



**A YEAR OF TRANSITION  
LEVERAGING EXPERIENCE TO  
ACHIEVE IMPACT**

Global Shield Financing Facility  
Annual Report 2023



**Global Shield**  
Financing Facility

*“We estimate that by 2040, over 130 million people could be pushed into extreme poverty by climate change; access to disaster risk finance and insurance solutions for low-income countries is part of the World Bank’s strategy for helping them adapt to the growing risks of natural disasters. We will contribute to the Global Shield initiative through our analytical and advisory work, policy dialogue and country lending operations.”*

**Axel van Trotsenburg**

WORLD BANK MANAGING DIRECTOR OF OPERATIONS



## **Global Shield** Financing Facility

The Global Shield against Climate Risks is an initiative launched by the G7 and the Vulnerable Twenty (V20) Group of Ministers of Finance; it aims to increase protection for vulnerable people and countries by providing and facilitating substantially more and better pre-arranged finance against disasters and climate risks. Implementation under the Global Shield against Climate Risks is financed through the financing structure, which includes three programs: The Global Shield Solutions Platform hosted by the Frankfurt School, the CVF & V20 Joint Multi-donor Trust Fund, and the **Global Shield Financing Facility hosted by the World Bank.**

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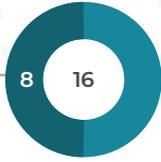
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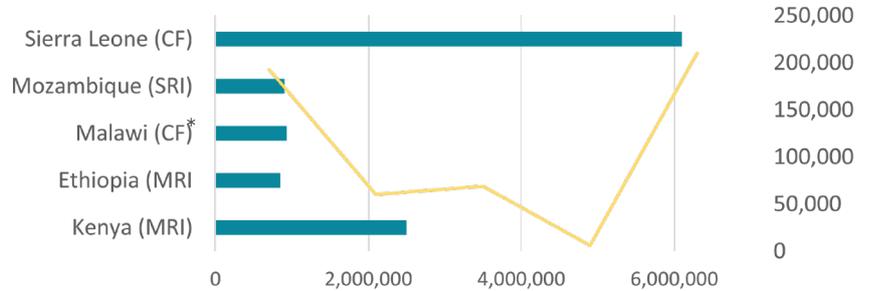
# OUR IMPACT



**16 countries** where GSFF is currently active

**8 countries with GSFF-supported instruments that are currently providing coverage:** (Jamaica, Malawi, Mozambique, Sierra Leone, Horn of Africa [Kenya, Somalia, Ethiopia, and Djibouti])

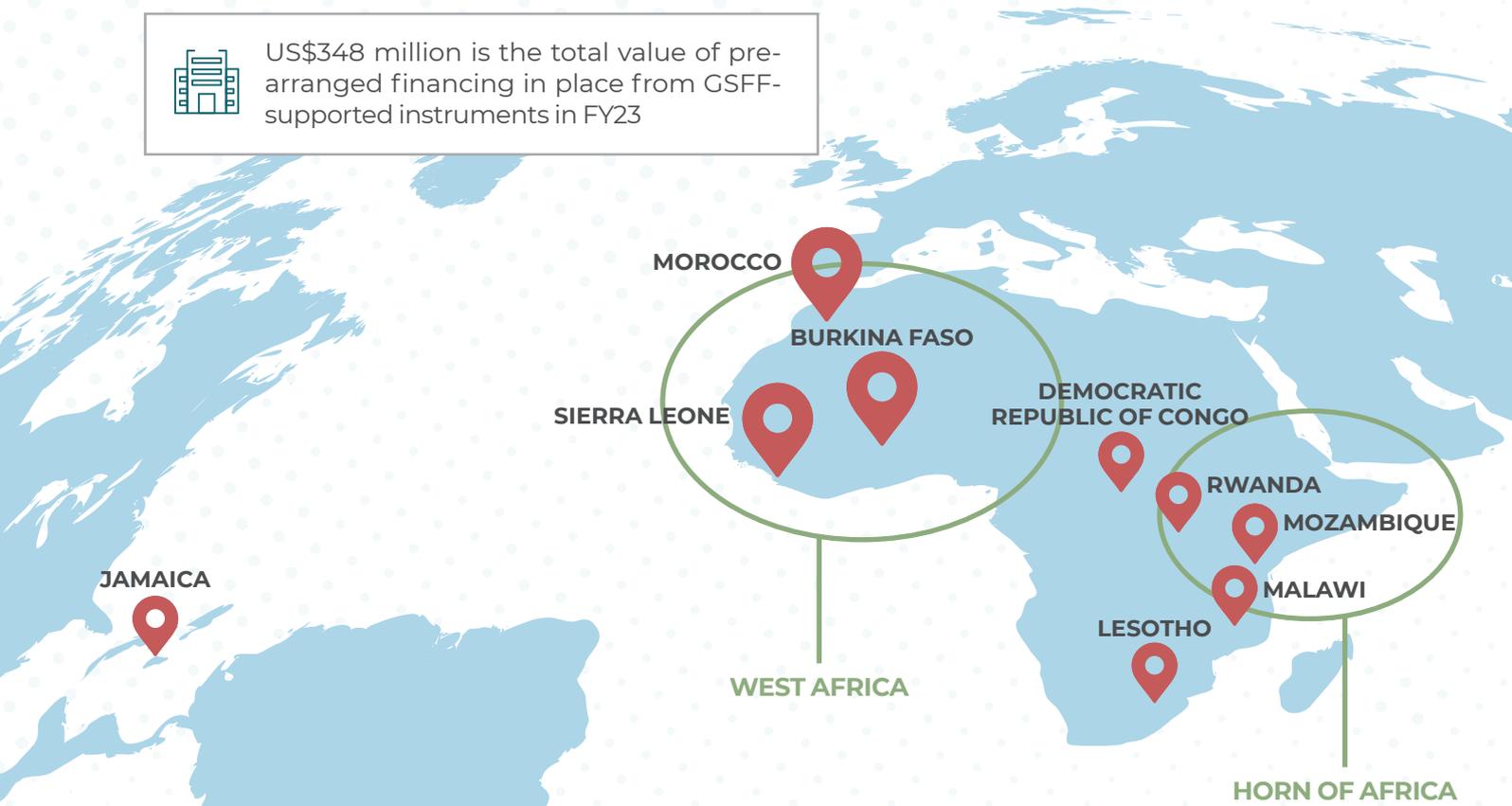
■ Total Disbursed (US\$)    ■ No. of Beneficiaries



	Kenya (MRI)	Ethiopia (MRI)	Malawi (CF)	Mozambique (SRI)	Sierra Leone (CF)
Total Disbursed (US\$)	2,500,000	850,000	932,342	904,304	6,100,000
Beneficiaries	192,858	59,990	68,807	5,794	210,000



US\$348 million is the total value of pre-arranged financing in place from GSFF-supported instruments in FY23



1- METHODOLOGY IS TO ALWAYS USE TOTAL FIGURES WHERE AVAILABLE, IF NOT REVERT TO INSURELIGENCE GLOBAL PARTNERSHIP (IGP) DATA. COVERAGE IS CALCULATED FOR ALL INSTRUMENTS EVEN THOUGH SOME INSTRUMENTS ARE FOR 'BUDGET' AND NOT DIRECTLY LINKED TO BENEFICIARIES. GENDER DISAGGREGATED DATA WAS NOT COMPLETE SO FIGURES ARE MISLEADING, AS SUCH THEY ARE NOT INCLUDED IN THIS VERSION BUT WILL BE NEXT YEAR.

THE SHOWCASED MAP IS ONLY FOR CREATIVE REPRESENTATION. THE COUNTRY TERRITORIES/BOUNDARIES MAY NOT BE ACCURATE.

\* ACTUAL FIGURES, NOT AVAILABLE THEREFORE ESTIMATED BASED ON IGP CALCULATIONS.

SOME OF THE PROJECTS IN THE MAP PICTURED WERE INITIATED UNDER THE GLOBAL RISK FINANCING FACILITY.

