, GSFF funding also supports the design of a **parametric insurance backstop**, adding an extra layer of protection to the fund.

Over five years, the project is expected to benefit **nearly 1.9 million people**. While microfinance has historically lent to significantly more females than the conventional banking sector, they still receive smaller loans on average – about **64% of the size of loans to men in 2024**. The RAM Project addresses this gap by encouraging lenders to use pricing incentives and by setting a clear target: **at least 55% of CRF-supported borrowers should be women**.

In 2025, **innovative risk modeling that overlaid climate risks with the loan portfolios of participating microfinance lenders** was completed, effectively strengthening and tailoring the design of the CRF to meet the Pakistani context.

IMPACT STORY 8

Strengthening the Disaster Response Emergency Fund through risk transfer

By: InsuResilience Solutions Fund (ISF)

The IFRC administers the Disaster Response Emergency Fund (DREF), a multilaterally funded rapid-response mechanism that **provides funding directly to local humanitarian actors both before and immediately after crises**. In 2024, the DREF insurance solution reached a major milestone with its first-ever commercial in-surance payout, triggered after disaster response needs exceeded the fund’s deductible threshold. This pioneering indemnity-based policy, co-funded by the ISF to **protect the DREF against the risk of depletion, unlocks additional funding for emergency response once predefined conditions are met, extending the reach and effectiveness of humanitarian assistance worldwide**. The payout marked a historic moment in humanitarian finance as the first commercial insurance policy of its kind to pay for disaster response costs, underscoring the transition from concept to operational impact and demonstrating how strategic risk financing can strengthen rapid relief for vulnerable communities.





Lessons learned & outlook

Since its launch in 2019, Vision 2025 has served as a central tool for global MEL in the field of CDRFI.

Through a quantitative approach, growth in the project pipeline, number of beneficiaries and volume of available protection was systematically tracked, with data improving over the years as programmes became more familiarised with the methodology. Considering the uniqueness of the approach and the generated dataset, some key lessons learned can be drawn on the value of global monitoring of CDRFI and where complementary approaches and further analyses are needed.

The key strength of the Vision 2025 MEL framework¹⁷ is the established architecture of shared ambitions and desired results. A structured monitoring framework based on six result areas and a common set of indicators promoted coherence in measuring progress across programmes, regions and instruments, and also led to greater transparency on how investments in CDRFI (e.g., through a growing number of donor-funded

programmes) have led to actual financial protection on the ground. However, information on payouts of these CDRFI instruments during and after disasters was not systematically collected, thus also impeding the assessment of the human and development impact of CDRFI solutions in payout scenarios.

This systematic and continuous tracking of several indicators required efforts from all involved partners and analytical compromise. The implementation of the Vision 2025 MEL approach over the past six years revealed significant discrepancies across the six result areas related to the ease with which progress can be measured, and the informational value of these results. Importantly, annual reporting on indicators related to the scale of CDRFI activities such as coverage volume, number of people protected and the uptake of CDRFI solutions at country level was relatively straightforward and effective. These quantitative indicators benefitted from clear definitions, data availability, and

¹⁷ Refer to Annex 2 for a detailed overview of all six result areas and corresponding indicators. For further information see [Vision 2025](#).

some degree of standardisation across programmes. Nonetheless, some methodological challenges still persisted. These include avoiding double-counting in multi-partner projects, allocating regional initiatives to individual countries, disentangling financial protection volumes in projects that span multiple workstreams, and uncertainty around the reliability of disaster response cost estimations¹⁸.

In contrast, indicators focused on qualitative dimensions proved more difficult to monitor and reporting appeared to be less reliable. Dimensions related to the cost-effectiveness of CDRFI solutions and their developmental and human impact require more context- and project-specific analyses, ideally capturing data over a longer time period. As such, the information collected on these dimensions was irregular, sparse, and difficult to verify, and some indicators did not prove fit-for-purpose within a larger, standardised data survey across a broad array of different programmes. To address this, some complementary research was carried out, in particular through mid-term studies¹⁹ to contextualise annual monitoring results and deepen the understanding of result areas where standardised indicators were not producing reliable results.

