



Global Shield
against Climate Risks

THE GAMBIA GLOBAL SHIELD IN-COUNTRY PROCESS - STOCKTAKE AND GAP ANALYSIS REPORT

August 2025



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Acronyms

AAL	Average Annual Loss
A2ii	Access to Insurance Initiative
ACE	Africa Coast to Europe
ADRiFi	Africa Disaster Risk Financing
AfDB	African Development Bank
AFD	Agence Française de Développement
AICRM	Africa Integrated Climate Risk Management
ARC	African Risk Capacity
AU	African Union
BMRC	Bureau of Meteorology Research Centre
Cat DDO	Catastrophe Deferred Drawdown Option
CAT	Climate Action Tracker
CBG	Central Bank of The Gambia
CDRFI	Climate and Disaster Risk Finance and Insurance
CDRI	Coalition for Disaster Resilient Infrastructure
CEDAW	Convention on the Elimination of All Forms of Discrimination Against Women
CFSVA	Comprehensive Food Security and Vulnerability Analysis
CNAAS	Compagnie Nationale d'Assurance Agricole du Sénégal
COA	Chart of Accounts
CoP	Conference of the Parties
CPMU	Centralised Project Management Unit
CREWS	Climate Risk and Early Warning Systems
CRI	Climate Risk Index
CSOs	Civil Society Organisations
CVF	Climate Vulnerable Forum
DCF	Directorate of Climate Finance
DFS	Digital financial services
DRFS	Disaster Risk Financing Strategy
ECOWAS	Economic Community of West African States
EII	World Economic Inequality Index
EMR	Emergency Relief Fund



EU	European Union
FAO	Food and Agriculture Organisation of the United Nations
FCs	Finance Companies
FFIs	Fiduciary Financial Institutions
FGM/C	Female Genital Mutilation/Cutting
FRLD	Fund for Responding to Loss and Damage
G7	Group of Seven
GamSR	Gambia's Social Registry
GBoS	The Gambia Bureau of Statistics
GAWFA	The Gambia Women's Finance Association
GBV	Gender-based violence
GCCF	Gambia Climate Change Fund
GCCI	The Gambia Chamber of Commerce and Industry
GCF	Green Climate Fund
GEF	Global Environmental Facility
GCMs	Global Climate Models
GDP	Gross Domestic Product
GEM	Global Exposure Model
GESI	Gender Equality and Social Inclusion
GFDRR	Global Facility for Disaster Reduction and Recovery
GHG	Greenhouse Gas
GIEPA	Gambia Investment and Export Promotion Agency
GIRAV	The Gambia Inclusive and Resilient Agricultural Value Chain Development
GIRI	Global Infrastructure Risk Model and Resilience Index
Global Shield	Global Shield against Climate Risks
GM	The Gambia
GMD	Gambian Dalasi
GNAIP II-FNS	Second Generation National Agricultural Investment Plan-Food and Nutrition Security
GoTG	Government of The Gambia
GRMA	Global Risk Modelling Alliance
GSP	Gender Strategic Plan
GSNP	The Gambia Safety Net Project



GSSP	Global Shield Solutions Platform
IAG	Insurance Association of The Gambia
ICT	Information and Communication Technology
ICC	In-Country Coordination
ICP	In-Country Process
ICT4D	Information and Communication Technology for Development
IDA	International Development Association
IDF	Insurance Development Forum
IFAD	International Fund for Agricultural Development
IFMIS	Integrated Financial Management Information System
IFRC	International Federation of Red Cross and Red Crescent Societies
IIMDC	Inclusive Insurance Market Development Committee
ILO	International Labour Organisation
IMF	International Monetary Fund
INDC	Intended Nationally Determined Contribution
INFF	Integrated National Financing Framework
ISD	Insurance Supervision Department
KPIs	Key Performance Indicators
LECRDS	Low Emission Climate Development Strategy
LGAs	Local Government Authorities
LRR	Lower River Region
LTS	Long-Term Climate-Neutral Development Strategy
MAGICC	Model for the Assessment of Greenhouse-gas Induced Climate Change
MDAs	Ministries, departments and agencies
MoGCSW	Ministry of Gender Children and Social Welfare
MoALFS	Ministry of Agriculture, Livestock and Food Security
MoCDE	Ministry of Communications and Digital Economy,
MECCNAR	Ministry of Environment, Climate Change and Natural Resources
MFIS	Microfinance institutions subsector
MiN	Microinsurance Network
MoFEA	Ministry of Finance and Economic Affairs
MoTRIE	Ministry of Trade, Industry, Regional Integration, and Employment



MWCSW	The Ministry of Women, Children and Social Welfare
MSMEs	Micro, Small, and Medium Enterprises
NaNA	National Nutrition Agency
NAPA	National Adaptation Programme of Action
NEPIP	National Employment Policy and Implementation Plan
NBS	Nature-based solutions
NCCAP	National Climate Change Action Plan
NCCC	National Climate Change Council
NCCP	National Climate Change Policy
NCCS	National Climate Change Secretariat
NCCRM	National Early Warning and Response Mechanism Coordinating Centre
NDC	Nationally Determined Contribution
NDC1	first Nationally Determined Contribution
NDC2	Second Nationally Determined Contribution
ND-GAIN	Notre Dame Global Adaption Initiative
NDMA	National Disaster Management Agency
NGOs	Non-Governmental Organisations
NSPP	National Social Protection Policy
NSPA	The National Social Protection Agency
NSPS	National Social Protection Secretariat
NTAG	National Technical Advisory Group
NYSS	National Youth Service Scheme
ODA	Official development assistance
ODI	Overseas Development Institute
OFID	OPEC Fund for International Development
OIC	Organisation of Islamic Cooperation
OPM	Oxford Policy Management
PFM	Public Financial Management
PMO	Personnel Management Office
PSP	Payment Service Providers
RCP	Representative Concentration Pathway
RF-NDP	Recovery-Focused National Development Plan



RICAR	Rural Integrated Climate Adaptation and Resilience Building Project
RIMA	Resilience Index Measurement and Analysis
RISE	The Gambia Resilience, Inclusion, Skills, and Equity Project
ROOTS	Resilience of Organisations for Transformative Smallholder Agriculture Project
RST	Resilience and Sustainability Trust
SDGs	Sustainable Development Goals
SMEs	Small and Medium-Sized Enterprises
SCENGEN	Scenario Generator
SSA	Sub-Saharan Africa
TANGO	The Association of Non-Governmental Organisations
UEMOA	West Africa Economic and Monetary Union Commission
UN	United Nations
UNCT	United Nations Country Team
UNDRR	United Nations Office for Disaster Risk Reduction
UNDP	United Nations Development Programme
UNFCCC	United Nations Framework Convention on Climate Change
UNIDO	United Nations Industrial Development Organisation
UP	United Purpose
UTG	University of The Gambia
V20	Vulnerable Twenty Group
VISACAs	Village Savings and Credit Associations
WACA	West Africa Coastal Areas Management Programme
WACOMP	West Africa Competitiveness Programme The Gambia
WASH	Water, sanitation, and hygiene
WCR	West Coast Region
WFP	World Food Programme
WII	Weather Index Insurance
WMO	World Meteorological Organisation



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Chapter 3 – Risk Assessment

Section 3.1 - 3.8: *Author* – Global Risk Modelling Alliance

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Chapter 6 – Climate and Disaster Risk Finance Solutions and Linkages

Section 6.3.1 – Adaptive Social Protection System: *Author* – World Bank

Chapter 7 – Gap Analysis

Section 7.3 – Gender Equality and Social Inclusion Protection Gaps and Recommendations

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Foreword

This stocktake and gap analysis report is a key milestone of The Gambia's Global Shield In-Country Process. The Global Shield against Climate Risk is a collaborative initiative by the G7 and the Vulnerable 20 Group of Finance Ministers, representing nation's most vulnerable to the effects of climate change. The Global Shield aims to improve financial protection for vulnerable populations by providing timely, efficient, and pre-arranged risk financing against climate-related disasters.

Like many other highly climate-vulnerable countries, The Gambia faces rising temperatures, sea level rise, and increased climate variability, all of which pose serious risks to its ecosystems, infrastructure, and economy. Recognising the urgency, The Gambia formally sought support from the Global Shield to strengthen its capacity in Climate and Disaster Risk Finance and Insurance (CDRFI). In response, the Global Shield initiated The Gambia's In-Country Process (ICP), led jointly by the MoFEA and MECCNAR, with strong support from the National Disaster Management Agency (NDMA) and National Social Protection Agency (NSPA).

I am particularly proud that this in-country process brought together national and international stakeholders from across government, the private sector, civil society, academia, and development partners, who contributed their insights, expertise, and commitment through consultations, workshops, and expert dialogues. Their collective input has shaped both this stocktake and gap analysis and the priority areas in The Gambia's Request for Support to the Global Shield.

Equally important has been the way our national institutions worked side by side—supporting one another, reflecting on new strategic directions, and building stronger partnerships for the future. This process has not only identified key financial protection gaps and analysed ongoing CDRFI work but also strengthened the foundation for improved coordination on disaster risk finance and management in the years ahead.

I commend every partner who has contributed to this important work, and I extend my sincere thanks to the Global Shield Secretariat for their guidance and support. Together, we have taken a decisive step towards a more resilient, and better prepared Gambia.

Hon. Seedy K.M. Keita
Minister of Finance and Economic Affairs
Republic of The Gambia



Executive Summary

This Stocktake and Gap Analysis Report is a comprehensive account of the CDRFI landscape, protection gaps, and opportunities to close these gaps in The Gambia. This work is spearheaded by MoFEA, MECCNAR, with support from NDMA and NSPA as well as the locally established task force of national and international stakeholders, with support from the Global Shield Secretariat. Furthermore, this document includes contributions from international partners, including the Global Risk Modelling Alliance (GRMA), Microinsurance Network (MiN), the Centre of Excellence on Gender-Smart Solutions (COE), Oxford Policy Management (OPM), and the World Bank Group. The report sheds light on financial protection gaps through an assessment of policy and institutional frameworks, the regulatory environment, existing CDRFI activities, as well as a quantitative and qualitative risk analysis focused on priority sectors vulnerable to climate impacts, including agriculture, tourism, and infrastructure. The report presents recommendations to enhance financial resilience, including adaptive social protection and anticipatory action mechanisms, and to strengthen The Gambia's capacity to respond effectively to climate and disaster risks, leveraging both national and international partnerships.

Stocktake Findings

National context and socio-economic overview

The Gambia faces critical vulnerabilities to climate change, with rising temperatures, sea level rise, and increased climate variability posing severe risks to its ecosystems, infrastructure, and economy. Average temperatures have risen by 1.0°C over the past six decades and are projected to increase by 3–6°C by 2100, while coastal areas, including Banjul, are threatened by erosion, flooding, and inundation. Flooding and drought, the most significant hazards, occur with increasing frequency, disrupting agriculture, livelihoods, and critical infrastructure.

In The Gambia, 47.2% of households are engaged in agriculture, while the sector contributes only 25% to the gross domestic product (GDP) due to low productivity (The Gambia Bureau of Statistics (GBoS), 2024), accentuated by dependence on rain-fed subsistence farming, with only 3% of arable land irrigated. Low agricultural productivity further exacerbates food insecurity.

The majority of the population resides in urban and peri-urban areas, which puts a strain on public services and resources. Women constitute 51% of the population but face higher rates of poverty and lower educational attainment, with significant barriers to workforce participation.

The socio-economic assessment reveals disparities in access to resources, employment opportunities, and social services, necessitating targeted interventions to build resilience. The economic impacts of climate risks include slowed GDP growth, rising public debt, and setbacks in poverty reduction, underscoring the urgent need for adaptive measures to mitigate climate-related socio-economic disruptions.

Risk assessment

A review of The Gambia's historical disaster data, available for the period 1968-2021 in the EM-DAT catalogue (EM-DAT), shows 33 recorded disaster events of which 33% were classified as floods, 21% as droughts, 18% as storms, 12% as epidemics, 12% as infestations and 3% as wildfire. However, 88% of the people affected by these disasters were impacted by drought, while 9% were affected by floods. The DesInventar database, a disaster information management system hosted by the United Nations Office for Disaster Risk Reduction (UNDRR) with records from 1899 to 2018, showed that over 75% of recorded disasters are floods. Nonetheless, drought remains the primary hazard for the country when looking at the number of affected people, impacting water resources, agricultural



productivity, and food security. Continuously increasing temperatures combined with higher rainfall variability in the future will lead to an increase in drought occurrences and severity.

Priority sectors

Several economic sectors are particularly vulnerable to climate risks, requiring targeted strategies for adaptation and resilience:

- *Agriculture:* Droughts, floods, and pest invasions reduce crop yields and livestock productivity, threatening food security. Projected yield declines of 15% to 25% for key crops like sorghum and groundnuts by 2050 underscore the urgency for adaptive agricultural practices.
- *Tourism:* Coastal erosion and rising operational costs due to climate change undermine the sector's viability. Iconic sites such as Kololi Beach and Kunta Kinteh Island are at risk of further degradation.
- *Infrastructure:* Frequent floods damage roads, schools, and water systems, with estimated economic losses of 3.8% of GDP from flood-related damage.
- *Health:* Increased prevalence of waterborne and vector-borne diseases, such as malaria and cholera, poses significant public health challenges.
- *Forestry and Fisheries:* Deforestation and overfishing, compounded by climate impacts, threaten biodiversity and rural incomes.

Country strategies and policies

In response, The Gambia's policies and strategies outlined in this document represent a strong approach to tackling the multifaceted challenges posed by climate change, disaster risks, and socio-economic vulnerabilities. The Gambia has developed a suite of strategies to address climate risks and enhance resilience. Key frameworks include:

- National Disaster Management Policy (2024-2033)
- National Disaster Management Strategy Plan (2024-2028)
- Medium-Term Plan for Implementation of the Policy for the First Five Years of the Policy Period, 2024-2028
- National Early Warning Strategy (2021–2026)
- Long-Term Climate-Neutral Development Strategy 2050
- Recovery-Focused National Development Plan (2023-2027)
- National Multi-Hazard Contingency Plan (2022-2025)
- National Social Protection Policy (2015-2025)
- National Climate Change Policy (2016-2025)

As of 2024, the country has an overarching climate and disaster risk management strategy and policy. What it lacks is a disaster risk financing policy framework and strategy, an inclusive insurance policy and adaptive social protection strategy. Additionally, implementation challenges persist due to resource constraints, limited institutional capacity, and lacklustre coordination among institutions and stakeholders.



Gap Analysis Findings

Critical financial protection gaps and solutions

The Gambia's CDRFI landscape reveals several critical gaps requiring solutions. Key protection gaps and approaches for solution include:

- **Poorly designed and financed Emergency Relief Fund (ERF), denoting the absence of a robust national disaster fund:** The country lacks a functional national contingency fund for risk retention, leaving it financially unprepared for climate-related disasters. Existing funds are fragmented, under-resourced, and mostly inactive. A proposed solution is to create a Climate and Disaster Risk Fund to cover up to 30% of disaster response costs, supported by national and international sources. Additionally, the adaptive social protection sub-window needs stronger institutional support and wider reach to protect vulnerable groups.
- **Limited sovereign risk transfer instruments and premium financing gaps:** The Gambia joined the African Risk Capacity (ARC) risk pool in 2014 but paused participation in 2024 due to rising reinsurance costs, which increased its premiums. Concerns also arose from unmet payout expectations in previous years, as triggers were not reached. This policy shared a trigger mechanism with the ARC Replica policy held by the World Food Programme (WFP). In 2025, The Gambia rejoined the pool with support from the Global Shield Solutions Platform (GSSP).
- **Foreseen persistent affordability and uptake challenges:** WFP's microinsurance policy includes an assessment of beneficiaries' willingness to pay through a phased premium subsidy. The subsidy starts at 100% in year 1 and gradually decreases until farmers pay the full premium by year 4. However, this approach only delays the underlying challenges of low affordability and a weak insurance culture.
- **Data and systems:** A key challenge in disaster risk management is the lack of sufficient data and modelling to accurately measure the protection gap. Existing risk data is limited and often incomplete, affecting the quality and scope of risk estimates across hazards and sectors. Building a strong probabilistic modelling framework with updated data, and promoting data sharing among Gambian stakeholders, is essential to improve risk assessments and guide effective financial protection strategies.
- **Early warning systems:** The lack of functional early warning systems further exacerbates the protection gap. An effective early warning system is fundamental to preparing for and mitigating the impacts of climate-related hazards. Strengthening these systems will involve not only technological upgrades but also training and capacity building for local communities to understand and act on warnings.
- **Ongoing projects resource constraints:** Several international partners, including the World Bank Group, African Development Bank (AfDB), and WFP, have initiated various projects in the Gambia, such as the West Africa Coastal Areas (WACA) Project, the West Africa Competitiveness Programme (WACOMP) Project, and the Africa Disaster Risk Financing (ADRFi) initiative. However, these initiatives remain limited in scope and scale. Expanding their reach and resources is essential to better address the country's increasing vulnerabilities and strengthen resilience.
- **National strategies and policies:** A significant strategic gap exists due to the absence of a comprehensive disaster risk financing strategy aligned with the 2024 regulation. To address this, it is crucial to develop a holistic policy that incorporates a risk-layered approach and connects financing tools with implementation mechanisms such as adaptive social



protection. This overarching framework must be backed by a clear action plan outlining specific step, timelines, and assigned responsibilities to ensure effective risk management.

- **Institutional challenges:** Institutional weaknesses significantly hinder the effective implementation of disaster risk financing strategies. For example, the Directorate of Climate Finance (DCF) is nascent with limited human and technical capacity. DCF requires a comprehensive and systematic human and institutional capacity building, including capacity assessment and the development of a medium-term capacity building plan to fill the gaps.
- **Inclusive insurance policy and regulatory challenges:** A dedicated framework for inclusive insurance under CDRFI is lacking, leaving micro and meso-level risks unaddressed. The outdated Insurance Act of 2003 also fails to accommodate modern instruments, such as microinsurance, insurance pools, Weather Index Insurance (WII), and digital solutions, hindering investments in innovative risk transfer options for vulnerable individuals and small businesses.
- **Underdeveloped insurance industry and low public awareness:** Low public awareness of insurance benefits has led to low adoption rates, with agriculture particularly underserved due to perceived risks and affordability challenges despite subsidies from the GoTG through a Green Climate Fund (GCF)–WFP pilot. To improve uptake, enhanced subsidies, targeted education, and tailored agricultural insurance products are needed. The Inclusive Insurance Market Development Subgroup (IIMDS) supports these efforts by driving strategy and market development.

Other cross cutting solutions:

- **Leverage public-private partnerships:** Expand financial instruments and infrastructure through collaboration with private sector stakeholders.
- **Gender Equality and Social Inclusion (GESI):** First, there is a dearth of sex-disaggregated data, limited GESI research, and few vulnerability assessments sensitive to these issues. To address this, stronger data systems and multi-hazard planning led by NDMA in collaboration with United Nations Development Programme (UNDP), ActionAid, and International Federation of Red Cross and Red Crescent Societies (IFRC) are needed. Programme implementation faces challenges like low stakeholder participation, limited capacity, and weak monitoring, requiring enhanced planning and engagement supported by the Personnel Management Office (PMO) and the Ministry of Agriculture, Livestock and Food Security (MoALFS) with support from The World Bank and The Gambia Women's Finance Association (GAWFA). Policy and regulatory frameworks also fall short in mainstreaming and enforcing GESI, with ongoing efforts needed to integrate The Gambia's new gender policy across government ministries. Cultural barriers, including traditional gender norms and discriminatory land practices, further limit progress, emphasising the need for empowerment and land reform initiatives led by the Ministry of Gender, Children and Social Welfare (MoGCSW) and partners.

Way Forward

Addressing these gaps across policies, frameworks, laws, regulations, institutions, sectors, and a myriad of technical competencies requires a coordinated and multi-faceted approach. By strengthening CDRFI instruments, improving data systems, developing comprehensive CDRFI strategies, mainstreaming CDRFI in sector frameworks, and enhancing institutional and sectoral capacities, The Gambia can improve preparedness and response to climate and disaster risks. This will not only protect the nation's citizens and economy but also lay the groundwork for long-term development and poverty reduction in the face of an uncertain climate future.



Local private insurance providers, such as Takaful Gambia Ltd, Sunshine Insurance Gambia Ltd, and Royal Insurance Gambia Ltd, offer property insurance to protect public, business, and private assets from various risks. These companies can be more innovative and introduce more CDRFI product offerings, which would enhance the overall resilience of Gambian communities.

Key initiatives in adaptive social protection, early warning systems, and disaster risk reduction, such as the Climate Risk and Early Warning Systems (CREWS) initiative and the Africa Integrated Climate Risk Management (AICRM) programme, are strengthening the country's capacity to anticipate, prepare for, and respond to climate-related shocks. These efforts can be further integrated with financial protection mechanisms to create a holistic risk management approach. While The Gambia has made steps to implement macro and micro-level financial protection solutions and strengthen disaster risk management systems, significant gaps remain in the availability of insurance products at macro, meso and micro-levels. Innovative, sustainable, and gender and socially inclusive CDRFI solutions are crucial for bridging these gaps, ensuring comprehensive protection for all citizens, especially the most vulnerable.



1. Introduction

The Gambia was selected as one of the new Global Shield countries in 2024 following the country's expression of interest to receive support from the Global Shield in order to scale up pre-arranged financing instruments against climate and disaster risks. The Gambia's selection was based on the Global Shield's prioritisation framework, which has three main criteria: poverty, climate and disaster risk, and readiness. By putting in place pre-arranged finance, The Gambia will be able to build financial resilience and protect its vulnerable communities against climate and disaster risks.

The In-Country Process (ICP) officially kicked off in June 2024. The process is led by MoFEA and MECCNAR with support by NDMA and NSPA. The two Ministries form the In-Country Coordination (ICC) for the ICP. In order to facilitate more capacity for the ICC, a support structure was set up to provide technical, logistical and administrative support with two senior consultants.

This stocktake report is developed using a combination of primary and secondary data sources. The outcomes of the first ICP workshop held in September 2024 served as a key input to this report. Bilateral and group consultations were undertaken with 20 stakeholders including key ministries and government agencies - DCF, MECCNAR and NDMA, to explore in depth their past, ongoing and future work on CDRFI or related activities in The Gambia. A list of all stakeholders interviewed is presented as an Annex to this report. These are complemented by desk-based research on existing, planned and ongoing CDRFI solutions and projects, and the policy and regulatory landscape. Global Shield strategic partners such as GRMA, OPM, ILO, MiN, and the World Bank Group further provided inputs to the stocktake based on the latest science and data. A GESI analysis is prepared to highlight the gender differentiated impacts and vulnerabilities of climate and disaster risks and gaps that exist in financial protection solutions for women and other marginalised groups. The Gambia ICP Taskforce¹ is a key contributor to the Stocktake and Gap Analysis Report, ensuring that the report is technically robust, comprehensive and complete. The findings of the Stocktake and Gap Analysis Report were presented at the second ICP workshop held in February 2025 to local and international stakeholders, improving its technical robustness.

1.1. International Context

The Gambia is recognised for its efforts in fostering cooperation on climate resilience and disaster risk financing in the region. It has served as Co-Chair of the InsuResilience Global Partnership's highest governing body, which laid the groundwork for the Global Shield. In this role, The Gambia has been a pioneer in fostering international collaboration on CDRFI and a role model in prioritising pre-arranged climate and disaster risk finance.

In 2021, The Gambia's Nationally Determined Contribution (NDC) was rated "almost sufficient" for meeting the Paris Agreement's 1.5°C goal, aligning closely with the Net-Zero 2050 Agenda. Despite these efforts, the country faces significant challenges due to climate change, including severe flooding, droughts, windstorms, wildfires, epidemics, and diseases, which jeopardise livelihoods and impede socio-economic progress.

The Gambia is one of the 74 Vulnerable Twenty (V20) countries constituted by the Climate Vulnerable Forum (CVF) as nations that are systematically vulnerable to climate change.

¹ The ICP Taskforce is constituted by stakeholders relevant to CDRFI in The Gambia: MoFEA, DCF (Chair), MECCNAR, NDMA, WFP, World Bank, GCCI, TANGO, CBG, UTG, National Coordinating Organisation of Farmers' Association Gambia, Gambia Women's Chamber of Commerce and the Senior Global Shield Consultant.