**HORN OF AFRICA**

DJIBOUTI  
ETHIOPIA  
SOMALIA  
KENYA



**6 new instruments put in place in FY23:** Mozambique (sovereign risk Insurance), Malawi (sovereign risk insurance), Djibouti (sovereign risk insurance via African Risk Capacity), Ethiopia, Kenya, and Somalia (micro-level risk insurance via ZEP-RE)

**5 countries where instruments have triggered in FY23:** Malawi, Mozambique, Sierra Leone, Kenya, Ethiopia



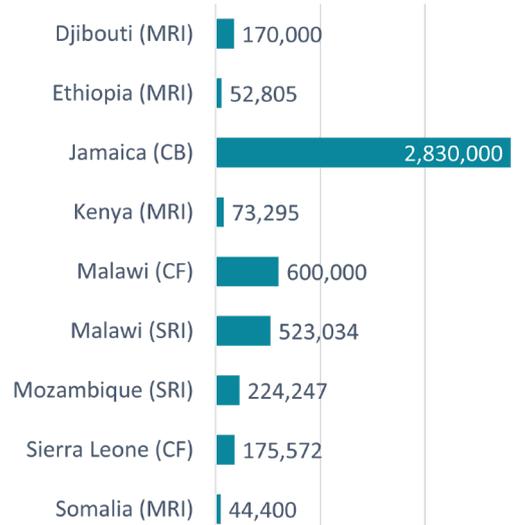
2,500 stakeholders trained through GSFF co-financing in FY23



US\$328 million is the total amount of (re)insurance capacity that countries have leveraged in FY23

**4,693,354**

Maximum number of people protected<sup>1</sup> (for active instruments)



BANGLADESH

INDONESIA

SEADRIF

SEADRIF

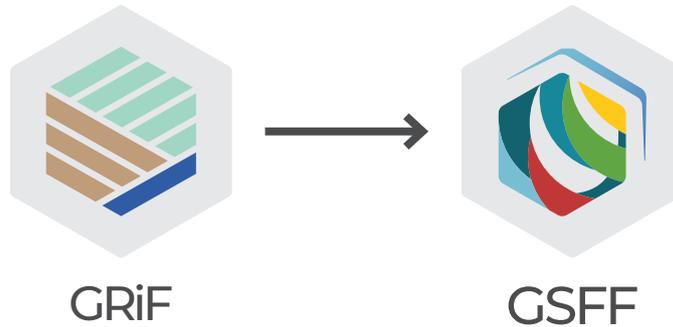
CAMBODIA  
INDONESIA  
LAO PDR  
PHILIPPINES  
VIETNAM

WEST AFRICA

BENIN  
BURKINA FASO  
CAPE VERDE  
THE GAMBIA  
GHANA  
GUINEA  
GUINEA-BISSAU  
IVORY COAST  
LIBERIA  
MALI  
MAURITANIA  
NIGER  
NIGERIA  
SENEGAL  
SIERRA LEONE  
TOGO  
SAINT HELENA  
ASCENSION  
TRISTAN DA CUNHA

## GLOBAL RISK FINANCING FACILITY TO GLOBAL SHIELD FINANCING FACILITY

## THE EVOLUTION



In 2017, faced with escalating natural disasters and climate shocks that were imposing huge financial and debt burdens on countries, the World Bank collaborated with key partners from Germany and the United Kingdom (UK) to establish the Global Risk Financing Facility (GRiF). More than just an initiative, GRiF emerged as a vehicle that offered specialized technical assistance and expertise but also championed the cause of innovative financial solutions. The aim was to bridge the protection gap and empower nations to manage the financial impacts of unpredictable catastrophes.

**The Global Shield Financing Facility (GSFF) is a new program that is an evolution of GRiF. GSFF will support poor and vulnerable countries and people with increased access to financial protection against climate shocks, disasters, and crises.**

In the vulnerable countries where GRiF has financed projects, its objective has been to transform countries' financial readiness to withstand shocks, in part by integrating financial planning into core development processes. The program has supported the expansion of adaptive social protection by pre-arranging finance

for social protection programs—in vulnerable and fragile countries. It has also piloted financial solutions in new areas, such as financial protection of firms. One lesson stands out from the journey with GRiF: real progress in disaster risk financing (DRF) requires persistent political commitment, long-term dialogue, strong technical expertise, and predictable finance that can bear some of the up-front risk associated with designing and implementing new financial solutions.

**The Global Shield Financing Facility (GSFF) is a new program that is an evolution of GRiF. GSFF will support poor and vulnerable countries and people with increased access to financial protection against climate shocks, disasters, and crises.** It will provide technical advisory services and integrated financial packages to address protection gaps. Additionally, it aims to forge strategic partnerships, leveraging insights from the Global Shields' In-Country Process consultations and addressing countries' needs outlined in their requests for climate and disaster risk finance and insurance (CDRFI) support. The program is well-positioned within the World Bank's corporate priorities, particularly in the context of the World Bank's Evolution Roadmap\*, which has a strong focus on mobilization of private risk capital, protection of jobs, and crisis preparedness.

\*[HTTPS://WWW.WORLDBANK.ORG/EN/NEWS/STATEMENT/2023/01/13/WORLD-BANK-GROUP-STATEMENT-ON-EVOLUTION-ROADMAP](https://www.worldbank.org/en/news/statement/2023/01/13/world-bank-group-statement-on-evolution-roadmap)

## THE GSFF IS INFORMED BY LESSONS LEARNT FROM GRIF

### **Protect the real economy against climate shocks.**

While it is important to develop sovereign and sub-sovereign financial solutions that protect the poor and vulnerable through adaptive social protection programs, resilient and sustainable development also relies on the protection of the real economy and especially its micro, small, and medium enterprises (MSMEs). Improving MSMEs' access to credit, including in the aftermath of a disaster, can help the economy, and ultimately the population, recover more quickly. For example, GRiF has supported the establishment of a bridge lending window in Rwanda with an insurance backstop mechanism to lower the risk exposure of financial institutions when they lend to MSMEs.

### **Move from financial instruments to integrated financial strategies.**

As climate risks and other complex interlinked shocks are increasing, most countries need integrated financial strategies in place to protect their budget, economy, and population. Such strategies combine policy reforms, cost-effective financial instruments, and appropriate delivery channels and systems to ensure rapid, targeted, and effective response and recovery after a disaster. For example, GRiF contributed to the preparation and launch of the national disaster risk finance strategy in Mozambique and the establishment of a dedicated disaster fund backed by (parametric) insurance, which is a core instrument in the country's strategy.

### **Complement financial instruments with policy reforms:**

The design and implementation of financial instruments against climate shocks and disasters can support and even incentivize policy reforms to strengthen climate adaptation and resilience. GRiF-funded analytical work has informed policy reforms implemented through World Bank projects. For example, GRiF is supporting the Ministry of Finance in Indonesia in setting up a national-level pooling fund as a state budget protection mechanism and the complementary regulatory environment needed to ensure the instrument's sustainability.

### **Facilitate access to private risk capital for recovery financing.**

The scale of resources needed to fund actions for climate adaptation and recovery is immense. Private capital should be enabled, mobilized, and executed to effectively support recovery financing. For example, GRiF has supported DRIVE (De-risking, Inclusion, and Value Enhancement of Pastoral Economies in the Horn of Africa), a regional program in Djibouti, Ethiopia, Kenya, and Somalia that builds the financial resilience of poor and vulnerable pastoralists against climate risks by facilitating easier access to financial services, including savings and insurance.

### **Engage with nontraditional partners.**

The climate and disaster risk finance landscape has changed dramatically with more public, private, and civil society actors engaging on this agenda. It is important to ensure that partner countries receive coordinated and consolidated support to further implement policy reforms and customized financial instruments, complemented by risk reduction investments. For example: GRiF has supported the design and development of the Start Network's financing facility, Start Ready, one of the most advanced financing facilities developed by a civil society organization (CSO) and one that includes a joint reserve fund and insurance for humanitarian response by civil society.

**The GSFF aligns with the Global Shield against Climate Risks in its role as one of three financing vehicles of the initiative. GSFF responds to countries' requests for climate and disaster risk finance and insurance (CDRFI) through inclusive, country-led processes, facilitating increased access to pre-arranged financial instruments and mechanisms against disasters.**

# 4 PILLARS OF GSFF



## Pillar 01

Contributes to the Global Shield's objectives of closing the protection gap globally by fostering global goods like data, analytics, and capacity building. GSFF contributes to the development of Global Shield solutions by sharing operational and analytical insights in relevant countries, participating in open consultations organized by Global Shield, and collaborating closely with the coordination hub and other financing vehicles.



