



**Strategic Donor Meeting in Support of
The Caribbean Catastrophe Risk Insurance Facility**

March 6, 2013

Welcome and Opening Remarks
by
Dr. W^m. Warren Smith
President
Caribbean Development Bank

Mr. Milo Pearson, Chairman, Board of the Caribbean Catastrophe Risk Insurance Facility (CCRIF)

His Excellency, Mr. Appio Claudio Muniz Acquarone, Ambassador, Embassy of Brazil, Barbados

Mr. BU Yu, Alternate Director for the People's Republic of China on the Board of Directors of the Caribbean Development Bank (CDB)

Development Partners

Members of regional organisations

Members of the CCRIF Board and Team

Colleagues

Good morning.

CDB is very pleased to be partnering with CCRIF to host this event today – a strategic donor meeting in support of the CCRIF. From its inception and up to assuming the Presidency of the CDB I was a board member of CCRIF and represented the interests of donors on the Board. Today, CDB is still well-represented on the Board by Mrs. Faye Hardy.

CCRIF was developed through funding from the Japanese Government, and was capitalised through contributions to a multi-donor Trust Fund by the Government of Canada, the European Union, the World Bank, the Governments of the United Kingdom and France, CDB and the Governments of Ireland and Bermuda, as well as through membership fees paid by participating governments. The role of the donor community with respect to CCRIF cannot be understated.

You - the donors of the region - have played a key and fundamental role in helping this unique organization - the first multi-country risk pool in the world - to meet its key objective of helping to mitigate the short-term cash flow problems small developing economies suffer after major natural disasters. We all know that the critical challenge is often the need for short-term liquidity to maintain essential government services until additional resources become available. CCRIF continues to represent a cost-effective way to pre-finance short-term liquidity to begin recovery efforts for an individual government after a catastrophic event, thereby filling the gap between immediate response aid and long-term redevelopment. A great example of this was the US\$8 million payout made to Haiti within 14 days after the devastating 2010 earthquake – this payout enabled the Haitian public sector and emergency services to continue to function in the months afterwards. This payout came before any other donor support to Haiti!

CDB continues to be very proud of CCRIF, not only in its ability to meet its main development objective as stated above or to fill a gap in available insurance offerings in natural catastrophes but also in its ability to continuously supply tools to the region for enhanced disaster risk management (DRM); its ability to bring new products to the table; its ability to continuously forge partnerships with key regional organizations towards strengthening the capacity in DRM and climate change adaptation; and finding solutions to enable us as a region to strengthen our resilience and move us onto that path of sustainable prosperity.

At this point, I would like to make mention of CCRIF's new product – the excess rainfall product. Back in 2008, as a board member of CCRIF, I recall governments of the region requesting the Facility to look into excess rainfall – to look beyond wind, storm surge and earth shaking triggers and make available a product that addresses some of the losses associated with heavy rainfall. CCRIF was able to respond to the challenge and today has available a product for the market aimed primarily at extreme high rainfall events of short duration (a few days). Today you will be provided with more information on this product, including some of the issues and challenges being faced by countries in purchasing this coverage.

The CCRIF board and team have been meeting with you the donors, from time to time over the years to discuss the operations and performance of the Facility. However, there is need for a collective meeting – this being expressed by you to CCRIF as well as to the World Bank in the Implementation Completion Report of CCRIF undertaken by the Bank. CDB as the institution representing donors welcomes this, and for us, you being here today signals the desire to want to support CCRIF further and to find ways to coordinate our efforts in enhancing

the DRM capacity of the region as a whole and coordinating our efforts in keeping with the Paris Declaration on Aid Effectiveness.

I welcome you to CDB and to this meeting and hope that through your participation and the discussions today we would achieve the various outcomes of the meeting as listed in the agenda towards advancing the region's developmental prospects.

Thank you.