Saint Vincent and the Grenadines Disaster Risk Financing Strategy

December 2022

Contents

I. Background Note 3
II. Objectives of the Strategy for Disaster Risk Financing 4
III. Strategic Priorities of the Ministry of Finance in Managing Fiscal Disaster Risk 5
IV. Strategic Priority 1 6
V. Strategic Priority 2 .... **Error! Bookmark not defined.**
VI. Strategic Priority 3 8
VII. Strategic Priority 4 10
VIII. Implementation 12

I. Background Note

1. Saint Vincent and the Grenadines (SVG) is exposed to high levels of risk to hydrometeorological and geophysical hazards,[1] which have had significant negative impacts on its economic and fiscal stability, as well as on the safety and well-being of the population. In addition to the large hydrometeorological events, there are many less severe, localized events which have smaller impact, but which nonetheless cause economic and livelihood disruption and put a strain on the country's resources. In the past several years, although it has been spared catastrophic hurricanes, SVG occasionally experienced heavy rains, which led to flash flooding and landslides.

2. Geophysical hazards have always been on the country's radar because of the active La Soufrière Volcano and the existential threat of volcanic eruptions. The impacts of the 2021 series of eruptions resulted in total direct damages and indirect losses of US$235 million. Hydrometeorological hazards are also an ever-present threat given SVG's location in the Atlantic Hurricane Belt, and the scientific consensus that these events are expected to increase in frequency and severity with the impacts of climate change. Biological hazards have come to the fore. Public health-related emergencies including outbreaks of dengue fever, zika, chikungunya, and, more recently, the COVID-19 pandemic are another type of economic shock that the country has had to grapple with.

3. Quantifying contingent liabilities to these hazards if the first step in preparing financially for impacts. On average, in the long term, the Government of Saint Vincent and the Grenadines (GoSVG) would need to cover losses of approximately US$11 million (EC$29.7 million) annually—1.3 percent of SVG's 2019 gross domestic product (GDP)—to address its contingent liabilities related to hydrometeorological events. This amount is equivalent to 5.9 percent of the Government's total expenditure for 2019. Hurricane damage to public and private building infrastructure alone will amount to US$9 million (EC$24.3 million), on average, each year over the long run. For any given year, SVG has about a 1 percent probability of government losses exceeding US$101 million (EC$273 million).

4. The GoSVG recognizes the importance of mitigating these events and has taken several steps to strengthen the country's disaster risk management (DRM), climate change adaptation (CCA) and develop strategies to promote resilient planning. Further to that, GoSVG updated the National Comprehensive Disaster Management (CDM) Policy in 2020 to improve alignment with the changing hazard landscape and national, regional, and international frameworks. The new CDM Strategy (2014–2024)[2] includes emerging priority areas such as physical and environmental planning, finance, and economic development. It also focuses on the strengthening of public-private partnerships (PPPs) within all sector groups, enhanced results-oriented programming, monitoring, and evaluation, and a more strategically aligned integrated risk management approach where climate change considerations are integrated into priority sectors.[3] SVG is currently

[1] Hydrometeorological - high wind, excess rainfall, hurricanes, and drought; geophysical - seismic, volcanic, tsunami.

[2] GoSVG. "(Draft) Comprehensive Disaster Management Policy."

[3] Comprehensive Disaster Management Policy and Strategic Implementation Plan for Saint Vincent and the Grenadines, September 2020.

implementing a World Bank-funded Regional Disaster Vulnerability Reduction Project (RDVRP) which aims to measurably reduce vulnerability to natural hazards and climate change impacts in SVG and in the Eastern Caribbean subregion, through a combination of infrastructure works, procurement of critical goods, and technical assistance activities that improve capacity to identify and manage climate and disaster risks.