1.2. National Context

The first workshop of the ICP took place on the 18th and 19th of September. Its main purpose was to officially launch the ICP in The Gambia and engage stakeholders (public, private, academia, civil society, among others) on CDRFI. The workshop also facilitated an understanding of the country's priority risk areas, strategies on CDRFI, coordination mechanisms, relevant policies and frameworks, and interlinkages between ongoing activities such as social protection. One of the key workshop outcomes was the setup of a Global Shield Taskforce with membership from key stakeholders across sectors. The Taskforce membership include MoFEA through DCF, MECCNAR, NDMA, WFP, World Bank, Gambia Chamber of Commerce and Industry (GCCCI), The Association of Non-Governmental Organisations (TANGO), Central Bank of The Gambia (CBG), University of The Gambia (UTG), National Coordinating Organisation of Farmers' Association Gambia, Gambia Women's Chamber of Commerce, and United Purpose. An IIMDS comprising of national and international stakeholders namely: MoFEA through DCF, MECCNAR, NDMA, WFP, CBG-Insurance Supervision Department (ISD), Gambia Insurance Association, West African Insurance Institute, Takaful Insurance, ILO, AB-Etheos, and MiN, was set up to assess the inclusive insurance space of The Gambia with specific focus on CDRFI context. The Taskforce and the IIMDS enrich the ICP with their expertise, institutional knowledge, and resources.

1.3. Objectives of the Report

The objectives of the stocktake report and gap analysis are to:

- a. *Facilitate the understanding of the status of CDRFI at the national, subnational and community levels in The Gambia by:*
 - Mapping out the relevant policy, regulatory and institutional landscape. Country policies, strategies, regulations and institutions working on CDRFI are presented in the report.
 - Mapping financial protection solutions in The Gambia that either already exist, are planned or have been implemented successfully or not so successfully in the past at the macro, meso, and micro-levels.
 - Presenting an overview of private sector initiatives and capabilities to introduce and scale CDRFI products. The banking, insurance and mobile telecommunication companies are essential for providing the enabling environment, infrastructure and resources for the implementation and realisation of CDRFI solutions.
- b. *Inform and identify financial protection gaps in The Gambia.* By properly understanding the CDRFI landscape, priority risks, vulnerabilities and the economic impacts of these, the report is better able to show the gaps that exist in financial protection. This gap analysis is key for The Gambia's request for support to the Global Shield, and the resulting development of CDRFI solutions tailored to The Gambia's present needs for financial resilience building against climate and disaster shocks.

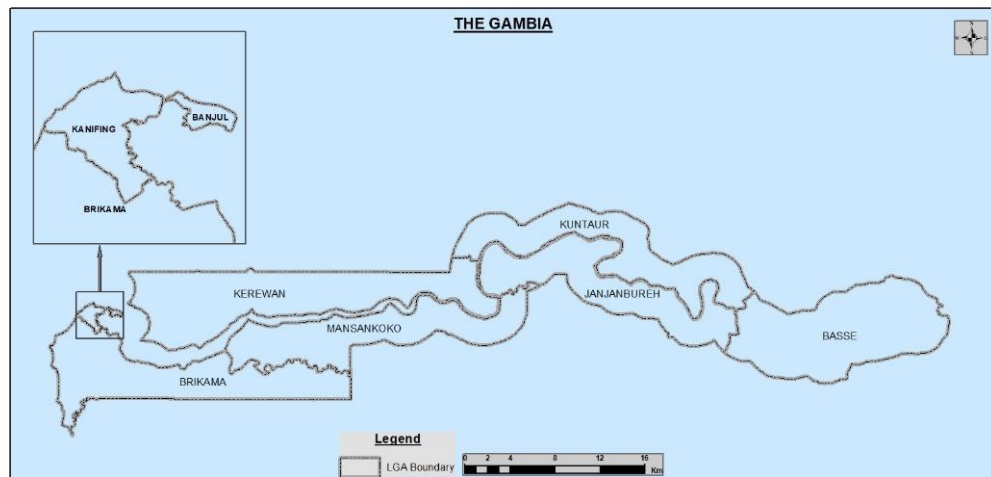
The report is presented in eight chapters; the second chapter discusses the economic and social context; the third chapter provides an assessment of priority risk and sectorial impacts; the fourth chapter outlines the country's policies and strategies relevant to CDRFI; the fifth chapter presents the enabling environment for CDRFI, the seventh chapter provides an overview of financial protection solutions available in the country and the linkages to social protection, and eighth chapter provides an analysis of the CDRFI gap in The Gambia.

2. General Country Profile

2.1. Overview

The Gambia, the smallest country on mainland Africa, is bordered by Senegal on all sides except its 60-kilometer Atlantic coastline. The country is divided into five administrative regions (the West Coast Region, Lower River Region, Central River Region, Upper River Region and North Bank Region), and two municipalities (the City of Banjul and Kanifing Municipality) which constitute the Greater Banjul Area. It covers about 10,689 square kilometres and has a population of 2.4 million (GBoS, 2024), making it one of Africa's most densely populated countries (176 people per square kilometre). The Gambia's Sahelian climate is characterised by a long dry season – November to May, and short wet season – June to October, with rainfall varying from 700 mm to 1,000 mm annually, influenced by the West African monsoon (GEU, 2024). The country's economic and social situation is discussed below, covering demographics, poverty, production, macroeconomic stability, employment, social inclusion, and the Gambian population's disaster coping mechanisms.

Figure 1: Map of The Gambia



Source: GBoS

2.2. Socio-Economic and Demographic Context

57% of the Gambian population reside in urban and peri-urban areas, putting pressure on resources and public services (World Bank, 2020). Females constitute a slight majority at 51% (GBoS, 2024). Gender is a central issue in policy and strategy for sustainable development to ensure that vulnerabilities are addressed according to the differential needs of all people (GBoS, 2024). The country has a youthful population with 36.4% in the age bracket of 15-35 years (GBoS, 2024). While the population is predominantly Muslim at 96.4% and Christians make up 3.5% of the total, a secular and democratic State Constitution prevails (Central Intelligence Agency, 2024).

The Gambia, classified as a Least Developed, Low-Income and Food-deficit Country, has 31.7% of its population living in extreme poverty (Food and Agriculture Organisation of the United Nations (FAO), 2020). The Gambia's poverty rate remains high, with the country ranked 174th out of 193 in the 2024 UNDP Human Development Index. Poverty² head count rate in The Gambia decreased from 58% in 2003 to 48.4% in 2010 but slightly rose to 48.6% in 2015/16. The situation worsened due to COVID-

² The population below the poverty line of USD 1.25 per day



19, with poverty climbing to 53.4% in 2020. The poverty head count shows the rural and urban divide to be 76.7% and 30.8%, respectively (The Gambia Labour Force Survey, 2023), with wide divergence between Banjul City Council (7.8%) and Central River Division (86.3%), denoting significant income inequalities.

World Economic Inequality Index (EII) has The Gambia at 64.1, which is the third most unequal country in Africa, only above Algeria (77.2) and Egypt (71.5) (EII, 2024). The country's food poverty head count registered 60.2% of the population, while 73.2% of the rural population and 49.6% of the urban population are food poor (GamSA, 2023). The poorest segments of the society are located in the rural regions most prone to the vagaries of the weather and climate change – Central River Region, Upper River Region and Lower River Region.

Recent GDP growth showed resilience to the impacts of COVID-19 and the Russia-Ukraine War, with a GDP growth of 5.3% in 2023, up from 4.9% in 2022 (GamSA, 2023). The agriculture sector grew by 7.2% in 2023, on the back of a good rainfall pattern and improved agricultural practices. Remittance inflows and public investment in infrastructure development projects associated with the Organisation of Islamic Cooperation May 2024 Conference occasioned significant growth in the construction and the industrial sectors. The services sector – mainly consisting of wholesale and retail trade, transport, and tourism made a modest contribution to domestic product growth while over the longer haul combining with the industrial sector to register structural change that is reducing the share of the agricultural sector in GDP (GEU, 2024). Agriculture still remains crucial for livelihoods in The Gambia, employing about 75% of the labour force and still contributing 20-25% of GDP (GoTG, 2024). However, it suffers from low productivity, dominance of subsistence, limited access to credit, and climate vulnerability, with only 3% of arable land irrigated.

In the decade 2013-2023, the average annual real GDP growth was 4%, within a wide band of 0.6% to 5.3% on account of COVID-19 in 2020 and a rebound the following year (GBoS, 2023). Long-term fluctuations have been due to droughts, economic mismanagement, and weak governance (World Bank, 2024). Climate change and extreme weather events such as droughts, floods, and irregular rainfall have substantial impacts on agricultural productivity and thus the GDP, with depressed socioeconomic outcomes and an aggravated poverty situation in The Gambia (MoFEA, 2023).

GDP per capita was at USD 988 in 2023, fluctuating over the past decades, reflecting the trajectory of economic productivity, which was subject to the vagaries of climate change. The International Monetary Fund (IMF) analysis of The Gambia estimated that GDP per capita after large disasters can be 2-5% lower than the would-be level in the ensuing four years, and the public debt is 6% of GDP higher in the following three years (IMF, 2019). These economic impacts of natural hazards constitute significant setbacks in the country's quest for inclusive growth and poverty reduction, and to the economic progress of Gambians.

Despite these urgent challenges, the country's growth has held up with the averages for Sub-Saharan Africa (SSA) and the Economic Community of West African States (ECOWAS), with real GDP growth averaging 3.1% from 1990 to 2022 (World Bank, 2024). Nonetheless, the economy faces several structural constraints, including low agricultural productivity, inadequate infrastructure, limited human capital development, and poor access to finance (World Bank, 2024). To address these challenges, the government of The Gambia (GoTG) developed the "Yiriwaa" Recovery-Focused National Development Plan, 2023-2027 (RF-NDP, 2023-2027), and sector strategies towards a more resilient, inclusive and sustainable development.

2.2.1. Macroeconomic Stability

Fiscal vulnerabilities lie at the centre of The Gambia's macroeconomic stability challenges. Public debt is at high risk of distress but is currently deemed sustainable due to a downward trajectory in the debt-to-GDP ratio, expected to drop below the benchmark of 55% by 2025 (AfDB, 2024). The



fiscal deficit narrowed from 4.9% of GDP in 2022 to 3.5% in 2023 due to expenditure restraint and improved revenues. Tax revenues remain quite low at 9.8% of GDP compared to the ECOWAS average of 15% of GDP (MoFEA, 2024).

Inflationary pressures were driven by higher food prices, which reached 22.2%, while the average inflation rate peaked at 16.9% in 2023. The food price inflation contributed to higher food insecurity and more poverty. The monetary tightening by CBG, by raising interest rates to 17%, has questionable consequences on slowing imported inflation. The current account deficit widened from 6.1% to 7.6% of GDP due to lower agricultural exports and higher import prices, while international reserves decreased, reflecting increased import costs (MoFEA 2024). Despite the financial sector's resilience, the economic environment is challenging, with poverty rates rising and unemployment reaching an estimated 31.6% in 2023 (AfDB, 2024).

Overall, as the joint World Bank/IMF Debt Sustainability Analysis completed in December 2023 highlights, The Gambia remains at high risk of debt distress. Medium-term fiscal consolidation for macroeconomic stability is anchored on debt sustainability and higher financing flows (IMF, 2024). Key policy interventions include increasing domestic resource mobilisation above the 10% of GDP registered in 2023, which is well below the ECOWAS average of 15% of GDP; lower uncertainties of official development assistance (ODA) inflows which historically financed 83% of the public investment budget between 2008 and 2018 (IMF, 2019), while accounting for over 45% of total spending in 2023 (MoFEA 2024); slower global economic recovery depressing the resumption of tourism; facilitate robust remittance inflows but which largely finance household consumption and housing stock; and, stabilising the fluctuating private capital inflows. According to the country's Integrated National Financing Framework (INFF), 2025-2029, increasing these financing flows is critical for achieving successful implementation of the RF-NDP and Sustainable Development Goals (SDGs) for resilient, inclusive and sustainable growth and "redoubled poverty reduction" (INFF, 2024).

The country's macroeconomic stabilisation efforts are spearheaded by the Medium-Term Debt Strategy, 2023-2027, Medium-Term Expenditure and Financing Framework, 2024 -2029, and Domestic Resource Mobilisation Strategy, 2025-2029 and supported by a comprehensive Extended Credit Facility agreed with IMF. Key reforms include strengthening domestic revenue mobilisation, improving governance, investing in infrastructure and human capital, and promoting regional integration. The GoTG is steadfast in ushering stable macroeconomic conditions for building a resilient economy against external and domestic shocks, including climate and natural disasters.

2.2.2. Employment

The service sector dominates employment, engaging 57.5% of the workforce, while industry and agriculture sectors account for 21.2% and 21.0%, respectively (GBoS,2022). Agriculture sector employs more women (67.5%) than men (32.5%) (GBoS 2022, p.53). Youth unemployment is significantly higher, with young people aged 15 to 35 being four to five times more likely to be jobless (GBoS, 2022). The manufacturing sector employs less than 8% of the workforce, while agriculture and natural resources sector remain the largest employers (GBoS, 2022). The economically active population represents 80% of the working-age demographic, with many youths migrating abroad due to limited job opportunities.

Unemployment remains a critical issue, with an average rate of 31.6% and youth unemployment at 38.6%, highlighting a very narrow job market (GBoS, 2022). Vulnerable groups such as youth, women, and differently abled individuals are especially impacted. Traditional family support helps some to avoid poverty, but high urban unemployment, particularly among migrants, can lead to increased crime and social issues. Underemployment is prevalent, especially among urban women burdened by domestic responsibilities. Many workers are engaged in informal employment, notably in agriculture,



characterised by low wages and minimal protections. There is a push to formalise these sectors for better economic growth.

Disparities exist in the labour market based on region and gender, with urban areas providing more opportunities. Women face significant challenges due to historical gender roles, financial exclusion, and lower workforce participation, with 55.5% inactive. Educational attainment is lower for women, with 35% lacking any education compared to 21.6% of men, and literacy rates are notably lower (47% for women vs. 67% for men), contributing to higher poverty levels among women (MoFEA, 2023).

Youth unemployment is particularly severe in rural areas and among those with diplomas or secondary education, with many lacking necessary training and skills. Differently abled individuals also struggle with employment due to societal stigma and inadequate support, limiting their participation in the labour force. Overall, the Gambian labour market faces substantial hurdles, including high unemployment, underemployment, and significant informal sector participation. Addressing these issues requires targeted interventions, including gender mainstreaming, vocational training, support for differently abled individuals, and formalisation of informal enterprises to achieve sustainable economic growth.

The National Employment Policy and Implementation Plan (NEPIP) 2019-2024 is driven by private sector-led growth strategy “spearheaded by small and medium-sized enterprises (SMEs) through the transformation of the informal sector” (Ministry of Trade, Industry, Regional Integration, and Employment (MoTRIE), 2019, p.1). It seeks an industrial path of agriculture-based value chain development, renewable energy generation and green jobs. The Gambia National Policy for micro, small and medium-sized enterprises (MSMEs) 2019- 2024 is the key government policy for the development of the MSME sector, with ten key policy objectives. Policy objective 2 responds directly to lacklustre access to finance by seeking to “enhance access to finance for MSMEs through alternative finance including guarantees, seed and venture capital, insurance, in addition to debt and equity lending”. The overall aim is to achieve financial inclusion, leaving no one behind, in terms of access to finance as a critical input for job creation and poverty reduction.

2.3. Social Situation

The Gambia’s social situation is characterised by high poverty, inequality, and limited access to basic social services. About two-thirds or 62% of the population is considered “very poor”. Inequality is pronounced by a labour market with high informal employment, low labour force participation, and significant underutilisation. The Gambia’s population has limited access to basic social services, such as health, education, and sanitation. A multidimensional analysis of child poverty in The Gambia estimates that 9 out of 10 children are poor and deprived of at least one basic need. Other challenges The Gambia faces include food insecurity and malnutrition, lack of infrastructure and public services, and weak public institutions (Ministry of Women, Children and Social Welfare (MWCSW), 2015).

The population faces various interconnected risks, including environmental shocks like droughts and floods, which affect livelihoods, food security, and health. These challenges are intensified by low labour returns and limited entrepreneurship support, pushing many into precarious jobs, especially the youth. Malnutrition remains a significant issue, with a prevalence rate of 7.2% for children under five, nearing emergency levels (MWCSW, 2015). Vulnerable groups, such as pregnant women, children, and those with chronic illnesses, are at heightened risk of malnutrition and face barriers to healthcare access due to financial and physical limitations.

Economic scarring from COVID-19 and the impacts of the Russia-Ukraine war aggravated existing fragilities arising from the effects of climate change by increasing inflation, worsening flooding impacts, and reduced remittances, which have combined to stall poverty reduction gains. Poverty is concentrated in rural areas, particularly among subsistence farmers and unskilled workers, with rates of 79.3% and 65.4%, respectively. Although less than half of the population lives in rural areas, they



account for over 60% of the country's poor, highlighting the ongoing and severe nature of poverty and inequalities in The Gambia (MoALFS, 2019). Additionally, high poverty rates persist among children aged 0-14 and adults over 65. Overall, only 18% of Gambian households are considered food secure (MWCSW, 2023). While the country's performance under SDG 1 – end poverty - improved moderately, there are concerted efforts of the GToG to build community resilience to shocks, which stands as Pillar 1 under the RF-NDP (MoFEA, 2023).

2.3.1. Coping Mechanisms

The Gambia has always had occasional droughts which the GoTG and Non-Governmental Organisations (NGOs) intervened to mitigate with long-lasting adaptation measures and responses such as agricultural diversification, better water and soil management and improved seed varieties. Communities employed traditional coping strategies, which are short-term responses or measures to satisfy immediate food needs. A study on coping mechanisms during the more severe 2011 drought, showed that 94.9% of respondents in the North Bank Region adopted at least one of the following four coping measures, i) support from organisations ii) support from other people iii) migration of household members and iv) sale of assets such as livestock to buy food (Yafa, 2013).

2.3.2. Financial Inclusion

The financial landscape features 12 commercial banks, 7 microfinance institutions, 7 licensed fintech providers, and 3 mobile money services (Ministry of Communications and Digital Economy (MoCDE), 2023). To boost income and economic growth, addressing low financial inclusion is crucial, as The Gambia features an estimated 69% of the population outside financial services, much higher than SSA average of 45%. Formal and informal financial services attracted 19% and 12% of the population, respectively. In 2023, the mobile penetration rate was 104.6% of the population, reflecting 2.86 million cellular mobile connections (MoCDE, 2023).

In addressing livelihoods and humanitarian needs while building social protection, the long-term vision of the 2015 National Social Protection Policy (NSPP) is to “establish by 2035 an inclusive, integrated and comprehensive social protection system that will effectively protect, prevent, promote and transform the lives of all poor and vulnerable groups in The Gambia and contribute to broader human development, greater economic productivity and inclusive growth”.

The Gambia's Information and Communications Technology for Development (ICT4D) Policy Statement (2018-2028) outlines a strategic vision for the country's progress in the information age. The policy serves as a roadmap for advancing The Gambia's information society and economy, supporting the country's socio-economic development as it transitions into a knowledge and technology-driven economy by 2028. The main objectives include a less cash-dependent economy that is a digitally inclusive society which targets a financial inclusion rate of 70% by 2025 (MoCDE, 2017). However, inadequate digital infrastructure, regulatory gaps, and low digital literacy could impede the achievement of these financial inclusion targets.

Improvements in broadband access, a tech-savvy youth demographic, and a growing preference for cashless transactions are expected to enhance the financial inclusion landscape. The Gambia Digital Economy Diagnostic Report, 2021, identifies key opportunities and challenges in fostering digital transformation for inclusive economic growth (MoCDE, 2021).

The country's digitalisation and financial transformation, as well as financial inclusion contribute to consumer spending and business development. It leads to reducing poverty and increasing economic growth by strengthening financial deepening, stimulating entrepreneurship and expanding investment opportunities for job creation (ICT4D, 2017). In furtherance of this agenda, MoCDE has a Draft Digital Transformation Strategy for The Gambia 2023-2028 and National Digital Master Plan



2024-2034, as well as a Draft FinTech Policy. CBG has developed a framework for the National Financial Inclusion Strategy, which seeks to “increase access and usage of quality affordable financial services that will ensure poverty reduction and fast track inclusive growth and development” (CBG, 2022).

Broadly, the country is opting for a holistic approach combining investments in digital infrastructure, regulatory reforms, and skill-building initiatives. Strategic regional integration and leveraging public-private partnerships are essential to address systemic challenges and maximise the digital economy’s potential. The government’s commitment to digital transformation, if effectively implemented, can serve as a catalyst for inclusive development and resilience.

2.4. Conclusion

The Gambia faces complex social and economic challenges, including high poverty rates, unemployment, climate vulnerability, and limited access to basic services. Despite these hurdles, the country has demonstrated resilience, particularly in its efforts to stabilise the economy, enhance social inclusion, and address pressing environmental concerns.

Macroeconomic stability remains a cornerstone of development, with initiatives like the Medium-Term Debt Strategy and domestic resource mobilisation efforts aimed at ensuring fiscal sustainability. While the economy has shown signs of recovery from external shocks like COVID-19 and the Russia-Ukraine war, structural constraints, such as low agricultural productivity and inadequate infrastructure continues to impede progress.

Employment dynamics underscore the need for targeted interventions, particularly for vulnerable groups like youth, women, the elderly, the rural population and differently-abled individuals. The formalisation of the informal sector, gender mainstreaming, and vocational training are critical steps toward expanding opportunities and addressing disparities in the labour market. The country’s social situation highlights the urgency of addressing multidimensional poverty, food insecurity, and malnutrition. Strengthening social protection systems and investing in community resilience are essential to reducing vulnerabilities and fostering sustainable development.

Climate change poses significant risks to The Gambia’s socio-economic landscape, exacerbating inequalities and threatening livelihoods. However, the government’s proactive engagement in global initiatives like the CVF and the Global Shield against Climate Risks reflects a commitment to mitigating these impacts.

The push for digital transformation and financial inclusion is a promising avenue for inclusive growth. By improving access to financial services, promoting digital literacy, and enhancing the broadband infrastructure, The Gambia can unlock new opportunities for economic participation and innovation.



3. Risk Assessment

This chapter on the risk assessment landscape in The Gambia has been prepared by GRMA3, a partner initiative to the Global Shield against Climate Risks. The chapter illustrates the current state of climate modelling and natural disaster risk research in The Gambia, highlighting gaps where further risk research could contribute to adaptation policy, resilient investment, and disaster risk finance, in particular.

3.1. Context of Risk Analytics

The Gambia is facing a range of climate-related hazards, including droughts, floods, disease outbreaks, and storms, all of which strain the country's socio-economic fabric. These hazards can disrupt livelihoods, damage critical infrastructure, and place stress on natural resources. The impacts of previous climate-related events have been felt in sectors such as agriculture, health, and infrastructure, where communities rely on climate-sensitive activities for survival. Climate change is further intensifying these events, with rising temperatures, increasingly variable rainfall patterns, and the slow threat of sea-level rise.

Risk indexes such as INFORM (JRC, 2024) and the World Risk Report (Bündnis Entwicklung Hilft / IFHV, 2024) provide a high-level view of risk relative to a country's peers, and some information on the general drivers of risk. INFORM ranks The Gambia 79th out of 191 countries, with 'medium' overall risk, with hazard exposure considered to be 'low', while vulnerability, and lack of coping capacity to be 'medium'. Hazard-specific risk is assessed, ranging from 0 to 10 (10 being very high risk), with riverine flood 4.6, drought 3.0, coastal flood 2.5, and tsunami 1.1. The World Risk Report classifies The Gambia's overall risk as 'medium', with 'medium' exposure and 'high' vulnerability. While the most up to date INFORM Index provides country level information, there is also a more spatially granular INFORM risk index specifically for the Sahel region (JRC, 2023). This index reveals drought risk to be evenly spread across the country, while riverine flood risk is augmented in some regions, particularly in Kuntaur and Mansa Konko Local Government Areas (LGAs).

A review of historical disaster data, available for the period 1968-2021 in the EM-DAT catalogue (EM-DAT), shows 33 recorded disaster events. 33% were classified as floods, 21% as droughts, 18% as storms, 12% as epidemics, 12% as infestations and 3% as wildfire. However, 88% of the people affected by these disasters were impacted by drought, while 9% were affected by floods. Another valuable resource is the DesInventar database, a disaster information management system from UNDRR, which contains records from 1899 to 2018. In this dataset, over 75% of recorded disasters are floods. The above information is useful as a guide, but historical disaster catalogues are often incomplete due to limited recording periods and gaps in documenting the full impacts of events. This lack of information can affect the reported frequency and scale of events, resulting in an incomplete view of risk. For instance, in the case of The Gambia, there is a notable lack of comprehensive data on economic losses, making it challenging to understand the financial impacts of past disasters and plan effectively for future ones.

³ Disclaimer: This report provides climate and disaster risk modelling context in support of the Global Shield ICP and is not in itself a new risk analysis. It was prepared by the technical staff of GRMA in its best effort given very limited time for completion. It is based on documents and information from various reports publicly available on the internet. GRMA does not guarantee the accuracy, completeness or currency of the data included in this report and does not assume responsibility for any errors, omissions or misinterpretations in this information, or liability with respect to the use of or failure to use the information, methods, processes or conclusions set forth.

