

Asia-Pacific Climate Finance Fund (ACLiFF):

Designing gender-sensitive disaster microfinance solutions

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About us



**InsuResilience
GlobalPartnership**

Vision 2025: 500 million poor and vulnerable people covered against disaster and climate shocks by pre-arranged risk finance and insurance mechanisms.

A repository of information and knowledge-exchange platform on gender-related aspects in the area of Climate and Disaster Risk Finance and Insurance (CDRFI).



InsuResilience
Centre of
Excellence on
**Gender Smart
Solutions**

Find out more at:
<https://coe.insuresilience.org/>

There are gender differences in climate disaster risks & impacts

- Climate change and disasters generally hit women harder
- Lower levels of formal financial inclusion and less formally employed
- More women are employed in agriculture
- Link between disasters and violence against women
- Impact of disasters on women's unpaid care responsibilities



Female Death Rate

91% in 1991 cyclone in Bangladesh

61% in 2008 cyclone Nargis Myanmar

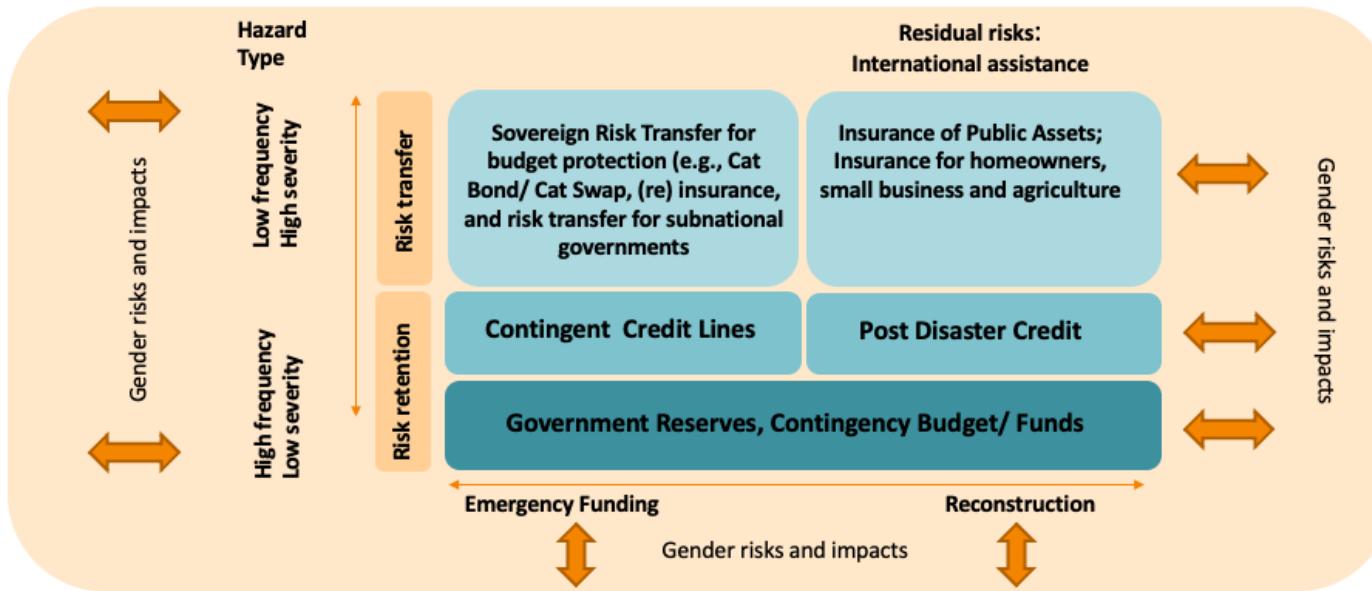
70% in 2004 Asian Tsunami

Lower labour force participation rate of women than men in all regions

39 economies prevent daughters from inheriting the same proportion of assets as sons

Women can take on up to an extra **ten** or more weeks per year of unpaid care

There are gender-dimensions to all disaster risk financing instruments



Sources: Adapted from World Bank, 2018; Financial Protection Forum 2021.

