

**CAFI SSF Network - Webinar Talk Series**  
**Parametric insurance for small-scale fisheries**  
**Experiences from The Caribbean, Pacific and Asian region**



**Wednesday, 24 April 2024**  
**10:00-11:15 am (Rome Time, GMT+2)**

**Organized by**

**Global Network for capacity building to increase access of small-scale fisheries  
to financial services (CAFI SSF Network)**

**in association with**

**United Nations Capital Development Fund (UNCDF)**



**Food and Agriculture  
Organization of the  
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**Commercial fishing** is one of the most dangerous occupations in the world. Accidents and fatalities are common, especially in small-scale fisheries (SSF). Fishers work long hours and often in harsh conditions. Climate change has only increased the hazardous conditions under which small-scale fishers operate, as natural disasters become ever more prevalent and destructive. Damage and loss of fishing vessels and gear due to accidents and natural disasters threaten the livelihood of small-scale fishing communities. Fishers, their families and communities therefore need the special support and protection that insurance can provide. Insurance is one of the important financial instruments to mitigate the risks of fishers and their communities and to reduce the risks of creditors and investor's fisheries. Insurance plays a crucial role in helping fishers cope better with **climate and extreme weather events**, that have increased in **both number and severity**.

There is a growing interest amongst several public and private insurance service providers to offer services to the fisheries sector ([World Review of Capture Fisheries & Aquaculture Insurance](#), FAO 2022)<sup>1</sup>. It is observed that, while life and health insurance are being offered widely by insurers, there is sometimes a lack or limited coverage for risks associated with economic and asset damage and losses, caused due to natural disasters. The gap in demand and supply of insurance services is large in small-scale fisheries.

The [FAO-APRACA Insurance Guidelines for SSF](#) (2019)<sup>2</sup> present several suitable options for the provision of insurance services to small-scale fishers, including the following:

- i) **traditional** insurance,
- ii) **partner-agent** model (public or private insurer collaborates with a local fisherfolk organization/microfinance institutions or NGO for distribution of products and services),
- iii) **mutual insurance**—usually owned by policyholders, that is fishers, and generally established for small-scale fishers with government support,
- iv) **pooled/community-based** insurance— individual fishers come together to increase the number/size of the risk pool and to secure better risk cover and pricing, and
- v) **weather index-based** insurance – which is a relatively new class of evolving products widely known as **Parametric Insurance**.

This evolving class of insurance has adopted an approach to provide risk cover, that pays out benefits on the **basis of a predetermined index** composed of independently established data. Data commonly used are rainfall level, wind speed, and temperature, for loss resulting from extreme weather events. Although this product has been widely used in the agriculture and livestock sectors, there is an emerging trend to cover risks within the fisheries sector. In recent years The Caribbean Oceans and Aquaculture Sustainability Facility (COAST) and Pacific Insurance and Climate Adaptation Programme (PICAP) in the Caribbean and Pacific have supplied parametric insurance services to small-scale fishing communities.

Parametric insurance products are available to insure a wider variety of risks and can be tailored to meet the needs of the insured at multiple levels starting from; the micro-level as a financing tool for social protection schemes, the meso-level as a portfolio risk management tool for institutions including banks, processors, fisher or fish-farmer producer companies, or at the macro level as a sovereign risk transfer tool to support countries to finance social safety net programmes ([Blue Finance Guidance Notes, FAO 2020](#)).

The CAFI SSF - Webinar Talk Series brings to its member organizations and interested participants, experiences sharing and views from organizations that have conducted country-wide studies on insurance gaps, implementation and current status of the parametric insurance product in The Caribbean, Pacific and Asian region to support a resilient small-scale fisheries sector.

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<sup>1</sup> Van Anrooy, R., Espinoza Córdova, F., Japp, D., Valderrama, D., Gopal Karmakar, K., Lengyel, P., Parappurathu, S., Upare, S., Tietze, U., Costelloe, T., & Zhang, Z. 2022. *World review of capture fisheries and aquaculture insurance 2022*. FAO Fisheries and Aquaculture Technical Paper No. 682. Rome, FAO. <https://doi.org/10.4060/cb9491en>

<sup>2</sup> Tietze U., van Anrooy, R. 2019. *Guidelines for increasing access of small-scale fisheries to insurance services in Asia. A handbook for insurance and fisheries stakeholders. In support of the implementation of the Voluntary Guidelines for Securing Sustainable Small-Scale Fisheries in the Context of Food Security and Poverty Eradication*. Rome, FAO. <https://www.fao.org/3/ca5129en/ca5129en.pdf>

**What will we cover:**

Our Distinguished Speaker Panel

- The COAST INITIATIVE: the first-ever parametric cover in the world launched for the fisheries sector in the Caribbean resilient to climate events
- The PICAP INITIATIVE: a micro-insurance product designed to protect fishers in the Pacific region.
- APART Project- India's first parametric cover for fish-farmer producer company
- Howden Insurance – Perspectives from the Private Insurance Sector
- Food and Agriculture Organization of the United Nations (FAO): Perspective-comprehensive or complementary risk cover for small-scale fisheries (SSF)

**CAFI SSF Webinar is organized for all stakeholders involved with SSF finance and insurance.**

**Please join us in this webinar!**

You may RSVP to CAFI-SSF coordinator: [cafi-ssf@fao.org](mailto:cafi-ssf@fao.org)

Registration Link: <https://fao.zoom.us/j/99383343604>

**Webinar date and time:**

April 24, 2024, 10:00 AM Amsterdam, Berlin, Rome, Stockholm, Vienna

April 24, 2024, 11:00 AM Dar es Salaam, Nairobi

April 24, 2024, 1:30 PM Colombo, Delhi, Mumbai

April 24, 2024, 3:00 PM Bangkok, Hanoi, Jakarta, Phnom Penh, Vientiane

April 24, 2024, 4:00 PM Beijing, Manila, Kuala Lumpur, Taipei

April 24, 2024, 7.00 PM Port Vila, Noumea

April 24, 2024, 8.00 PM Funafuti, Majuro, Suva, Tarawa

April 24, 2024, 9.00 PM Apia, Nuku alofa