



CAREC Disaster Risk Engagement Meeting

Context: Disaster risk is financially and socially material to CAREC member states, and the risk is growing. Flooding, earthquakes and infectious disease outbreaks rank highly in terms of frequency and/or severity. Physical processes associated with climate change are altering the characteristics of flooding events. Continued economic development increases the value-at-risk. Globalised flows of people and goods reduce an individual government's ability to respond to an infectious disease outbreak alone. Following the onset of a disaster, government response includes financing and delivering emergency relief, rehabilitation, and reconstruction.

All CAREC member countries have a deficit of robust risk financing for flood, earthquake and infectious disease events. Recent catastrophic flood and earthquake events in CAREC member states caused many deaths and extensive economic and social damage. COVID-19 showed global and regional exposure to the escalating damage of outbreaks with weak early response.

Pre-arranged disaster financing is uncommon across CAREC member states, and where this does exist, it is likely to be exhausted rapidly following a severe event. Improved risk management and financial resilience is of growing importance to promote the implementation of risk reduction measures and risk transfer solutions amidst this backdrop of risk drivers.

A regional approach to disaster risk management and financing could benefit many countries simultaneously. With common risks faced from floods and earthquakes, and a pandemics knowing no boundaries, regional cooperation for solutions can materially narrow the protection gap. Innovation of risk financing tools presents new, flexible options to secure financial protection. As a multilateral institution, ADB can support CAREC member governments in developing physical and financial protection through the international insurance markets and/or the capital markets.

Purpose: To present on and discuss with CAREC countries the disaster risk profiling and risk transfer work developed under the regional Technical Assistance (TA) on Developing a Disaster Risk Transfer Facility in the Central Asia Regional Economic Cooperation (CAREC) Region.

Key objectives: To (i) present work on disaster risk profiling and disaster risk transfer already delivered; (ii) discuss existing best practice regional earthquake, flood and infectious disease disaster risk transfer solutions and options for the CAREC regions; and (iii) conduct individual discussions and consultations with CAREC countries. This is the first physical meeting to be convened under this TA. It will present results from the first phase. It will discuss options for risk financing and provide clear direction for future development over the second phase of work.

Date and Venue: 28-30 November, Istanbul, Türkiye

Format: Hybrid meeting, with keynote speeches, presentations, small group sessions, and individual country meetings. Attendance in person is preferred. Each day will allow for follow-ups with officials following their interests.

Attendance: Government officials from the Ministries of Finance, Disaster/Emergency Management, and Health.

Agenda: The first day presents work on disaster risk profiling and disaster financing already delivered as well as best practice examples from other regions. The second day focuses on regional disaster and infectious disease risk transfer options, with small group sessions for consultation and input. The third day focuses specifically on Disaster Relief Bonds and is reserved for individual discussions and consultations with governments.

ADB staff and WTW experts will be available at the end of each day for Q&A.



PROGRAM

Day 1: 28 November, Monday

Time	Activity
0830-0900	Registration and Zoom Log-in
0900-0930	<p>Opening Session</p> <p>Welcome Remarks: Lyaziza Sabyrova, Director, Regional Cooperation and Operations Coordination Division, Central and West Asia Department (CWRD), Asian Development Bank (ADB) [virtual]</p> <p>Opening Remarks: Mr. Zhiyong Fang, Director General, Department of Disaster Relief and Material Support, Ministry of Emergency Management, People's Republic of China [virtual]</p>
0930-1030	<p>Session 1: Introduction to CAREC Disaster Risk Project and Summary of Initial Results</p> <p><i>Overview of project and summary of results from earthquake, flood, and infectious disease risk following modeling conducted and estimate the potential financial gaps following a disaster event.</i></p> <p>Thomas Kessler, Principal Finance Specialist, Sustainable Development and Climate Change Department (SDCC), ADB Christopher Au, Disaster Risk Financing Expert, WTW</p>
1030-1100	Coffee Break and Group Photo
1100-1230	<p>Session 2: Disaster Risk Financing Theory</p> <p><i>An introduction of the principles of disaster risk financing and how it works with existing government policy. This will include a range of different DRF instruments to understand how risk financing layering is applied at a government level. It will use best practice, including case studies from across the world and explain how these could apply to the CAREC region.</i></p> <p>David Simmons, Disaster Risk Financing Specialist, WTW</p>
1230-1400	Lunch
1400-1530	<p>Session 3: Infectious Disease Risk Financing</p> <p><i>An overview of the principles of infectious disease risk financing and how this links to risk financing theory. Financing mechanisms have already been proposed, and these will be presented and explained further. How these mechanisms link to the CAREC Health Strategy will also be explained.</i></p> <p>Kirthi Ramesh, Social Sector Specialist, Social Sector Division (CWSS), CWRD, ADB [virtual] Christopher Au, Disaster Risk Financing Expert, WTW</p>
1530-1600	Coffee Break
1600-1730	<p>Session 4: Examples of Regional Disaster Risk Financing</p> <p><i>An introduction and explanation of a regional risk financing facility. Such a facility can take many risk financing forms, with regional collaboration a key principle. This will reference international examples around the world, including CCRIF SPC, ARC and the Pacific Alliance Cat Bonds. It will identify how these structures could work in CAREC.</i></p>



