

## INTERNATIONAL WORKSHOP OBJECTIVE

The aim of the International Workshop is to analyse key factors of the dynamic of insurance markets associated with climate phenomena, and to propose public and private sector strategies to further its development.

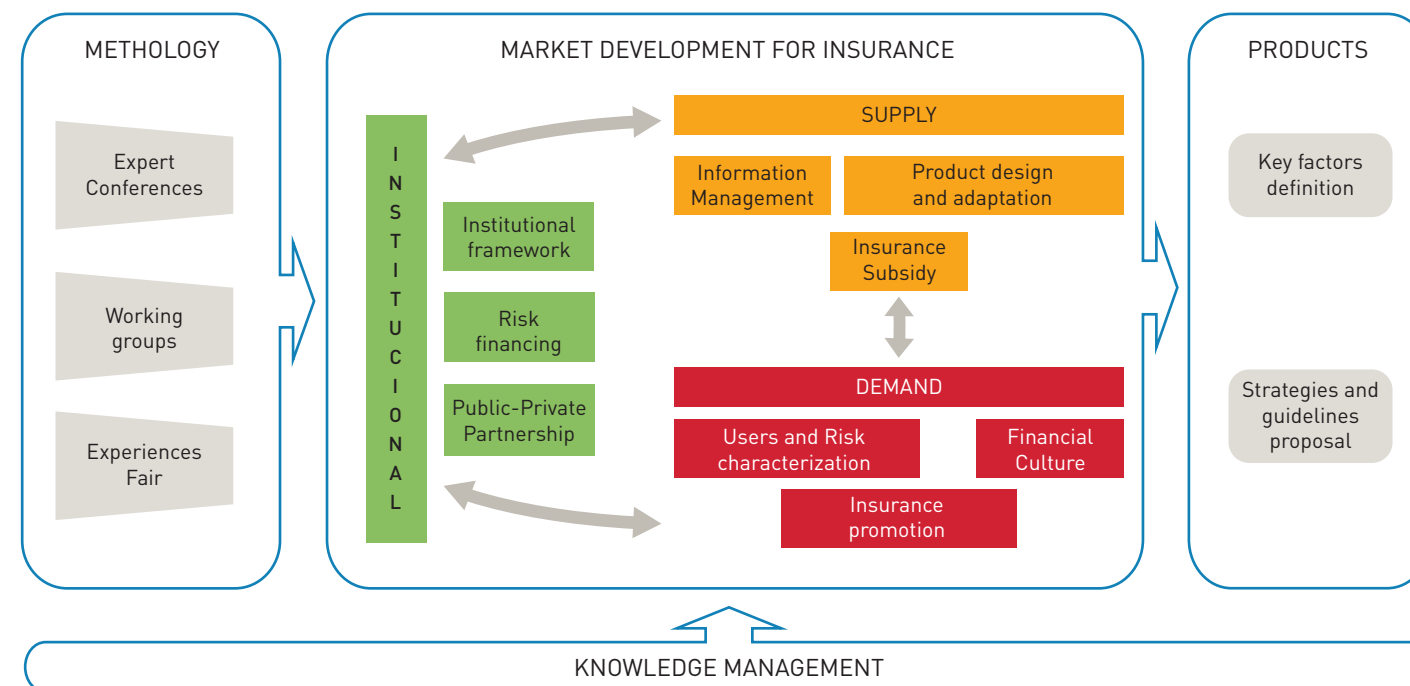
### SPECIFIC OBJECTIVES

- Identify the key factors that influence insurance market development as a viable means of addressing climate risk
- Identify possible guidelines, and public and private strategies to stimulate the supply and demand of insurance associated with climate phenomena.
- Encourage discussion among actors involved in this issue in order to identify common interests and to coordinate proposals for the development of insurance in markets facing climate change.
- Share and discuss the phases of insurance market development, through the knowledge of successful cases and experts in the field.
- Contribute to improving the quality of decisions and new initiatives through access to successful experiences.

### EXPECTED RESULTS

- Identification of the supply, demand and institutional factors and the different points of view of stakeholders that influence the development process of an insurance market associated with climate phenomena.
- Alternative guidelines and strategies for the development of insurance markets with stakeholder input, and definition of the development process.
- Learn from best practices and reduce common errors when framing solutions
- Contribute to decision-making by having more information related to national and international experiences.
- Strengthen ties and exchanges between political and technical decision makers and end-users.