## Pillar 02

Seeks to strengthen collaboration with civil society organization (CSOs) and humanitarian partners, particularly by embedding risk finance principles within humanitarian response so risk finance can be a predictable layer of protection for countries



## Pillar 03

Aims to leverage experience from the Global Risk Financing Facility to focus on country operations where there is impact, with priority for comprehensive programs that can scale both regionally and globally



## Pillar 04

Focuses on mobilizing and enabling private risk capital by strengthening risk pools and developing new and innovative partnerships with the private sector

As an “evolved” version of GRiF and in alignment with the principles of subsidiarity and complementarity of the Global Shield against Climate Risks, the GSFF will build a larger number of strategic partnerships and work with a wider range of implementing partners. This evolution reflects an increasing ambition—emerging globally—to see transformation at scale. The launch of programs like the Global Shield against Climate Risks, spearheaded by the G7 and V20, is proof of that. The World Bank is a proud partner of the Global Shield. The GSFF is the World Bank’s flagship program on climate and disaster risk finance and acts as one of the three financing vehicles of the Global Shield. It will support the Global

Shield by leveraging the experience of GRiF, and of GRiF programs in 18 countries, to offer a comprehensive package of solutions and instruments to respond to the needs identified by countries in their requests for CDRFI support.

**GSFF expands the collaboration undertaken by GRiF and engages in transfer-outs to allocate significant funds to eligible multilateral development banks and UN agencies.** Within an evolving DRF landscape, GSFF has been set up as a flexible and collaborative vehicle that can provide financial resources to a wide range of partners. This expansion is feasible thanks to the readiness of organizations and the commitment of donors, who are dedicating substantial effort to developing well-defined DRF programs.

## SPOTLIGHT

### WORLD FOOD PROGRAMME

The World Food Programme (WFP) received US\$20 million through the GSFF. The funding will support the expansion of the WFP’s climate and disaster risk financing cover in 23 countries across the globe, protecting up to 4.6 million people from climate risks over the next two years.



**In line with the Global Shield’s aim to offer a more coordinated, coherent, and sustained ecosystem of technical and financial support to vulnerable countries, the GSFF sets a priority focus on collaborating with nontraditional stakeholders, including risk pools and CSOs as well as the private sector.** Risk pools help strengthen countries’ financial protection through affordable domestic insurance markets, which are vital as countries transition to independent pool entities. CSOs and

humanitarian organizations bring technical and operational expertise with strong delivery channels. In addition, GSFF’s envisaged partnership with the Insurance Development Forum, an insurance sector-led initiative aiming at expanding risk insurance to poor and vulnerable populations, will facilitate technical knowledge exchange on the design and implementation of financial solutions, development of global goods, and executive education in partner countries.

# SPOTLIGHT

## SIERRA LEONE

In Sierra Leone, a technical working group comprising representatives from various government agencies worked with several CSOs, including the Sierra Leone Red Cross Society, and the Red Cross Red Crescent Climate Centre, to co-develop the Anticipatory Action Standard Operating Procedure (AA-SOP) as part of a national shock-responsive social safety net program. The goal was to respond to flood risk based on shared forecast information and to jointly organize and streamline the implementation mechanisms of the different institutions.



PHOTO CREDIT: JOSHUA HANSON

The GSFF will play an important role in improving coordination among key DRF stakeholders. GSFF is committed to working with countries and coordinating with other stakeholders as part of the Global Shield against Climate Risks. It is also working with the two other Global Shield financing vehicles, the Global Shield Solutions Platform, and the Climate Vulnerable Forum/ V20 Joint Multi-donor Trust Fund, to assess how to collaborate and how to harmonize operational principles and processes.

### EMPOWERING CLIMATE RESILIENCE: GSFF AMPLIFIES IMPACT THROUGH GRANT FINANCING INTEGRATION

The GSFF is a downstream financing vehicle, which co-finances the development and implementation of disaster risk finance instruments, either as part of larger World Bank lending operations or as part of transfer outs, under which the World Bank transfers funds from a trust fund to an eligible partner entity.

GSFF has the mandate to work with non-traditional actors including risk pools. It provides support to the Southeast Asian Disaster Risk Finance Facility (SEADRIF), a regional risk pool that provides regional parametric insurance against flood risks, including for startup and operational costs, data and analytics, implementation, and premium support.

The work of GSFF is complemented by that of upstream financing vehicles like the Risk Finance Umbrella (RFU) and the Global Facility for Disaster Risk Reduction (GFDRR). RFU focuses mainly on upstream DRF analytical and advisory work done by World Bank teams to initiate policy dialogue, inform the design of risk finance instruments, and support the preparation of lending operations. The GFDRR, which jointly forms the GSFF Secretariat with the World Bank's Disaster Risk Financing and Insurance Program (DRFIP), complements the DRF agenda by supporting countries in reducing

risk through improved disaster risk management (DRM).

**Through collaboration, GSFF aims to shape the development agenda of tomorrow.** It will work closely with the G7, G20, V20, and other key international forums to implement initiatives like the Global Shield and to design future initiatives to further strengthen the financial resilience of countries worldwide.

PHOTO CREDIT: MISBAHUL-AULIA



# KEY PRIORITIES



STOCK PHOTO



**BUILDING RESILIENCE**

GSFF Support for People in Climate-Hazard and  
Disaster-Prone Nations

**PROTECTING GOVERNMENT**

Enabling Macro-fiscal Stability through Budget  
Protection

**PROTECTING FIRMS AND JOBS**

GSFF's Contribution to Building Resilient  
Businesses and Economies



STOCK PHOTO



## PRIORITY 1

# BUILDING RESILIENCE

GSFF Support for People in Climate Hazard- and Disaster-Prone Nations



400,000 people will benefit from a GRiF grant in Bangladesh that supports two financial tools against flood risks.

**US\$490M**

World Bank Financing, including GRiF funds, supports the Social Support for Resilient Livelihoods Project in Malawi. With GRiF support, the Government of Malawi recently signed and paid the premium for a two-year insurance contract, with a maximum payout of around US\$10 million.

As its active portfolio makes evident, the GSFF focuses on countries highly vulnerable to climate and disaster challenges. These include numerous International Development Association (IDA) countries and several fragile and conflict-affected states.

The GSFF's approach focuses on addressing common technical capacity gaps and funding

shortfalls that governments and stakeholders may experience when setting up financial instruments. Many countries grapple with designing effective instruments and procuring essential funds, particularly those with lack of prior experience. GSFF's primary goal is to help these nations establish a proof of concept and seamlessly weave these strategies into their financial planning.

## SPOTLIGHT

### BANGLADESH

A GRiF grant in Bangladesh is supporting the development of two financial instruments against flood risks, both aimed at communities living along the Jamuna River (~400,000 beneficiaries, with daily incomes under US\$15). One is a first-of-its-kind, macro-level flood risk transfer, where government acts as the policyholder for an instrument that channels payouts to pre-identified beneficiaries. The second is a community protection fund that will be linked to the risk transfer instrument and offer coverage to pre-identified beneficiaries for events of different severities. In the past year, the project team in Bangladesh provided the government with valuable insights into instrument development, trigger designs, and lessons from nongovernmental organizations with similar flood programs. The potential to integrate digital payments like mobile wallets for social assistance distribution was explored.

PHOTO CREDIT: STEPHAN BACHENHEIMER, WORLD BANK



# SPOTLIGHT



PHOTO CREDIT: NIKADA

## MALAWI

With an economy that relies heavily on rain-fed agriculture, Malawi is increasingly vulnerable to climate shocks. The IDA- and GSFF-supported Social Support for Resilient Livelihoods Project bolsters Malawi's social protection strategy. The Social Support for Resilient Livelihoods Project is a World Bank project with a total of US\$490 million of support, including from IDA, the Crisis Response Window, the GSFF, and a stand-alone multi-donor trust fund. Employing two financial mechanisms—"flexible contingency financing" from the World Bank and the insurance premium from GSFF—this project fortifies resilience in the face of climate risks and enhances the well-being of vulnerable populations.

