Climate Risks Insurance in the Philippines

and other Disaster Risk Financing initiatives currently ongoing
Philippine Insurers and Reinsurers Association, Inc.

- Umbrella Association of all General Insurers in the Philippines.
- Currently with 57 members including the State owned GSIS or Government Service Insurance Systems.
- Policy making Body
- Advocates of the Industry and its members.
- Technical Support.
- Liaison to and representative International Groups, Regulators, Government Agencies etc.
- Voice of the Industry,
• We have a Catastrophic Peril Cover in the Philippines, which is not just for climate related risks but for Catastrophic Perils in General and these are specifically for Earthquake, Typhoon and Flood.

• These are normally exclusions under the typical Fire Policy, but you can buy them back at an additional rate of 0.15%

• This is purchased mostly by big business and smaller percentage of SME’s. Residential owners usually purchase this if and only if required by a Bank or Financing Institution.

• There therefore exists a sizeable portion of the populace with little or no access to this type of coverage.
Other CRI/DRF Initiatives in various stages of development:

- Insurance For Coastal Ecosystems.
- Catastrophe Pool / Facility.
- Agriculture Insurance.
- Climate Risk Insurance.
- V20 Initiative for finding solutions for post disaster liquidity.
A Word on the Various Initiatives.

• PIRA supports and is involved in varying degrees with all of these initiatives.

• These Initiatives are likewise in various stages of development and are waiting to be launched.

• PIRA's primordial job is to interest its members to participate in a selection of, or all of these initiatives. We view it as enlarging the premium pie of our members given the increasing capitalization requirements of our Government.

• We are cognizant of our role in helping to mitigate the Climate and Catastrophe risks of our country and countrymen and we are willing to be part of the equation with an insurance solution that should be sustainable.
What The Philippine Insurance Industry needs:

• Updated and granular data on risks and losses for each of the specific perils that we envision to cover.

• An acceptable Model that can help crunch the numbers and correctly price the risks to be covered.

• A Product that is acceptable to all stakeholders (Insured, Insurer, Reinsurer, Regulator, and Proponent)

• A Regulatory Sandbox that could incubate such a product and ensure its viability, and sustainability in the long term.

• A Pilot that can amply demonstrate how the product would pan out.
Thank You