

New G7 action to keep people safer from climate disasters

The UK, Germany and USA have today announced new action to scale up protection for the world's most vulnerable communities against the impacts of climate change.

A package of support, including £120 million in new funding from the UK and €125 million in new funding from Germany, will enable quicker responses for vulnerable people when extreme weather and climate-linked disasters hit.

Pre-arranged financing for vulnerable communities will help build the systems needed to reach the poorest people quickly, such as payments when harvest fail.

This will protect those most at risk and help reduce losses and damage to communities, infrastructure and livelihoods caused by climate change. It comes ahead of the UK's hosting of the COP26 climate conference in Glasgow, in November 2021 which must make progress on helping poor communities adapt to climate change.

The UK and Germany will also use this money to invest in the regional disaster protection schemes across Africa, South East Asia, the Caribbean and Pacific to protect the lives and livelihoods of poor and vulnerable people against climate risks. This support contributes to the InsuResilience Global Partnership's Vision 2025 and the Risk Informed Early Action Partnership (REAP) – two key global coalitions working to reduce the impact of disasters.

In addition, the USA confirmed it will join the UK, Germany and other G7 countries as a member of the InsuResilience Global Partnership and REAP.

Together, this joint action represents substantial new support for countries on the frontline of climate change and humanitarian disasters.

The severity and frequency of severe weather and climate-linked natural disasters is increasing as climate change worsens. Developing countries, women, girls and other often marginalised groups are worst affected.

This means many of the world's most vulnerable communities are on the frontline. Extreme weather and slow-onset disasters like drought and rising sea levels not only threaten lives, but can also cause loss of and damage to critical infrastructure, as well as the natural environment. From hurricanes and heavy rainfall in the Caribbean and Pacific, to droughts and failed harvests in Africa, without action, climate change could push more than 100 million people below the poverty line as soon as 2030.

UK Foreign and Development Secretary Dominic Raab said:

Tackling climate change is one of the greatest threats of our time

as without action, it could push more than 100 million people below the poverty line as soon as 2030. This joint UK, US and German action will enable quicker responses to extreme weather and climate-linked disasters in countries bearing the brunt of climate change.

German Development Minister Gerd Müller said:

Climate change is a reality – and we must not lose sight of this fact even in these times of the COVID-19 pandemic. It is important that the UK G7 Presidency has made climate action a focus of the summit. As those most responsible for causing climate change, we must assume responsibility for its consequences. Droughts in Africa, floods in Asia – for the poorest, these climate disasters often mean the loss of their livelihoods. But less than 5% of the damage in these countries is covered by insurance. Through our new commitments, we are taking an important step towards insuring, by 2025, 500 million people in developing countries against damage caused by climate change. This means that emergency programmes can provide quick and targeted assistance to those affected when a disaster strikes.

Ambassador Samantha Power, Administrator of USAID said:

Investments that help communities adapt and build resilience to climate change is not just the right thing to do, but the smart thing. Every dollar we invest in adaptation and resilience saves us \$3 in humanitarian assistance when crisis strikes.

Nigel Clarke, DPhil, MP, Jamaica's Minister of Finance and the Public Service, said:

It is increasingly evident that disaster risk financing is central to fiscal and debt sustainability. The Government of Jamaica therefore welcomes the new commitments by the G7 towards disaster risk financing; this will help build resilience to climate change and its fiscal impact. Jamaica is implementing a multi-layered strategy of risk transfer instruments. This ex-ante fiscal planning reduces Jamaica's sovereign risk premium, and will provide fiscal resources to help finance the emergency costs associated with natural disasters and other climatic shocks.

The new package of action was announced following the G7 Leaders Summit in Carbis Bay, Cornwall, UK. It builds on commitments agreed by G7 countries last month to support efforts to respond to the risk of famine and other humanitarian disasters, as well as the rising threat of loss and damage and

to make people safer from disasters through early warning, better preparedness and early action. This is in addition to action to scale up the finance needed to help countries adapt to the impacts of climate change.

- The new support announced today follows G7 Leaders' commitments to the \$100bn Climate Finance goal, particularly to increasing funding for early action and managing of disaster risks.
- The InsuResilience Global Partnership www.insuresilience.org is a global initiative to increase the climate resilience of developing countries and protect the lives and livelihoods of poor and vulnerable people against the impacts of disasters. It brings together more than 100 partners from G20 and V20 countries, civil society, international organisations, the private sector, and academia to achieve its Vision 2025, including to cover 500 million poor and vulnerable people against climate and disaster shocks by 2025. Currently, the InsuResilience Global Partnership is active with 22 programmes in around 100 countries. In 2020 alone, InsuResilience was able to protect 137 million poor and vulnerable people against climate and disaster risks. More information can be found at [www.insuresilience-solutions-fund.org/] (<https://www.insuresilience-solutions-fund.org/>)
- The Risk Informed Early Action Partnership (REAP) launched at the UN Climate Action Summit in September 2019 to bring together stakeholders across the climate, humanitarian, and development communities with the aim of making 1 billion people safer from disasters by 2025. More information on REAP targets and members can be found at www.early-action-reap.org