Table 1: EM—DAT Catalogue 1868-2021, The Gambia

Disaster type	Subtype	Event Count	Total Deaths	Total Affected
Drought	Drought	7		1,321,100
Flood	Riverine flood	6	16	57,219
Flood	Flood (General)	4	13	41,451
Storm	Severe weather	3	10	19,599
Storm	Storm surge	1	4	15,101
Storm	Storm (General)	2	5	14,156
Epidemic	Bacterial disease	2	141	909
Flood	Flash flood	1	53	32
Wildfire	Land fire (Brush, Bush, Pasture)	1		5
Infestation	Grasshopper infestation	1		
Epidemic	Viral disease	2	200	
Infestation	Locust infestation	2		
Infestation	Infestation (General)	1		
Total		33	442	1,469,572

3.2. Disaster Risk Management Documents

During the stocktake, two broad categories of documents with risk information on The Gambia were identified. The first category consists of reports, most of which are produced by the GoTG with support from international organisations. The three most notable reports are presented here:

Multi-Hazard Profile of The Gambia 2022-2024 (NDMA, 2022): It outlines the country's vulnerability to various natural hazards that threaten lives, livelihoods, and critical infrastructure. The profile highlights key hazards such as floods, windstorms, fire outbreaks, drought, disease outbreaks, and pest invasions, all of which have the potential to reverse economic gains and destabilise communities. Floods are identified as the most recurrent hazard; there are 21 major flood-prone areas. The report provides insights into the national and regional contexts of hazard vulnerability, detailing the regional rankings of hazards and their specific impacts across different areas. For example, floods are most common in Banjul and Kanifing, while windstorms heavily affect the North Bank and Upper River regions. The vulnerability of The Gambia to flooding is exacerbated by factors such as poor drainage systems, poor waste management and high tidal levels. In this regard, effective early warning systems provides lead time to be better prepared to minimise disaster impacts from recurring flooding in the same communities.



UNDRR Disaster Risk Profiles of The Gambia (Rudari et al, 2018 and Rudari et al, 2019): it provides an assessment of major climate-related hazards affecting the country, focusing specifically on flooding and drought. Flood events have had considerable impacts on various aspects of the country's infrastructure and economy while drought is also identified as a primary hazard, with the potential to affect more people annually than floods. The document focuses on the historical data of these hazards and on the present and future conditions for both hazards and impacts. The profile was updated in 2019.

The second category consists of research papers. While only a handful of these documents were available, they are valuable resources containing specific information. Notably, a significant portion of them focuses on analysing vulnerability. For example, *Climate Change Vulnerabilities and Strategies: The Gambia* (Han and Kirabaeva, 2024) is a paper that provides an analysis of The Gambia's vulnerabilities to climate change, and to natural hazards such as flooding, droughts, storms, and coastal erosion, which threaten agriculture, food security and key industries such as tourism and fishing. The paper consolidates existing data and insights to outline the challenges posed by changing climate parameters. It also mentions that adaptation measures, such as improving agricultural practices, disaster resilience, and water management, are prioritised to address immediate vulnerabilities. However, the country faces a gap in climate financing, with annual adaptation needs exceeding current aid flows.

3.3. Climate Change

Climate change projections for The Gambia indicate substantial shifts in temperature, rainfall, sea level, and evapotranspiration by 2100. Using Global Climate Models (GCMs) and the Model for the Assessment of Greenhouse-gas Induced Climate Change (MAGICC)/ Scenario Generator (SCENGEN) modelling tool, studies forecast an increase in mean annual temperatures of 1.7–2.1°C by 2050 and 3.1–3.9°C by 2100 (MECCNAR, 2020). Additionally, looking at a regional climate projection model based on the SMHI-RCA4 model for Representative Concentration Pathway (RCP)8.5 with a resolution of around 50 km, which is driven by the ICHEC-EC-EARTH model, it predicts a slightly higher increase in temperature, of around 4°C, in the long-term future (Rudari et al, 2018). Based on the World Bank Climate Change Knowledge Portal, the mean surface air temperature can increase from 3.9 to 4.7°C across the country by the end of the century (World Bank, 2021). For The Gambia, temperature rise is expected to be more intense in winter months, although the Bureau of Meteorology Research Centre (BMRC)98 model suggests particularly strong warming during summer months (MECCNAR, 2020). These results reflect a consistent increase across all future periods, with long-term projections indicating the highest temperature changes.

Rainfall projections show a likely decrease, ranging from less than 1% in 2020 to a significant 54% decrease by 2100 under the warmest scenarios, the BMRC98 model, though some regional models suggest potential positive trends. These contrasting projections emphasise the need for cautious interpretation of rainfall data (MECCNAR, 2020). The World Bank Climate Change Knowledge Portal projects a decrease in precipitation across the country, especially during summer periods, ranging between -107 and -184 mm (World Bank, 2021).

Evapotranspiration rates are projected to increase considerably, with annual potential evapotranspiration estimates reaching between 1,370mm and 1,945mm by 2100, a rise of up to 45% above historical levels. Applying Thornthwaite's formula⁴, estimates by 2050 range from 1,460mm to

⁴ The Thornthwaite equation (1948) is an empirical method for estimating PET. It considers the monthly air temperature and mean daylight hours of each month.



2,260mm annually, indicating heightened water demand, for example in the agricultural sector, and potential stress on water resources (MECCNAR, 2020).

Sea level rise, based on IPCC projections, is anticipated to be between 19cm and 43cm by 2050, eventually reaching 26cm to 98cm by 2100 (MECCNAR, 2020). Other sources suggest that global mean sea level rise could reach 0.32 to 0.82 meters by 2100 (UNDP, 2015). With 30% of The Gambia's land at or below sea level and 20% subject to seasonal flooding, a one-meter rise could inundate mangroves, swamps, and rice-growing areas. These projections, while aligned with global trends, carry uncertainties due to gaps in understanding of ice sheet dynamics and other oceanographic processes. The projections underscore the urgent need for coastal adaptation in The Gambia's vulnerable regions, supported by a national coastal management regulation.

3.4. Priority Sectors

3.4.1. Agriculture

Under current climate conditions, The Gambia's agriculture sector faces significant challenges from drought, floods, and pest invasions, which disrupt crop yields and livestock productivity. Drought remains the primary hazard, affecting rainfed crops and reducing soil moisture (Rudari et al, 2018). Flooding, especially during the rainy season, impacts low-lying agricultural lands, mainly rice fields along rivers, damaging crops and eroding valuable topsoil and jeopardising the country's goal to achieve rice-sufficiency. Pest invasions, including locusts, periodically threaten crop harvests (NDMA, 2022).

Climate change is significantly affecting crop and livestock production in The Gambia. For crops, a progressively drier climate and increased heat stress are expected to reduce yields of key crops such as millet, sorghum, maize, and groundnuts. By 2050, yields could decline between 15% and 25% for sorghum and up to 18% for groundnuts. Millet and groundnuts may see slight production gains under wetter climate scenarios, but these potential benefits are limited and could be offset by nitrogen stress and soil degradation. Rice and horticultural crops may remain less affected, provided water availability is stable and soil salinisation or acidification does not worsen (MECCNAR, 2020, p. 43).

3.4.2. Tourism

Tourism in The Gambia is dependent on favourable weather and climate conditions, making it vulnerable to climate change impacts (Amuzu et al, 2018). Rising winter temperatures in key European source countries may reduce the demand for winter tourism, affecting visitor numbers during The Gambia's peak tourist season. Climate change poses additional challenges, as it increases operational costs for tourism establishments and impacts the competitiveness of The Gambia as a destination (MECCNAR, 2020, p. 46).

Coastal erosion is another critical issue for the tourism industry. By mid-century, it is projected that the rise in sea level and the increase in wave action driven by high-impact weather events will lead to beach loss, which will diminish shoreline attraction, restrict recreational activities and degrade amenities that are central to The Gambia's appeal (MECCNAR, 2021). Popular sites, such as Kololi Beach and the UNESCO World Heritage site of Kunta Kinteh Island, face ongoing risks from land loss (MECCNAR, 2020, p. 47). Additionally, sand mining, which contributes to coastal degradation and is also a threat to coastal vegetation cover and marine biodiversity, further accelerates beach erosion, compounding the risks to shoreline hotels and recreational spaces (Gomez et al, 2019). The loss of beaches and degradation of coastal amenities may limit the range of available tourist activities and reduce the sector's economic viability.



3.4.3. Infrastructure

Floods in The Gambia are already leading to damage of critical infrastructure, such as buildings, schools, roads, and water systems (NDMA, 2020). The economic loss from flood-induced damage to infrastructure is estimated to be 3.8% of GDP when the probability of flooding is once every three years. In The Gambia, the probability of flooding is already higher than once every two years, which suggests an even larger economic loss (Han and Kirabaeva, 2024).

Climate change presents significant challenges to The Gambia's infrastructure sector. The low-lying terrain of The Gambia makes it especially susceptible to sea-level rise. With a 1-meter increase, there is a potential that 8% of the country will get inundated and that could drown over 50% of the capital, Banjul, affecting infrastructure durability (MECCNAR, 2021). In addition, construction and real estate sectors, will be also affected by shoreline changes and beach erosion, which contribute to sand scarcity, raising costs for urban development and housing. Additionally, climate impacts are expected to reduce roundwood supplies, further limiting construction material options. Seasonal windstorms, common between July and October, can disrupt construction, particularly for smaller firms. Although climate impacts on these sectors could be substantial, locally relevant information remains limited, leaving key questions unanswered, such as the risks and costs of climate-induced damage to existing infrastructure (MECCNAR, 2020, p.47).

3.4.4. Health

Changes in climate parameters, such as increased temperature and rainfall variability, create favourable conditions for the proliferation of pathogens and toxins, increasing the risk of waterborne and vector-borne diseases, particularly in a riverine country like The Gambia (UNDP, 2015). Flooding exacerbates these risks by contaminating water sources and surfaces, heightening the likelihood of outbreaks of diseases (UNDAC, 2022). Prolonged periods of stagnant water also create breeding grounds for mosquitoes, expanding the risk of diseases like Zika, particularly in forested areas near human settlements. Heatwaves, intensified by the urban heat island effect, are expected to increase in frequency and severity, leading to heat stress, dehydration, and respiratory issues caused by elevated levels of ground-level ozone and vehicle emissions. Drier climate conditions, on the other hand, may shift the public health burden toward airborne diseases, due to increased allergen and pathogen transmission. Compounding these challenges are gaps in healthcare infrastructure and services, which climate impacts on transportation and communication systems further strain (MECCNAR, 2020, p.49).

3.4.5. Forestry

Forestry in The Gambia is impacted by climate change and land use changes, which together accelerate the loss of productive forest cover. Expanding cropland and logging continue to be the primary drivers of deforestation, with forest area projected to decline from 51.8% of land cover today to between 30% and 46.7% by 2030, and even further to between 20% and 42.7% by 2050. This reduction in forest area will likely lead to a significant drop in roundwood and fuelwood production, potentially falling by up to 79% relative to 2013 levels. However, under a wetter climate, wood production could increase slightly, though only if demand remains stable. Reduced forest cover also threatens the wood processing industry and may force a reduction in wood exports, which currently make up around 7% of production. Non-timber forest products like honey, wild fruits, and nuts, which some households rely on, are also at risk. As forests shrink and fragment, these resources may become scarce, impacting rural incomes (MECCNAR, 2020, p.45). This has also intensified the impacts of windstorms, particularly in the North Bank Region which has been greatly affected by deforestation.

3.4.6. Fisheries

The Gambia’s fisheries sector faces dual pressures from overfishing and climate change, impacting marine species diversity, distribution, and interactions. Increased storm frequency may limit fishing activities, particularly for those reliant on traditional boats. Although fish landings are projected to increase above 60,000 tonnes per year, climate change and illegal, unreported, and unregulated fishing pose a threat to the sustainability of fisheries. The resilience of pelagic species like the Madeiran Sardinella and Blue Runner remains higher due to their shorter population doubling times, allowing quicker recovery from fishing pressures and environmental changes. For shellfish fisheries, climate change brings mixed impacts. Increased mangrove productivity may boost shellfish populations, but heightened pollution and warmer water temperatures could reduce harvests and food safety (MECCNAR, 2020, p.48).

3.5. Hazard-specific Information

Situated along the West African coast, The Gambia is particularly vulnerable to hazards such as sea-level rise, coastal erosion, and flooding, while also exposed to risks from drought, windstorms, epidemics, and wildfires. Disaster risk profiles differ significantly across the country, as noted in various reports and official documents. Certain regions are more prone to specific hazards, which influences the vulnerability of their populations and their resilience to these impacts. The following table presents each region and its corresponding hazard profile.

Table 2: Regional Hazard Profile, The Gambia

Region	Hazard Profile
Greater Banjul Area	Floods, coastal erosion, and air and water pollution
North Bank Region	Windstorm, forest and soil degradation, poor rainy season
West Coast Region	Flood, deforestation, sand mining, coastal erosion, and windstorm
Central River Region	Drought, flood, fire outbreak, and deforestation
Lower River Region	Flood, windstorm, fire outbreak, and deforestation
Upper River Region	Drought, flood, and windstorm

To get a first impression of hazard levels across The Gambia, the Think Hazard tool can be used. Developed by the Global Facility for Disaster Reduction and Recovery (GFDRR), this tool provides an accessible country profile that gives a quick overview of hazard levels across different regions, allowing users to gauge regional vulnerabilities for various hazards effectively.

Table 3: ThinkHazard-- Regional hazard level, The Gambia

Region	River Flood	Urban Flood	Coastal flood	Tsunami	Wildfire
Greater Banjul Area	Very low	Very low	Medium	Low	High
North Bank Region	High	Low	High	Low	High
West Coast Region	High	Low	High	Low	High
Central River Region	High	Low	n/a	n/a	High
Lower River Region	High	Very low	Medium	Low	High
Upper River Region	High	High	n/a	n/a	High

Another tool for gaining insight into hazard levels, particularly those related to water, is the Aqueduct Water Risk Atlas, developed by the World Resources Institute. This tool provides a general view of water-related hazard levels across The Gambia.

Table 4: Aqueduct Water-related hazard levels, The Gambia

Region	Riverine flood	Coastal Flood	Drought
Greater Banjul Area	Medium	High	High
North Bank Region	High/Medium	Extremely high	High
West Coast Region	Medium	High	High
Central River Region	High	Low	Medium
Lower River Region	High/Medium	High/Low	High/Medium
Upper River Region	Extremely high	Low	Medium

3.5.1. Coastal Erosion

The Gambia's coastal zone spans approximately 80 km of open ocean coast and 200 km of sheltered coast, forming a vital part of the country's ecological and economic landscape (Han and Kirabaeva, 2024). Coastal erosion poses a significant hazard along these shores, with serious repercussions for local communities, infrastructure, and biodiversity, particularly in low-lying areas (Gomez et al, 2017). The capital city, Banjul, along with neighbouring coastal regions, experiences continuous land loss due to both natural erosion processes and rising sea levels, which are further intensified by climate change (Han and Kirabaeva, 2024). This erosion endangers housing, critical infrastructure, and the tourism sector, an essential contributor to The Gambia's economy. Human activities, such as sand mining and unregulated coastal development, exacerbate erosion pressures (MECCNAR, 2020). Additionally, sediment depletion is a growing concern, as reduced rainfall patterns are expected to lower sediment supply, further weakening coastal resilience and increasing erosion rates.



Coastal Erosion in The Gambia ©MECCNAR

3.5.2. Floods

Flooding in The Gambia presents a substantial and multifaceted risk across coastal, riverine, and urban areas, exacerbated by seasonal heavy rainfall from June to October (GoTG, 2024a). The country is vulnerable to river, coastal, and pluvial floods due to its low-lying topography and the proximity of many communities to The Gambia River. Riverine floods, often driven by surface water runoff in The Gambia River Basin, impact numerous rural and agricultural regions along the riverbanks (Yengoh, 2024). About 20% of Gambia's land space is covered by freshwater swamps and salt marshes, which serve as a trigger for riverine flooding. Flood-prone areas in regions like North Bank Region, Upper River Region, and Lower River Region are also susceptible to transboundary flooding from Senegal, affecting communities such as Farafenni and Pakalinding (NDMA, 2022). The 2022 flooding over two days has resulted in the loss and damage estimated at around USD 80 million. Urban flooding is prevalent in densely populated areas, including Banjul and the Kanifing Municipal Area, where rapid urbanisation, inadequate infrastructure, and impermeable surfaces lead to flash floods during heavy rainfalls, resulting in property damage and health risks (Yengoh, 2024). Note a disagreement with the ThinkHazard flood risk estimation regarding urban flooding for the Greater Banjul Area. The impact of flooding extends beyond physical damage; deforestation to support agricultural expansion contributes to increased runoff and waterway overflow, intensifying flood risks (GoTG, 2024a). Furthermore, coastal flooding poses high risks to urban centres like Banjul due to rising sea levels and intensified storm surges.

Direct assessments of economic damages caused by climate-related disasters for The Gambia are limited (Han and Kirabaeva, 2024). The few quantitative estimates of losses to physical assets include the UNDRR Disaster Risk Profile 2018, with an update in 2019 (Rudari et al, 2018 and Rudari et al, 2019), and Coalition for Disaster Resilient Infrastructure (CDRI) Global Infrastructure Risk Model and Resilience Index (GIRI) 2024 (CDRI, 2024). The value of direct economic losses in terms of average annual loss (AAL)⁵ ranges between USD 1.6 and 3.7 million in the present climate. The latest UNDRR

⁵ AAL is the long-term expected loss per year, averaged over many years to model the losses for e.g. parametric insurance. AAL is an indication of the amount of savings a nation needs to set aside each year to cover the cost of long-term losses from that hazard.

Disaster Risk Profile from 2019 estimates the AAL at USD 3.2 million, equivalent to an AAL ratio⁶ of about 0.18% or 0.8% of the GDP.



Floods in The Gambia ©MECCNAR

Table 5: Flood Risk Profiles and Exposure Data Bases

Risk Profile / Exposure Data Base	AAL in USD Mio	AAL ratio	Exposure Value in USD bn	Included in Exposure
UNDRR 2018	3.7	0.2%	1.8	Education, Health, Transport, Housing, Productive and Agricultural Sectors
UNDRR 2019	3.2	0.18%	1.8	Education, Health, Transport, Housing, Productive and Agricultural Sectors
CDRI GIRI 2024	1.85	0.05%	3.7	Buildings and infrastructure
GLOBAL EXPOSURE MODEL (GEM) ⁷			7.6	Buildings only

In the UNDRR estimate the larger portion of losses stem from the productive sector, housing, and transportation (roads), which together account for more than 80% of the overall economic losses.

⁶ AAL ratio is the AAL per USD exposure value. How much of every dollar that is exposed can be expected to be lost. This way different estimates of losses can be made more comparable as the effect of different totals for capital stock is excluded by normalising AAL with capital stock.

The losses to roads are estimated to be substantially lower in the more recent CDRI GIRI estimate. Differences between estimates are substantial even if comparing AAL ratios, i.e. excluding the effect of exposure estimates. See also the Exposures section below for differences in estimation of losses.

Despite differences in the absolute AAL estimates, both UNDRR and CDRI GIRI methodologies reveal a reduction in economic losses under future climate conditions. Considering the present value of exposed assets, GDP, population, i.e. changes in losses follow only changes in the hazard, AAL decrease for all sectors and all regions.

3.5.3. Droughts

Drought and desertification are significant issues in The Gambia, pushing many people to relocate to urban areas as rural communities face increasing difficulties (GoTG, 2024a). As part of the Sahel region, The Gambia has experienced severe droughts, particularly during the 1950s, late 1960s, and the prolonged period from 1970 to 1993. One of the most impactful recent droughts was in 2011, where uneven and inadequate rainfall led to crop failures. A post-harvest assessment by the MoALFS and the WFP estimated that 520,000 people were affected, with crop production dropping by 62% from 2010 levels, significantly impacting economic growth (GoTG, 2024b).

Droughts primarily affect rural communities, especially in North Bank Region and Central River Region, where rain-fed agriculture is the main source of income. Rainfall records from the Banjul Meteorological Station between 1951 and 1985 showed both high annual variability and a clear decrease in mean rainfall, dropping from an average of 1,347 mm between 1950 and 1966 to 853 mm between 1967 and 1985. Additionally, the rainy season has shortened by an estimated 15 to 30 days, which has direct implications for farming. Since over 98% of agricultural lands in The Gambia are rain-fed, reduced rainfall and increased temperatures are expected to constrain the productivity of staple crops like maize, groundnuts, and millet, making recovery from drought especially challenging (NDMA, 2022).



Drought in The Gambia ©MECCNAR

Annually, an estimated 15% of the country's GDP, or about USD 108 million, is at risk from droughts (Rudari et al, 2018). The 2011–2012 Sahel crisis remains the most severe recent event, affecting 19 districts and intensifying food insecurity across the country. Land degradation and unpredictable weather patterns worsen the impacts, highlighting the urgent need for resilience measures to protect livelihoods. Total damages from drought have reached an estimated USD 700,000, underscoring the economic toll on The Gambia's predominantly rain-dependent agricultural sector (Kaimuri, 2020).

3.5.4. Windstorms

Windstorms are a frequent hazard in The Gambia, especially at the beginning and end of the rainy season, with increasing occurrences causing significant damage, particularly in rural areas. The 2021 windstorm, reported as the most severe in the country's history with winds reaching 85 kilometres per hour, affected over 136,000 people, displaced more than 1,500, and led to 11 deaths (GoTG, 2024c). North Bank Region and West Coast Region were particularly hard-hit, with widespread damage to homes, infrastructure, hospitals, and schools (NDMA, 2022). The disaster left many households without electricity or water, especially in coastal areas. The GoTG allocated USD



3,600,000 for the storm-related emergency response (OCHA, 2021). Declining forest cover in northern regions has further increased vulnerability, as The Gambia's flat terrain allows storms to move quickly without natural barriers, intensifying their impact on vulnerable communities and critical infrastructure.

3.5.5. Fire Outbreaks

In The Gambia, bushfires affect over 70% of the country's forests, parks, and grasslands, posing a major challenge to the economy, biodiversity, and community livelihoods. Some of the key drivers of wildfires include increased fuel load from *Andropogon* grass (*Andropogon gayanus*), increased wood litter in the parks and forests, varying temperatures and precipitation patterns resulting from climate change, and human-driven activities. It is also notable that there is a wide fire variance across the country, whereby the Lower River Region has the highest incidence of fires with an average of about 80%, while the West Coast Region have the lowest incidence of about 46% due probably to an effective community participation. The national forests assessment report from 2010 indicated that 151,000ha of forest cover was burned in the 2010 fire season, in addition to 55,000ha and 105,000ha of other wooded land and other land types, respectively. The highly prone regions were Upper River Region, Central River Region, and Lower River Region according to the report (MECCNAR, 2024).

3.5.6. Pest Invasions

The Gambia has faced frequent pest invasions over recent decades, impacting agriculture and threatening food security nationwide. Notable incidents include a 1986 grasshopper infestation affecting rice and vegetables, a 1988 locust attack on fruit trees and field crops, and recurring fruit fly infestations on mangoes and red spider mite attacks on vegetable crops between 2004 and 2014. Additionally, in 2013–2014, *Quelea* birds destroyed rice fields in the Lower River Region, damaging hectares of farmland. A significant locust invasion on November 30, 2004, crossed into the country from Senegal, leading to rapid response efforts by local agricultural authorities. According to the Plant Protection Unit, pest infestations have increased since 2014, with farmers frequently reporting various pest attacks that lower crop yields and contribute to food insecurity in many households (NDMA, 2022).

3.6. Available Quantitative Risk Models

GoTG, in its efforts to build resilience to drought, has joined ARC, which is a specialised agency of the African Union (AU) established to help African governments improve their capacities to better plan, prepare, and respond to extreme weather events and natural disasters. As part of The Gambia's membership to ARC, ARC has developed a customised risk model for the country.

Other quantitative risk models for risk assessments or the development of CDRFI solutions specifically designed for The Gambia do not exist to our knowledge. The above-mentioned quantitative risk estimates are largely based on a global modelling approach. The Insurance Development Forum's (IDF) CatRiskTools⁷ catalogue shows further models voluntarily listed by some leading initiatives and vendors. None of the listed models has been developed specifically for The Gambia.

Further global flood hazard maps exist as detailed below.

⁷ https://catrisktools.oasishub.co/records/?q=costa+rica&selected_facets=

3.7. Available Flood Hazard Maps

Aqueduct Floods⁸ is an online platform that measures riverine and coastal flood risks under both current baseline conditions and future projections in 2030, 2050, and 2080. In addition to providing free hazard maps and assessing risks, Aqueduct Floods enables its users to conduct comprehensive cost-benefit analysis to evaluate the value of dike flood protection strategies.

Fathom's Global Flood Map⁹, designed for CDRFI solutions, provides its users with a robust and comprehensive set of hazard data and flood risk information across all major flood perils: pluvial, fluvial and coastal.