## WORKSHOP OUTLINE



### PLACE AND DATE

**Location:** Hotel Novotel, Av. Víctor Andrés Belaúnde 198, San Isidro. Lima-Peru  
**Dates:** 16, 17 and 18th of July, 2013.

### PARTICIPANTS

- Representatives of national and regional governmental institutions
- Insurance and reinsurance companies
- Insurance regulatory organizations
- Research institutions
- International cooperation agencies
- Associations of the productive sector
- Micro finance institutions

### METHODOLOGY

#### Expert conferences

The workshop has three themes: Supply, Demand and Institutions as related to the insurance market associated with climate phenomena. Experts will present the progress, experiences and lessons learned according to the cases of their expertise.

#### Working groups

Participants from different sectors will analyse a specific topic in discussion around the central theme. The discussion questions will facilitate conclusions by each working group and will allow for the defining of implementation strategies.

#### Experiences Fair

The participating institutions and countries share materials in an environment dedicated to information exchange.

### ORGANIZING INSTITUTIONS

- Ministry of Agriculture and Irrigation of Peru – MINAGRI
- Ministry of Economy and Finance of Peru – MEF
- Ministry of Environment of Peru – MINAM
- Superintendent of Banks, Insurance and Pensions – SBS
- The United Nations Office for Disaster Risk Reduction – EIRD/UNISDR
- Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH, through the Insurance for Climate Change Adaptation Project.

### COLLABORATING INSTITUTIONS

- Munich Re
- “Microfinance for Ecosystem based Adaptation project” of the United Nations Environment Programme, Regional Office for Latin America and the Caribbean and the Collaboration Center Frankfurt School - UNEP

[http://seguros.riesgoycambioclimatico.org/Taller\\_Internacional2013/](http://seguros.riesgoycambioclimatico.org/Taller_Internacional2013/)

## INTERNATIONAL WORKSHOP

# Market Development for Insurance Associated with Climate Phenomena

**16, 17 AND 18TH OF JULY, 2013**  
**Lima - Peru**



BACKGROUND

The Insurance for Climate Change Adaptation Project - Insurance ACC is carried out on behalf of the International Initiative of Climate Protection (IKI), with funding from the Federal Ministry of Environment, Nature Conservation and Nuclear Safety of Germany (BMU).

The departments most affected by the El Niño (ENSO) phenomenon, Piura, Lambayeque and La Libertad on the north coast of Peru, are the Insurance ACC project area. Government institutions, regional governments, private insurance and finance companies, and national and international research institutions are all allies.

Climatic phenomena such as the El Niño (ENSO) affect various sectors in Peru, including productive, social and service sectors. Should an El Niño occur in Peru, damages could reach approximately 3,000 billion US dollars, severely affecting agricultural activities and residences, and restricting access to transportation and sanitation services.

Considering the need to reduce the risks associated with climate phenomena through risk management and transfer strategies, the Insurance ACC project seeks to reduce risks associated with climate phenomena by supplying an innovative insurance to small businesses, producer organizations, and regional governments so that they can insure themselves against extreme climate events.

The Insurance ACC project has a duration of three years, from November 2010 to October 2013, with the goal of sharing project experiences, lessons learned and successes, as well as learning from international experiences related to insurance associated with climate phenomena. In October 2011, the Insurance ACC project organized the International Workshop “Insurance for Climate Change Adaptation in the Public, Productive and Financial Sector”, whose objective was to propose and exchange strategies to facilitate the use of innovative financial instruments. In 2013, before the project’s end, the International Workshop “Market Development for Insurance Associated with Climatic Phenomena” is being organized in order to disseminate information about risk management and climate change adaptation, gathered from diverse national and international experiences.

