

CARIBBEAN REGIONAL RESILIENCE BUILDING FACILITY



GFDRR
Global Facility for Disaster Reduction and Recovery



WORLD BANK GROUP

Support to the Caribbean Ocean and Aquaculture Sustainability Facility (COAST)

Countries

Antigua and Barbuda, Belize, Dominican Republic and Jamaica

Caribbean Regional Resilience Building Facility Component

Expanding Financial Protection Against Disasters in the Caribbean Sovereign Countries

Amount Approved

€45,000/ \$46,000

Duration

12/2021 – 02/2023

Context and Objectives

Countries in the Caribbean are vulnerable to extreme weather events such as tropical cyclones and the frequency and severity of these weather events are predicted to increase over time. Fishing communities in particular lose assets such as vessels and gear and face continuing disruption of public services such as electricity, fuel, piers, and roads, disproportionately impacting poorer communities.

In response to this need for increased access to insurance, the COAST Facility was launched by the Caribbean Catastrophe Risk Insurance Initiative Segregated Portfolio Company (CCRIF SPC) as an innovative climate risk insurance mechanism that promotes food security, the livelihoods of fisherfolk, resilient fisheries, and disaster risk reduction in the Caribbean.¹

The objective of this project was to strengthen the financial resilience of selected Caribbean countries through insuring against specific climate-related events that impact the fisheries sector. This technical assistance was based on the success of the COAST pilot in Grenada and Saint Lucia.

Main Activities

- Assessing fishery activities in each of the involved countries to determine the scope, scale, and nature and identify fishers eligible to benefit from COAST.
- Supporting the refinement of the parametric risk insurance model to specify payouts for each country in the case of: Adverse Weather and Tropical Cyclones.
- Developing Country Operational Manuals to ensure accountability, transparency, monitoring, and sustainability of the COAST product.
- Establishing the national fisher rosters and encourage eligible fishers to register for COAST.

Results

Fisheries assessments were conducted in each country to ascertain the scope, scale and nature of the sector and identify fishers eligible to register for COAST. The main outcome being clarity as to which subsectors and actors would be involved in the insurance scheme and extent of existing capacity to roll out insurance product. This was supported by refinement of the parametric risk insurance model to specify payouts for each country under two categories: Adverse Weather and Tropical Cyclones, which in turn resulted in a more functional model for use in each country. Country Operational Manuals were also developed to ensure accountability, transparency, monitoring, and sustainability of the COAST product.

¹ COAST is the world's first parametric insurance developed for the fisheries sector and has helped promote resilience and sustainable management of the marine environment, contributing to a stronger blue economy in the region.

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Partnerships and Coordination

The World Bank team implemented this project in partnership with CCRIF SPC and the Governments of Antigua and Barbuda, Belize, Dominican Republic and Jamaica, particularly Ministries of Finance and Ministries responsible for fisheries. The team coordinated its efforts with the relevant EU Delegations.