The deployment of these instruments can:

- ✓ acknowledge the gender differential vulnerabilities to climate change between men and women
- ✓ Influence the dynamics of socially constructed behaviours, norms and relationships

There are gender-impacts of disaster microfinance solutions

Value Chain & Business Model
Gender Dimensions

Product features and cost

Marketing & sales distribution model

Staffing and servicing clients

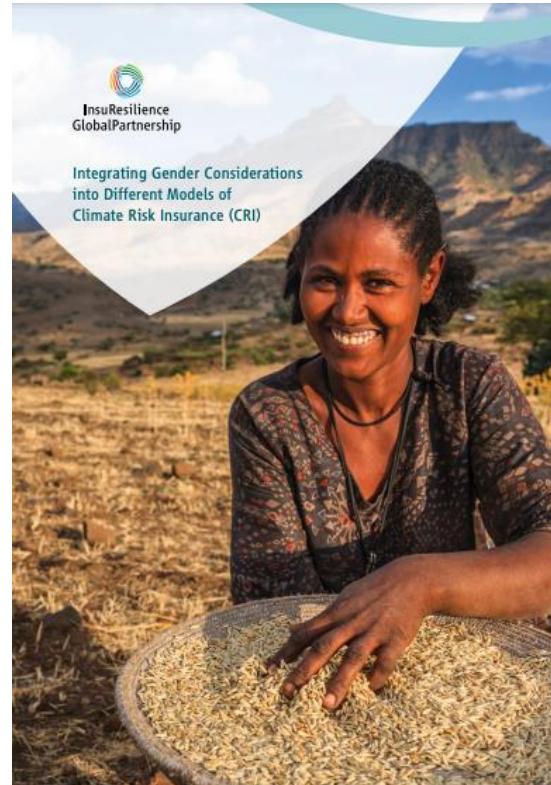
Client profile

Investor profile

Gender-related financial inclusion constraints & enablers

Disaster microfinance solutions: An opportunity to scale up resilience among women

“Microfinance is a key entry point as a distribution channel for disaster risk financing to scale up coverage to large groups of women through leveraging existing women’s financial inclusion initiatives.”



How to design gender-smart disaster microfinance solutions

Key Actions

1. Identify through market research gender diverse risks and insurance needs to inform and implement innovative gender-responsive product design and pricing strategy.
2. Account for gender-differences in preferences for bundled products and design products with women's access and usage of payouts in mind.
3. Leverage marketing & distribution channels that are accessible to women.
4. Conduct tailored capability training targeting women on climate and disaster risk financing accounting for differences in financial competence.
5. Promote a gender diverse leadership and workforce to support governance, and distribution and servicing of women clients.
6. Measure gender differential impact of CRI payouts on direct beneficiaries using sex-disaggregated data

Building women's resilience among the urban poor



MAHILA HOUSING SEWA TRUST

Dignified Home, Dignified Work, Dignified Life

**InsuResilience
Gender
Working Group
Member**

- ✓ Works with women from urban slum communities in South Asia.
- ✓ Focused on building women's climate resilience.
- ✓ Investing in resilience through savings with microinsurance.
- ✓ A chit-fund cumulative index-based micro insurance scheme developed to cover loss and damage of the following: housing and community infrastructure, loss of food grain, identity papers (during floods), work-days and health related expenses.

Examples of disaster microfinance solutions



- Pahal Financial Services is a microfinance institution in India. With the loan from IIF, Pahal will launch a new loan product focused on financing livestock bundled with insurance covering climate risks.
- Satya is a microfinance institution in India, focusing primarily on servicing women. Building on Satya's focus on agriculture lending, IIF will support the launch of a new livestock loan product bundled with insurance, which will cover climate risks to protect the livelihoods of its farmer clients.
- Kashf is a microfinance provider with the objective of alleviating poverty and empowering women. IIF financing is used to extend loans to farmers with climate risk insurance.

Thank you



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