3.8. Exposure Data

The UNDRR and CDRI GIRI risk assessments mentioned above are based on an individual exposure database providing an estimate of the total replacement value of different assets in the country (physical and non-physical) and the distribution geographically. A mix of exposure modelling methodologies has been used, including top-down approaches that downscale socio-economic, building type and capital stock data at the national level onto a higher-resolution grid, using proxies (population or GDP), whilst other assessments try to combine global top-down approaches with regional or local bottom-up approaches where they exist. Risk assessments listed here follow this approach. The exact methodology and breakdowns for the UNDRR profile are not known but the totals and breakdowns of asset values for the CDRI GIRI are available¹⁰.

Aggregated building-only exposure data, including replacement costs, are available for The Gambia in the GEM Foundation Global Exposure Dataset (Yepes-Estrada et al., 2023). This dataset provides replacement value estimates covering residential, industrial and commercial occupancies only.

Table 5 lists the different estimates of total exposure stock. The method that seemingly includes most sectors reveals the lowest total, while the GEM estimate is highest, only including the replacement costs of buildings.

3.9. Impacts on Vulnerable Groups

The impacts of climate change and disaster risks in The Gambia are unevenly distributed, with women, especially those heading households in rural areas and relying on subsistence agriculture, being disproportionately affected (Twyman et al., 2014). Their heavy dependence on natural resources heightens their vulnerability to erratic rainfall, rising temperatures, and water scarcity (Jaiteh et al., n.d.), leading to reduced crop yields, livestock losses, and increasing food insecurity (Atozou, 2023). Other income-generating activities, such as small-scale trading and processing, are also highly exposed to climate shocks, further compounding livelihood instability.

Climate change has deepened women's unpaid domestic and care responsibilities. With water sources becoming scarce or contaminated, women and girls spend significantly more time collecting water. This, along with the rise in climate-related illnesses, increases the caregiving burden (Twyman et al., 2014). These challenges are intensified by limited access to land, credit, and technology, which restrict women's decision-making power and diminish their adaptive capacity. Health risks are also more acute for women; for instance, rising temperatures heighten the risk of heat stress among pregnant women working in agriculture, contributing to outcomes like stillbirth and low birth weight.

⁸ <https://www.wri.org/data/aqueduct-floods-hazard-maps>

⁹ <https://www.fathom.global/product/global-flood-map/>

¹⁰ <https://giri.unepgrid.ch/facts-figures/building-infrastructures>



Disasters also disrupt access to sexual and reproductive health services, and women and children are more vulnerable to malnutrition and climate-sensitive diseases due to inadequate healthcare.

Displacement and migration triggered by climate events increase women's and girls' exposure to violence and exploitation, particularly in insecure or temporary living conditions (Amuzu et al., 2018). Other vulnerable groups, including rural youth, the elderly, children especially girls and people with disabilities, face specific climate-related risks. Youth migration due to declining agricultural productivity leaves the elderly behind with increased burdens. Children face heightened risks of malnutrition, disease, and interrupted education, while people with disabilities often lack access to preparedness and relief services. Rural and coastal communities, with limited infrastructure, healthcare, and climate information, are especially at risk from droughts, floods, and sea-level rise. Women in these areas, particularly those relying on tourism and fisheries, are highly affected by coastal erosion.

3.10. Conclusion

The Gambia faces a variety of climate-related and environmental hazards, with flood and drought as the most significant risks. These hazards are particularly challenging due to The Gambia's geographical location and reliance on agriculture, which makes communities highly vulnerable to climate variability. Historical data on these hazards help provide context, though records are sometimes limited or incomplete, particularly prior to the establishment of modern tracking systems. Available data, however, show that droughts and floods have resulted in considerable losses in agriculture, livelihoods, and critical infrastructure. Flooding is one of the most frequent climate-related hazards in The Gambia, with both riverine and flash flooding impacting low-lying farmlands and densely populated areas. Rainfall variability will increase in future, leading to more frequent occurrences of both heavy precipitation events and prolonged periods of dry spells. The effect on flood risk could therefore also be two-fold: pluvial and urban flooding could increase due to more severe short-term precipitation events. Changes in riverine flood risk might decrease due to a decrease in the hazard severity¹¹. Drought is a major hazard for the country when considering the number of affected people through impacts on water resources, agricultural productivity, and food security. Continuously increasing temperatures paired with higher rainfall variability in future will lead to an increase in drought occurrences and severity.

¹¹ Note, risk is a combination of hazard, exposure, and vulnerability. Hazard severity for riverine flood will likely decrease in future. Changes in exposure through economic growth and a growing population will lead to an increase of risk. This means two determinants of risk show opposite signs for future development of riverine flood risk.

4. Country Priorities and Strategies

This chapter reviews The Gambia’s policies, strategies, and frameworks for addressing climate and disaster risks and vulnerabilities.

4.1. Overview of Relevant Country Strategies and Policy Frameworks

Recognising the increasing vulnerability of The Gambian population and economy to climate change and natural disasters, the government has developed a suite of strategies, policies and frameworks for addressing climate and disaster risks. The policies highlighted are those for key sectors such as energy, agriculture, forestry, transportation, waste management, trade and social protection. These frameworks reflect a commitment to reducing poverty, improving food security, and fostering inclusive economic growth through modernised agriculture, small enterprise development, and climate-smart practices. Table 6 presents a list of policies, frameworks and strategies discussed in this section.

Table 6: Overview of The Gambia’s National Strategies, Policies and Plans relevant for CDRFI

Year published	Frameworks, Strategies and Policies	Responsible institution
2024	National Disaster Management Policy (2024-2033)	NDMA
2024	National Disaster Management Strategy Plan (2024-2028)	NDMA
2024	Medium-Term Plan for Implementation of the Policy for the First Five Years of the Policy Period (2024-2028)	NDMA
2023	The Recovery-Focused National Development Plan (2023-2027)	MoFEA
2022	National Multi-Hazard Contingency Plan for The Gambia (2022-2025)	NDMA
2022	The Long-Term Climate-Neutral Development Strategy 2050	MECCNAR
2021	Ministry of Women, Children and Social Welfare Strategic Plan (2025-2030)	MWCSW
2021	National Early Warning Strategy (2021-2026)	NDMA
2020	The Third National Communication under the United Nations Framework Convention on Climate Change (UNFCCC)	MECCNAR
2019	The Gambia Second Generation National Agricultural Investment Plan-Food and Nutrition Security (GNAIP II-FNS) 2019-2026	Ministry of Agriculture
2019	The Gambia National Policy for Micro, Small and Medium Enterprises (2019-2024)	MoTRIE
2018	Low Emission Climate Resilient Development Strategy of the Gambia (LECRDS) (2018-2030)	MECCNAR
2017	National Climate Change Policy (NCCP)	MECCNAR
2016, 2021	First and Second Nationally Determined Contributions (NDCs)	MECCNAR
2015	The National Social Protection Policy (2015-2025)	MoWCSW

The following subsections provide an analysis of these strategies and policies, focusing on content relevant to CDRFI.



4.1.1. National Disaster Management Policy (2024-2033)

The National Disaster Management Policy of The Gambia (2024-2033) is a strategic framework aimed at enhancing the country's resilience to disasters. It aims to integrate disaster risk reduction into national development planning. The policy identifies key hazards affecting The Gambia, such as climate-related disasters, disease outbreaks, pest infestations, and emerging risks like oil spills and pollution. It covers all phases of the disaster management cycle: prevention, preparedness, response, recovery, and mitigation. A major focus is on early warning systems, risk assessments, and strengthening response mechanisms. Additionally, it highlights gender and social inclusion, ensuring that vulnerable groups, such as women, children, and persons with disabilities, are considered in disaster planning and response.

The policy framework is structured around five key components:

- **Risk Prevention and Reduction:** Enhancing early warning systems, risk assessments, and contingency planning.
- **Disaster Preparedness:** Strengthening institutional capacity, training, and community awareness.
- **Mitigation Measures:** Implementing infrastructure improvements, such as better drainage systems and reforestation.
- **Disaster Response:** Establishing a rapid emergency response mechanism, improving coordination, and ensuring timely assistance.
- **Recovery and Building Back Better:** Implementing post-disaster needs assessments, economic recovery programmes, and rebuilding strategies.

Overall, the 2024-2033 National Disaster Management Policy aims to create a resilient Gambia, minimising disaster risks and enhancing preparedness at all levels. By integrating disaster risk management into national development plans and ensuring stakeholder engagement, the policy seeks to reduce vulnerability, improve response capacity, and promote sustainable recovery efforts.

4.1.2. National Disaster Management Strategy Plan (2024-2028) and Medium-Term Plan for Implementation of the Policy for the First Five Years of the Policy Period (2024-2028)

The National Disaster Management Strategy Plan (2024-2028) for The Gambia aims to operationalise the country's disaster management policy by focusing on preparedness, prevention, response, and recovery. The strategy aligns with national development goals and international frameworks like the Sendai Framework for Disaster Risk Reduction. The plan acknowledges The Gambia's vulnerability to climate-related disasters, including floods, droughts, and windstorms, and emphasises proactive measures to reduce disaster risks.

A significant focus is placed on disaster preparedness and prevention, with key initiatives such as strengthening the early warning systems, improving contingency planning, and enhancing infrastructure resilience. The plan calls for greater investment in public awareness, capacity building, and coordination among stakeholders. Additionally, it highlights the need for multi-hazard preparedness, considering risks beyond climate change, such as disease outbreaks, infrastructure failures, and industrial hazards.

Overall, the National Disaster Management Strategy Plan (2024-2028) aims to build a more resilient Gambia by reducing disaster risks, enhancing response capabilities, and integrating disaster risk management into broader national development policies. By prioritising prevention and preparedness, the country seeks to mitigate the adverse effects of disasters on communities, infrastructure, and the economy.

4.1.3. The Long-Term Climate-Neutral Development Strategy 2050

The LTS 2050 outlines a roadmap for achieving net-zero greenhouse gas emissions by mid-century. Developed by the MECCNAR, the LTS addresses key emission sectors such as energy, agriculture, forestry, land use, transportation, and waste management. The strategy builds on The Gambia's commitment under the Paris Agreement, following the country's NDC 2 in 2021, which targets a 1.5°C – compatible emissions reduction.

Table 7: Estimated financing needs for mitigation and adaptation

Sector	Cost - USD Million			
	Short-term (2022-2027)	Medium-term (2018-2032)	Long-term (2033-2050)	Total (2022-2050)
Energy	0.865	0.650	1.004	2.474
Agriculture, forestry and other land uses	0.471	0.321	0.269	1.061
Transport	0.212	0.111	0.093	0.416
Waste	0.041	0.021	0.004	0.075
Total	1.589	1.057	1.380	4.026

Source: The Gambia LTS

The LTS highlights the importance of securing sustainable financing and fostering international partnerships to achieve its ambitious targets. The estimated cost of implementation is USD 4 billion (in 2022 prices), requiring an average annual investment of USD 138 million across four sectors namely energy (61.5%), agriculture, forestry and other land uses (26.4%), transport (10.3%) and waste (1.9%). GoTG will continue to garner domestic resources and international public financial and technical support, while leveraging blended financing for mitigation projects. This serves as a centrepiece of the integrated national financing landscape to fund The Gambia's transition to green, low-emission, climate-resilient development.

4.1.4. The Recovery-Focused National Development Plan (“Yiriwaa”) (2023-2027)

The RF-NDP, 2023-2027, underlines the need for a comprehensive recovery plan from crises, including climate-related shocks¹². It prioritises improving community resilience, addressing governance gaps, and strengthening accountability and resource mobilisation for sustainable development. Two of the seven key pillars (pillar 1 and 5) identified have a clear focus on enhancing the country's disaster risk financing mechanism and ultimately building resilience. Pillar 1 (Resilience to Shocks and Crises) and Pillar 5 (Agriculture, Environment, Natural Resources, and Climate Change) advocate for enhanced disaster risk financing as a critical measure to build resilience across sectors like agriculture. The plan integrates disaster risk financing and insurance into a holistic approach,

¹² [The Gambia National Development Plan 2023-2027](#)



focusing on establishing and strengthening financial mechanisms to mitigate disaster impacts. These include improving governance and resourcing of contingency funds for rapid disaster response, promoting insurance schemes like WII to protect vulnerable sectors, and leveraging public and private climate resilience financing. Overall, the policy emphasises proactive disaster risk management, preparedness, and securing funds through partnerships.

4.1.5. National Multi-Hazard Contingency Plan for The Gambia (2022-2025)

National Multi-Hazard Contingency Plan for The Gambia (2022-2025) outlines a strategic approach for managing and mitigating natural and man-made disasters. It focuses on high-priority hazards such as floods, windstorms, drought, fire outbreaks, and epidemics, considering the country's geographic location, climate vulnerability, and socioeconomic conditions. The risk assessment identifies floods and windstorms as the highest threats, followed by drought, fire, and epidemics. Vulnerability assessments in the plan highlight limited resource availability for mitigating the impacts of climate hazards.

The primary goals of this plan are to minimise the adverse effects of disasters on the population; to ensure a coordinated humanitarian response, and to optimise existing resources to prevent duplication and delays.

Preparedness and response strategies in the contingency plan includes key early warning actions, preparedness activities, and response measures for each identified hazard. Specific activities include rapid assessments, pre-positioning relief materials, and strengthening health facilities; community sensitisation, creation of emergency exits, and provision of essential medicines; and ensuring food security, water, sanitation, and hygiene (WASH) support during emergencies.

Coordination arrangements are central to responses and the plan highlights a structured coordination system involving various stakeholders, including:

- National Disaster Governing Council: Led by the Vice President and responsible for policy and strategic decisions. It has 11 cabinet Ministers as members, NGOs represented by TANGO and the business community represented by GCCI.
- Crisis Management Team: Serves as the Technical Group, constituted by department heads, led by the NDMA, and responsible for tactical planning and operations.
- Government institutions and United Nations (UN) agencies, NGOs, and civil society organisations (CSOs): The central government played a key role in managing the crisis by coordinating various ministries and agencies. The United Nations Country Team (UNCT) supports these efforts by providing social services and collaborating with the crisis management team to enhance operational capabilities and deliver humanitarian aid.

4.1.6. Nationally Determined Contributions, first (2016) and second (2021)

The Gambia's first NDC (NDC1) committed to reducing greenhouse gas emissions through a business-as-usual scenario level by 5.4% or 3,858 GgCO₂e by 2030. The second NDC (NDC2), 2021, revises that projection to 6,617 GgCO₂e, a reduction of 49.7% or 3,290 GgCO₂e against business-as-usual. Adaptation priorities under NDC2 include fostering sustainable agricultural practices, increasing forest cover, and developing climate-resilient infrastructure.

The first NDC committed to include the development of early warning systems and climate information systems as part of the key short- and medium-term activities in the LECRDS and National Climate Change Action Plan (NCCAP). The development, planning and implementation of an effective disaster preparedness and response strategy was highlighted in NDC1. Several measures for disaster risk reduction were highlighted including the strengthening of early warning systems. In the second



NDC, The Gambia puts forward amendment proposals for the climate finance architecture including ideas on the need to design global disaster relief and insurance (such as grant based insurance premiums) for managing climate disasters.

GoTG has adopted the creation of a National Climate Change Fund to secure sustainable funding for climate activities. This fund will integrate existing national financial mechanisms with similar goals and leverage international public and private finance, as well as domestic public and private finance, as strategies to enhance resource mobilisation.

4.1.7. The Third National Communication under the UNFCCC

The Gambia's Third National Communication under the UNFCCC, submitted in 2020, details the country's ongoing efforts to address climate change. It builds on previous communications, outlining socio-economic conditions, GHG emissions, and climate vulnerability. The document highlights significant developments since the Second National Communication, including the creation of policies such as the NCCP 2016, LECRDS, 2018-2030, and the Strategic Programme for Climate Resilience. These initiatives aim to build resilience in food security, energy, health, and coastal management while transitioning to a low-emission, climate-resilient economy. Under the Climate Change Early Warning System project, policymakers have been trained on climate-related policy review. Training was also conducted for media practitioners to improve public awareness of climate change, while farmers received instruction on agrometeorology, connecting climate risks to agricultural productivity. The National Meteorological and Hydrological Service is developing a glossary of meteorological terms in local languages to enhance communication. Moreover, MECCNAR has engaged business leaders to discuss climate risks and opportunities within the private sector. UTG has hosted seminars on climate change themes, supported by the German Federal Ministry for Education and Research, positioning itself to disseminate research findings through public forums and policy briefs.

4.1.8. National Climate Change Policy (2016-2025)

The NCCP served as main driver of climate change initiatives to support sustainable development, resilience building and community participation. The policy aims to mainstream climate change into national planning, budgeting, decision-making, and programme implementation, through effective institutional mechanisms, coordinated financial resources, and enhanced human resources capacity by 2025.

The NCCP recognises the inextricable link between adaptation, disaster risk reduction, and thus the necessity for ensuring policy synergies. It proposes a number of policy linkages between climate adaptation and disaster risk reduction. It seeks to build a climate-resilient society that is well equipped for disaster management. It refers to equipping communities with effective early warning and response systems and climate expertise. It emphasises disaster preparedness, prevention and long-term disaster resilience, rather than ad hoc disaster responses. Additionally, it commits to linking climate change with disaster management frameworks and institutions at the local level.

The NCCP highlights early warning systems, emergency preparedness, slow-onset events, management of irreversible losses, risk assessment and management, risk insurance options, addressing non-economic losses, and enhancing community and ecosystem resilience initiatives under Loss and Damage, and advocates for international support.

In 2022, at Conference of the Parties (COP)27, the parties agreed to establish a 'Loss and Damage Fund', now known as the Fund for Responding to Loss and Damage (FRLD), for vulnerable countries affected by climate disasters, with initial funding of approximately USD 720 million committed by



COP28. The Gambia, as a least developed country and among the most vulnerable countries to the impact of climate change, is eligible to access this fund.

4.1.9. The Gambia National Social Protection Policy (2015-2025)

The NSPP (2015-2025) outlines the government's vision and strategies for reducing poverty and addressing vulnerability. The policy is rooted in the principles of inclusivity, sustainability, and rights-based programming, aiming to establish a comprehensive social protection system by 2035. It aligns with national frameworks like Vision 2020 and emphasises protective, preventative, promotive, and transformative measures to safeguard vulnerable populations and drive inclusive growth.

The policy identifies significant gaps in The Gambia's existing social protection framework, such as limited reach, short-term orientation, and inadequate funding. Vulnerable groups like the extremely poor, children, the elderly, persons with disabilities, and households affected by chronic illnesses are prioritised. NSPA proposes integrated approaches like predictable cash transfers, expanded social insurance, and improved access to essential services such as healthcare, education, and food security.

NSPA focuses on several key components: strengthening institutional frameworks, enhancing coordination, and developing robust administrative systems, including a single registry and an Integrated Information Management System. It promotes decentralisation, capacity building for stakeholders, and sustainable financing through specific budget allocations and increased government spending, while fostering partnerships with development partners. By 2025, NSPA aims to establish a modern, well-coordinated social protection system in The Gambia, utilising a tested nationwide Social Registry for effective cash transfers to vulnerable populations.

4.1.10. The Ministry of Women, Children and Social Welfare Strategic Plan (2025–2030)

The Strategic Plan (2025-2030) for the Directorate of Gender Equality and Women Empowerment under MWCSW provides a comprehensive framework to implement the National Gender Policy (2025-2034). Developed through national consultations, literature reviews, and gap analyses, the plan focuses on gender empowerment, mainstreaming, and advocacy across sectors. It addresses key challenges such as economic inequality, gender-based violence (GBV), and women's underrepresentation in decision-making, emphasising legal reforms, policy advocacy, and community engagement.

The plan is structured around themes like gender mainstreaming, institutional strengthening, compliance monitoring, and public awareness. It establishes an institutional framework involving the National Women's Council, Directorate of Gender Equality and Women Empowerment, and other stakeholders to oversee policy implementation, monitoring, and advocacy. Aligned with global and regional frameworks, such as Convention on the Elimination of All Forms of Discrimination Against Women (CEDAW), the Beijing Platform for Action, and AU gender protocols, the plan integrates international best practices into national strategies.

Overall, the plan aims to create an inclusive society with equal opportunities for women and men by fostering capacity building, strengthening partnerships, and promoting gender-sensitive policies. It seeks to reduce inequalities, combat GBV, and improve the socio-economic status of women in The Gambia.



4.1.11. The Gambia Second Generation National Agricultural Investment Plan-Food and Nutrition Security (2019-2026)

The Second Generation National Agricultural Investment Plan-Food and Nutrition Security (GNAIP II-FNS) builds on the Comprehensive Africa Agriculture Development Programme, an AU initiative that calls for allocation of 10% of the national fiscal budget to agriculture, and to achieve 6% sector growth rate. It also aligns with the ECOWAS Agricultural Policy, which spells the shared principles towards food security based on reorientation and increased productivity, a common trade regime within the community and another with those outside.

GNAIP II-FNS emphasises food and nutrition security, resilience, and sustainable use of natural resources, aiming to alleviate rural poverty and support national development goals. It incorporates five priority areas including production and value chain promotion on food crops and vegetables, the livestock husbandry and pastoralist, fishery aquaculture, and forestry and environment sub-sectors, and issues of food and nutrition security, resilience and social protection. The GNAIP II emphasises integrating climate-smart agricultural practices to combat erratic weather patterns and ensuring the sustainability of natural resources. It stresses the importance of partnerships among the government, international partners, and private entities to mobilise resources effectively.

4.1.12. The Gambia National Policy for Micro, Small and Medium Enterprises (2019-2024)

The Gambia National Policy for MSMEs (2019-2024) outlined strategies to support the MSME sector as a vital contributor to economic growth, poverty alleviation, and employment. Recognising that MSMEs constitute approximately 20% of GDP and 60% of urban labour force employment, the policy aimed to address key challenges such as limited access to finance, inadequate infrastructure, and low productivity. It set forth objectives to enhance the regulatory environment, improve access to alternative financing, and foster entrepreneurship, particularly among youth and women.

The policy emphasised easing the regulatory and legal framework for businesses, introducing measures like a single-window business registry to streamline registration processes and reduce operational costs. It also advocated for financial support mechanisms, including venture capital, guarantee schemes, and a focus on medium-term financing for MSMEs. The government planned to incentivise compliance through simplified taxation systems, such as presumptive taxes for smaller enterprises and a five-year tax holiday for start-ups.

The policy prioritised skill development, particularly in entrepreneurship, technical trades, and financial literacy, aiming to make MSMEs competitive in domestic and international markets. The government aimed to enhance digital infrastructure and establish public-private partnerships to facilitate technology transfer and training. By integrating information and communication technology (ICT) into business operations, MSMEs are expected to improve efficiency and market access.

4.1.13. National Early Warning Strategy (2021–2026)

The National Early Warning Strategy (2021–2026) aims to enhance disaster preparedness and response by addressing vulnerabilities to hazards like floods, droughts, coastal erosion, and epidemics. It promotes a proactive, people-centred approach to risk reduction and early warning systems, integrating disaster risk reduction into sustainable development policies while addressing gaps in data collection, communication, and community preparedness.



4.2. Conclusion

The Gambia has made some strides in developing strategies and policies to address climate and disaster risks, recognising the growing vulnerability of its population and economy to climate change and natural disasters. Some national policies make modest inroads on the inclusion of disaster risk management in policy actions or priorities. The Recovery-Focused National Development Plan (2023-2027) prioritises resilience building against climate shocks and strengthening disaster risk financing mechanisms. The plan advocates for proactive financial strategies, such as contingency funds and WII schemes, to protect vulnerable sectors like agriculture. It integrates disaster risk financing within a holistic approach to sustainable development. The National Multi-Hazard Contingency Plan (2022-2025) provides a structured framework for responding to natural and man-made disasters such as floods, droughts, and epidemics and underscores the importance of early warning systems, pre-positioning relief materials, and strengthening healthcare facilities to minimise the impact of disasters. NSPA promotes cash transfer programmes, expansion of social insurance, and improved access to essential services such as healthcare and education. It seeks to harmonise various social protection initiatives and create an integrated system that can effectively respond to climate-induced vulnerabilities.

However, the country is yet to develop a comprehensive Disaster Risk Financing Strategy. Furthermore, the main climate and environmental policies lack a disaster risk management and financing lens. The National Disaster Management Policy of 2024 articulates the integration of disaster risk reduction in national development policies, which will be a policy focus going forward. As the opportunities arise for updating these policies and strategies, policymakers must prioritise the linkages to disaster risk financing and disaster risk management.

The Gambia faces several challenges in implementing climate and disaster management policies effectively. Financial constraints, fragmented implementation across different sectors, and inadequate infrastructure pose significant hurdles. To address these challenges, the government aims to enhance institutional coordination, leverage diverse funding sources, and promote greater public-private partnerships. Strengthening community engagement, improving data-driven decision-making, and expanding insurance schemes to cover high-risk sectors are essential steps toward building a more climate-resilient economy.