*"One of the project's beneficiaries from Ntcheu district opened a shop using his payout, and this shop exists to this day! This is a concrete example of how our efforts are really helping build financial resilience."*

**Mulder Mkutumula**

SCALABLE COORDINATOR FOR THE NATIONAL LOCAL GOVERNMENT FINANCE COMMITTEE, GOVERNMENT OF MALAWI

Every GSFF grant aligns with larger World Bank operations requiring matching funds from counterpart resources. Embedding these grants within extensive operations weaves financial planning into countries' development blueprints. Commitments from the IDA, the International Bank for Reconstruction and Development (IBRD), or national budgets signify deep engagement from GSFF partners.

During the IDA mid-term review, crisis preparedness emerged as a core theme,

spotlighting GSFF's pivotal role. Significant GSFF contributions, informed by analytical insights from GRiF on issues like food insecurity and adaptive social protection, were foundational to the review. Additionally, GSFF support for the Global Crisis Risk Monitor and the Crisis Preparedness Gap Analysis (CPGA) was prominently recognized in the IDA20 replenishment note.

## IMPACT EXAMPLE: HORN OF AFRICA

The DRIVE (De-risking, Inclusion, and Value Enhancement of Pastoral Economies in the Horn of Africa) Project's Drought Insurance Solution: Safeguarding the Most Vulnerable in the Horn of Africa

**US\$30M**

GRiF grant supports DRIVE's component consisting of a financial services package (including livestock insurance and formal bank savings) tailored specifically for pastoralists in Ethiopia, Kenya, and Somalia, along with a sovereign insurance product in Djibouti.



PHOTO CREDIT: HADYNYAH

### RESULTS YEAR 1

**170,000**

Pastoralists provided with livestock insurance and eligible for bonus payments for registering a bank savings account

**US\$3.35M**

Insurance payouts triggered in Kenya (~US\$2.5 million for ~53,000 policyholders) and Ethiopia (~US\$850,000 for ~15,000 policyholders)

**US\$2M**

Sovereign insurance policy for excess rain and drought placed in Djibouti (coverage of ~US\$2 million per year) through African Risk Capacity (ARC)

### EXPECTED OVERALL RESULTS (OVER FIVE-YEAR PROJECT LIFETIME)

**1.6M**

1.6 million pastoralists with access to financial services

**2500**

2,500 pastoralist groups connected to markets

**20**

20 trade facilitation measures supported by the project

The Horn of Africa (HoA) is one of the world's most vulnerable and impoverished regions. Its fragility is underscored by the prevalence of pastoralism and livestock rearing as the primary means of sustenance. These practices contribute to over one-third of the agricultural GDP in most nations and a staggering 80 percent in Djibouti and Somalia. Livestock represents not just a source of prosperity but a fundamental source of livelihood within this region. Yet when droughts strike, pastoralists have few options but to sell their livestock—generally at very low prices.

In August 2022, the World Bank initiated the De-risking, Inclusion, and Value Enhancement of Pastoral Economies in the Horn of Africa (DRIVE) project in Djibouti, Ethiopia, Kenya, and Somalia. Development of this project was driven by the critical requirement for a sustainable drought insurance solution tailored to pastoralists; this need called for a shift toward regional cooperation, enabling nations to pool their risks to the market. The DRIVE project aims to enable the HoA to confront the repercussions of climate change by facilitating access to financial services among HoA residents, including women, marginalized communities, and those most susceptible to vulnerabilities.

Financed by a substantial IDA allocation of US\$327.5 million, which is divided among the four participating countries, the DRIVE project is further bolstered by an additional grant of US\$30 million from the GRiF. This grant is earmarked for co-financing insurance premiums and aims to enhance the project's efficacy.

DRIVE's multifaceted approach encompasses a package of financial services in Ethiopia, Kenya, and Somalia. These include livestock insurance, savings mechanisms, and digital payment accounts. The project also conducts financial literacy training, aimed at empowering pastoralists to fully leverage the financial instruments. This approach goes beyond insurance and seeks financial inclusion in

a broader sense. The project has also set its sights on forging connections between pastoralists and the agricultural value chain.

DRIVE's approach is marked by its direct engagement with pastoralists through strong local outreach activities in combination with a digital channel platform to ensure that funds and services reach project participants efficiently. In the first year of sales, the product outperformed expectations by securing around 170,000 insurance policies, thus extending coverage to approximately 1 million pastoralists and their families. Notably, the project incorporated gender considerations from the start, with an explicit view toward closing the HoA's gender gap in account ownership. Women, who are among the most vulnerable of demographic groups, now account for 57 percent of policyholders.

In light of the HoA's recent emergence from a protracted drought period, there is a paramount need to develop an insurance product that is economically viable and accessible to those who need it the most. An impact evaluation to assess the project's effectiveness is expected within calendar year 2023. This is an important activity, since mere monitoring statistics often fall short in elucidating whether the intervention has indeed precipitated discernible changes in behavior and tangible results.

As the DRIVE project has gained traction, neighboring countries like South Sudan and Tanzania have expressed a desire to join the initiative. This momentum has also extended to countries across the broader Sahara region, where the project's applicability is evident and appealing.



PHOTO CREDIT: FLORE DE PRENEUF, WORLD BANK



## PRIORITY 2

# PROTECTING GOVERNMENT

Enabling Macro-fiscal Stability through Budget Protection



Around 2.8 million people, including 1.43 million females and 357,000 considered poor, are expected to benefit from a GRIF-funded catastrophe (CAT) bond in Jamaica.

US\$10M

A sum of US\$10 million has been channeled toward establishing Indonesia's pooling fund in line with international best practice, and US\$4 million has been channeled toward the technical expertise that is helping to develop the pooling fund as the centerpiece of the country's DRF strategy.

Because governments bear the immense responsibility of safeguarding citizens and businesses, climate disasters often thrust them into a challenging fiscal bind. They are expected not just to manage the immediate crisis, but also to ensure long-term stability and recovery. On the one hand, they grapple with spiraling expenses due to relief efforts, infrastructure repairs, and support services. On the other, revenue streams—primarily taxes—experience a significant downturn as businesses halt and individuals suffer losses. This imbalance compromises essential public services, and the financial strain not only threatens the continuity of critical services but also impedes the pace of recovery and rehabilitation. Hospitals may face resource constraints, schools could shutter temporarily, and vital infrastructure projects might be halted—further exacerbating the challenges of recovery.

The GSFF partners with governments to help them assess their exposure to varied climate risks. Utilizing DRF diagnostics, the GSFF identifies

potential threats and their economic impacts. The GSFF offers both technical expertise and financial support to help develop and implement streamlined financial solutions for quick access to funds. By promoting DRF strategies, the GSFF empowers governments to form sound plans that counteract and mitigate climate risks, thereby ensuring that vital sectors remain untouched by shocks to the fiscal budget.

Informed by climate risk assessments, the GSFF also supports countries in implementing DRF strategies. This is done through measures that protect the fiscal budget, such as risk transfer, credit guarantees, and adaptive social protection programs, as well as financial instruments like contingency funds, CAT bonds, and contingent credit arrangements. By using these resources strategically, governments can quickly secure and release critical financing in the wake of a disaster or crisis, thus mitigating the cost of natural disasters and ultimately protecting their fiscal budgets.

## SPOTLIGHT



PHOTO CREDIT: EMSON

### JAMAICA

A CAT bond issued in 2021 provides Jamaica with coverage of up to US\$185 million, which becomes available within two weeks of a tropical storm. Funds from GRiF enabled the design and implementation of the CAT bond in Jamaica, which offers tangible value as a timely financial lifeline and bolsters government protection and fiscal budget stability. With an expected 2.8 million potential beneficiaries, including 1.43 million females and 357,000 considered poor, the CAT bond's impact is strong. The instrument was recognized as the “Closing the Protection Gap” Initiative of the Year at the 2022 Trading Risk Awards. Jamaica's ongoing commitment to protecting its government and fiscal budget is also evident in its formulation of a National Natural Disaster Risk Financing Policy, developed with World Bank support and set for enactment by law.

A major disaster can disrupt a nation’s fiscal and societal equilibrium. **The GSFF extends its assistance to governments in contingency planning and budgetary preparation, thereby equipping them with the ability to mount an**

**effective response in the wake of such disasters.** Contingency funds allow governments to manage unexpected expenses without causing fiscal hardships.