Fundamentally, Vision 2025 was effective in driving and tracking the ambition to increase financial protection for the most vulnerable but overlooked dimensions such as country ownership, the political economy, and behavioural aspects. This learning early on informed the evolution of the InsuResilience Global Partnership towards the more country-led approach of the Global Shield against Climate Risks initiative²⁰. Over time, the Global Shield's emphasis on a comprehensive analysis of the institutional environment, the broader policy context, and multi-dimensional protection gaps as a basis for tailored solution design may generate more decision-relevant insights on challenges and success factors for high-quality CDRFI.

In concluding, Vision 2025 has demonstrated that monitoring frameworks are much more than accountability tools: targets and corresponding indicators can drive ambition and become a strategic instrument for learning and coordinating. Building on the legacy of Vision 2025, future efforts to track CDRFI progress at a global level should consider the limitations in tracking the quality of solutions with standardised indicators across a diverse set of interventions. Streamlined global indicators should be combined with deeper project-level analyses, longitudinal studies, and stronger feedback loops between evidence generation and decision-making. The increasing frequency and severity of climate shocks demands financial protection not only at scale, but also with built-in learning dividends that lead to tangible resilience outcomes for vulnerable people.



¹⁸ Disaster response costs per person are used to calculate beneficiaries in (sub-)sovereign solutions. These estimates were not adjusted to reflect inflation and changes in countries' risk profiles over Vision 2025's timeframe

¹⁹ See [Vision 2025 Update](#) and accompanying assessments of [Indicator 4a](#), [Indicator 4b](#), [Indicator 4c](#)

²⁰ Read more about the Global Shield [here](#).

Annex 1: Overview of Vision 2025 programmes that reported in 2025

Reporting Programmes and Members ¹	Number of projects ²
African Risk Capacity (ARC) ³	44
Africa Inclusive Climate Risk Insurance Program	8
Agricultural Insurance implementation in Armenia	1
ARC Replica	25
Asian Development Bank (ADB)	18
Asia-Pacific Climate Finance Fund (ACLiFF)	24
CCRIF SPC (formerly The Caribbean Catastrophe Risk Insurance Facility, CCRIF)	82
Climate Risk and Early Warning Systems (CREWS)	94
Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ)	15
Global Shield Financing Facility (GSFF)	20
Global Shield Solutions Platform (GSSP)	12
Green Climate Fund	11
IBISA	13
IDB Contingent Credit Facility for Natural Disaster Emergencies and Public Health Emergencies (CCF)	13
InsuResilience Investment Fund (IIF) ³	33
InsuResilience Solutions Fund (ISF) ³	60
Luxelare	3
Microinsurance Catastrophe Risk Organisation (MiCRO) ³	10
Natural Disaster Fund (NDF) ³	112
Pacific Catastrophe Risk Insurance Company (PCRIC)	42
Promotion of Shock Resilient Loans in West Africa (PACAN) ³	8
PULA Advisors	19
RADIANT YACU	2
UNDP Insurance and Risk Finance Facility	64
Urban Infrastructure Insurance Facility (UIIF) ³	7
WFP Anticipatory Action ⁴	42
WFP's Disaster Risk Financing ^{3,4}	31
World Bank IBRD Catastrophe Bonds	3
World Bank IBRD CAT DDO	10
World Bank IDA CAT DDO	26

¹ The number of listed programmes here may differ from the total reported, as some programmes are included under InsuResilience Solutions Fund (ISF).

² The list includes ongoing projects as well as projects in development.

³ Supported or (co-)initiated by KfW

⁴ Preliminary data was submitted and used for this update report.