5. Enabling Environment

This chapter presents an overview of key actors and frameworks from ministries, government agencies, and the private sector involved in disaster risk management and explores the enabling environment for CDRFI in The Gambia. Institutions such as MoFEA, MECCNAR, and NDMA play pivotal roles in coordinating climate and disaster risk policies, strategies and plans, disaster risk management and reduction, and resource mobilisation. Additionally, it covers the law and regulatory framework governing the insurance sector as well as the capabilities of the private sector for insurance.

5.1. Overview of Existing CDRFI-relevant Institutions

In The Gambia, disaster risk management and CDRFI policies and response are mandated across multiple institutions and ministries. The DCF in MoFEA, deriving its mandate from the constitutional powers of the ministry in charge of the public finances, has the primary responsibility for the national integrated financing for climate initiatives, which leverages collaboration with the private sector. While MECCNAR has responsibility for climate change strategies and policies, NDMA focuses on disaster preparedness and risk management. This troika of institutions sit at the apex of GoTG's governance and management of climate change and disaster risk management. The insurance industry is regulated by the ISD at CBG.

5.1.1. Ministry of Finance and Economic Affairs – Directorate of Climate Finance

The DCF is a nascent set-up in MoFEA (established in 2023 and operational since July 2024), to lead on mobilising the requisite resources to meet increasing needs of climate adaptation, mitigation and disaster risk reduction. Chapter IX, Part 1, of The Gambia's Constitution accords MoFEA primary responsibility for public finance, including climate finance. However, the national risk-retention funds envisaged under the NDMA Act 2008 (ERF) and the National Climate Change Policy 2016 (National Climate Change Fund) are under the mandates of the NDMA and MECCNAR, respectively. Both funds are domiciled in the national fiscal budget under the purview of MoFEA. MoFEA's strategy focuses on shifting to ex-ante and proactive disaster risk management and long-term disaster resilience, while moving away from traditional ex-post and ad hoc management. DCF under MoFEA spearheads climate and disaster risk finance strategies and policies within the country that complement mitigation and adaptation strategies and policies and disaster management plans. This includes introducing regulations that allow for reallocation of capital across industries and enable a transparent prevalence of market prices in climate finance. Also, leveraging solutions for attracting private sector climate finance, including blended financing involving national and international public financing institutions.

MOFEA administers the ERF. The NDMA Act of 2008 makes provisions for the establishment of ERF or Contingency Fund, which holds allocations from the national fiscal budget. The Fund has remained largely underfunded with an allocation of GMD 6.1 million in 2023, no allocation in 2024, GMD 52 million in 2025, and no entries projected in 2026 and 2027. The fund, as it stands, constitutes an inadequate and unpredictable source of risk retention. In practice, when a disaster happens, this budget line is supplemented by ex-post arranged disaster financing through reallocations within the national budget and from international partners. While MoFEA administers the ERF, it lacks predictable ways of resourcing and a robust governance structure to serve as a reliable risk retention option for disaster financing.



5.1.2. Ministry of Environment, Climate Change and Natural Resources – Climate Change Secretariat

MECCNAR has responsibility for developing and implementing climate change strategies and policies, as well as the oversight of environmental protection, and natural resource management. The **National Climate Change Council (NCCC)** chaired by the President is the apex national body which provides high-level governance and oversight. The Climate Change Secretariat, operating under MECCNAR, serves as the technical arm, ensuring the mainstreaming of climate change in sector and national policies and programmes through coordination across government agencies and ministries, local, and international partners. To ensure effective coordination and policy coherence, it has established a **Centralised Project Management Unit** that administers, monitors and evaluates projects executed by MECCNAR.

5.1.3. National Disaster Management Agency

The National Disaster Management Act 2008 established NDMA as the central body for disaster management in The Gambia. The NDMA has primary responsibility for disaster risk management. It coordinates disaster management and risk reduction. Disaster risk governance under NDMA is led by the National Disaster Management Council. The National Technical Advisory Group provides expert advice, and the Multi-Sector Joint Assessment Team conducts emergency assessments. Enabled by the National Disaster Management Act of 2008, regional and village disaster management authorities and committees lead efforts in disaster risk management and disaster risk reduction. Their work is guided by the National Disaster Management Policy and the National Disaster Management Act of 2008, focusing on both response and prevention.

The National Disaster Management Act of 2008 emphasises preparedness and prevention for disasters, aligning with the Sendai Framework for Disaster Risk Reduction (2015-2030). It also highlights the importance of risk transfer mechanisms, including insurance and financial protection, to reduce the long-term impacts of disasters.

5.1.4. The Office of the Vice-President - The National Social Protection Agency

In early 2020, the Government established NSPA to function as a multi-sectoral National Social Protection Steering Committee, i.e., as a central coordinating institution for social protection. The National Social Protection Steering Committee is the multi-sectoral coordination mechanism in The Gambia's Social Protection system. It is chaired by the Office of the Vice President with representation of other government ministries, development partners, and a representative body from CSOs, the private sector and the legislature. NSPA serves as the secretary for the Steering Committee. NSPA provides National Social Protection Annual Reports, offering an overview of actions and developments in the sector.

NSPA has developed a National Social Protection Monitoring and Evaluation Framework to facilitate and strengthen the coordination of social protection stakeholder engagements and reporting. Improved coordination across the sector reduces duplication of efforts and overlapping mandates, allowing for greater cost-effectiveness. A grievance redress mechanism that was established under the Gambia Social Safety Net Project (GSSNP) is enhanced in the Gambia Resilience, Inclusion, Skills, and Equity Project (RISE) by transitioning to a centralised GRM to manage all social protection-related cases/grievances.

Significant progress has been made in establishing the institutional arrangements and financing mechanisms for the social protection sector. In September 2023, the National Assembly enacted the National Social Protection Bill, which provided for the establishment of NSPA and its Board of



Directors. Subsequently, in October 2024, regulations for the Social Assistance Fund were approved, and in December 2024, the government allocated a dedicated budget line to finance the Fund. The Fund will finance social protection operations and could be used to finance or anticipate resources for shock responses.

The Gambia has several social protection programmes targeting the needs of poor and vulnerable groups. However, most interventions are short-term, emergency-focused, and limited in scope, coverage, and financing, which the NSPP aims to address.

Nafa Programme: GoTG launched the Nafa national cash transfer programme in September 2021 to assist extremely poor households. The programme currently serves about 17,000 households in the 20 poorest districts, providing regular cash transfers and Social and Behaviour Change Communication (SBCC) services. It reaches roughly 30% of the extremely poor households and 20.4% of all poor households in rural areas, with 97% of the recipients being women. Originally part of GSNP, Nafa has been extended through the RISE project, which aims to add another 20,000 beneficiaries by 2026.

5.1.5. Central Bank of Gambia- Insurance Supervision Department

CBG regulates and oversees the financial sector, including banking and insurance. The ISD at CBG is particularly responsible for supervising, regulating and overseeing the insurance sector. It performs functions such as the evaluation of insurance applications, the formulation of insurance regulations and supervisory guidelines. Key functions include issuing licenses, enforcing standards, and collaborating with MoFEA on policy reforms. In discharging these functions, data analytics is crucial for evidence-based regulatory activities. In particular, new products such as parametric insurance require risk analysis. The ISD has made strides in promoting inclusive insurance, and further reforms and a dedicated roadmap are essential.

To support inclusive insurance, the ISD recently engaged in an index insurance pilot for farmers, in collaboration with the WFP and ARC, aiming to provide affordable coverage to underserved populations. Among this segment of society, there is low financial inclusion and public awareness of the benefits of insurance. In response, CBG supports consumer education through financial awareness campaigns, which include weekly radio programmes.

5.1.6. National Disaster Management Agency – Local Government Authorities

Local government authorities (LGAs) are key to the institutional framework for designing, implementing and monitoring CDRFI efforts in The Gambia. Under NDMA, the Regional Disaster Committees and the District Disaster Committees are complemented by Village Disaster Management Committees (VDMCs) that lead CDRFI efforts. Already, the country has Village Development Committees associated with the national development plan, within which the VDMCs are nested. VDMCs maintain a direct relationship with the Executive Director of the NDMA, as well as Regional and District Disaster Coordinators. For details on the roles and responsibilities of these LGAs, please refer to subsection 5.5..

5.2. Overview of Legal and Regulatory Frameworks

Regulations guiding disaster risk financing, and the insurance sector of The Gambia are detailed below.

5.2.1. Disaster Risk Financing Regulations of 2024

The Authorities have taken bold steps to upgrade and update climate and disaster risk management regulations with the Disaster Risk Financing Regulations of 2024. The Disaster Risk Financing



Regulations were aligned with the Gambia's National Disaster Management Act of 2008. The regulations define disaster risk financing as financial mechanisms designed to mitigate the economic losses caused by natural hazards. A Disaster Risk Financing Reserve Fund has been introduced separately from the ERF. The sources of funding resources are highlighted as government budget allocations, contributions from mining and infrastructure projects using provisions for costs of environmental impacts, and international aid.

The regulations specify different CDRFI products to respond to disasters, such as macro and micro insurance schemes for businesses, agricultural insurance for farmers, and social protection for vulnerable populations. It permits subscription to the sovereign risk pool and WII, with which it has had some experience through ARC. Under this insurance policy, in October 2023, the country received USD 187,641, which benefited 17,058 individuals residing in the North Bank, Central, and Lower River Regions through cash transfers. From ARC experience, the Disaster Risk Financing Regulations 2024 answer details such as compensation and disbursement procedures, including eligibility requirements and methods for calculating payouts based on damage assessments. The NDMA, in collaboration with local and international partners, is tasked with assessing damage, profiling affected populations, and managing a centralised disaster risk financing database to ensure transparency and accountability in fund distribution.

To enhance compliance and ensure quality, the regulations mandate standards for disaster risk financing products and services, such as early warning systems, disaster assessments, and insurance products. Compliance is enforced by CBG and NDMA, and beneficiaries are required to meet specific conditions, including adherence to building codes and safety regulations. Non-compliance with early warning broadcasts, for instance, may disqualify individuals from receiving compensation.

The Disaster Risk Financing Regulations include provisions for partnerships with government agencies, NGOs, and private companies to improve disaster preparedness and response. Public-private partnerships are encouraged to develop insurance solutions for high-risk areas, while a national complaint mechanism will handle grievances related to disaster risk financing products and services. Through these regulations, The Gambia aims to create a resilient disaster risk management system, providing timely financial support to affected communities and fostering sustainable disaster preparedness practices.

5.2.2. Public Finance Act 2014

The Public Finance Act 2014 mandates that annual budgets for unforeseen 'extra-budgetary' expenditures, like disaster-related costs, be submitted to the National Assembly based on estimates submitted by MoFEA. This provision addresses exceptional situations that cannot be anticipated (Article 24, d, iii). Additionally, Article 30 (2) permits the submission of a revised supplementary budget if significant changes occur during the budgetary year, applicable in cases of major disasters.

5.2.3. Insurance Act of 2003

The Gambia has a nascent insurance industry with limited services and a narrow range of policies. The Gambia ratified the Insurance Act in 2003, establishing a regulatory framework for the insurance sector. CBG introduced supporting regulations in 2005, requiring all insurers, brokers, and loss adjusters to be registered and authorised by CBG. These regulations set specific capital requirements based on the type of insurance and mandate that insurers maintain a solvency margin, invest part of their retained premiums in Gambian assets, and submit audited financial statements. Insurers are prohibited from paying commissions to unregistered agents and cannot refuse to renew motor policies. Claims must be settled within 90 days, and penalties for non-compliance include fines and cancellation of registration, ensuring a stable and transparent insurance market.



The 2005 regulations aim to promote financial stability and consumer protection through strict capital requirements, timely claims settlement, and transparency, all under the oversight of CBG. Local investment mandates further support the economy. However, the regulations lack provisions for niche areas like agricultural insurance, do not account for technological advancements, and restrict diversification with limited investment options. Additionally, over-reliance on CBG may stifle innovation. While the focus is on solvency and compliance, there are insufficient measures to educate consumers about their rights and insurance products. As a result, the private sector, led by the Insurance Association of The Gambia (IAG), is advocating for the establishment of an independent insurance commission, which is currently absent (Bah, 2024).

5.2.4. The Draft Microinsurance Regulation (2024)

In 2024, a regulatory framework for the development and sustainability of microinsurance in The Gambia was drafted under the Insurance Act, 2003. The regulations aim to improve financial inclusion by providing accessible and affordable insurance products for low-income households and informal sector workers who lack access to traditional insurance services. Microinsurance is defined as insurance specifically designed for low-income populations, characterised by low premiums and modest payouts, ensuring affordability while offering protection against key risks such as health, agriculture, and property losses.

The framework allows licensed insurance companies and microinsurance providers to offer both life and general microinsurance products, with community-based organisations, microfinance institutions, and other aggregators acting as distribution agents. Insurers must maintain financial reserves; process claims within seven days and ensure transparent administration of policies. Claims exceeding one month must be reported to CBG, which has the authority to inspect and penalise non-compliance. Additionally, the regulations emphasise financial literacy and consumer education to promote insurance uptake among underserved communities.

As the draft moves into the formal approval process, it is crucial to ensure appropriate public consultations with key stakeholder groups to refine the framework and ensure that it aligns with existing insurance programmes while creating the right incentives for private sector participation. Notably, it would be important to assess whether relevant customer groups, such as smallholder farmers and MSMEs, are adequately covered, as they do not appear to be explicitly addressed in the current framework. Additionally, while discussions are underway for a separate draft regulation on index insurance, it may be beneficial to refer to that in the microinsurance regulation, ensuring that inclusive insurance explicitly includes parametric insurance models and broadens access to financial protection for climate-vulnerable populations.

5.2.5. The Draft Index Insurance Regulation (2024)

The draft framework for the regulation and oversight of index-based insurance products in The Gambia was also developed in 2024 under the Insurance Act to enable the responsible development, approval, and operation of index insurance, ensuring financial protection for policyholders against climate and disaster risks. Index-based insurance is defined as a contract where payouts are triggered by a predetermined index (such as rainfall levels or temperature variations) rather than the actual loss assessment of an individual policyholder.

The draft regulations specify design criteria for index-based insurance contracts, emphasising the minimisation of basis risk, which occurs when actual losses differ significantly from the indexed trigger. To ensure fairness, contracts must be transparent, objective, and supported by verifiable third-party data. Insurers must also maintain written assessments of contract designs, submit periodic reviews, and comply with strict reporting and approval requirements set by CBG.



Policyholders must have an insurable interest, meaning they are materially affected by the covered risk, and insurers are required to provide clear guidance on the implications of purchasing index insurance.

To prevent market distortions and ensure consumer protection, the regulations prohibit misleading marketing of insurance contracts as index-based products unless they are formally approved by CBG. Contracts must explicitly state policy terms, payout triggers, exclusions, and the maximum insured sum, ensuring transparency for policyholders. Additionally, insurers must conduct periodic assessments of their products at least every two years, unless a different frequency is approved by CBG.

The next steps for finalising the Index Insurance Regulations closely align with those outlined for the Microinsurance Regulations, particularly in the need for broader stakeholder consultations to refine the framework. Expanding public engagement with key stakeholders—including insurers, policymakers, agricultural cooperatives, financial inclusion advocates, and international organisations such as WFP, the Access to Insurance Initiative (A2ii), and ILO—will help ensure that the regulations are aligned with existing insurance programmes, address operational constraints, and meet international benchmarks.

Additionally, integrating index insurance regulations with the broader microinsurance framework, without restricting in any way the model of operation of one in relation to the other, could enhance clarity on how inclusive insurance incorporates both traditional and parametric models. Given that informal entrepreneurs and MSMEs are not explicitly covered, further dialogue is needed to determine their inclusion and ensure that index insurance serves a broader spectrum of vulnerable groups within The Gambia's evolving insurance landscape.

5.3. Capabilities of Domestic Private Sector for Insurance and Banking

The Gambia's financial sector is small, underdeveloped, and dominated by banks, with limited financial intermediation and a lack of accessible credit, particularly for small enterprises (World Bank, 2022). Its financial ecosystem consists of 12 commercial banks, 7 microfinance institutions, 7 licensed fintech providers, and 3 mobile money services, highlighting an evolving but constrained financial landscape. Mobile penetration reached 104.6% in 2023, reflecting 2.86 million mobile phone connections, yet digital financial services, including mobile banking and digital insurance, remain underdeveloped. Recognising these challenges, the government has introduced several financial innovation initiatives aimed at modernising financial services and enhancing financial inclusion, including the 2022 Financial Inclusion Strategy.

The insurance market, a part of this sector, remains significantly underpenetrated, with only 0.4% market penetration, one of the lowest in Africa (Africa Reinsurance, 2024). The industry consists of 11 insurance and reinsurance companies, offering products such as motor, fire/property, marine, engineering, and life insurance (CBG, 2024). Despite the range of offerings, the sector accounts for just 1.3% of financial assets and faces challenges related to growth and innovation (World Bank, 2022). Local insurance providers remain largely limited in their ability to offer microinsurance and index-based insurance products effectively, or even to engage in discussions around the development of these topics in the country. The sector lacks technical expertise in actuarial science, risk modelling, and digital distribution, limiting its ability to develop scalable meso, micro-level parametric insurance solutions.

GoTG is set to expand insurance coverage and promote regulatory support for microinsurance and other innovative CDRFI instruments targeting the most vulnerable. This commitment is evident in the draft regulations on microinsurance, and index-based insurance discussed earlier. Digital

advancements are also being encouraged through national information and communication technology (ICT) policies, and mobile network operators provide the infrastructure necessary to expand digital insurance and digital banking services. Efforts to address these challenges, supported by government initiatives, international collaborations, and private sector engagement, are key to fostering financial inclusion, climate resilience, and sustainable growth.

Table 8: Insurance Industry Dashboard

Insurance Market Data		Number of Market Players	
Life premium volume (USD)	1,307	Domestic life insurers	3
Non-life premium volume (USD)	7 mil	Domestic non-life insurers	7
Total premium volume	7 mil	Domestic composite insurers	0
Total premium volume (GMD)	189 mil	Foreign life insurers	0
Insurance penetration: Premiums in % of GDP	0.44%	Foreign non-life insurers	0
Insurance density: Premium / capita USD	3.77	Foreign composite insurers	0
Main Indicators	2018	Domestic reinsurers	1
Turnover	7.324 mil USD	Foreign reinsurers	0
Penetration rate	0.4%	State-owned insurers	0
Insurance density	3 USD	State-owned reinsurers	0
		Reinsurance intermediaries	1
		Domestic reinsurers	1
		Foreign reinsurers	0
		State-owned insurers	0

Source: [Africa Reinsurance Corporation](#)

Digital capabilities in the insurance sector are minimal, with limited digital channels for policy access, premium collection, and payouts (World Bank, 2022). The adoption of electronic platforms such as mobile networks and digital insurance has not yet taken traction. There are challenges that hinder digital insurance expansion. Internet penetration remains low, limiting the potential market reach, and utility costs, especially for electricity, are high. These issues are compounded by unreliable energy supplies, necessitating generators for consistent operations. The Gambia also relies on a single data cable connection, posing a risk if the cable were to fail. However, ongoing infrastructure upgrades suggest a focus on resolving these bottlenecks.

The Gambia's digital insurance industry holds a potential for growth, evidenced by a supportive investment climate, a predominantly young population, and expanding ICT infrastructure. Mobile coverage and internet access is expanding, creating a viable channel for delivering insurance services in a country where overall insurance penetration remains low. However, barriers such as high utility



costs, limited internet access, and infrastructure gaps remain challenges. With government backing and strategic investments, The Gambia could develop a robust e-insurance market that serves both domestic and regional customers (The Gambia Investment & Export Promotion Agency (GIEPA, 2021).

In the overarching digital policy context, The Gambia's ICT4D Policy Statement (2018–2028) aligns with the National Development Plan. It aims to transform the country into a digital nation by utilising ICT across all economic sectors. Additionally, the National Digital Economy Master Plan (2023-2033)¹³ serves as a strategic roadmap for digital transformation, with a strong emphasis on digital financial services and financial inclusion. This plan aligns well with other key government efforts such as National Digital ID and Digital Transformation Strategy (2023-2028)¹⁴, which seeks to establish a secure digital identity system that may streamline access to financial services, including digital insurance, and the Government Open Data Strategy (2023-2026)¹⁵, which aims to improve data availability, interoperability, and transparency. These initiatives could enable financial service providers to leverage high-value datasets for risk assessment, fraud prevention, and inclusive insurance product development¹⁶.

5.4. Capabilities of Mobile Network Operators and Mobile Money

The Gambia has four mobile network operators (MNOs), GAMCEL and QCELL, which are owned by the State and a Gambian national, respectively; and the other two, AFRICELL and COMIUM, which are foreign owned. In 2020, the combined market size was about 2.7 million active subscribers with shares for AFRICELL at 62% as the dominant player, QCELL at 28%, and GAMCEL and COMIUM at 5% each (PURA, 2024). All MNOs have unrestricted access to international ACE (Africa Coast to Europe) cable and offer 4G LTE services. In the past decade, market competition has been rife, characterised by new products and consumer discounts. The governance of the subsector will benefit from a new National ICT Agency that has been established.

Mobile money is a novel digital banking option in The Gambia, with only two service providers, Afrimobile Money and QMoney Financial Services Ltd. Recent progress in broadband penetration indicates increasing mobile connectivity, with over 4.22 million mobile connections—averaging about two connections per inhabitant—demonstrating strong demand for mobile and internet services. Currently, 51% of the population uses the internet, and the number of internet users is growing at approximately 3% annually.

However, mobile money is making slow progress with the combined market share of the two service providers serving just 2% of the population as either users or holders of mobile money wallets. It is noteworthy that a new market participant, WAVE, has started operations. Gambians also use the

¹³ **Government of The Gambia, Ministry of Communications and Digital Economy (2023).** *Final The Gambia Digital Economy Master Plan 2023-2033.* Available at: <https://mocde.gov.gm/wp-content/uploads/2023/10/Final-The-Gambia-Digital-Economy-Master-Plan-2023-20233.pdf>

¹⁴ **United Nations Economic Commission for Africa (2024).** *Validation of The Gambia's National Digital ID and Digital Transformation Strategy.* Available at: <https://www.uneca.org/stories/validation-of-the-gambia%E2%80%99s-national-digital-id-and-digital-transformation-strategy>

¹⁵ **Government of The Gambia, Ministry of Communications and Digital Economy (2023).** *Final Government Open Data Strategy 2023-2026.* Available at: <https://mocde.gov.gm/wp-content/uploads/2023/10/Final-Government-Open-Data-Strategy-2023-2026.pdf>

¹⁶ While an open data framework holds the promise of unlocking opportunities for the expansion of access, quality and affordability of financial services broadly, and insurance, it is important to consider the potential exclusion of offline and marginalised groups, data privacy and cybersecurity risks, as well as the burden on customers as the weakest link in the value chain. Ultimately, an operative Open Finance framework requires a foundational engine that includes a National Digital ID Database, an interoperability platform and a robust payments system. For more about Open Finance in the African context, see: **Cenfri (2024).** *Open Finance Webinar: Emerging Evidence from Africa.* Available at: https://cenfri.org/wp-content/uploads/Open-Finance-Webinar-Emerging-evidence-from-Africa_Feb2024.pdf



Senegalese-based service provider, Orange, for transfers across West Africa. However, there are significant challenges, including the high cost of money transfer to The Gambia charged by all service providers at 12% of a transaction cost, compared with Africa at 8.46%, Global at 6.3%, and the SDGs recommended target is 3%. The bulk of remittances are moved informally on cash basis.

Financial inclusion remains low, with only 19% of adults (approximately 5% of the total population) owning bank accounts. To address these constraints, CBG introduced a financial inclusion strategy in 2022, aiming to reduce barriers to financial services and promote mobile money banking. With continued regulatory support and investment in digital infrastructure, mobile money has the potential to drive greater financial inclusion and economic participation across The Gambia.

5.5. Capabilities of Sub-national Authorities

Sub-national, regional and LGAs play a crucial role in managing climate and disaster risks and protecting communities. However, they often lack the necessary resources to effectively address climate-induced challenges and rely heavily on the national fiscal budget. Enabled by the National Disaster Management Act 2008, regional and village disaster management authorities and committees lead efforts in disaster risk management and disaster risk reduction. Regional governments allocate budgets for contingency measures defined by the National Contingency Plan. However, even the bigger LGAs – Kanifing Municipal Council, West Coast Region and Banjul City Council, endowed with internally generated revenue, have limited options beyond government risk retention measures.

The Gambia's National Disaster Management Act 2008 focuses on the establishment, composition, functions, and roles of VDMCs. Each village or cluster of villages is required to have a VDMC, which typically operates through the Village Development Committee established under the Local Government Act, 2002. The existing Village Development Committee serves as the VDMC, ensuring seamless integration between development and disaster management efforts.

The VDMCs are responsible for holding meetings as necessary to coordinate disaster management activities. The chairperson, who leads the Village Development Committee, also presides over the VDMC. These meetings are convened at the discretion of the chairperson to address disaster preparedness, response, and recovery efforts. The procedural aspects of the meetings align with those of the local council, ensuring a standardised approach across different governance levels.

