Innovative Financing for Climate Adaptation: Unlocking Scalable Solutions

Risk Finance and Insurance

Insurance and Risk Finance Facility

UNDP

Escalating climate-losses & the protection gap

$318B
Global economic losses from natural catastrophes in 2024

x10
Disasters hit LDCs' GDP 10× harder than richest countries

>90%
Uninsured losses in emerging markets and LDCs

Climate and disaster risk finance and insurance (CDRFI) is a **key enabler of sustainable development**.

It is not an end in itself, it is **part of a broader strategy to protect lives, livelihoods, and development gains** in the face of escalating climate impacts.



UNDP Insurance & Risk Finance Facility: Our Approach to Financial Resilience



Increasing **countries'** capacity to manage risk, financially
Protecting **households, businesses and farmers** directly with insurance products
Building the resilience of **ecosystems** and the communities that depend on them
De-risking **investments** in food systems and global supply chains
Using insurance to accelerate investment in **net zero growth and development**

Where we work

39 Programme Countries



20 Tripartite Agreement

5 Financial Resilience in Agriculture

3 Engagement Initiative

2 SME Resilience

7 Tailored Programmes

12 Global Actuarial Initiative

1 Reef & Coastal Community Resilience

29 Insurance Innovation Challenges

6 Specialized Technical support

Building Risk Finance Solutions that Work at Scale

UNDP works across solution design, policy frameworks, and institutional capacity…

Solution Development
- Sovereign, meso & micro instruments

Policy, Regulation & Law
- Enabling legislation
- Regulatory frameworks
- National strategies & plans



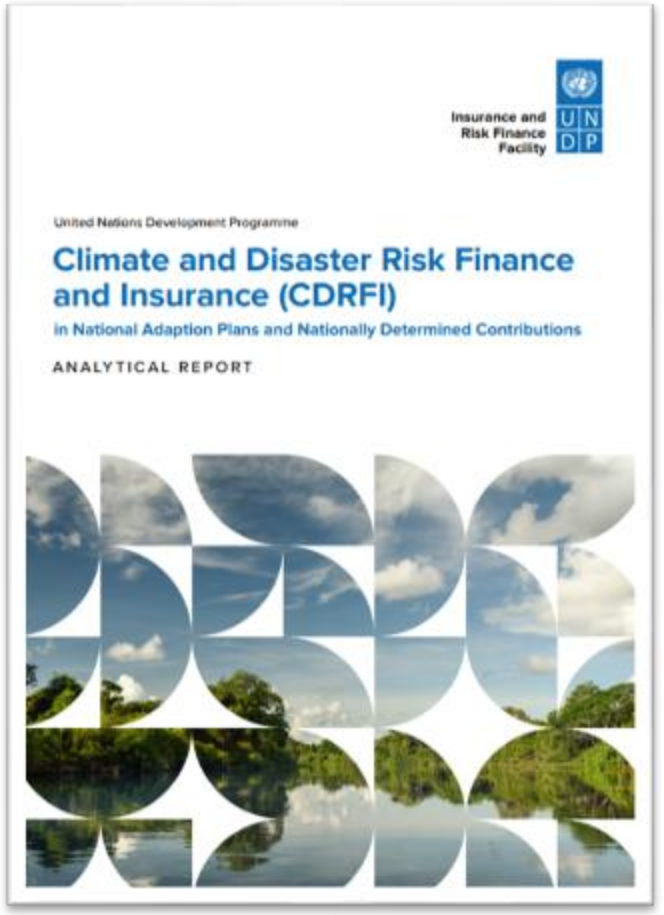
Institutional Capacity & Knowledge
- Delivery systems & channels
- Digital & financial infrastructure
- Knowledge, data & skills

…integrated into climate and development policy, these solutions become part of how countries plan, invest, and protect their people

<u>Anchored in national climate policy turns solutions into systemic resilience</u>

Practical Guidance for Integrating Risk Finance into Climate Strategies





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For more information: Irff.undp.org