The ECOTRUST Climate Resilience Insurance Fund (CRIF)

Drawing lessons from and building on the Community Carbon Fund (CCF). In the current carbon sale structure, only 90% of the carbon produced by a farmer is saleable, the 10% being the non-saleable risk buffer carbon. Of the saleable carbon, 10% is a contribution to the Community Carbon Fund (CCF). CCF acts as a financial risk buffer for natural hazards leading to carbon loss by a farmer or community e.g. prolonged droughts, floods, landslides, diseases and pests, and wild or bush fires.

The Opportunity

The Climate Resilience Insurance Fund will **increase the resilience of communities and the most vulnerable.** Climate Risk Insurance will address the comprehensive risk management needs of vulnerable people, in a way that catalyses climate resilient development. Climate risk insurance is a vital instrument within a comprehensive climate risk management system, spanning a continuum of prevention, risk reduction, risk retention and risk transfer.

The Ambition

Increasing access to insurance - Climate risk insurance will play numerous roles at individual, household and community levels. It will provide security against the loss of assets, livelihoods and even lives in the post-disaster period; ensuring reliable and dignified post-disaster restoration; setting incentives for prevention; providing certainty for weather-affected public and private investments, and easing disaster-related poverty and spurring economic development. Today, insurance is not widely available for vulnerable people.

How it will work

A comprehensive approach focusing on the extreme poor who would fall into extreme poverty when disasters occur will be designed The Climate Risk Insurance will be based on a composite **Climate Resilience Screening Index** (CRSI) characterizing community **resilience** outcomes that are based on risk and changes in governance, societal, built and natural system characteristics.

Intended to help communities target potential areas for resources to increase relative resilience given specific hazard profiles