The primary function of VDMCs is to act as the focal point for disaster planning, coordination, and implementation at the village level. Their responsibilities mirror those of the District Disaster Committees but are limited to their specific village jurisdiction. The committees work in accordance with the guidelines provided by NDMA, the Regional Disaster Committees, and the District Disaster Committees. This ensures that their activities are harmonised with national and regional disaster management strategies.

In times of disaster or impending threats, VDMCs are empowered to manage local resources, control movement within affected areas, conduct search and rescue operations, and provide essential services such as shelter, food, water, and medical care. They can also facilitate the removal of debris, arrange for the disposal of unclaimed bodies, and undertake any other necessary measures to protect and assist the community. The chairperson may exercise emergency powers to respond swiftly to disaster situations, with subsequent ratification by the committee.

VDMCs maintain a direct relationship with the Executive Director of the NDMA, as well as Regional and District Disaster Coordinators. During emergencies, higher authorities may assume control of disaster operations, with VDMCs offering full cooperation and support. Village Disaster



Coordinators, appointed by the VDMC, play a crucial role in coordinating disaster-related activities, serving as a key point of communication and action during disaster events.

5.6. Capabilities of MSMEs to Access Financial Protection Instruments

The national MSME strategy (Section 4.1.11) accords these economic actors a prominent role for job creation, competitiveness enhancement, and the productivity of industry and trade. However, they lack easy access to finance and financial protection. MSMEs operate mostly outside the main banking system and within the microfinance system. Microfinance institutions (MFIs) serve the unbanked and rural communities. MFIs are classified into three main categories:

- Village Savings and Credit Associations (VISACAs): community-based MFIs owned and operated by their membership.
- Finance Companies: equity structured institutions with subscribers and registered as limited liability companies.
- Fiduciary Financial Institutions (FFIs): the highest category of MFIs regulated as Finance Companies.

There are 70 VISACAs country-wide and represented in every ward (administrative areas within a village) VISACAs can be leveraged for microinsurance (and payout of cash grants) in disaster-impacted farming and remote communities.

The COVID-19 pandemic significantly impacted traders' livelihoods, with 62% reporting reduced earnings. Horticulture farming faced the highest percentage of reduced earnings (67.8%), while poultry farming had the most traders (21.3%) experiencing complete earnings loss. Horticulture farmers and fish sellers reported the most job losses at 7.6% and 7.0%, respectively. Additionally, 11.6% of traders reported high indebtedness, particularly in fish selling (16.5%) and second-hand clothing (15.2%) (GBoS, 2020).

MSMEs in the trade sub-sector resorted to several avenues to mitigate the impacts of the pandemic. The GBoS survey showed that 23.8% of traders relied on support from family and friends. Other measures included involvement in different activities (15.9%), securing paid jobs, and seeking handouts; however, horticulture and fish sellers did not report on seeking paid employment (GBoS, 2020).

When asked about preferred support, 51.2% favoured cash donations, followed by food items for families (23.9%). Second-hand clothing traders showed the highest preference for cash donations (60%), with fish selling and poultry farming closely following (52.7% and 52.6%). Besides cash and food, traders expressed the need for access to finance and bank loans, with 4.7% preferring financial support over employment (1.5%). Second-hand clothing and fish selling traders prioritised finance and bank loans the most (7.0% and 6.9%, respectively) (GBoS, 2020).

5.7. Capabilities of Cooperatives, Associations and CSOs

There are 80 CSOs or NGOs registered with TANGO engaged in a myriad of social services and activities across the country (TANGO, 2024). At the community level, NGOs and CSOs in The Gambia also engage in disaster and climate initiatives, primarily funded through international grants, contributing to relief and recovery efforts. CSOs face challenges in accessing climate finance, which hampers their ability to independently finance climate-related initiatives. Their capacities are developed from working with, or serving as subsidiaries of, international development cooperation agencies and foreign CSOs like Action Aid. CSOs reported that they have also developed capacities through lessons learned and experiences in disaster risk management.



5.8. Conclusion

The enabling environment for climate change response, disaster risk management, and financial resilience in The Gambia is anchored on a robust yet evolving institutional and regulatory framework. The coordinated efforts of key institutions, including DCF, MECCNAR, and NDMA, have established the groundwork for a resilient national strategy. Through these institutions, The Gambia has taken proactive measures to integrate climate adaptation and mitigation strategies into national planning, supported by innovative financial instruments and public-private partnerships.

The legal and regulatory landscape, bolstered by the National Disaster Management Act of 2008, the Public Finance Act of 2014, and the Disaster Risk Financing Regulations of 2024, provides a structured framework for disaster preparedness and response. These measures promote financial inclusivity, and the development of insurance mechanisms tailored to the needs of vulnerable populations and high-risk sectors, such as agriculture. In line with this, a draft framework for the regulation of index-based insurance was developed in 2024 under the Insurance Act, aiming to ensure fair product design and better protection for policyholders. Its finalisation will depend on broader stakeholder consultations and coordination with the emerging microinsurance regulations to ensure coherence and inclusive coverage. However, challenges persist, including limited funding, capacity gaps, and weak coordination among stakeholders.

The private sector, though nascent, plays a pivotal role in advancing financial resilience through inclusive insurance and mobile banking services. The growing emphasis on digital transformation and the adoption of ICT policies provides a strong foundation for expanding access to financial services, enhancing public awareness, and fostering innovation. The involvement of cooperatives, associations, and CSOs complements these efforts by addressing grassroots-level vulnerabilities and advocating for equitable resource distribution.

6. Financial Protection Solutions and Linkages

6.1. Overview of CDRFI Solutions

Given The Gambia's limited fiscal capacity and significant exposure to climate risks, innovative financial protection mechanisms are critical to enhancing resilience at multiple levels – macro, meso, and micro. At the macro-level, instruments like ARC's sovereign risk transfer policy and the World Bank International Development Association (IDA) Catastrophe Deferred Drawdown Option (Cat DDO) are providing financial protection. At the micro-level, WFP is piloting an insurance solution targeting smallholder farmers. While still nascent, the involvement of local private insurance providers in offering property insurance represents an emerging avenue for financial protection against disaster risks. Furthermore, The Gambia is investing in adaptive social protection systems, early warning systems, and disaster risk reduction efforts. Programmes such as CREWS and the AICRM programme are enhancing preparedness and response capabilities.

This section presents the current landscape of financial protection in The Gambia, focusing on existing CDRFI solutions, the role of local private insurance providers, ongoing projects, and key thematic linkages, including social protection, anticipatory action, and disaster risk reduction.

Table 9: Overview of existing CDRFI solutions

TABLE 9: OVERVIEW OF EXISTING CDRFI SOLUTIONS

Project Name and Duration	Implementing organisation	Status	Objective	Instrument Type	Perils covered
The Gambia ARC Replica Policy (2019-ongoing)	WFP, ARC, and AfDB through the AICRM programme	Implementation	A sovereign risk transfer solution provided by ARC offers drought protection with a policy limit of USD 2,325,851.	Index-based sovereign risk transfer	Drought
The Gambia - ARC Policy (2019-2023)	NDMA, AfDB, and ARC	Terminated	Strengthening the country's ability to prepare for and respond to extreme weather events that threaten food security and livelihood	Index-based sovereign risk transfer	Drought
Rural Integrated Climate Adaptation and Resilience Building Project (RICAR) (2022-2027)	MECCNAR, WFP, and AfDB through the AICRM programme	In-development	Enhancing access to an integrated risk management package, including an index-based microinsurance scheme for farmers	Index-based microinsurance	Drought
World Bank IDA Cat DDO (2023-2027)	World Bank	Implementation	A contingency credit facility (USD 20 million) designed to provide rapid financial support in the event of natural disasters or public health emergency.	Contingent credit	Natural disasters, climate-related and public health emergencies
ERF	MoFEA	Implementation	The ERF is a national contingency fund for disaster response, allocated GMD 52 million in 2025, and administered by MoFEA.	Contingency budget	Natural disasters, climate-related and public health emergencies
West Africa Competitiveness Programme (WACOMP)-The Gambia (2018-2024)	United Nations Industrial Development Organisation (UNIDO), United Purpose (UP) ECOWAS, European Union (EU), and West Africa Economic and Monetary Union Commission	Completed	WACOMP aims at supporting access to credit, rural financial service providers and piloting insurance products for women horticultural	Meso and micro-level agricultural insurance	N/A



6.1.1. Macro-level Risk Financing Solutions

The Gambia ARC Policy

Regional focus: Nationwide

Target beneficiaries: The project targeted 428,000 beneficiaries, of which 65% were women and children.

Key partners: AfDB through ADRiFi, ARC and NDMA

Timeline: 2019-2023

Further details: The ARC policy is among the activities covered by the ADRiFi programme in The Gambia, backed by a country specific USD 2.8 million budget, focusing on three key areas: enhancing data quality, risk profiling, and disaster response capacity; supporting parametric insurance premiums and product development; and ensuring effective implementation through monitoring and evaluation.

ARC's drought policy is an index-based sovereign risk transfer solution designed to support the national government and vulnerable communities across The Gambia. However, rising premium costs and concerns over the perceived lack of adequate returns – especially in cases where risk assessments did not trigger insurance payouts – led the government to forgo renewing the policy for the 2024 risk period. This decision underscores the ongoing challenges of affordability and sustainability in implementing such risk transfer solutions in countries like The Gambia.

The Gambia ARC Replica Policy

Regional focus: Districts of Badibou, Jarra West, Kiang North Bank West, and Upper River North.

Target beneficiaries: National government, poor and vulnerable communities

Key partners: ARC, WFP, NDMA, and AfDB through the AICRM programme

Timeline: 2019-2024

Further details: ARC Replica programme is a mechanism that enables humanitarian actors, such as WFP (a Replica partner), to take out a policy on behalf of a country. WFP has signed a new insurance policy with ARC independently of the government to improve the effectiveness of emergency humanitarian response to climate-vulnerable communities in the Gambia. Additionally, ARC is working to enhance local insurance companies' capacities through skills development and supporting the finalisation of the insurance regulations currently under review.

The Gambia IDA Cat DDO

Regional focus: Country-wide

Target beneficiaries: National government

Key partners: World Bank and MoFEA

Timeline: Implementation

Further details: The World Bank's IDA Cat DDO is a USD 20 million contingent credit facility designed to support GoTG and vulnerable communities in responding to natural disasters, climate-related emergencies, and public health crises. As a risk retention instrument, it enables quick access to funds during emergencies, strengthening the country's disaster risk management and resilience. This instrument aims to promote sustainable growth while addressing climate and social risks.

The Gambia ERF

Regional focus: Country-wide

Target beneficiaries: Disaster affected population

Implementing organisation: MoFEA

Timeline: Ongoing

Further details: ERF is a contingency fund financed through the national budget. It has been consistently underfunded – receiving GMD 6.1 million in 2023, no allocation in 2024, GMD 52 million in 2025, and no projected allocations for 2026 and 2027. As a result, it remains an inadequate and



unpredictable source of risk retention mechanism. In practice, disaster response funding is often supplemented post-event through budget reallocations and support from international partners. Although MoFEA manages the ERF, it lacks a predictable funding framework and a robust governance structure, limiting its effectiveness as a sustainable disaster risk financing instrument.

6.1.2. Micro-level Risk Financing Solutions

The RICAR project

Regional focus: Upper River Region and Central River Region

Target beneficiaries: Smallholder farmers, youth, women, and local government

Implementing organisation: MECCNAR and WFP

Key partners: ARC, WFP, and AfDB through the AICRM programme

Timeline: 2022-2027

Further details: With a funding amounting to USD 10 million in 5 years for all project components, Component 3 of this project aims to develop incentives, targeting women and youth, and risk transfer mechanisms, targeting smallholder farmers, for sustainable resilience building and adaptive capacity. It focuses on developing an index-based microinsurance solution against drought. Key stakeholders include WFP, MECCNAR, MoALFS and other national departments, with support from the Adaptation Fund. While the project's risk transfer component has been piloted, full implementation is still pending. The pilot also focused on capacity building and cross-border learning, leveraging experiences from Senegal, where similar insurance models have been implemented. Gender inclusion was a priority, with targeting criteria designed to promote equitable access for male and female farmers. Additionally, WFP collaborated with CBG to clarify licensing guidelines and develop a toolkit to identify potential local insurance partners and aggregators, paving the way for the institutionalisation and potential scaling of inclusive insurance.

The WACOMP project

Regional focus: Central River Region North, Central River Region South, Lower River Region, North Bank Region, and West Coast Region

Target beneficiaries: Women, youth and smallholder farmers, farmers cooperatives, and MFIs

Implementing organisation: UNIDO and UP

Key partners: ECOWAS, EU, UEMOA, MoTRIE, and MoALFS

Timeline: 2018-2024

Further details: The WACOMP project in The Gambia aimed to boost the competitiveness of the onion and horticultural sectors by supporting smallholder farmers, with a particular focus on women and youth. The project sought on strengthening farmer associations, improving business services, promoting year-round production, increasing access to finance, and piloting crop insurance to help farmers manage risks. In 2022, UP conducted a mapping of rural financial service providers' products and services to identify challenges and opportunities in serving horticulture producers – especially women – and to assess the willingness of both farmers and institutions to participate in a crop insurance scheme. As of end of 2024, the project remained in the feasibility assessment phase and had yet to finalize or deploy any concrete risk transfer instruments.

6.2. Local Private Insurance Providers

Private insurance companies in The Gambia provide a range of property insurance solutions to protect public, business, and private properties against various climate and disaster-related risks. Takaful Gambia Ltd. offers coverage against fire, lightning, explosion, and other related perils. Sunshine Insurance Gambia Ltd. focuses on safeguarding properties from losses due to fire, storms, floods, and earthquakes. Both New Vision Insurance Company Ltd. and Royal Insurance Gambia Ltd. provide protection against damage caused by fire, lightning, and explosions, with Royal Insurance extending coverage to include floods and windstorms.



The private insurance market in The Gambia is still in its early stages. It requires significant efforts to strengthen its capacity, particularly in delivering inclusive insurance solutions for the most vulnerable sectors and communities. As highlighted in the previous chapter, the sector needs a more robust and structured regulatory framework for microinsurance that fosters inclusive insurance as well as a regulation of index-based insurance, which is currently in progress.

There are currently no meso-level insurance solutions, but initiatives are underway to assess the feasibility of agricultural insurance targeting farmer associations. UP, UNDIO, ECOWAS, UEMOA, and the EU, through the WACOMP programme, are exploring ways to enhance the competitiveness of The Gambia’s agricultural value chains. Strengthening farmer-based associations and relevant service providers is central to this effort. A key component of the programme is the development of financial protection instruments against disasters, which remains in the feasibility assessment phase.

6.3. Themes Linking to Financial Protection

Beyond CDRFI-focused projects, several initiatives address related areas such as climate adaptation, disaster risk reduction, social protection, and community resilience. The following table and subsections provide an overview of key initiatives addressing themes connected to financial protection.

Table 10: CDRFI related projects

Project Name and Duration	Implementing organisation	Status	Objective
AICRM – (2023 -2029)	AFDB, ARC, GCF, WFP, and IFAD	Implementation	The project seeks to enhance climate resilience through three components—risk preparedness, risk reduction, and risk transfer—by providing insurance solutions through WFP’s projects to protect countries and smallholder farmers, especially women, against climate-related shocks and multi-hazards, preventing negative coping strategies.
RISE, P179233 - 2024-2029	National Nutrition Agency (NaNA), Ministry of Higher Education, Research, Science and Technology, Department of Community Development, Ministry of Basic and Secondary Education, NSPA and MoFEA	Implementation	The project aims to increase (i) foundational learning of early-grade students; (ii) access to job-relevant training for youth; and (iii) income-generating opportunities, including for the poor and vulnerable, in The Gambia.
The Gambia Inclusive and Resilient Agricultural Value Chain Development (GIRAV) Project (2022-2028)	MoALFS and World Bank	Implementation	The project aims to transition from subsistence to commercial-oriented agriculture, benefiting approximately 200,000 farmers through access to improved technologies, innovations, and clean water.
The Gambia Social Safety Net Project (P167260), September 2019 – March 2024	NSPA and World Bank	Completed	The project aims to improve the coordination of social assistance activities, provide temporary social assistance support to rural households in the wake of COVID-19, and increase inclusion of the extreme poor in the Nafa programme.
WACA Project - Flood Risk Mitigation Along the WACA ResIP 2	Kanifing Municipality Council and World Bank	Implementation	The WACA ResIP 2 Project is expected to strengthen the resilience to flood risks and reduce pollution from uncontrolled solid waste disposal along the along the Kotu Stream prone to annual flooding. Flooding has occurred for over decades, despite efforts by communities, local governments, and the GoTG to curb recurrent flooding annually. World Bank’s WACA Project will provide support to flood risk management.
Resilience of Organisations for Transformative Smallholder Agriculture Project (ROOTS) (2019-2026)	MoALFS, International Fund for Agricultural Development (IFAD), Global Environmental Facility (GEF), Agence Française de Développement (AFD) and Crisis Response Initiative	Implementation	This project aims to enhance the food security, resilience, and market access of smallholder farmers—especially women and youth—through climate-resilient agriculture and strengthened value chains.



6.3.1. Adaptive Social Protection System

Social spending on health, education and social welfare accounts for 6.4%, 13.9% and 0.04% of total GoTG projected spending in 2025 over 2024, and annual growth of 13.6%, 21.4% and a decline of over 40% respectively over the same period (Table 2). A cumulative social spending of about 21% of the budget compares below peers and pronounced policy objectives, albeit Jobe-Wadda et al. found social protection expenditure of 7% in the 2017 fiscal budget by a scoping for both direct and indirect sources (Jobe-Wadda et al., 2017). The marked decline in social spending is associated with a project in 2024 coming to an end by 2025 and points to the sustainability of such project funding (Table 10).

The Gambia has several social protection programmes targeting the needs of poor and vulnerable groups. However, most interventions are short-term, emergency-focused, and limited in scope, coverage, and financing, which the NSPP aims to address. According to the 2015 policy, the social protection system faces interconnected challenges. Preventative measures, such as social insurance, primarily benefit a small number of formal workers, leaving most citizens vulnerable to employment, health, and disaster risks. Protective measures, including social assistance programmes, tend to be reactive, focusing on emergency interventions such as food aid and cash transfers, with few long-term initiatives like the WFP's school feeding programme and the National Nutrition Agency's nutrition support.

The GSNP, running from September 2019 to March 2024, focused on extremely poor households across the country. To date, 1,039,805 individuals in 30 of the 43 districts have received cash transfers through the Nafa Quick Programme. The project was approved by the World Bank's Executive Board in May 2019, with funding of USD 30 million from IDA and an additional USD 1 million in counterpart financing from GoTG. It aims to implement key areas of The Gambia National Social Protection Implementation Plan, including improving the coordination of social assistance via NSPA and the Social Registry, as well as expanding social assistance coverage through cash transfers and social and behavioural change communications. These initiatives focus on nutrition, early childhood development, parenting, prevention of gender-based violence, entrepreneurship, agriculture, and savings.

Moreover, social services, including healthcare and child protection, are underfunded, limiting their effectiveness. Promotive efforts aim to boost incomes through agricultural development and skills training, while transformative actions target anti-discrimination and social inclusion. However, legislative gaps, such as the absence of a Disability Bill and minimum wage laws, impede progress. Key institutions supporting the social protection system include the MoGCSW, the Social Security and Housing Finance Corporation, and NSPA. Challenges in coverage, programme delivery, coordination, and financing undermine the effectiveness of social assistance schemes.

Despite these challenges, The Gambia's Social Registry (GamSR) offers a valuable resource, covering 70% of the population and employing a proxy means test to identify vulnerable households (World Bank, 2024). This enhances programme targeting and reduces resource overlap, integrating data into various initiatives and streamlining implementation through technological innovations.

Table 1111: Social spending under the national fiscal budget, 2023-2025

Expenditure	2023 (Actual)	2024 (Approved)	2025 (Estimate)	Growth 2025 Estimate over 2024 Approved (%)	Share of Total Expenditure with 2025 Estimate (%)
Health	1,771,446,356	2,139,216,292	2,430,262,963	13.61%	6.43%
Education	3,892,884,000	4,340,758,000	5,269,815,000	21.4%	13.92%
Social Welfare	12,095,869	27,063,903	16,000,000	-40.88%	0.042%
Social Protection	8,266,000	13,275,000	16,496,000	24.26%	0.044%
Total Expenditure	5,684,692,225	6,520,313,195	7,732,573,96		

Source: Estimates of Revenue and Expenditure, 2025, MoFEA (*) Total excludes social expenditure included in other sectors

6.3.2. Anticipatory Action / Early Warning Systems

Early warning systems are crucial for providing prompt financial responses to climate disasters for several reasons. An effective and efficient early warning system saves lives, facilitates timely response, reduces economic losses, and supports vulnerable populations and community resilience. Early warning systems provide the necessary information and lead time to act, ultimately saving lives, reducing economic losses, and building more resilient communities.

The National Early Warning Strategy for The Gambia (2021–2026) is designed to enhance disaster preparedness and response in the country. The strategy recognises The Gambia’s vulnerability to various natural and human-induced hazards, including floods, droughts, coastal erosion, and epidemics. The document highlights the increasing frequency and intensity of disasters, emphasising the need for a proactive approach to risk reduction and early warning mechanisms. The strategy is framed within the broader national development agenda and aims to build resilience by integrating disaster risk reduction into sustainable development policies.

The National Early Warning and Response Mechanism aims to transition The Gambia from a reactive disaster response model to a proactive risk management approach. By enhancing national and local preparedness, improving communication networks, and fostering collaboration among various actors, the strategy seeks to minimise the socioeconomic and environmental impacts of disasters. The ultimate goal is to ensure safer, more resilient communities that can withstand and recover from hazards while contributing to national development.

The National Early Warning and Response Mechanism Coordinating Centre’s (NCCRM) mandate includes notifying the government of potential threats to citizens, proposing appropriate responses, coordinating local and national response actors, and monitoring the implementation of related processes. To achieve this, the Centre collects, analyses, and generates timely reports based on open-source information and predetermined human security indicators across five thematic areas: Crime and Criminality, Security, Governance and Human Rights, Health and Pandemics, and Environment



and Climate Change. It utilises fifty-six specific human security indicators that encompass various key sectors.

In The Gambia, initiatives like CREWS are strengthening anticipatory action and early warning systems by providing technical support to improve forecasting. CREWS is improving flood monitoring, data capabilities, and disaster risk management functions while addressing the country's fragmented governance structure in flood early warning. The World Meteorological Organisation (WMO), the World Bank, and the GFDRR are key institutions involved in this project.

There are potential linkages between these early warning efforts and financial protection mechanisms. Effective early warning systems can be utilised to design forecast-based triggers either for sovereign risk finance instruments or within meso/microinsurance, allowing for rapid or even anticipatory payouts to affected communities when predefined thresholds in forecast parameters are met. Additionally, the improved monitoring and forecasting capabilities can inform the design of tailored microinsurance products, ensuring they accurately reflect the specific climate risks faced by Gambian communities.

6.3.3. Disaster Risk Reduction and Climate Adaptation

Disaster risk reduction efforts in The Gambia are supported by several key institutions and programmes aimed at enhancing the resilience of smallholder farmers, rural communities, women, youth, coastal communities, MSMEs, and other climate vulnerable groups. The AICRM programme plays a crucial role in this landscape, with a total financing of USD 143.4 million aimed at building resilience through climate risk preparedness, reduction, and transfer mechanisms. Complementing this, the WACA project targets flood and coastal erosion risks through infrastructure improvements and nature-based solutions. Additionally, the RICAR project focuses on enhancing the adaptive capacity of vulnerable rural populations, particularly women and youth, through evidence-based planning and risk transfer mechanisms. Further efforts are underway to improve social protection systems and early warning mechanisms.

Disaster risk reduction initiatives ongoing in The Gambia are highlighted below:

- The GIRAV project focuses on enhancing agricultural development in the Upper River Region and Central River Region. This initiative, implemented by MoALFS starting in 2024, aims to benefit 200,000 farmers. With a financing package of USD 68 million, the project addresses food insecurity through the promotion of climate-smart agricultural practices, improvement of water availability, and enhancement of land tenure systems.
- ROOTS 2023 centres its efforts on the Central River Region, prioritising women farmers, who make up 80% of the target beneficiaries. Initiated in 2023 and managed by MoALFS, this project seeks to enhance production and productivity in vegetable gardens and rice farming. It also aims to improve market access, ensuring farmers can sell their produce at fair prices, and promote value addition and processing through matching grants. Furthermore, ROOTS 2023 emphasises sustainable agriculture by strengthening institutions.
- RISE targeted extreme poor households across all six regions of the country. The third component of this initiative, implemented by the National Social Protection Secretariat (NSPS) from 2024 to 2029, builds on the achievements of The Gambia Social Safety Net Project (P167260), which ran from September 2019 to March 2024. It sought to expand coverage from 30 districts to all districts and to benefit households living in extreme poverty.