5. The GoSVG has made substantial progress in developing ex-ante financing arrangements but can adjust its approach to disaster financing to be more timely, flexible, equitable, and cost-effective. Following a disaster, the GoSVG can access immediate liquidity for emergency expenses through its well-legislated Contingencies Fund. Beyond the Contingencies Fund, the GoSVG reallocates resources within the domains of ministries to meet pressing costs, which may stall other investment priorities. Financing costs for medium to severe events are further covered by a contingent financing arrangement and modest parametric insurance coverage from wind, rainfall, and earthquake events. However, ex-ante insurance mechanisms for implicit contingent liabilities such as vulnerable populations and sectors, as well as private assets, is falling far short of its potential. Critical utilities responsible for public goods, whether privately or publicly owned, have historically been limited in financial protection options due to cost and availability. Additionally, dated disaster response and hazard risk management plans can delay the time it takes to make needs-based decisions on prioritizing recovery and reconstruction spending.

6. Understanding the importance of reducing fiscal risk to disasters, in addition to physical risk, the Ministry of Finance, Economic Planning and Information Technology (MoFEP) is committed to developing strategies for reducing its contingent liabilities in relation to disasters and to managing the fiscal risk resulting from these events.

II. Objectives of the Strategy for Disaster Risk Financing

7. The primary objective of the Strategy is to strengthen the ability of the MoFEP to assess, reduce and manage fiscal risk due to disasters. This objective will be achieved through the overarching development goals and short, medium, and long-term strategic priorities described in the Strategy. These development goals and strategic priorities have been developed through a quantitative and qualitative analysis of (i) probabilistic hazard risk, (ii) gaps in the GoSVG's current approach to financing disaster risk, (iii) public financial management (PFM) systems, (iv) the domestic non-life insurance sector, and (v) national priorities. Moreover, they were informed by international best practices in disaster risk financing (DRF) that were tailored to fit SVG's hazard profile, legal and policy framework, and fiscal position.

8. Supported by various international and regional organizations, the MoFEP will work with public entities to implement these development goals and strategic priorities through a subsequent implementation plan. The Strategy is also intended to be a living document that should be updated regularly, as needed.

III. Strategic Priorities of the Ministry of Finance in Managing Fiscal Disaster Risk

9. The GoSVG has a legal mandate and responsibility to prepare financially for disasters. In 2005, the GoSVG developed the National Disaster Response Plan and the following year, the National Emergency and Disaster Management Act. The latter aims "*to enhance the capacity of the government to prepare for, respond to, and recover from, disasters.*"[4] Both of these instruments moved away from the responsive nature of earlier policies, towards being more proactive in terms of disaster risk management. Additionally, in 2019, the Finance Administration Act was amended which led to the operationalization of the Contingencies Fund, which is a mechanism from which the GoSVG can access immediate liquidity post disaster, and which aims to minimize disaster-related financial losses. The Fund is capitalized from the proceeds of the Climate Resilience Levy Act of 2018 and from 1 percent of the proceeds from the value added tax (VAT).

The GoSVG has identified three development goals in managing the fiscal impact of disasters in order to build resilience to strategically reduce fiscal disaster risk from today and beyond:

- Maintain a **sound fiscal position** at the national government level, necessary to support long-term rehabilitation and reconstruction needs and to minimize disaster-related interruptions in ongoing development and disaster risk reduction plans; and

- Develop **cost-effective and accessible financing mechanisms** for immediate liquidity that can be channeled rapidly to prioritized institutions and sectors;

- **Reduce the impact of disasters on SVG's people and businesses**, including by focusing on developing innovative disaster risk financing instruments for the most vulnerable people and businesses, necessary for protecting development gains and livelihoods at the individual, community, and national level.

10. The MoFEP has focused on 4 strategic priority areas to support these development goals:

  - **Strengthen data collection and management** to encourage evidence-based decision making on prioritization of post-disaster expenditures, optimization of financial instruments, and budgeting for disaster response and resilience activities;

  - **Strengthen public financial management** related to disasters to foster the legal and administrative environment necessary for international best practices in planning for, financing and tracking disaster response.

  - **Improve fiscal protection and timely access to financing** of post-disaster emergency response and recovery needs through financial instruments including risk retention and

[4] GoSVG. "Saint Vincent and the Grenadines National Emergency and Disaster Management Act 2006." http://extwprlegs1.fao.org/docs/pdf/stv137162.pdf. Accessed on 14th October 2021

risk transfer instruments, optimized to cover low, medium, and high-risk levels. This includes social safety nets for low-income households affected by disasters; and

- **Increase collaboration with private sector** to improve availability, affordability and use of catastrophe risk insurance and other financial products that encourage risk reduction.

