

About MCII

The Munich Climate Insurance Initiative (MCII) was initiated by Munich Re in April 2005 in response to the growing realization that insurance solutions can play a role in adaptation to climate change. Working with development practitioners, insurance providers, climate experts and policymakers, MCII develops and implements innovative insurance related solutions that target climate-vulnerable communities around the world. By sharing lessons learned and good practices identified through their work on the ground, MCII also informs policymakers and promotes the use of insurance approaches as a way to buffer vulnerable communities against climate stressors when integrated into wider risk management strategies.

Find out more: http://www.climate-insurance.org/front_content.php?idcat=858

Informing policy makers

MCII observes and advises the UNFCCC climate negotiations process and informs policymakers about insurance solutions as a tool to manage climate risks as well as how to include it in their national policy and legislations. Most recently, MCII produced a brochure that outlines how three countries facing diverse climatic- and socio-economic challenges can potentially include insurance in their national risk management strategy. The brochure guides governments through three distinct phases for integrating insurance: 1) Risk and needs assessment; 2) Strategy design; 3) Implementation; as well as identifying the most important challenges each country faces and how to address them.

Link to GIZ brochure: [not online yet]

Country examples

MCII works on the ground to design and implement climate risk management strategies and brings lessons learned back to governments and policymakers. Examples include:

Caribbean: Over the last 30 years in the Caribbean, floods and tropical storms have affected 1.5 million persons directly and caused over USD 5 billion in damage. In response to this, MCII rolled out the first weather index based insurance product for low-income people that covers multiple hazards and multiple countries in the region – The Livelihood Protection Policy (LPP). The policy does not give policyholders payouts for actual losses, but only when rainfall or wind speeds exceed certain thresholds. Currently the LPP is available in Grenada, Jamaica and St. Lucia. MCII operates in the Caribbean with support by the German Federal Ministry for Environment, Nature Conservation, Building and Nuclear Safety (BMUB).

Link to Caribbean handbook/Caribbean project page: http://www.climate-insurance.org/upload/pdf/20131219_MCII_Carib_Handbook_web.pdf

Pakistan: Pakistan, a geologically diverse country ranging from the coastal areas in the south to glacial mountains in the north, is affected by many climate stressors, including earthquakes, floods, monsoons and cyclones. More than 50 million people have been affected by disasters and damages total more than US \$24 billion over the last 10 years. Working with the government of Pakistan and supported by the Climate and Development Knowledge Network (CDKN), MCII has drawn up a disaster risk profile for the country, which identifies the kinds of hazards (e.g. landslides) different parts of the country experience. The next step is using this information to determine how viable climate risk insurance may be for Pakistan's vulnerable communities.

Link to Pakistan report: http://www.climate-insurance.org/upload/pdf/201406_CDKN_Pakistan_MCII_Report16_PakistanRiskProfile.pdf