6.4. Conclusion

The Gambia's financial protection landscape comprises a combination of macro-level risk financing instruments, local private insurance solutions, and initiatives to strengthen social protection and disaster preparedness. Notable macro-level solutions, such as the ARC drought policy, ARC Replica, and the World Bank's IDA Cat DDO, provide risk transfer and retention mechanisms to mitigate the impacts of droughts and other hazards. However, the discontinuation of the ARC drought policy for 2024 due to high premium costs underscores affordability barriers and lack of sustainable financing for this policy.

At the micro-level, WFP's pilot microinsurance project for smallholder farmers shows potential to bridge existing protection gaps. Local private insurance providers, such as Takaful Gambia Ltd., Sunshine Insurance Gambia Ltd., and Royal Insurance Gambia Ltd., play a crucial role in offering property insurance to protect public, business, and private assets from various risks. By expanding their offerings to include more inclusive and accessible products, they may be able to contribute to the resilience of these communities.

Key initiatives in adaptive social protection, early warning system, and disaster risk reduction, such as the CREWS initiative and AICRM programme, strengthen the country's capacity to anticipate, prepare for, and respond to climate-related shocks. These efforts may bear the potential for integration and synergies with financial protection mechanisms.



7. Gap Analysis

This chapter outlines key gaps in financial protection mechanisms and the enabling environment. It also highlights development needs in the insurance sector to support The Gambia's resilience against climate-related disaster risks and proposes possible interventions for addressing the gaps.

7.1. Key Gaps Identified

Gaps in The Gambia's CDRFI ecosystem span across financial mechanisms, data and risk modelling systems, project resources, national strategies, institutional capacities, regulatory frameworks and the insurance market. Gaps are outlined under four main headings, namely CDRFI instruments and mechanisms, enabling environment, risk analytics and modelling, and gender and social inclusion.

7.1.1. Gaps in CDRFI Instruments and Mechanisms

Disaster risk management in The Gambia is primarily reactive, with minimal forward planning, risk mitigation and reduction, and prearranged finance. Currently, CDRFI instruments (both risk retention and transfer mechanisms) remain either inoperative or underdeveloped. The Gambia lacks an adequately resourced and effective contingency fund, robust early warning systems, reliable impact assessments and adaptive social protection delivery systems. Adding to this, there is no overarching strategy on CDRFI in The Gambia.

The subsections below explain these gaps at the macro, meso and micro-levels.

Macro/ sovereign level

- **No functional national disaster fund:** The lack of a structured, effective and adequately resourced contingency fund undermines financial preparedness. Although national funds for disaster risk management exist (e.g. ERF), they operate inefficiently or remain inactive as a prearranged financing instrument for disaster response and recovery. Firstly, these funds are merely used as reservoirs for reallocation from other spending lines during disasters. Secondly, they lack effective governance frameworks and transparent operational processes, which leads to inefficiencies in their administration. Absence of timely government financial mechanisms delays disaster response efforts.
- **Lack of adaptive social protection window:** While social protection payments have been made before using the GamSR (see also subsection 6.3.1), an ASP funding window is yet to be institutionalised. Key social protection initiatives include Nafa cash transfers and Social Protection Fund. Current gaps, such as i) inadequate funding; ii) weak coordination and collaboration between government agencies and partners; and iii) data collection and management challenges, hinder the effective implementation of ASP in The Gambia.
- **Limited sovereign risk transfer instruments and premium financing gaps:** The Gambia's participation in the ARC risk pool ended in 2024. The ARC drought insurance policy covered groundnut crops and provided cash transfers to 1,088 households. In 2024, the reinsurance price increased leading to an increase in premium prices for policyholders including The Gambia. There were also concerns over unmet payout expectations due to unattained trigger thresholds in The Gambia, consequently The Gambia terminated the ARC policy. This undesirable recourse emphasised the need for clearly defined triggers in future policies.
- **Ineffective linkages of early warning systems to CDRFI instruments:** Key early warning systems and disaster risk reduction initiatives by CREWS and the AICRM are strengthening the country's capacity to anticipate, prepare for, and respond to climate-related shocks. However, financial protection mechanisms are insufficiently linked to climate information systems to enable anticipatory and early financing when climate impacts materialise.



- **Lack of risk pooling options in the insurance industry:** There are limited risk pooling options in The Gambia, for example, there is no agricultural risk pool and the potential of leveraging cooperatives for risk pooling has not been fully explored by the country.
- **Lack of defined government contingent liabilities (GCL) and lack of established link between risk financing and public financial management:** There is an unclear financial commitment from government in disaster scenarios that hinders financial planning and coordination. Additionally, disaster risk considerations are not systematically integrated into public financial management processes.
- **The absence of a comprehensive policy framework for disaster risk financing and insurance:** There is no clear national policy and strategy on disaster risk financing and insurance in The Gambia. Additionally, there is very limited mainstreaming of CDRFI in existing national policy and strategic documents. While the RF-NDP reflects the principles of climate and disaster risk financing; disaster risk financing is not mainstreamed into broader sectoral strategies including social protection policies.

Meso and Micro-level

- **Foreseen persistent affordability and uptake challenges:** WFP's pilot project provided farmers with microinsurance policies with subsidised premiums over a three-year period. Premium subsidy was 100% in the first year, 90% in the second, and 75% in the third – before requiring farmers to pay the full premium in the fourth year. Despite such initiatives, affordability and a low insurance culture remain significant challenges. An upcoming WFP assessment on farmers' willingness to pay may offer valuable insights into these barriers and inform future approaches.
- **Limited financial resources for community-level projects¹⁷:** The Gambia Climate Change Adaptation Project (GNIAP II) and other community disaster risk management programmes under WACA project continually face financial constraints in project implementation. These projects are important to build resilience against disasters.
- **Weak household coping mechanisms:** Households and communities rely on unsustainable disaster response strategies like asset sales, migration and external aid during disasters. Insurance and other prearranged mechanisms could offer better options, however this remains unavailable.
- **Low private sector capacity for product innovation and design:** There is insufficient technical expertise in actuarial science, risk modelling, and digital distribution; lack of scalable meso-micro-level parametric insurance solutions; lack of technical expertise at the national level for climate insurance product pricing; and heavy reliance on external insurers like Compagnie Nationale d'Assurance Agricole du Sénégal (CNAAS) for risk underwriting.

7.1.2. Gaps in Enabling Environment

The DCF, MECCNAR, and NDMA drive climate and disaster risk management efforts in The Gambia. The legal and regulatory framework, strengthened by the National Disaster Management Act (2008), Public Finance Act (2014), and Disaster Risk Financing Regulations (2024), facilitates disaster preparedness and financial inclusivity, particularly for vulnerable sectors like agriculture. However, challenges such as limited funding, capacity constraints and weak stakeholder coordination persist. Improved institutional capacity, regulatory modernisation, and coordination are critical for enhancing financial resilience against climate and disaster shocks. Expanding financial literacy,

¹⁷ This issue extends beyond Global Shield's scope.



strengthening insurance perceptions and uptake, and enhancing data collection are also essential steps.

Capacity Gaps in Key Institutions

- **MoFEA:** The DCF and the Economic-Policy and Research Directorate lack human, technical, and institutional capacity, requiring urgent strengthening to drive CDRFI reforms.
- **MECCNAR:** The National Climate Change Secretariat (NCCS) is currently a unit under MECCNAR that may require to be a fully operational department with a robust organisational design to carry out its mandate and function. Their mandate is to coordinate and implement national and international climate change initiatives.
- **NDMA** faces a shortage of disaster risk management experts, lacks risk modelling tools and expertise, and struggles with staff retention.
- **The West African Insurance Institute** lacks climate risk and microinsurance or inclusive insurance training in its curriculum. Actuarial competencies also need to be developed.
- **CBG**
 - **Capacity gaps in the ISD and the location of the ISD:** ISD's effectiveness is diluted by its location within CBG as CBG has a broader monetary policy focus. Over-reliance on CBG hinders innovation, while the emphasis on solvency and compliance neglects consumer education. IAG is advocating for an independent insurance commission that can enhance insurance oversight and market development.
 - **Capacity gaps in the Research Department:** There are risk modelling and assessment capacity gaps in the research department.
 - **Lack of technical capacity to implement inclusive insurance regulation:** CBG is responsible for regulating the insurance sector but lacks the capacity to implement inclusive insurance regulations, oversee product development and integrate global best practices. Consequently, there is an absence of clear regulatory frameworks for microinsurance and index-based insurance.
- **Overlapping institutional mandates:** Governance inefficiencies in CDRFI arise from overlapping roles among DCF, MECCNAR, and NDMA. Improved coordination and clear definition and delineation of mandates are imperative to avoid duplication and resource inefficiencies.
- **Lack of effective and clear institutional arrangement for early warning systems:** There is a growing data collection and management need to ensure effective early warning system in The Gambia. Issues regarding the quality and availability of weather and risk data persist in The Gambia. Additionally, the absence of a clear institutional arrangement for early warning system is a concern. Three key institutions namely Department of Water Resources, NDMA and the Early Warning Center claim responsibility for early warning without a clearly defined distinct mandates.

Regulatory Gaps

- **Deficient Insurance Act (2003):** The current Insurance Act does not accommodate modern risk management tools like microinsurance or inclusive insurance, insurance pools, WII and digital solutions. Updating the Act is crucial to foster innovation, inclusivity and sector growth.
- **Weak agricultural insurance framework:** Existing regulations lack provisions for agricultural insurance, fail to integrate technological advancements, limit diversification of investments, and do not consider affordability. Strengthening the framework is essential for sector resilience.

Other Key gaps

- **Low financial literacy and consumer awareness:** Low financial literacy, distrust in insurance, and limited awareness and understanding of risk transfer mechanisms hinder insurance

uptake. Additionally, the lack of appropriate insurance training programmes at the university contributes to the low financial education, insurance understanding and awareness.

- **Digital infrastructure gaps limit insurance product development and uptake:** The Gambia faces digital infrastructure challenges such as poor internet penetration; reliance on a single undersea data cable; limited investments in internet connectivity, energy resilience and unreliable energy supply which impede the use of digital infrastructure as distribution channels, consequently affecting insurance uptake.
- **Poor coordination and limited collaboration on inclusive insurance:** There is no coordination mechanism (institution, or group) or platform for inclusive insurance. Adding to this, there is limited collaboration between insurers, regulators, and development partners to address systemic challenges.

7.1.3. Gaps in Risk Analytics and Modelling

Quantitative risk data is limited, with existing reports focusing mainly on floods and droughts, while hazards like wildfires and windstorms remain underassessed. Coastal flooding is insufficiently analysed, and data-sharing among stakeholders needs improvement for better disaster response planning.

- **Lack of quantified protection gap:** The protection gap is the portion of disaster-related economic losses that remain uninsured or underfunded, exposing individuals, businesses, and governments to financial risk. In The Gambia, there are gaps in the interpretation of existing risk estimates; refinement of current risk information and the development of new risk assessments for specific hazards and sectors.
- **Lack of risk estimates for specific hazards and sectors:** The Gambia lacks comprehensive risk models for hazards such as wildfires, windstorms, coastal flooding, and heat stress. Additionally, multi-hazard risk assessments for critical sectors, including agriculture and health, remain underdeveloped.
- **Capacity gaps in understanding and interpretation of existing risk estimates:** Current risk assessments primarily focus on floods and droughts, lacking detailed analysis of hazards like wildfires, dry spells and windstorms. There is a need to improve capacity gaps of NDMA, DCF, MECCNAR and other stakeholders in the disaster risk management ecosystem on the interpretation of probabilistic models and refine risk exposure estimates.
- **Lack of refinement of existing risk information:** Existing risk profiles exclude coastal flooding and combine pluvial and fluvial flood risks, which should be analysed separately. Additionally, differences in exposure datasets need to be reconciled to enhance the accuracy of disaster impact estimations.

7.2. Recommendations for Potential Areas of Intervention

7.2.1. Addressing Gaps in CDRFI Instruments and Mechanisms

Macro/Sovereign Level

- **Capitalise and operationalise The Gambia's national disaster fund:** The Climate Disaster Risk Fund (CDRF) is currently inactive and requires clear governance, decision-making rules, and management procedures. A functional national contingency fund would enable timely and effective disaster response and recovery. A feasibility study should be conducted to analyse the situation and potential synergies across the existing funds and the setup of such new fund. The CDRF, covering a percentage of national risk exposure, should be operationalised, financed through national budget contributions and supplemented by international donors and climate finance initiatives. The CDRF should be further enhanced by i) reconciling with the Disaster Risk



- Management Fund, National Climate Change Contingency Fund, ERF and ASP window; and ii) establishing a unified governance structure and transparent processes for these National Funds.
- **Institutionalise ASP funding window:** Institutionalise a dedicated funding window for ASP within the national contingency fund, as well as linking ASP with instruments such as the Cat DDO, ARC's policy, and leveraging the Social Register¹⁸ maintained by the NSPA Agency. Linking CDRFI mechanisms with GamSR would facilitate more targeted and effective disbursement of disaster aid. It will also enhance the speed and accuracy of aid delivery to the most affected people, ultimately strengthening resilience at the community level.
 - **Premium payment support and additional financial instruments:** The government should remain in the regional risk pool and identify alternative funding sources beyond the national budget to finance its premium with ARC Ltd. Insurance coverage should expand to include currently uncovered hazards like floods and windstorms, through ARC and if needed other global or regional (re)insurers. Strengthening collaboration with humanitarian actors, such as the WFP, can also enhance coverage through initiatives such as the ARC Replica programme. Finally, ARC Ltd. policy should have better-defined triggers and increased participation from local insurers, building on the WFP, ARC, and CNAAS pilot. The drought policy could include anticipatory triggers; to do this, an assessment could be conducted on the possibility of leveraging early warning systems and embedding an anticipatory action trigger, which may allow a portion of the payout to be made prior to reaching a trigger threshold.
 - **Increase funding for urban flood risk management:** The GoTG prioritises disaster risk reduction activities manage urban flooding, particularly in the Kotu stream area (2,476 ha, 200,000+ residents), addressing riverine and rainfall-related risks. There are currently no disaster risk financing mechanisms for managing urban flood risk. While the WACA project tackles annual flooding, funding remains insufficient to fully address the challenge¹⁹. Adding risk retention (eg contingency fund) and risk transfer instruments to these disaster risk reduction and adaptation measures will enable rapid disaster response and recovery. Additionally, an impact assessment of riverine flooding should be conducted to determine financial protection needs from ARC.
 - **Quantify the protection gap and clearly defined GCL:** Enhance data collection, improve risk modelling capabilities, and foster strategic partnerships, such as with the World Bank and the GRMA, to improve disaster risk assessment and forecasting. GCL remain largely undefined beyond the ARC insurance coverage. Clarifying these liabilities, such as the kind of support to provide under different disaster scenarios, is crucial for better risk planning and management. This would also enable other stakeholders, including humanitarian partners, to align their efforts more effectively with government strategies. Additionally, all government projects and programmes should conduct risk assessment and allocate funds (as contingent liability) for addressing risks.
 - **Risk-informed public financial management (PFM) system and national disaster risk financing and insurance strategy:** Risk-informed PFM would help ensure proper planning, timely and transparent financial flows during disaster responses. The new Public Finance Act under finalisation should include existing and new CDRFI mechanisms. Developing and implementing a comprehensive Disaster Risk Finance and Insurance strategy is crucial. The strategy should adopt a risk-layered approach and align CDRFI instruments with delivery mechanisms like social protection systems, while incorporating private sector expertise and market-based solutions (micro and meso-level insurance) as well as enhancing coordination of external humanitarian support. Additionally, the strategy could mandate the mainstreaming of CDRFI in national policies and strategic frameworks. With existing policies for disaster risk

¹⁸ The Social Registry will soon have nation-wide coverage.

¹⁹ This issue extends beyond Global Shield's scope.



management, disaster risk reduction, and social protection nearing their end-periods, this presents an opportunity to mainstream CDRFI into new and updated policies and strategies. Finally, the National Disaster Management policy should be amended to specify trigger thresholds for national contingency funds and other CDRFI instruments that can prompt disbursement of funds and the declaration of public emergency during disasters.

- **Explore risk pool at the national level:** Pursue the establishment of an agricultural risk pool at the national level. Risk pooling through cooperatives and other community-based groups are potential options. A feasibility study on risk pooling options would help inform such a decision.

Meso – Micro-level

- **Premium payment support for farmers:** Extending premium subsidy for microinsurance products such as the WFP project will help protect farmers against revenue losses. A feasibility study could explore how remittances can be leveraged as a source for premium payments.
- **National strategy for household coping mechanisms:** A strategy that considers risk transfer instruments for protecting vulnerable populations should be developed. Long-term economic vulnerability could be reduced by strengthening access to social safety nets, providing emergency financial assistance during crises, and livelihood diversification.
- **Strengthen insurance markets, private sector capacity and product innovation:** Support is needed to unlock private sector development of risk-specific microinsurance products such as urban and riverine flooding product, windstorm (and others) product and agriculture products. The implementation of WFP's first inclusive insurance pilot programme highlights the need for further domestic capacity building to support national risk underwriting capabilities. Specific areas identified during the ICP related to the private sector development are:
 - **Leverage the Inclusive Insurance Market Development Committee (IIMDC) to accelerate policy and regulatory discussions and to establish a Product Innovation Lab:** The IIMDC through the Product Innovation Lab could drive innovation in insurance product development. There could be focus developing products tailored to the needs of vulnerable groups such as smallholder farmers, women, MSMEs, informal workers and others. Innovative ideas such as bundled financial solutions that integrate insurance with credit, savings, payments, remittances and other financial services; and mobile-based insurance models that leverage digital payment infrastructure can be explored.
 - Provide technical assistance and training to domestic insurers to enhance their ability to develop, price, and underwrite parametric climate risk insurance products for diverse target groups.
 - Develop a national public-private insurance structure to reduce reliance on external insurers like CNAAS by localising risk retention and underwriting capacity.
 - Conduct a feasibility study on innovative solutions for meso-level agricultural insurance and opportunities to leverage pooled risk mechanisms for cooperatives.
 - Foster strategic partnerships between insurers and the financial sector that enables credit-linked insurance products (e.g., bundling insurance with SME loans); partnerships with FinTech for digital microinsurance distribution; and ensures that insurance is embedded within national financial inclusion and climate resilience strategies.
 - **Enhance financial literacy and consumer awareness: Firstly, trusted community organisations, cooperatives, and women's groups could be engaged as** intermediaries and disseminators of insurance awareness. Secondly, WFP's financial education and financial empowerment initiatives could be expanded and replicated. Thirdly, IIMDC should facilitate the rollout of nationwide financial education campaigns in collaboration with insurers, regulators, and community organisations. Finally, insurance training should be included in university curriculum.



7.2.2. Addressing Gaps in the Enabling Environment

Strengthening Institutions

- **Address CDRFI-related capacity gaps in DCF and Economic-Policy and Research Directorate:** Human and institutional capacity can be built by i) reviewing and modernising the mandate of DCF; ii) developing a medium to long-term capacity building plan informed by capacity assessment of the human and institutional capacity building needs; and iii) providing technical assistance to the DCF and Economic-Policy Research Directorate.
- **Address CDRFI-related capacity gaps of the NCCS:** Human and institutional capacity can be built by i) reviewing and modernising the mandate of NCCS; ii) developing a medium to long-term capacity building plan informed by capacity assessment of the human and institutional capacity building needs; and iii) providing technical assistance to NCCS.
- **Address CDRFI-related capacity gaps in NDMA:** Human and institutional capacity of NDMA can be built by i) reviewing and modernising the mandate of NDMA; ii) developing a medium to long-term capacity building plan informed by capacity assessment of the human and institutional capacity building needs; iii) providing technical assistance to the NDMA; and iv) reactivating the Disaster Risk Management Working Group.
- **Address capacity gaps in curriculum of the West African Insurance Institute:** Provide technical assistance for training-of-trainers and modernise the curriculum of WAI to cover training on climate risks, microinsurance and digital solutions. Upgrade actuarial competencies to cover weather-indexed insurance for farmers.
- **Address gaps at CBG**
 - **Strengthen regulatory capacity for market innovation (short to medium-term):** CBG is responsible for regulating insurance but requires enhanced technical capacity to implement inclusive insurance regulations, oversee product development, and integrate global best practices. Capacity building programmes for CBG staff could be developed to strengthen regulatory expertise in microinsurance, parametric insurance, and digital insurance supervision. Additionally, oversight of risk-based solvency regulations and consumer protection frameworks could be improved to enable innovative regulatory approaches.
 - **Establish National Insurance Commission (medium to long-term):** Conduct a feasibility study or assessment of options for establishing a National Insurance Commission modelled after good practices operating in Anglophone Africa. The potential establishment of a National Insurance Commission is currently under discussion at the executive arm of government.
- **Reconcile overlapping institutional mandates:** CDRFI governance inefficiencies stemming from overlapping responsibilities among key agencies like DCF, MECCNAR, and NDMA, must be resolved through a thorough review and evaluation that establishes clearly delineated mandates and responsibilities.
- **Enhance early warning systems²⁰:** Potential interventions to address the gaps in early warning systems have been identified as follows:
 - Establish a legal and institutional framework with standardised decision-making procedures and a clear institutional mandate for early warning systems.
 - Enhance capacity building through targeted training for analysts and staff.
 - Develop scientific tools for real time hydrometeorological forecasting.
 - Implement technologies and standard operating procedures for integrated data collection and sharing.

²⁰ This issue extends beyond Global Shield's scope.



- Conduct assessments to inform national and local prevention and contingency planning.
- Strengthen early warning systems by implementing early warning actions from the National Contingency Plan 2021.
- Prioritise implementation of the Early Warning Strategy, 2021-2026.

Strengthening Frameworks and Regulations

- **A new Insurance Bill:** The ISD is in process of amending and modernising the Insurance Act of 2003. Updating this legislation will provide a legal framework conducive to innovation and growth in the insurance sector including inclusive insurance. The current 2003 Act fails to address the complexities of modern risk management instruments, such as microinsurance, insurance pools, weather-index insurance and digital insurance solutions.

7.2.3. Addressing Gaps in Risk Analytics and Modelling

Category 1: Understanding and Interpretation of Existing Risk Estimates

- **Assess the contributions of pluvial and fluvial flooding in existing probabilistic risk models,** as current profiles do not differentiate their impacts. Understanding their individual future trends under climate change is crucial for developing effective CDRFI solutions. Findings may indicate the need for new flood models if existing data is insufficient.
- **Evaluate the robustness of existing regional risk models for CDRFI applications in The Gambia:** Current models offer limited risk perspectives therefore confidence in estimates depends on international market standards. The assessment should analyse methodologies, data sources, assumptions, validation, and uncertainty, while considering adaptable West African models.
- **Compare existing exposure datasets for future risk assessments:** Differences in datasets (UNDRR, CDRI GIRI, GEM) affect loss estimates. A systematic review of elements, replacement costs and missing data is therefore required. A complete exposure assessment improves direct and indirect loss estimates, necessitating integration of suitable vulnerability curves for peril-asset combinations.

Category 2: Refining Existing Risk Information

- **Establish a central risk data management system to improve accessibility, sharing, and cross-sectoral knowledge transfer:** In line with The Gambia's second NDC, this system should use standards-based metadata and open licensing where possible. This will enhance efficiency in finding and using risk data across hazard, exposure, and vulnerability components.
- **Develop disaggregated estimates of losses to physical assets:** Previous risk profiles did not account for population-sensitive risk estimates. Integrating disaggregated population data into existing or new modelling frameworks guided by gender equality, disability, and social inclusion principles would enable a more refined analysis of potential losses, disaggregated by factors such as gender, location (rural or urban), and income level. The possibility of using information from previous estimates, i.e. whether models and data are available, would have to be assessed prior to this development.
- **Estimate losses on high spatial scale:** The existing quantitative risk profiles provide estimates of losses for Banjul and five administrative districts. These estimates of losses are not sufficient for adequate local decision-making with important considerations for geographical differences such as proximity to river or sea and urban versus rural areas. Combining highly granular information on exposure and people could be combined with hazard models of previous risk estimates if available.