## SPOTLIGHT



PHOTO CREDIT: WIJAYA KUSUMA

### INDONESIA

In 2021, to strengthen Indonesia’s fiscal and financial resilience to natural disasters, the government established the Pooling Fund for Disasters (Pooling Fund untuk Bencana [PFB]). This mechanism to protect the central budget brings together the country’s suite of DRF instruments and is designed to strengthen systems for the transparent flow of disaster funds. The GSFF has contributed US\$14 million to cover the pooling fund’s start-up and operating costs, to support the IBRD’s US\$500 million capitalization of the fund, and to establish clear delivery channels so that funds flow rapidly to recipients when needed. This fiscal year, Indonesia’s Ministry of Finance took significant strides to operationalize the proposed pooling fund by initiating the formulation of the necessary regulations. In parallel, the World Bank project team has collaborated with counterparts within the government on efforts to ensure that the fund’s resources can be effectively channeled to support the expenditures related to the state asset insurance program.

### IMPACT EXAMPLE: MOZAMBIQUE

**US\$970K**

A payout of ~ US\$1 million was made to the Government of Mozambique during Cyclone Freddy, early in 2023.

**US\$8M**

An US\$8 million GRIF grant, including technical assistance, was pivotal in empowering the government with viable options for Disaster Risk Financing.



PHOTO CREDIT: DIMITRY B

## ADDRESSING MOZAMBIQUE'S HIGH LEVEL OF DISASTER RISK:

With 60 percent of its population living in coastal areas and directly exposed to flooding and cyclone risk, the Government of Mozambique has prioritized disaster preparation and response since 1999, when it adopted its first disaster risk management resolution. Even though the country's disaster risk management framework has been steadily strengthened in the ensuing years, mobilizing sufficient finance for disaster response has proved to be a continuing challenge. A 2017 World Bank diagnostic found that between 2013 and 2014, the country still had a financial shortfall for post-disaster reconstruction equivalent to 70 percent of its losses and damage. To support the government in increasing pre-arranged finance for disaster response, the World Bank approved a project with US\$90 million in IDA financing in 2018. This helped operationalize and capitalize Mozambique's National Disaster Management Fund, supported the development of the country's first DRF strategy, and also supported the development, financing, and placement of sovereign catastrophe insurance against tropical cyclone risk.

## USING DISASTER RISK FINANCING TO REDUCE EMERGENCY FUNDING SHORTFALLS:

A GRiF grant provided Mozambique with financing and expertise to place a new sovereign risk transfer product. The project team leveraged the nascent local insurance market and brought in international reinsurers to facilitate the country's access to greater financial capacity. The grant covered the cost of developing a bespoke risk model underlying the insurance product as well as three years' worth of insurance premiums. The World Bank team is also working with government counterparts to enhance the overall public financial management of

disaster response spending, so as to ensure the country benefits optimally from its new financial instruments.

## AN IMMEDIATE PAYOFF AND A BLUEPRINT FOR THE FUTURE:

Mozambique hired a consortium led by a local broker to structure the final sovereign risk insurance product (which protects against tropical cyclone wind and excess rainfall) and to place it with markets in time for the 2022–2023 season. The insurance paid out in its first season: Tropical Cyclone Freddy hit the country in February 2023 and again in March 2023, affecting more than 1.1 million people.

A ~ US\$1 million payout to Mozambique's disaster fund helped replenish the fund's capital, which was used to alleviate the impact on people who lost their homes or faced exposure to water-borne diseases such as cholera. Mozambique and the World Bank team will work together to renew the country's insurance coverage for the upcoming season and will evaluate and recalibrate the risk model and insurance product, if needed.

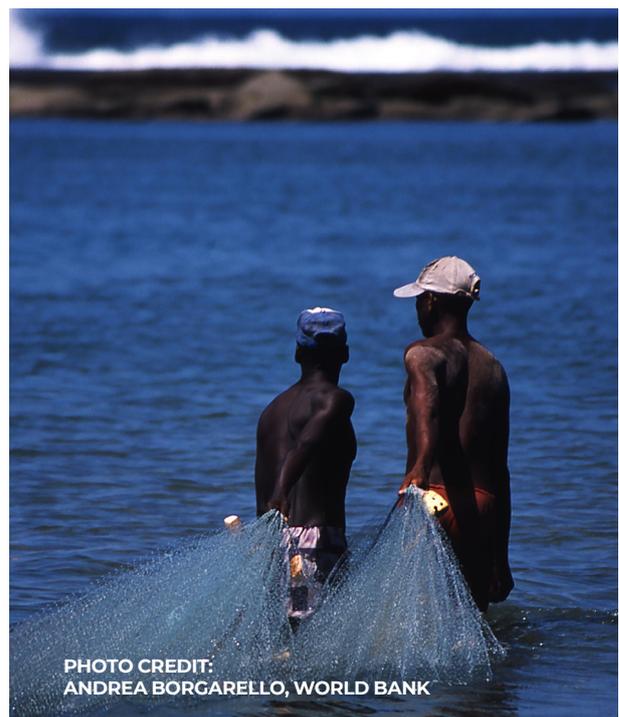


PHOTO CREDIT:  
ANDREA BORGARELLO, WORLD BANK



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### PRIORITY 3

# PROTECTING FIRMS AND JOBS

Our Contribution to Building Resilient Businesses and Economies

## US\$8.5M

A sum of US\$8.5 million was provided by GRiF to establish two financial instruments in Lesotho, including a resilience window for micro, small, and medium enterprises (MSMEs) within a proposed US\$4 million contingency fund, allowing the fund to specifically target shock affected MSMEs for emergency assistance.

## US\$2.5M

A sum of US\$2.5 million—part of the US\$8.5 million GRiF grant in Rwanda—has helped the country partially capitalize an US\$8 million bridge lending window and provided US\$500,000 for start-up costs.

Climate shocks such as floods or hurricanes can destroy the assets of firms and significantly reduce their revenues, which in turn can challenge their ability to cover expenses and meet their financial obligations. The impact of climate shocks on businesses can occur through multiple channels: (i) destruction of their productive assets, which also impacts their revenue, as the replacement of assets may take time; (ii) reduced supply, as the global supply chain can be affected or critical infrastructure destroyed; and (iii) tightening of credit conditions and a liquidity crunch, as financial institutions become more risk averse in an uncertain environment. Larger firms are typically better able to cope with such shocks than MSMEs, which often depend on banks for

external finance; limited access to bank credit can impact MSME's investments, their productive growth, and ultimately their viability.

GSFF prioritizes protection of jobs by designing innovative instruments that can ensure businesses' access to credit even after climate and disaster events. More broadly, GSFF promotes resilience at the firm level, focusing particularly on micro and small enterprises, which often bear the brunt of economic shocks from natural disasters. The approach goes beyond mere recovery; GSFF aims to mitigate socioeconomic aftershocks and help these enterprises first bounce back and then thrive, safeguarding livelihoods and the wider community's well-being in the process.

## SPOTLIGHT

### LESOTHO

In Lesotho, GRiF allocated US\$8.5 million to establish two distinct financial instruments. The first instrument will institute a resilience window within a proposed US\$4 million contingency fund; it is designed to provide emergency assistance to otherwise viable MSMEs affected by shocks. The second instrument comprises a sovereign insurance product designed to provide support to the contingency fund as a safeguard. The creation of a comprehensive MSME Resilience Fund Handbook—outlining core principles, operational procedures, and the fund's institutional framework—is also underway. In parallel, GSFF is facilitating the harmonization of business registries for both informal and formal MSMEs. This alignment streamlines the distribution of resilience payments during economic shocks triggered by disasters.



PHOTO CREDIT: UNITED NATIONS FAO PROGRAM

**Innovation is at the core of GSFF's efforts to protect jobs and livelihoods in vulnerable countries.** Innovative approaches create adaptive and responsive financial systems that empower

MSMEs to meet the challenges posed by climate change and natural disasters, thereby ensuring the preservation of employment opportunities and sustainable livelihoods in the face of adversity.

## SPOTLIGHT

### RWANDA

As part of a US\$257 million World Bank package to increase access to finance and support the recovery and resilience of businesses in Rwanda, GRiF provided US\$8.5 million to develop two financial instruments along with necessary technical assistance. The GRiF grant will provide US\$2.5 million to partially capitalize an US\$8 million bridge lending window and US\$500,000 for start-up costs. The bridge loans will provide agribusinesses with short-term financing through Rwanda's main source of agricultural guarantees, the state-owned Business Development Fund. An additional US\$1.5 million from GRiF will cover the premium payments for an insurance mechanism that serves as a backstop to the bridge lending window. In the event of a severe climate shock that creates demand for loans beyond the bridge lending window's capacity, payments from the insurance backstop will be used to capitalize it. The remaining US\$4 million is designated for activities that enhance Rwanda's technical capacity to develop and manage disaster risk finance instruments.