| SUPPLY   |   |
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| TUESDAY, JULY 16TH   |   |
| 08:30 a 09:00  | REGISTRATION OF PARTICIPANTS  |
| 09:00 a 09:15  | <ul style="list-style-type: none"><li>Opening words<br/><b>Milton Von Hesse, Ministry of Agriculture and Irrigation</b></li></ul>   |
| 09:15 a 09:30  | <ul style="list-style-type: none"><li>Introduction to the workshop: background, objective, methodology and expectations<br/><b>Martin Rapp</b></li></ul>  |
| BLOCK1: Experts Presentations  |   |
| 09:30 a 09:50  | <ul style="list-style-type: none"><li>Climate Change and Risk Management. Global Vision<br/><b>Julio García, The United Nations Office for Disaster Risk Reduction (EIRD/ UNISDR), Panama</b></li></ul>                           |
| 10:00 a 10:20  | <ul style="list-style-type: none"><li>Challenges of supply promotion of agricultural insurance in Latin America<br/><b>David Hatch, Inter – American Institute for Cooperation on Agriculture (IICA), United States</b></li></ul> |
| 10:30 a 10:50  | <ul style="list-style-type: none"><li>Information: basic input to the supply of insurance<br/><b>Fernando Vila, IICA, Inter – American Institute for Cooperation on Agriculture (IICA), Uruguay</b></li></ul>                     |
| 11:00 a 11:15  | COFFEE BREAK  |
| BLOCK 2: Practical Cases   |   |
| 11:15 a 11:35  | <ul style="list-style-type: none"><li>State role in the supply of insurance associated to climate risks in Mexico<br/><b>José Manuel Terrazas, AGROASEMEX, México</b></li></ul>   |
| 11:45 a 12:05  | <ul style="list-style-type: none"><li>Design of risk management products<br/><b>Cecilia Tondelli, Fundación PROFIN, Bolivia</b></li></ul>   |
| 12:15 a 12:35  | <ul style="list-style-type: none"><li>Subsidized agricultural insurance in Ecuador<br/><b>Steve Boucher, University of California, Davis, USA</b></li></ul>   |
| 12:45 a 13:05  | <ul style="list-style-type: none"><li>Promotion of insurance associated to climate phenomena<br/><b>Gustavo Cerdeña, La Positiva, Peru</b></li></ul>  |
| 13:00 a 14:30  | LUNCH   |
| 14:30 a 16:00  | BLOCK 3: Working groups   |
| <div>1. Relevance of information management for the insurance market</div> <div>2. Role of subsidies for supplying insurance</div> <div>3. Definition and adaptation of products</div> <div>4. Combination of financial mechanisms (micro credits and micro insurance)</div> |   |
| 16:00 a 16:15  | COFFEE BREAK  |
| 16:15 a 18:00  | BLOCK 4: Results and Conclusions  |
| 16:15 a 17:45  | <ul style="list-style-type: none"><li>Presentation of the working group results</li></ul>   |
| 17:45 a 18:00  | <ul style="list-style-type: none"><li>Daily conclusions</li></ul>   |
| 18:00 a 19:30  | Coctel de bienvenida al Taller Internacional  |

| DEMAND   |  |
|--|--|
| WEDNESDAY, JULY 17TH   |  |
| 08:30 a 09:00  | REGISTRATION OF PARTICIPANTS   |
| 09:00 a 09:15  | <ul style="list-style-type: none"><li>Summary of the previous day<br/><b>Martin Rapp</b></li></ul>   |
| BLOCK1: Experts Presentations  |  |
| 09:15 a 09:35  | <ul style="list-style-type: none"><li>Financial capacity building in the development and social inclusion policy approach<br/><b>Carolina Trivelli, Minister of Development and Social Inclusion (MIDIS), Peru</b></li></ul> |
| 09:45 a 10:05  | <ul style="list-style-type: none"><li>Climate change public policies in Peru<br/><b>Eduardo Durand, Ministry of Environment (MINAM), Peru</b></li></ul>  |
| 10:15 a 10:35  | <ul style="list-style-type: none"><li>Agricultural Insurance in Peru<br/><b>Gustavo Torrejón, Ministry of Agriculture and Irrigation (MINAGRI), Peru</b></li></ul>   |
| 10:45 a 11:05  | <ul style="list-style-type: none"><li>Demand challenges for agricultural insurance<br/><b>Pablo Valdivia, World Bank, Nicaragua</b></li></ul>  |
| 11:15 a 11:30  | COFFEE BREAK   |
| BLOCK 2: Practical Cases   |  |
| 11:30 a 11:50  | <ul style="list-style-type: none"><li>Insurance for a microfinance portfolio<br/><b>Martín Santa María, Financiera Confianza, Perú</b></li></ul>   |
| 12: 00 a 12:20   | <ul style="list-style-type: none"><li>Climate risk management in bank loans<br/><b>Walther Reátegui, Agrobanco, Peru</b></li></ul>   |
| 12:30 a 12:50  | <ul style="list-style-type: none"><li>Demand factors of micro insurance and micro credits<br/><b>Mauricio Osorio, Crezcamos S.A., Colombia</b></li></ul>   |
| 13:00 a 13:20  | <ul style="list-style-type: none"><li>Panel about the agricultural producers perspective<br/><b>National Banana Association, Peru</b><br/><b>National Water Users Association (JNUAP) Peru</b></li></ul>                     |
| 13:30 a 14:30  | LUNCH  |
| 14:30 a 16:00  | BLOCK 3: Working groups  |
| <div>1. Strategies to promote insurance demand</div> <div>2. Promotion means and marketing of financial products to reach the user</div> <div>3. Needs and expectations of end-users regarding agricultural insurance</div> <div>4. Strengthening an insurance culture</div> |  |
| 16:00 a 16:15  | COFFEE BREAK   |
| 16:15 a 18:00  | BLOCK 4: Results and Conclusions   |
| 16:15 a 17:45  | <ul style="list-style-type: none"><li>Presentation of the working group results</li></ul>  |
| 17:45 a 18:00  | <ul style="list-style-type: none"><li>Daily conclusions</li></ul>  |
| 18:00  | CLOSING WORDS  |