Category 3: Developing New Risk Estimates for Specific Hazards or Sectors

- **Develop new hazard models:** Quantitative probabilistic risk estimates from several hazards do not exist currently but are necessary as basis for the design of risk reduction measures and the development of effective CDRFI solutions. These hazards include windstorm, wildfire, coastal flood with and without the inclusion of coastal erosion, saltwater intrusion, heat, water and vector-borne diseases and agricultural pests. Hazard models would have to be developed independently. Multiple sectors and multiple regions would benefit from any new hazard models.
- **Develop a multiple-hazard risk assessment for the agricultural sector:** Quantitative loss estimations of agricultural products to fluvial and pluvial flood, agricultural drought and pests (or a combination) would provide a reliable basis to promote the resilience and adaptability of the agricultural sector and subsequently allow the development of differentiated credit tools and risk transfer mechanisms. This would include the enhancement of existing and or development of new crop and hazard models and could include an element of capacity development for technical experts and aggregators. The assessment would have to be based on and closely aligned with ARC's existing profiles and offered products to avoid duplication.
- **Develop risk estimates for the health and WASH sector:** A national multiple hazard risk assessment which would inform the effect of water- and vector-borne diseases and the impact of heat on vulnerable populations and key infrastructure (such as public water networks or clinical services) is lacking. Risk mapping of regions with water scarcity in future could also be included.
- **Develop risk estimates for coastal areas:** Systematic quantitative probabilistic risk estimates from coastal flooding that consider the effects of coastal erosion and of future sea-level rise, do not exist. The risk assessment would produce a view of risk affecting populations, livelihoods, ecosystems, the built environment, infrastructure, and economic activity, particularly fisheries. Risk estimates could include cost-benefit analysis for risk reduction measures considering existing environmental policies and the national adaptation plan.

7.3. Gender Equality and Social Inclusion Protection Gaps and Recommendations

This section is based on the findings of a GESI analysis in The Gambia conducted by OPM on behalf of the COE. The COE is an initiative under the Global Shield that serves as a hub for advancing gender-responsive approaches within CDRFI. The analysis identifies key gaps and opportunities for strengthening GESI integration within The Gambia's CDRFI frameworks and solutions. This ensures that the differentiated needs and vulnerabilities of particularly women, girls, and marginalised groups are addressed.

7.3.1. Key Findings on Gender Equality and Social Inclusion in Climate and Disaster Risk Financing in The Gambia

The Recovery Focus National Development Plan (2023-2027) emphasises financial and political empowerment and informs sectoral policies and capacity building measures across government agencies. In addition, the recently developed National Gender Policy (2025-2034) provides guidance and outlines the roles and responsibilities of different actors in institutionalising gender mainstreaming in The Gambia. Key actors and activities related to GESI within the CDRFI landscape of The Gambia include:

West Africa Takaful



West Africa Takaful offers inclusive, community-oriented insurance solutions such as crop-yield insurance with a model that returns a portion of contributed premiums, thereby enhancing financial resilience. It also provides medical insurance to help communities manage health emergencies linked to climate change.

National Youth Service Scheme (NYSS)

The NYSS focuses on mentoring and empowerment of young people by providing structured programs that facilitate their transition from school or training into the work environment. While its mandate does not include providing grants or loans—that role rests with the National Enterprise Development Initiative (NEDI)—the NYSS contributes to youth resilience by equipping participants with practical skills and opportunities for experiential learning. Special emphasis is placed on supporting female youth, particularly in areas such as horticultural farming, tree planting, and post-training activities, thereby promoting sustainable livelihoods and reducing reliance on environmentally harmful practices.

ARC and ARC Replica

In the event of a severe drought, ARC products provide financial assistance to implement contingency plans that can serve the most vulnerable. ARC Replica leverages payouts to attract additional donor funding, reducing the government’s fiscal burden during drought emergencies.

Key findings also reveal that while progress has been made, GESI considerations are inconsistently integrated into policies. Risk assessments often lack gender- and age-disaggregated data, and preparedness plans may not address the specific needs of women, girls, youth, and persons with disabilities. Women’s participation in decision-making remains limited, and monitoring systems lack robust GESI indicators.

7.3.2. Gender –CDRFI Protection Gaps Identified

Despite strides, gaps remain in explicitly integrating GESI into CDRFI policies and strategies. The focus on macro-level risk management by national initiatives often dilutes specific GESI-responsive interventions. Limited beneficiary engagement and insufficient GESI-specific allocations further hinder targeted support for women, youth and marginalised groups.

Data and Evidence Gaps

- Absence of gender-disaggregated data limits understanding of specific vulnerabilities, needs, and capacities.
- Insufficient research on GESI in disaster risk insurance leaves gaps in understanding cultural and socio-economic barriers for women.
- Lack of detailed vulnerability assessments means that differentiated risks faced by women, persons with disabilities, and other marginalised groups are often overlooked.

Policy and Regulatory Gaps

- Existing policies do not explicitly integrate GESI into CDRFI frameworks.
- There is a need for clear guidelines on designing accessible programmes and for better enforcement of GESI-related policies.

Programmatic and Implementation Gap

- Limited participation of women and marginalised groups in programme design and implementation results in interventions that may not meet their specific needs.
- Barriers such as lower female literacy (especially in rural areas), limited access to information, and cultural constraints further restrict effective participation.



- Inadequate capacity, training, and monitoring of gender-differentiated impacts impede progress.

Cultural and Social Gaps

- Persistent traditional gender norms and stereotypes limit women's access to information, financial resources, and decision-making power.
- Social exclusion through discriminatory practices reduces visibility and participation of GESI groups in decision-making processes.
- The complex land tenure system, particularly the customary system, often restricts women's land ownership and control, thereby exacerbating gender inequalities.

7.3.3. Recommendations for Potential Areas of Intervention

Addressing these gaps requires a coordinated, multi-stakeholder approach involving government institutions, insurance providers, civil society organisations, and local communities. Key interventions include:

Programme Planning and Project Design

- Inclusive planning: Integrate GESI considerations into national and local disaster response plans, such as the National Multi-Hazard Contingency Plan (2022–2024), ensuring participation of women and marginalised groups in planning and decision-making.
- Capacity building and leadership: Offer opportunities for women to assume leadership roles and provide training in risk assessment, disaster preparedness, and financial management. Initiatives like the 'The Gambia Inclusive and Resilient Agricultural Value Chain Development' (GIRAV) Project demonstrate the benefits of comprehensive stakeholder engagement that includes empowering women to lead within farmer organisations.

Policy and Regulatory Support

- Enhanced governance: Strengthen government oversight to ensure that funding reaches vulnerable groups. A coordinated approach among development partners can reduce duplication and enhance sustainability.
- Coordinating mechanisms: Empower agencies such as central projects coordinating units within key ministries (e.g., MoALFS) to better align and scale up interventions.
- Land rights: Explicitly address land rights and ownership in programme design by ensuring gender-responsive land governance. This includes promoting equal access to insurance, disaster relief, and land administration.
- Staff capacity: Provide training for government personnel through units like the Civil Service Reform and Planning Unit to understand gender dynamics and benchmark successful GESI practices.

Targeting Financial Mechanisms

- Beneficiary selection: Develop targeted mechanisms using gender-disaggregated data to ensure that disaster response funds (e.g., insurance payouts) reach the most vulnerable, including women-headed households.
- Tailored products: Design products that meets the needs of marginalised groups. Examples introduce flexible, affordable insurance options, microinsurance schemes, and bundled products (combining insurance with essential services).

Data Management Mechanisms



- Integrated data collection: Prioritise the collection and analysis of gender-disaggregated data at all stages, i.e. from design to evaluation. For example, MoTRIE could conduct gender-specific vulnerability assessments under the National Policy for MSMEs.
- Capacity and collaboration: Invest in training and technical resources for data collection and analysis. Foster collaborations between government agencies, NGOs, and research institutions to share data and best practices for gender-responsive CDRFI.

Overview Table

Table 12 presents a summary of protection gaps, proposed interventions and indicative stakeholders for implementation. These have been discussed and prioritised by stakeholders during the second ICP workshop, the rating is a result of this prioritisation exercise which was based on a prioritisation framework²¹

²¹ Ratings are based on a prioritization framework used in by stakeholder in the second ICP workshop:
A: High Impact and High Feasibility
B: High Impact and Moderate Feasibility
C: High Feasibility and Moderate Impact
D: Moderate Feasibility and Moderate Impact

Table 12: Overview of Gaps, Recommendations, and Key Actors

Protection gap	Potential Intervention	Potential initiative/strategy	Lead institution	Development Partners	Institutional Stakeholders	Rating
7.2.1. ADDRESSING GAPS IN CDRFI INSTRUMENTS AND MECHANISMS						
MACRO/SOVEREIGN LEVEL						
No functional national disaster fund	Capitalise and operationalise The Gambia's national disaster fund.	CDRFI Project	MoFEA-DCF	Global Shield, World Bank, IMF	MoFEA-DCF, MECCNAR, NDMA, NSPA, CBG	B
Limited sovereign risk transfer instruments and premium financing gaps	<p>Premium payment support and additional financial instruments.</p> <p>Conduct an impact assessment of riverine flooding to determine financial protection needs from ARC.</p> <p>Conduct an assessment on the possibility of embedding an anticipatory action trigger.</p> <p>Participate and scale up ARC Ltd products.</p>	CDRFI Project	MoFEA-DCF, MECCNAR	WFP, World Bank, Global Shield, IMF	MoFEA-DCF, MECCNAR, NDMA, Gambian Diaspora	A
Lack of ASP funding window	<p>Institutionalise ASP funding window.</p> <p>Establish a stronger linkage between CDRFI and GamSR.</p>	CDRFI Project	NSPA	World Bank, ARC, WFP	MoFEA-DCF, MECCNAR, NDMA, NSPA	A
Lack of quantified protection Gap	Build capacity for quantifying the financial protection gap.	CDRFI Project	NDMA	AfDB, WFP, IFAD, CREWS, REAP, UNDP	MoFEA-DCF, MECCNAR, NDMA, NSPA, ISD-CBG, NCCRM	A
Ineffective linkages of early warning systems to CDRFI instruments	Enhance early warning systems and early warning systems software.	CDRFI Project	NDMA	AfDB, WFP, IFAD, CREWS, REAP, UNDP	MoFEA-DCF, MECCNAR, NDMA, NSPA, ISD-CBG, NCCRM	A
Lack of a comprehensive policy framework for climate disaster risk financing and insurance (including a sectoral risk layering strategy)	<p>Elaborate a national disaster risk financing and insurance strategy.</p> <p>Mainstream CDRFI in national policies and strategic frameworks, including sector policies.</p> <p>Amend the National Disaster Management policy to include a trigger threshold for disbursing disaster funds and declaring a public emergency</p>	CDRFI Project, including capacity building programme	MoFEA-DCF, MECCNAR, NDMA	Global Shield, World Bank, WFP, IMF	MoFEA-DCF, MECCNAR, NDMA, NSPA, ISD-CBG, LGAs, CSOs, MoFWR	A
Lack of defined GCL	<p>Better defined GCL.</p> <p>Risk assessment and allocation of funds (as contingent liability) should be part of every government project or programme.</p>	Capacity building	DCF	Global Shield, World Bank	MoFEA-DCF, MECCNAR, NDMA, NSPA	B
Lack of risk pool options in the insurance industry	Establish an agricultural risk pool or company.	Conduct a feasibility study	DCF, ISD	Global Shield, IMF	MoFEA-DCF, MECCNAR, NDMA, NSPA, ISD-CBG	B
No established link between risk financing and PFM	<p>Risk-informed public financial management system.</p> <p>The new Public Finance Act should clearly define the mechanisms for financing all forms of disasters.</p>	CDRFI programme and capacity building	DCF	IMF	MoFEA-DCF, MECCNAR, NDMA, NSPA	C

MESO AND MICRO-LEVEL						
Foreseen persistent affordability and uptake challenges	Premium payment support for farmers. Develop a scheme for leveraging remittances for sustainable microinsurance premium payment.	CDRFI Project	DCF	Global Shield, WFP	MoFEA-DCF, MECCNAR, NDMA, NSPA, ISD-CBG Farmers Association	B
Limited financial resources for community-level projects (building community resilience)	Build community resilience along the Kotu Stream. Explore additional support for GNIAP II and community disaster risk management programmes.	CDRFI project, Mitigation and adaptation strategy	MECCNAR	World Bank, AfDB, Global Shield	MoFEA-DCF, MECCNAR, NDMA, NSPA, Kanifing Municipal Council, NEA, Ministry of Tourism, Gambia Hotel Association	C
Weak household coping mechanisms	Elaborate a national strategy for improving coping mechanisms.	Mitigation and Adaptation Strategy - with links to CDRFI instruments.	MECCNAR	World Bank, AfDB	MoFEA-DCF, MECCNAR, NDMA, NSPA	D
Low private sector capacity for product innovation and design.	Strengthen private sector capacity and product innovation e.g. for specific risks such as urban and riverine flooding, windstorms etc.	CDRFI Inclusive Insurance Market Development Project (IIMDC)	Insurance Regulator, Gambia Bankers Association	ILO, MiN, WFP	MoFEA-DCF, MECCNAR, NDMA, NSPA, ISD-CBG	B
7.2.2. ADDRESSING GAPS IN THE ENABLING ENVIRONMENT						
INSTITUTIONAL GAPS						
Capacity gaps in DCF and Macro-Policy and Research Unit under MoFEA and the NCCS under MECCNAR	Fill capacity gaps in the DCF, Macro-Policy and Research Unit and NCCS through capacity gaps assessment and elaborating a medium-term staff training and institution capacity building programme.	CDRFI Capacity Building Programme	MoFEA-DCF, MoFEA-DMPR, MECCNAR	Global Shield, IMF, ILO	MoFEA-DCF, MoFEA-DMPR, MECCNAR	A
Capacity gaps in NDMA for risk analytics and modelling	Fill capacity gaps in the NDMA with training in relevant risk and modelling skills; an operational software and data recording system. Reactivate the disaster risk management working group.	CDRFI Capacity Building Programme	NDMA, DCF	AfDB, World Bank, WFP, ARC	MoFEA-DCF, MECCNAR, NDMA, NSPA, ISD-CBG, LGAs	A
Capacity gaps in curriculum of the West African Insurance Institute	Training-for-trainers on climate risks, microinsurance, digital solutions for inclusive insurance, and upgrading actuarial competencies	CDRFI Capacity Building Programme	West African Insurance Institute	MiN, ILO	MoFEA-DCF, MECCNAR, NDMA, NSPA, IAG ISD-CBG	A
Capacity Gaps in the ISD and Research Unit and location of the ISD	Strengthen regulatory capacity for market innovation on microinsurance, parametric insurance, digital insurance supervision and others. Undertake an evaluation assessment of options for establishing an independent insurance commission.	CDRFI Capacity Building Programme	ISD-CBG, MoFEA	GRMA, MiN, ILO, WFP, Global Shield	ISD-CBG, ERD-CBG, IAG, WAI, MoFEA, MoJ	A

Overlapping mandates between DCF, NDMA and MECCNAR	Reconcile overlapping institutional legal and regulatory mandates for clearly demarcated roles and responsibilities	CDRFI Capacity Building Programme	DCF, NDMA, MECCNAR	AfDB, World Bank	Office of The Vice President, MoFEA, MECCNAR, MoJ	B
Lack of effective and clear institutional arrangements for early warning systems	Establish clear institutional mandates for early warning systems.	Technical assistance	DCF, NDMA, MECCNAR, CBG-ERD	GRMA, WFP	MoFEA-DCF, MECCNAR, NDMA, NSPA, ISD-CBG, LGAs	B
REGULATORY GAPS						
Deficient Insurance Act 2003	Enact a new Insurance Bill.	CDRFI Capacity Building Programme	CBG MoFEA	MiN, Global Shield, WFP	MoFEA CBG, MoJ	B
Weak agricultural insurance framework	Strengthen regulations for agricultural insurance.	CDRFI Capacity Building Programme	CBG MoFEA	MiN, Global Shield, WFP	MoFEA, MECCNAR, NDMA, NSPA, ISD-CBG, MoA, LGAs	B
OTHER KEY GOALS						
Low financial literacy and consumer awareness	Enhance financial literacy and consumer awareness. Include insurance training in the university curriculum.	CDRFI Inclusive Insurance Market Development Project	Insurance Regulator, Gambia Bankers Association, National Association of Cooperative Credit Union (NACCUG)	WFP, MiN	MoFEA-DCF ISD-CBG, NSPA, IAG, WAll, UTG	A
Coordination and collaboration gaps	Institutionalise the Inclusive Insurance Market Development Committee. Leverage the Inclusive Insurance Market Development Committee to accelerate policy and regulatory discussions.	CDRFI Inclusive Insurance Market Development Project	Insurance Regulator, Gambia Bankers Association, CBG, MoFEA	MiN, WFP, Global Shield	MoFEA-DCF NDMA, MECCNAR, ISD-CBG, NSPA, IAG, WAll, National Insurance Association	A
7.2.3. ADDRESSING GAPS IN RISK ANALYTICS AND MODELLING						
Low capacity in understanding and interpreting existing risk estimates	Develop capacity to understand and interpret existing risk estimates.	CDRFI Capacity Building Programme	DCF, NDMA, MECCNAR, CBG-ERD	WFP, GRMA	MoFEA-DCF MoFEA-DMPR, NDMA; MECCNAR, ISD-CBG, ERD-CBG NSPA, IAG, WAll	A

Low capacity in refining existing risk information	Refine existing risk information.	CDRFI Capacity Building Programme	DCF, NDMA, MECCNAR, CBG-ERD	World Bank, GRMA	MoFEA-DCF MoFEA-DMPR, NDMA, MECCNAR, ISD-CBG, ERD-CBG NSPA, IAG, WAI	A
Low capacity in developing new risk estimates for specific hazards or sectors	Develop new risk estimates for specific hazards or sectors. Design and conduct a National Vulnerability Assessment and Mapping.	CDRFI Capacity Building Programme	DCF, NDMA, MECCNAR, CBG-ERD	UNDRR, WMO, GRMA	MoFEA-DCF MoFEA-DMPR, NDMA, MECCNAR, ISD-CBG, ERD-CBG NSPA, IAG, WAI	B
7.3. GENDER EQUALITY AND SOCIAL INCLUSION PROTECTION GAPS AND RECOMMENDATIONS						
DATA AND EVIDENCE						
<ul style="list-style-type: none"> Insufficient sex-disaggregated data Limited research on GESI Limited GESI-sensitive vulnerability assessments 	Data management mechanisms.	Disaster risk reduction response, multi-hazard contingency planning	NDMA	UNDP Action Aid IFRC WFP	MoFEA-DCF MoFEA-DMPR, NDMA, MECCNAR, ISD-CBG, ERD-CBG NSPA, IAG, WAI	A
PROGRAMMATIC AND IMPLEMENTATION GAPS						
<ul style="list-style-type: none"> Limited participation in the design and implementation of initiatives Lack of awareness and understanding Limited capacity to address GESI considerations Insufficient monitoring and evaluation 	Programme planning and design and targeting mechanisms.	Multi-hazard contingency planning Stakeholder engagement strategies Capacity building	PMO MOALFS	The World Bank GAWFA WFP	MOFEA-DCF MOFEA-DMPR, NDMA, MECCNAR, ISD-CBG, ERD-CBG NSPA, IAG, WAI	A
POLICY AND REGULATORY GAPS						
<ul style="list-style-type: none"> Insufficient GESI mainstreaming Lack of specific guidelines on integration Limited enforcement of GESI-related policies 	Strengthen government support, e.g. through an overarching coordinating agency (enhanced central projects coordinating units type agency).	Broad policy reform	DPSD MoJ PMO	ECOWAS GCCl	MoFEA-DDP CF MoFEA-DMPR, NDMA, MECCNAR, ISD-CBG, ERD-CBG NSPA, IAG, WAI	A



8. Conclusion

A coordinated, multi-faceted strategy is essential to bridge gaps identified in Chapter 7 and to leverage financial innovation, advance data management, and introduce policy reforms. By modernising financial mechanisms and risk analytics, and fortifying institutional support, The Gambia can build a resilient, multi-layered framework for prearranged finance against climate and disaster risks. Strategic measures at the national level must be complemented by targeted local interventions that address affordability challenges, resource constraints, and household vulnerabilities, ultimately empowering communities and reinforcing the nation's overall resilience.

Key Drivers for Successful CDRFI Implementation Include:

- **Digital transformation for resilience:** Leveraging The Gambia's high mobile penetration rate (104.6% in 2023) to expand mobile financial services, early warning systems, and insurance accessibility can enhance financial inclusion and disaster preparedness. Investing in digital literacy and infrastructure will ensure inclusive access to these services.
- **Leveraging regional and international partnerships:** Strengthening collaboration with ARC, the World Bank and other global partners will provide technical expertise, funding, and shared knowledge. Regional cooperation will improve cross-border hazard management, particularly for transboundary flooding.
- **Community-based solutions for grassroots resilience:** Expanding microinsurance programmes and adaptive social protection systems will empower communities. Integrating traditional knowledge with modern technology can enhance disaster preparedness and response effectiveness.
- **Addressing affordability of solutions:** A clear set of criteria for embarking on implementation solutions must include financial feasibility of solutions to attain the expected outcomes.
- **Unlocking private sector participation:** Long-term sustainability of financing The Gambia's CDRFI solutions will be enhanced through increasing private sector participation in the funding mechanisms.
- **Gender-inclusive strategies:** Women and marginalised groups face disproportionate climate risks. Mainstreaming gender perspectives into policies and financial instruments will ensure equitable access to resources, particularly in agriculture, where empowering women entrepreneurs can drive inclusive growth.
- **Education and capacity building:** Strengthening human capital through targeted training for government agencies, the private sector, and civil society will improve disaster risk financing implementation. Enhancing the curriculum at the West African Insurance Institute will build expertise in climate and microinsurance.
- **Monitoring and evaluation for continuous improvement:** Establishing robust monitoring frameworks will enable The Gambia to track progress, ensure transparency, and foster trust among stakeholders, ensuring ongoing adaptation and refinement of resilience strategies.

Strengthening Financial Instruments and Mechanisms

The Gambia's financial protection landscape includes macro-level risk financing instruments, local private insurance solutions, and initiatives to strengthen social protection and disaster preparedness. Notable instruments such as ARC drought policy, ARC Replica, and the World Bank's Cat DDO provide risk transfer and retention mechanisms. However, high premium costs led to the discontinuation of the ARC drought policy for 2024, underscoring the need for sustainable and affordable solutions.



At the micro-level, WFP's pilot microinsurance project for smallholder farmers shows promise but highlights the broader lack of active micro and meso-level insurance solutions. This leaves many vulnerable populations, particularly farmers, without adequate financial safeguards. Local private insurers like Takaful Gambia Ltd, Sunshine Insurance Gambia Ltd, and Royal Insurance Gambia Ltd play a crucial role in property insurance. Expanding their services to inclusive climate insurance products can enhance resilience.

Key initiatives, including adaptive social protection, early warning systems, and disaster risk reduction programmes like CREWS and AICRM, are strengthening the country's capacity to anticipate and respond to climate shocks. However, integrating these efforts with financial protection mechanisms will create a more holistic risk management framework.

While The Gambia has made progress at the macro-level, bridging gaps at the micro and meso-levels through innovative, sustainable, and inclusive CDRFI solutions is essential to ensuring comprehensive protection, particularly for vulnerable groups.

Pathway to Implementation

The primary national risk retention mechanism is the National Disaster Fund. To improve its effectiveness, the Fund should be governed by a strengthened institutional framework and integrated with the national social register to facilitate timely and targeted cash disbursements to disaster-affected communities. Together with the suite of CDRFI solutions outlined in Chapter 7.2, the Fund will be guided by a comprehensive policy framework including a CDRFI Strategy, the NDMA policies, and the Social Protection Strategy and operationalised through pre-arranged financing mechanisms and insurance instruments at the macro, meso, and micro-levels.

Key implementation areas include:

- **Strengthening inclusive insurance markets:** Expanding access to weather-index insurance and other risk financing systems to assess and manage loss and damage.
- **Institutional strengthening:** Enhancing the capacities of the DCF, NDMA, and MECCNAR.
- **Building analytical capacity:** Modernising risk analytics and modelling at NDMA and improving regulatory capacity at CBG.
- **Infrastructure investments:** Strengthening roads, bridges, and culverts in the Greater Banjul Area to mitigate the impact of recurring disasters like windstorms and floods.
- **Enhancing community resilience:** Supporting conservation agriculture, agroforestry, and climate-adaptive practices to improve long-term resilience.
- **Accessing Global Shield financing:** Accessing Global Shield financing vehicles through an appropriately customised support package.

In conclusion, by addressing these key gaps and implementing strategic interventions, The Gambia will be better equipped to manage climate risks and enhance resilience. Progress in CDRFI will position the country to mitigate the impact of future disasters, reducing loss of lives, protecting livelihoods, and safeguarding infrastructure. These efforts will ultimately contribute to poverty reduction, sustainable development, and long-term climate resilience, ensuring a safer and more prosperous future for all Gambians.



Annex 1

List of stakeholders interviewed

S/N	Institution/Organisation	Number of people interviewed
1	MoFEA	2
2	MECCNAR	1
3	NDMA	1
4	WFP	1
5	ARC Ltd	2
6	Kanifing Municipal Council	1
7	United Purpose	1
8	CBG	1
9	Takaful Insurance Gambia	1
10	West African Insurance Institute	1
11	World Bank	2
12	Takaful Insurance West Africa	1
13	MWCSW	1
14	Green-Up, Gambia	1
15	National Youth Service Scheme	1
16	Insurance Association of The Gambia	1
17	NSPA	1
18	ROOTs Project	1
19	International Red Cross and Red Crescent, Gambia	1



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