IV. Strategic Priority 1

Strengthen data collection and management to encourage evidence-based decision making on prioritization of post-disaster expenditures, optimization of financial instruments, budgeting for disaster response and resilience activities

11. Collection and cataloging of data on post-disaster damage and loss to physical and non-physical assets for high-frequency and low-intensity events, as well as major disasters with a lower frequency, is critical to improving fiscal resilience to disasters. Adequately recording historical events in monetary terms helps to better understand the government's contingent liabilities, both implicit and explicit, and allows to better plan financially for future impacts. The tying of that information to an existing registry of public assets can also assist in standardizing the prioritization of resources needed for asset maintenance and hazard risk reduction. These data sets have a multitude of applications beyond disaster risk financing, therefore within this strategic priority there is also the need to improve systems for intra-governmental sharing of data and statistics. Such data also allows the insurance industry to tailor suitable products and price them fairly.

The MoFEP seeks to strengthen the damage and loss, and post-disaster expenditure data collection processes by:

12.a. Streamlining and institutionalizing damage and loss data collection and reporting system across ministries for all severities of events through: -

- The development of a loss and damage database in line with the standard DaLA methodology across ministries, along with guidelines on how and when to enter information is a necessary first step. This would allow line agencies at national and subnational levels, as well as local authorities, to report damage and losses easily. It would also enable the MoFEP and other line ministries to access critical information for recovery planning and appeals to donors. The linked to budgetary expenditures, it has the potential to be a powerful tool.

- The building of institutional capacity within the MoFEP, the National Emergency Management Organisation (NEMO) and other agencies in the methodology for calculating damage and loss as well as quantifying indirect economic losses is a priority. Coordinating a damage and loss collection system for all severities of local and national disasters would require significant institutional capacity building for specific information collection from the field, as well as financial and actuarial expertise for accounting for indirect economic losses.

12.b. Develop a risk-based asset management system, based on a comprehensive inventory of public fixed assets:

It is essential that Small Island Developing States (SIDS) such as SVG have a full understanding of risks to public assets because a single event such as a hurricane threatens the entire infrastructure portfolio. Such an initiative would also necessitate structured and intensive capacity building to ensure that the system is used and well-maintained.

- Strengthen the asset registry and asset management system to maximize the effectiveness of risk transfer instruments. Both the asset management system and the loss reporting system will inform efforts to prioritize the reconstruction of public works damaged by disasters. Further, an inventory of public assets is also the first step in accounting for the GoSVG's contingent liabilities in budgetary planning.

- Complete a geo-referenced inventory of public assets at risk and their attributes (for example, exact location, construction type, and number of stories). This is a key component in building an exposure database, which is integrated with hazard and vulnerability models to establish a fiscal disaster risk profile. Generally, the more accurate the inventory is, the more accurate the fiscal risk assessment.

12.c. Establish detailed standard operation procedures (SOPs) for the process of estimating economic losses from direct damages to access post-disaster financing. While responsibility for data collection is clearly stated in the NDRP and NEMO Act, these documents do not detail the processes for data collection and cataloging.

V. Strategic Priority 2

Strengthen public financial management related to disasters to foster the legal and administrative environment permissible to sound practices in disaster risk financing.

13. According to the Constitution of SVG, the government has a responsibility to financially prepare for disasters, and this responsibility can be maintained at both the budget planning and execution state, allowing for rapid post-disaster disbursement to the ministries and agencies that need it most. The MoFEP seeks to ensure the sound management of post-disaster financing through:

13.a. Updating the chart of accounts (COA) by integrating disaster management and climate change considerations to enable and improve tracking of disaster-related expenditure. This process will be used uniformly and consistently across the government to ensure that all post-disaster expenditures are coded and trackable. The Estimates of Revenue and Expenditures and the supplementaries need to summarize disaster management and mitigation measures, as well as post-disaster spending on relief, recovery, and reconstruction.