PHOTO CREDIT: A'MELODY LEE, WORLD BANK

## IMPACT EXAMPLE: BURKINA FASO

Shock-Responsive Finance for Micro, Small, and Medium Enterprises

### US\$75M

Ten financial institutions are participating in the Partial Portfolio Credit Guarantee (PPCG) and have cumulatively lent US\$75 million

### US\$12M

A US\$12 million GRiF grant helps Burkina Faso co-capitalize its crisis response window and open it for climate-related shocks within an existing PPCG scheme, in addition to the COVID-19 crisis response funded by IDA resources.



PHOTO CREDIT: MANUELADREAMS

Burkina Faso is home to a vast informal MSME sector that includes over 1.4 million businesses. However, of the 65,000 formal enterprises in the country, only 500 generate an annual turnover exceeding CFAF 1 billion (US\$1.8 million). The country has been facing a deteriorating security landscape while also witnessing a staggering increase in internally displaced persons (IDPs). A US\$12 million GRiF grant, embedded within a larger US\$100 million World Bank operation, supports Burkina Faso's MSMEs by facilitating continued access to credit during a climate-related shocks, so they can continue business activity after the shock. This grant supports Burkina Faso's crisis window to be open during climate-related crises within an existing PPCG, and to create a linked loan restructuring facility, primarily aiming at safeguarding banks and microfinance institutions from the compounded risk of drought and other significant climate risks.

### CRISIS RESPONSE WINDOW

The newly introduced Crisis Response Window within the credit guarantee fund was first financed by US\$10 million IDA resources tailored to aid small businesses severely impacted by the COVID-19 pandemic. This initiative has become fully operational and safeguards a US\$3.52 million loan portfolio affected by the COVID-19 crisis. Designed to cover restructured loans, with the support of the US\$12 million GRiF grant, it also offers short-term working capital to MSMEs showing resilience and potential to recover from climate-related challenges such as droughts. Moreover, the country is collaborating with the African Development Bank and the African Risk Capacity to train key decision-makers in the fundamentals of DRF and to undertake a comprehensive DRF diagnostic. These activities are laying the foundation for a more resilient Burkina Faso.

*“As of December 2022, 10 financial institutions are participating in the PPCG and have lent cumulatively US\$75 million—more than twice the PPCG endowment. With the increase in transaction, the PPCG manager in Burkina Faso has created seven positions. This project is facilitating access to finance and creating jobs in FCV [fragility, conflict, and violence] settings like Burkina Faso.”*

**Fatimata Dicko**

SENIOR FINANCIAL SECTOR SPECIALIST, WORLD BANK GROUP

## COMPLEMENTARY INITIATIVES

The upcoming GRiF-funded crisis window channel for climate-related shocks will complement other initiatives supporting the agricultural sector’s access to finance and its climate resilience. These combined efforts will provide comprehensive support to address the multifaceted challenges faced by the nation’s MSMEs.

## ENHANCING THE PPCG

GSFF’s contribution has bolstered Burkina Faso’s PPCG, which initially had US\$35 million in capital. This fund guarantees bank and microfinance institution loans to MSMEs, businesses in the agriculture sector, and women entrepreneurs.

It creates a safety net for these vital enterprises, allowing them to access essential financial resources.

GSFF is playing a pivotal role in securing the future of Burkina Faso’s MSMEs and strengthening the country’s overall resilience to climate risks. By strengthening credit guarantees, providing crisis response mechanisms, and fostering comprehensive DRF strategies, GSFF is helping to ensure that these vital enterprises continue to thrive, even in the face of adversity. Beyond merely shielding businesses, this comprehensive support aids in fortifying the nation’s economic pillars, propelling Burkina Faso toward stability and growth.



PHOTO CREDIT: DOMINIC CHAVEZ, WORLD BANK



# KEY THEMES



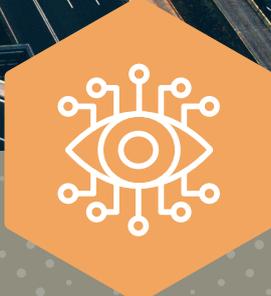
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**COLLABORATIONS WITH THE PRIVATE  
SECTOR FOR A SUSTAINABLE FUTURE**

**ADVANCING GENDER EQUALITY**

**PROMOTING GLOBAL KNOWLEDGE TO  
ENHANCE TECHNICAL OPERATIONS**

PHOTO CREDIT: MUHAMMAD RAVEL



# SHARED VISION, LASTING IMPACT:

Collaborations with Private Sector for a Sustainable Future

**US\$1B**

The Global Shield Financing Facility (GSFF) has mobilized over US\$1 billion in private capital, facilitated in 10+ countries, protecting close to 10 million beneficiaries.



The GSFF and the Insurance Development Forum have endorsed a partnership to institutionalize their ongoing collaboration on operational knowledge exchange. This will include project specific knowledge exchange focusing on GSFF projects under preparation and implementation, and thematic knowledge exchange to explore innovative financial solutions and culminate in a joint executive education program.

**Across all GSFF engagements with governments, the private sector remains a key partner.**

Particularly for design of risk transfer solutions and for placement of risk, governments rely on risk modelers, actuaries, and brokers as well as domestic and international markets.

**GSFF recognizes that private sector engagement is key for strengthening domestic insurance markets and accessing international reinsurance markets.** The GSFF provides grants to support

the design and implementation of financial solutions, including risk transfer solutions. Most developing countries lack well-developed domestic markets, and this limitation often acts as a barrier to international (re)insurance and capital markets. Through GSFF support, countries are able to strengthen their domestic markets and also leverage the capacity of international markets to expand the coverage of the risk transfer instruments they develop.

## SPOTLIGHT

### RWANDA

In Rwanda, GRIF's technical and financial support is enabling the use of risk-sharing facilities for shock response, and these facilities are being reinsured by domestic and international markets.



PHOTO CREDIT: A'MELODY LEE, WORLD BANK

## SPOTLIGHT

### MOZAMBIQUE

In Mozambique, the government purchased a sovereign-level insurance policy covering tropical cyclone and precipitation risks, bringing together both local and international insurers. This approach resulted in a US\$970,000 payout to the government during Cyclone Freddy, which occurred early in 2023. The predominant advantage of involving the private sector was the introduction of extra capacity and specialized expertise.



PHOTO CREDIT: JACEK SOPOTNICKI

By leveraging the strengths of various partners, the GSFF can help mobilize significant volumes of private risk capital for addressing the financial protection gap. Stakeholders and collaborators range from domestic insurers, brokers, and risk modelers to reinsurers and operations managers. The private sector is home to many experts who contribute technical and operational knowledge. Partnerships extend past the instruments

themselves; for example, collaboration with entities like the Insurance Development Forum enables capacity-building initiatives and creates pathways toward meaningful engagements with the private sector. Harnessing the prowess of diverse partners amplifies the role of private risk capital in disaster risk finance and helps close the insurance protection gap in developing nations.

## SPOTLIGHT

### DJIBOUTI

The Government of Djibouti recently purchased a sovereign insurance policy from the African Risk Capacity to cover the country against flash flooding and drought risks.