Annex 2: Overview of all result areas and indicators

Result area	Indicator	Target	Final result
i. Total risk covered and number of people protected	a. Reduced protection gap	10% of climate and disaster losses in vulnerable countries absorbed by pre-arranged CDRFI solutions	Further analysis on protection gap metrics and their applicability across a broad range of CDRFI instruments is needed.
	b. People covered	500 million people in poor and vulnerable countries covered against climate and disaster shocks by pre-arranged risk finance and insurance mechanisms, including the InsuResilience G7 goal.	402 million people
	c. People accessing micro-level insurance	150 million people in poor and vulnerable countries covered by micro-level insurance	91 million people
	d. Underwriting capacity offered	Additional USD 5 billion of total underwriting capacity offered by the insurance industry for climate risk insurance	USD 3.3bn of risk transfer-based coverage (serving as proxy for private sector risk capital).
ii. Number of countries with comprehensive DRF strategies	a. Presence of comprehensive DRF strategies	80 vulnerable countries with comprehensive disaster risk finance strategies in place	43 countries have a disaster risk finance strategy in place.
	b. Risk reporting	60 vulnerable countries reporting their climate risk and expected losses	As of 2024, 163 UN Member States report disaster losses in the Sendai Framework Monitor, with 112 countries actively recording detailed, localised data in DesInventar to track progress against disaster-related economic losses. Expected losses as a forward looking, probabilistic metric are not being reported under this platform ²¹ .
iii. Number of countries adopting CDRFI solutions	a. Uptake of macro-level CDRFI	60 vulnerable countries with new or enhanced (sub-) sovereign pre-arranged risk financing and insurance mechanisms	104 countries have active macro-level solutions implemented.
	b. Uptake of meso- and micro-level CDRFI	70 vulnerable countries have developed property and agricultural meso- or micro-level insurance solutions	69 vulnerable countries have active meso- or micro-level solutions implemented.

²¹ For more information see the UNDRR 2024 Annual Report.

Result area	Indicator	Target	Final result
iv. Increased cost-effectiveness	a. Basis risk monitoring	All parametric schemes satisfy at least 2 of the criteria for high-quality basis risk monitoring. Additional data on basis risk in parametric and indemnity products is collected.	This indicator was not reported on regularly by all programmes. In 2023, 60% of index-based risk financing instruments reported to meet the criteria. This number was confirmed by a review in 2023.
	b. Low cost of providing coverage	10% increase in the proportion of publicly-supported macro-level schemes meeting the appropriate cost benchmarks.	Per 2023 Mid-Term Review: Low-cost coverage is not yet systematic. High fixed operational and distribution costs persist, though these are expected to decrease as programmes increase in scale.
	c. Competitive private insurance markets	Information is collected on the degree of competition in insurance markets.	Per 2023 mid-term review: growing provider and product diversity indicates rising market activity. Nevertheless, structural constraints and demand-side barriers continue to hinder systematic competition.
	d. Efficacy in support of vulnerable countries	50% increase in the number of schemes fulfilling more criteria for pro-poor targeting of donor funds.	Not assessed in the 2025 collection cycle. Deep-dive analysis across a sample of programmes would be needed to distil relevant results.
v. Development/human impact	a. Material hazards targeted	80% of countries prioritise their most critical hazards for financial protection.	Detailed assessment and common understanding of most critical hazards per country needed to produce relevant results.
	b. Timeliness of payouts	20% increase in the proportion of parametric premiums going toward products with rapid payouts and clear targets for delivering funds to affected populations.	The indicator reached 69%, representing a 23.9% relative growth over the 55.7% baseline and surpassing the established performance target.
	c. Reduced vulnerable group protection gap	15% of climate and disaster losses faced by vulnerable populations absorbed by pre-arranged CDRFI solutions	As noted in indicator i.a, the 2025 collection cycle did not capture specific protection gap data. Therefore, progress for this sub-indicator could not be determined.
	d. Gender-responsive CDRFI	All schemes fulfil all three criteria for gender-responsive CDRFI. ²²	The most recent comprehensive review (2023) revealed that only 3 out of 18 surveyed programmes fully integrated gender-responsiveness in their design and implementation.
vi. Increase in evidence	a. Number of peer review pieces of evidence produced	80% of the gap areas identified in the evidence roadmap are covered by new research.	The evidence roadmap was transferred to the Munich Climate Insurance Initiative. Further analyses may be produced over the coming years.
	b. High uptake of new evidence	30% increase in the number of downloads of reports and resources from the IGP website.	Downloads on the IGP website have decreased over the years as IGP was phased out and the Global Shield was launched. Given these circumstances, the number of downloads on the IGP website does not represent a reliable metric for the uptake of new evidence.
	c. Accessibility of catastrophe risk models	20% increase in the number of countries using catastrophe risk models.	Program-level reporting under Vision 2025 did not render robust results to assess this. Further analyses would be needed.

22 i) The use of sex-disaggregated data to monitor and evaluate impacts of payouts, ii) the provision of gender-responsive trainings, and iii) the alignment with gender policies.