13.b. Integrating the definition and consideration explicit contingent liabilities (fiscal risks) arising from disasters in the fiscal legislation and regulations of the GoSVG, including National Emergency and Disaster Management Act (NEDMA) and the Finance Administration Act (FAA). This would include defining explicit and implicit contingent liabilities associated with natural hazards, both of which pose a fiscal risk but have varying associated funds and tools for response, as well as various financially responsible agents. Contingent liabilities are a fiscal policy imperative that has implications for debt management, expenditure management, and revenue performance.

VI. Strategic Priority 3

Improve fiscal protection and financing of post-disaster emergency response and recovery needs through financial instruments including risk retention and risk transfer instruments, optimized to cover low-, middle- and high-risk levels.

14. The GoSVG has a responsibility to financially plan for disasters by increasing their access to immediate liquidity following a disaster or public health emergency, as well as to medium-term financing that can serve as bridge financing to begin recovery operations and reconstruction of public assets and infrastructure. Following international good practices relying on cost-benefit arguments, a risk-layering approach to combine the various instruments is adopted by the MoFEP (see Figure 1). Indicative projected loss metrics for hydrometeorological events is provided on the right.[5]

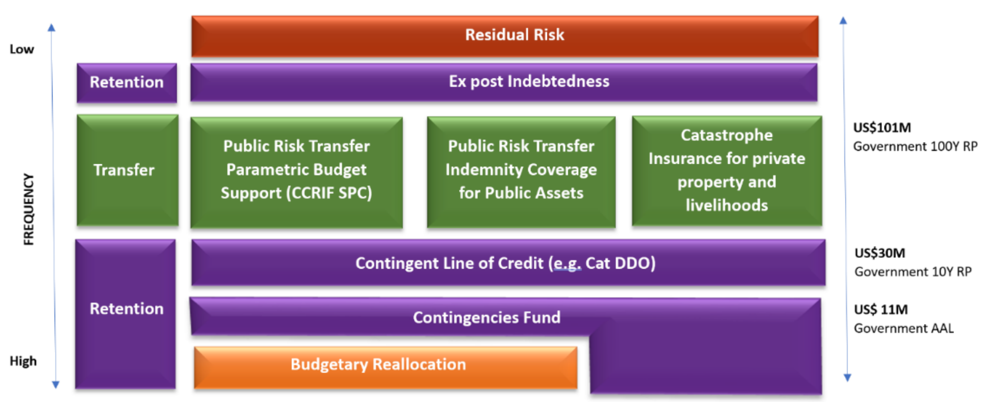

Figure 1. Recommended Risk Layering Strategy for the GoSVG
Y=Year; RP=Return Period; AAL=Average Annual Loss

[5] Saint Vincent and the Grenadines Country Disaster Risk Profile. World Bank. (2021)

The GoSVG seeks to achieve this by:

14.a. Earmarking a provision of the Contingencies Fund for natural hazard response - consistent with average annual loss (AAL) of hydrometeorological events.

- The Contingencies Fund, with a fast-disbursement mechanism, will be capitalized and regulated as a vehicle for the rapid financing of public post-disaster reconstruction operations. A portion of these funds is to be safeguarded and accessible for immediate post-disaster relief. Safeguards can prevent funds from being used for expenses other than disaster response.

14b. Establishing a contingent line of credit that covers contingent liabilities of prominent hydrometeorological events of at least a 10-year return period, with flexible access that allows response to various types of events.

The estimate of a 10-year return period is based on a range of probable maximum losses (PMLs) for public contingent liabilities in a range of moderate to severe events. A percentage of this PML is extrapolated as 'recovery' funding, which such contingent financing arrangement would cover.

- Engaging international development partners to develop more-flexible instruments addresses not only reconstruction but also relief and recovery. The GoSVG requires a menu of options to address DRF and there is a need to develop a contingent line of credit that facilitates rapid disbursement of funds for medium- to high-intensity disasters or public health emergencies, after the Contingencies Fund has been depleted.

14c. Optimizing sovereign parametric insurance (e.g., CCRIF SPC) coverage to finance existing immediate liquidity gaps until the reserve fund is fully capitalized, then continue to engage such instruments to cover high layers of risk.