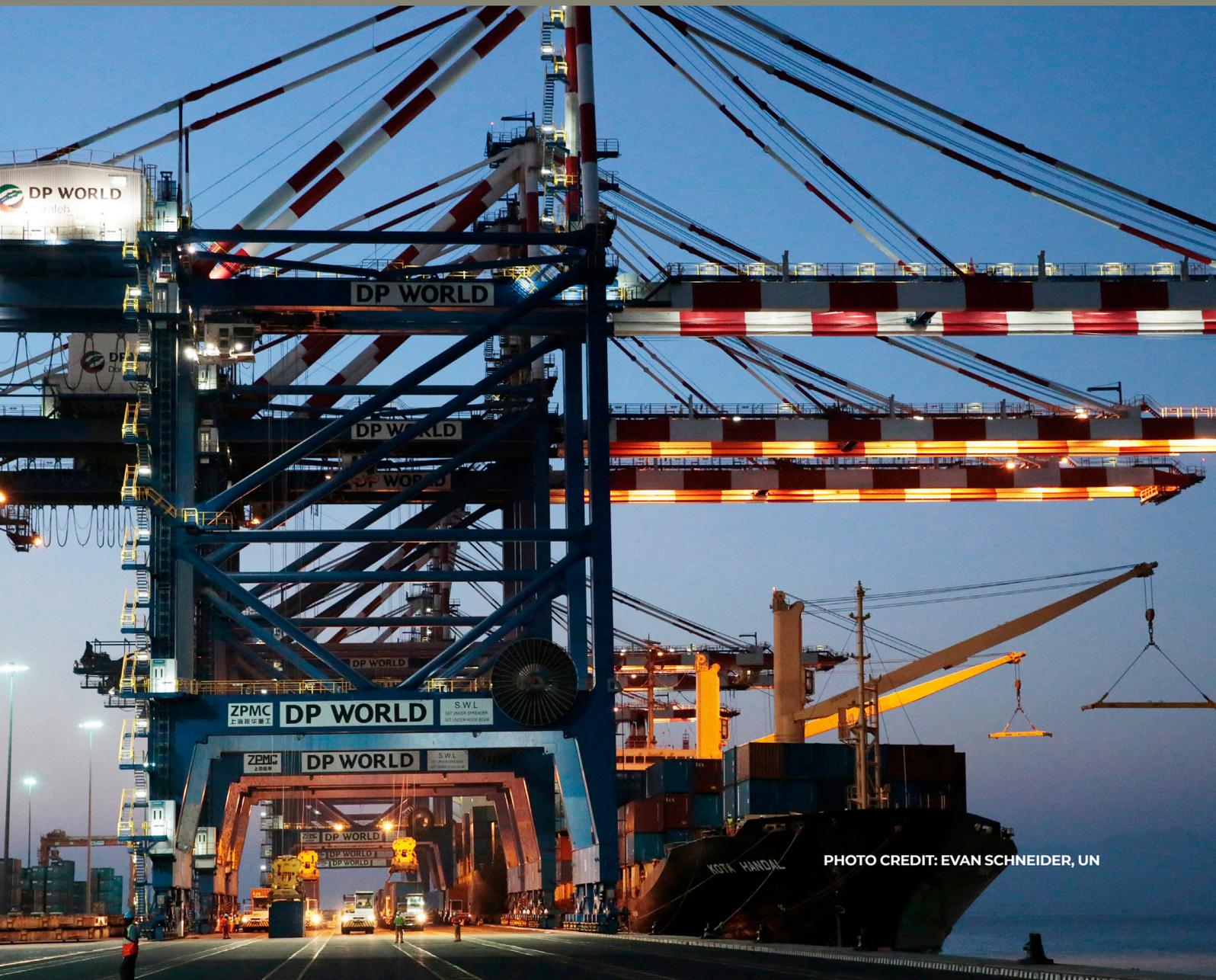


PHOTO CREDIT: EVAN SCHNEIDER, UN



PHOTO CREDIT: MARIE FRECHON, UN



# ADVANCING GENDER EQUALITY

## Malawi

In Malawi, a majority of the beneficiaries under the mechanism to scale up disaster response are female.

## Jamaica

1.43 million of 2.8 million beneficiaries are female.

## Lesotho

200,000 of 400,000 beneficiaries are female, and more than 50 percent of the 20,000 MSMEs supported by the GRiF grant must be women-owned.

## Morocco

15 million of 30 million beneficiaries are female.

## Bangladesh

200,000 of 400,000 beneficiaries are female.

## Democratic Republic of Congo

450,000 of 1 million beneficiaries are women.

## GRIF GRANT BENEFICIARIES: FOCUSING ON WOMEN

Gender gaps in several areas contribute to women being more severely affected by natural disasters than men. An estimated 80 percent of those displaced by climate change are women, and women are disproportionately represented among the 4 billion people globally who are excluded from social protection schemes. For example, only 26.3 percent of working-age women are covered by a pension scheme, compared to 38.7 percent of working-age men. Additionally, women make up 55 percent of the world's unbanked adults, meaning they have no access to financial services like bank accounts or insurance. As a result, they struggle to access information and funds, especially in emergencies. With the increasing incidence of natural disasters, the need to level the playing field for women—often the main caretakers of their families—has never been more pressing.

National government policy and regulatory frameworks relevant to disaster risk financing and insurance (DRFI) are commonly gender blind. Addressing gender dimensions in policy formulation and project work is not only important from a human rights perspective but also is good development policy and makes sound economic sense.



PHOTO CREDIT: DOMINIC CHAVEZ, WORLD BANK

It has been shown that companies with three or more women in senior management score higher in all dimensions of organizational performance.

Closing the gender gap in the workforce could add US\$28 trillion (26 percent) to the global GDP by 2025. However, most DRFI frameworks overlook gender inequalities in access to financial instruments and services, public financial management, government registration processes, and delivery channels for payouts.

Several areas of focus in the World Bank's existing and proposed Gender Strategy are highly relevant to DRFI interventions—specifically, human capital, gender-based violence, and economic participation. These are all areas where setbacks

are likely during and after a disaster. Women's leadership and engagement in climate action and disaster preparedness improve resource management and resilience. The proposed Gender Strategy points out that women are producers and adopters of climate change solutions on farms, in businesses, and at home, and they engage in preserving natural assets. Their leadership, innovations, and decision-making in climate and environmental action are associated with improved sustainability, resource management, and climate resilience. GSFF places a high priority on addressing gender gaps in DRFI and employs gender-sensitive methodologies to enhance outcomes for women in disaster preparedness and recovery, thereby contributing to the Gender Strategy's overarching objectives.



PHOTO CREDIT: JC MCILWAINE, UN

## THE GSFF'S OWN GENDER STRATEGY LISTS THREE MAIN PRIORITIES

**1. Incorporating gender into GSFF systems and processes:** Gender considerations are systematically integrated into GSFF's project design, approval, implementation, and result monitoring processes, ensuring that gender is considered throughout the project cycle to achieve results for women on the ground.

Newly developed GSFF scoping and proposal templates require teams to explain how they propose to systematically incorporate gender considerations into project design and implementation, and each proposal is reviewed by a gender specialist.

**2. Elevating gender knowledge and capacities:** A primary goal of the GSFF is to bolster the understanding of gender inequalities and their implications among World Bank DRFI task teams. By being connected to gender-focused resources, experts, and knowledge, these teams will be better equipped to design and implement project activities that contribute to closing gender gaps in DRFI.

An operational Gender Guidance Note for teams lists practical steps for including gender considerations in projects. Specialized knowledge products include a tailored Gender Monitoring & Evaluation Guide, which highlights key gender-related challenges in DRFI projects, offers ways to reduce these challenges, and includes a list of indicators to track progress for each action.

**3. Forging collaborative partnerships:** GSFF aspires to establish robust partnerships with humanitarian organizations and civil society entities. Partnering with such groups contributes expertise as well operational capacity and tends to increase reach and impact, in particular when it comes to reaching women.

The GSFF has enhanced its emphasis on gender while bolstering partnerships with humanitarian groups and civil society organizations. For instance, the upcoming "Practical Guide on Collaborating with Humanitarian and CSO Partners" includes a section on gender that lays the foundation for more systematic, results-oriented, and gender-inclusive collaboration in the future.

Engaging women in the strategic planning of disaster and climate risk management has multiple benefits: it ensures that diverse viewpoints are included; increases the likelihood that DRFI initiatives have sustainable, inclusive impact; and contributes to more comprehensive, economy-wide preparedness and recovery. Indonesia is resolutely pursuing a 30 percent representation of women in leadership positions for DRFI projects. In Burkina Faso, women's collectives spearhead workshops and discussions focused on enhancing the gender perspective in DRFI projects. In Lesotho, women's presence in work groups far surpasses that of men. The Government of Malawi's DRF task force is led by a woman, while in Sierra Leone, women provide invaluable contributions within the ranks of the Ministry of Finance.

## SPOTLIGHT

### HORN OF AFRICA

A total of 57 percent of the households benefiting from the GRIF-funded DRIVE Project in the Horn of Africa are female-led, and the project also facilitates the opening of savings accounts by women and provides education and outreach programs tailored to them.