| INSTITUTIONAL ASPECTS  |  |
|--|--|
| THURSDAY, JULY 18TH  |  |
| 08:30 a 09:00  | REGISTRATION OF PARTICIPANTS   |
| 09:00 a 09:15  | <ul style="list-style-type: none"><li>Summary of the previous day<br/><b>Martin Rapp</b></li></ul>   |
| BLOCK1: Experts Presentations  |  |
| 09:15 a 09:35  | <ul style="list-style-type: none"><li>New Regulatory framework of the insurance contract in Peru<br/><b>Carla Chiappe, Superintendent of Banks, Insurance and Pensions SBS, Peru</b></li></ul>                                   |
| 09:45 a 10:05  | <ul style="list-style-type: none"><li>Institutional framework for the development of agricultural insurance in Peru<br/><b>Joachim Herbold, Munich Re, Germany</b></li></ul>   |
| 10:15 a 10:35  | <ul style="list-style-type: none"><li>Challenges and progress of a financing system and agricultural insurance<br/><b>Daniel Brousseau, Raymond Boutin, Financière agricole du Quebec,(FADQ), Canada</b></li></ul>               |
| 10:45 a 11:05  | <ul style="list-style-type: none"><li>Experience and Institutional Model in Spain<br/><b>Maria José Pro Gonzalez, Entidad Estatal de Seguros Agrarios (ENESA), Spain</b></li></ul>   |
| 11:15 a 11:30  | COFFEE BREAK   |
| BLOCK 2: Practical Cases   |  |
| 11:30 a 11:50  | <ul style="list-style-type: none"><li>Insurance against climate risks in the Caribbean experience<br/><b>Sobiah Becker, Munich Climate Insurance Initiative (MCII), Germany</b></li></ul>  |
| 12: 00 a 12:20   | <ul style="list-style-type: none"><li>Institutional framework for agricultural insurance in Ghana<br/><b>Bernard Acheampong, Innovative Insurance Products for the Adaptation to Climate Change (IIPAC) GIZ, Ghana</b></li></ul> |
| 12:30 a 12:50  | <ul style="list-style-type: none"><li>Types of state support and Agricultural Insurance in Brazil<br/><b>José Carlos Zukowski, Ministry of Agricultural Development, Brazil</b></li></ul>  |
| 13:00 a 14:30  | LUNCH  |
| 14:30 a 16:00  | BLOCK 3: Working groups  |
| <div>1. The role of the State in promoting insurance</div> <div>2. Insurance ¿should it be voluntary or compulsory?</div> <div>3. Institutional requirements for the creation of an agricultural risk transfer system for risk transfer</div> <div>4. Initial steps for successful and sustainable agricultural insurance programs</div> |  |
| 16:00 a 16:15  | COFFEE BREAK   |
| 16:15 a 18:00  | BLOCK 4: Results and Conclusions   |
| 16:15 a 17:45  | <ul style="list-style-type: none"><li>Presentation of the working group results</li></ul>  |
| 17:45 a 18:00  | <ul style="list-style-type: none"><li>Daily conclusions</li></ul>  |
| 18:00 a 18:15  | <ul style="list-style-type: none"><li>Event evaluation</li></ul>   |
| 18:15 a 18:30  | CLOSING WORDS  |