Time	Activity
	David Simmons, Disaster Risk Financing Specialist, WTW Mr. Isaac Antony, Chief Executive Officer, Caribbean Catastrophe Risk Insurance Facility (CCRIF) Mr. Héctor Santana Suarez, Head of Insurance, Pensions and Social Security, Ministry of Finance, Mexico [virtual] Tim Nielander, Legal and Regulatory Specialist, WTW
1730-1830	ADB and WTW team will be available for follow-up questions of participants
1900-2100	CAREC-hosted Dinner

Day 2: 29 November, Tuesday

Time	Activity
0830-0900	Registration and Zoom Log-in
0900-0930	Opening and objectives for Day 2 Rie Hiraoka, Director, CWSS, CWRD, ADB [virtual] Benjamin Coghlan, Senior Health Specialist, SDCC, ADB [virtual, TBC]
0930-1015	Keynote Speaker: Lessons from CCRIF SPC Mr. Isaac Antony, CEO, CCRIF <i>Isaac will explain the development and growth of CCRIF as a regional risk financing facility. This will cover the current product offerings and future plans, and how CCRIF continues to provide value to member countries over time.</i>
1015-10:30	Coffee Break
1030-1245	Session 5.A1: Disaster Risk Management Interface <i>A short overview of the DRMI and its functions. There will then be interactive small group sessions to develop familiarity and comfort with the interface. Understanding how it can support decision-making will be the focus.</i> Jamie Pollard, Disaster Risk Financing Expert, WTW David Simmons, Head, Disaster Risk Finance, Climate and Resilience Hub, WTW
1030-1245	Session 5.B1: Infectious Disease Risk Management and Risk Financing <i>An explanation of how infectious disease risk management and risk financing are supportive of each other. This will cover how global health organizations are responding to the challenges revealed by COVID-19 and plans being made for future resilience to outbreaks.</i> Christopher Au, Disaster Risk Financing Expert, WTW Mr. Jussi Sane, Emergency Response Consultant, WHO Health Emergencies Programme
1245-1415	Lunch
1415-1600	Session 6.A2: Small group sessions: how to advance regional disaster risk financing options? <i>Explore opinions and interests in options proposed in sessions 5 and 6 (perhaps on a country-by-country basis)</i>
1415-1600	Session 6. B2: Small group sessions: how to advance regional infectious disease risk financing options? <i>Explore opinions and interests in options proposed and (perhaps on a country-by-country basis)</i>
1600-1630	Coffee Break/Collection of Feedback for Final Presentation



Time	Activity
1630-1715	<p>Session 7: Conclusions and Steps to Regional Disaster Risk Financing <i>Summary of lessons learned, agreement of steps to institutionalize and operationalize disaster risk financing for the region</i></p> <p>Thomas Kessler, Principal Finance Specialist, SDCC, ADB David Simmons, Head, Disaster Risk Finance, Climate and Resilience Hub, WTW</p>
1715-1830	ADB and WTW team will be available for follow-up questions of participants

Day 3: 30 November, Wednesday

Time	Activity
0830-0900	Registration and Zoom Log-in
0900-0930	<p>Opening and objectives for Day 3 Junkyu Lee, Chief of Finance Sector Group, SDCC, ADB [virtual] Jonathan Grosvenor, Assistant Treasurer, ADB [virtual, TBC]</p>
0930-1015	<p>Keynote Speaker: Lessons learned from Mexico Mr. Héctor Santana Suarez, Head of Insurance, Pensions and Social Security, Ministry of Finance, Mexico [virtual]</p> <p><i>Hector will outline the risk informed decision-making process which led the Mexican government to develop its Disaster Risk Finance Strategy and in particular the Pacific Alliance Cat Bonds program</i></p>
1015-1130	<p>Session 8: Disaster Relief Bonds <i>The session will outline a proposal for a regional disaster Relief Bond structure for the CAREC countries</i></p> <p>Thomas Kessler, Principal Finance Specialist, SDCC, ADB David Simmons, Head, Disaster Risk Finance, Climate and Resilience Hub, WTW</p>
1130-1230	<p>Wrap-up and Next Steps <i>Lessons learned from the Engagement Event</i></p>
1230-1400	Lunch
1400-1700	<p>Individual Country Sessions <i>WTW and ADB staff will remain available for further discussions with CAREC members</i></p>