## SPOTLIGHT

### LESOTHO

The Lesotho Competitiveness and Financial Inclusion Project aims to increase access to business support services and financial products for MSMEs, particularly those owned by women (who represent more than 50 percent of workers in the informal sector), through the design of appropriate DRF instruments.



PHOTO CREDIT: JOHN HOGG, WORLDBANK



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# PROMOTING GLOBAL KNOWLEDGE

to Enhance Technical Operations



Forty GRiF grants have been awarded across eight sectors; 14 of these are co-financing World Bank projects in countries, and two are setting up innovation investment programs



Training for 2,500 stakeholders from 67 countries was co-financed through GSFF grants in FY23



Over 150 modular training and learning tools are available through the Financial Protection Academy, which is partially financed by the GSFF

The GSFF combats the fragmentation of climate and disaster risk finance and insurance initiatives through active collaboration with diverse stakeholders, thereby promoting efficient resource allocation and a unified global response. Under its first pillar, which focuses on global engagements, GSFF contributes significantly to closing the protection gap, in part by partnering closely with the Global Shield against

Climate Risks and its working groups, in-country processes, and governance bodies. **As one of the Global Shield's three financing vehicles, GSFF works alongside the other two—the Global Shield Solutions Platform and the Climate Vulnerable Forum/V20 Joint Multi-donor Trust Fund—to enhance the global effectiveness of climate and disaster risk finance and insurance.**

By sharing innovative best practices and insights, GSFF strives to influence the broader discourse on gender-sensitive DRFI. Proposed practical knowledge tools on gender and risk analytics, gender and DRF in smallholder farming, and comprehensive GSFF country case studies all elevate the technical efforts in DRFI. Such resources are frequently developed hand in hand with Global Shield partners, especially with InsuResilience's Centre of Excellence for Gender-Smart Solutions. These collaborations help ensure complementarity with the overarching Global Shield framework.

The GSFF makes innovation investment grants that target gaps in the quality and accessibility of risk data in lower-income or conflict-affected countries, where data are often scarce and information does not stretch far enough back to sufficiently analyze trends. Innovation investments aim to enhance technical expertise within under-resourced countries and to encourage the development of solutions that are more relevant and appropriate to their circumstances.

In Malawi, GRiF analytical tools incorporating risk inputs, such as satellite-derived rainfall and vegetation data, assess the severity of droughts across different regions. This information is then used by the government to scale up social protection payments during times of greatest need, optimizing the adaptive social protection system.

A US\$4.2 million innovation investment grant was awarded to the Crisis Risk Finance Analytics (CRFA) program, which leverages technological advances to improve the information used to inform pre-arranged financing solutions. Under this program, the World Bank has partnered with the European

Space Agency to link information from on-the-ground operations with the most sophisticated analytical technology, making it easier to scale up climate and disaster risk financing in a sustainable, robust, and transparent manner. In Morocco, this work is informing the strengthening of the solidarity fund for catastrophic events mechanism to include new risks and respond more effectively after shocks.

**The GSFF aims to make the CRFA toolkit more widely available.**<sup>3</sup> The focus is on advancing DRF through research and development, making this knowledge accessible for informed decision-making. The Next Generation Drought Index (NGDI)—the product of a World Bank collaboration with experts across academia, technical consultancies, and satellite companies—is an essential tool that comprehensively assesses drought in specific regions.

The NGDI's "convergence of evidence" approach collects drought data for multiple purposes, including decision-making, adaptive social protection, and agricultural insurance.

3 - THE CRISIS ANALYTICS TOOLKIT, ADAPTABLE TO DIFFERENT GOVERNMENTAL OBJECTIVES AND CAPACITIES, IS FUNDED THROUGH VARIOUS TRUSTS AND SOURCES, AND DRAWS FROM THE WORLD BANK'S EXTENSIVE EXPERIENCE AND PARTNERSHIPS.



## INTEGRATED OPERATIONAL CAPACITY-BUILDING APPROACH

The GSFF has been instrumental in providing client countries with knowledge and expertise on financial risk management for disasters, climate shocks, and other crises. It has worked toward establishing a standard skill set to bring tailored guidance to Ministries of Finance and other relevant stakeholders.

The GRiF website serves as a digital knowledge platform, attracting over 50,000 views annually. Over 2,000 professionals have availed themselves of GSFF annual operational talks; these have become a nexus for industry dialogue that fosters collaboration and enables shared insights. The financial support of GRiF in FY23 led to the production of over 30 knowledge products. Among them was the “Women in Risk Finance” webinar, which was delivered on International Women’s Day. This annual webinar emphasizes the integral

intersection of gender and financial resilience; its associated podcast consistently receives significant attention and has averaged 3,250 downloads per episode. The GSFF-financed “In the Spotlight” series, whose publications have garnered over 20,000 reads each, strategically showcases the journeys of influential DRF leaders and trailblazing DRF projects. The GSFF focuses not just on amplifying the dialogue but also on driving impactful changes and innovations in the realm of disaster risk finance.

In FY23, through a bilingual ‘training of trainers’ initiative carried out in collaboration with the National University of Costa Rica (a Global Shield pathfinder country), the GSFF trained academics and local government representatives to further scale learning and technical knowledge on DRF. This initiative, co-financed by the Risk Finance Umbrella Program, has been instrumental in expanding DRF knowledge and underlines the GSFF’s commitment to cultivating a well-informed community.

**The GRiF-funded Global Capacity Strengthening Program aims to empower government officials in developing countries to design and implement financial solutions for climate shocks, disasters, and crises.**

It offers in-country support, access to international expertise, and customized training. Strengthened government capacity increases the sustainability of financial instruments co-financed by GSFF. The program has three components: resident advisors (local hires), international mentors (specialized experts), and a technical capacity building ecosystem to support risk finance operations and empower stakeholders with knowledge and skills in crisis and disaster risk finance. A pilot program was delivered and tested in Indonesia, where a Risk Finance Fellow was placed within the government to help develop and scale the Financial Protection of Public Assets Program.

The GSFF also co-finances three core knowledge building blocks that provide GSFF client countries with operational capacity strengthening as well as comprehensive learning and knowledge resources:



**The Financial Protection Academy's** offerings are demand-driven and directly linked to the World Bank's and GSFF's operational projects;

this academy has trained more than 30,000 stakeholders in both in-person and virtual settings. Product offerings include e-learning, webinars, stand-alone learning modules, toolkits, interactive games, virtual certification series, and executive education programs. Programs include partnerships with global universities like University of Cambridge (UK), Stanford University (US), Georgetown University (US), University of Stellenbosch (South Africa), University of Antananarivo (Madagascar), National University of Singapore, and BRAC University (Bangladesh), among others. Other knowledge partners include the Commonwealth Secretariat, InsuResilience Global Partnership, Centre for Disaster Protection, World Food Programme, International Federation of Red Cross and Red Crescent Societies, BRAC Bangladesh, and the Start Network.

**The Financial Protection Forum** is a global knowledge repository on DRF and a one-stop information platform enabling wider distribution of publications, learning materials, and case studies and serving as a virtual convening space for knowledge and exchange on DRF. The Global Risk Finance Capacity Strengthening Program will leverage and scale the resources and credibility built through this already established knowledge ecosystem.

**The DRF Community of Practice** is among the largest and most active groups of DRF practitioners and professionals worldwide, and the fastest-growing COP within the World Bank Group. The DRF COP allows clients to participate in discussions and build valuable relationships, and it provides practitioners support through a network of online and offline COP events and activities. Established in 2016, the DRF COP now has over 10,000 members globally.

**Monitoring, Evaluation, and Learning (MEL):**

*To further learning and measure progress, the Theory of Change and Results Framework developed under the GRiF has been revamped and modified to inform operations in a more targeted manner. The revised set of indicators allows GSFF to measure progress more meaningfully across the breadth of GSFF support. Learning from the work on GRiF, the team understands that the process of activating or placing a DRF instrument is not straight-forward, takes time, and involves many, often compounding challenges. The new MEL component of GSFF will better capture, as lessons learned, how task teams and their government counterparts overcome challenges to successfully place DRF instruments, ultimately reducing the protection gap.*



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**Global Shield**  
Financing Facility

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