- The GoSVG will maintain appropriate levels of coverage to augment access to immediate liquidity beyond the Contingencies Fund. In addition, the government will also develop methodologies and guidelines to set the various parameters at the annual renewals of the different CCRIF covers so that they are consistent with the other financial instruments and informed by the country's risk appetite at any time.
- The GoSVG is already taking an important step towards extending this priority to support vulnerable populations and sectors with the Caribbean Oceans and Aquaculture Sustainability Facility (COAST) and payouts that benefit fisherfolk and the fisheries sector.

15. While 14.a, 14.b and 14.c can be considered short to medium term priorities, the MoFEP will continue to explore innovative and cost effective instruments for financial protection and will continue to analyze synergies of the proposed risk finance solutions, including but not limited to (a) sector-specific contingency budgeting; (b) capital market-linked disaster risk finance solutions (i.e., catastrophe bonds and sovereign catastrophe insurance); and (c) sector-specific disaster risk micro and meso-insurance;

16. Underlying this strategic priority is the need to building the necessary institutional infrastructure to allow for the distribution of funds after a disaster. This includes ensuring that fast disbursement mechanisms and procedures operate smoothly, as directed by the MoFEP, and by ensuring that there is a transparent and accountable procedure for determining where funds are disbursed. Not least of all is the need to ensure that the GoSVG has business continuity systems to facilitate back-up of data and account information in a secure location. The government can also encourage the financial sector to invest in improving their business continuity planning to deal with post disaster shocks.

VII. Strategic Priority 4

Increase collaboration with private sector to improve availability and affordability of catastrophe risk insurance products for the government, households, and businesses, with specific attention to vulnerable sectors of society.

17. It is important that the GoSVG and the domestic non-life insurance industry tackle together the issues of expanding penetration of catastrophe insurance, at the individual level and making insurance accessible to vulnerable populations. Acting alone, the insurance industry may focus on short-term profitability, and shield itself from hard-to-address risks in vulnerable populations. On the other hand, if the public sector worked alone, products might not be as efficient, and protection could be costly. A government also faces the risk of implementing policies that compete with or reduce the incentives to purchase insurance. Public private partnerships (PPP) can reduce and manage ex ante risks, adapt to needs of different sectors of society, and lead to sound policy making and DRF decisions.

18. The GoSVG seeks to do this by:

18.a. Enhancing availability, penetration, and affordability of private and residential catastrophe insurance, and evaluate potential for public-private partnerships (PPPs).

- Working with the insurance regulator to make an enabling regulatory environment for public and private sector investment in catastrophe risk insurance products is crucial to promoting increased financial protection in the private and public sectors. The GoSVG will also support the improvement of the technical capacity within the domestic insurance industry to overcome some of the limitations in the provision of insurance. Even though weather data and weather risk maps are available, local insurers may require additional technical capacity in contract design and monitoring and to access reinsurance markets.

- Engaging with the Financial Services Authority (FSA) and private insurers to increase the supply of insurance more specifically to segments of the population excluded from the existing insurance markets. These include, low and/or irregular income earners, those in informal occupations and geographical particularities.

- Identifying and addressing reasons for Vincentians' low voluntary use of available insurance products and stimulating voluntary demand for insurance: by strengthening consumers' confidence that the insurance market is fair and transparent; that suitable consumer protection is in place; and that they have the information and competence to make well-informed choices regarding the use of insurance.

18.b. Enhancing data sharing in agriculture and fisheries sectors and develop more robust and affordable insurance products for smallholder farmers and fishers while working to develop similar solutions in other vulnerable sectors.

- Agriculture's contribution to SVG's GDP has ranged from 5.9 to 14.4 percent between 1977 and 2020. Meanwhile, the percentage of SVG's labor force employed in agriculture has averaged around 12.4 percent. The GoSVG has made efforts to lessen uncertainly as a barrier to a productive smallholder agricultural sector. Some of the challenges facing SVG's competitiveness in the global economic context are due to its small size, the scarcity of its resources and the need to meet stringent global safety and quality assurance methods.

18.c. Establishing national communication strategies to highlight the relevance of effectively implemented tailored financial protection strategies that increase the ability of local governments, businesses, agricultural producers, and low-income populations to respond more quickly and resiliently to disasters. Some of these strategies can also be tied to national systems.

- Promote the understanding and awareness of insurance by the FSA. As such, consumers learn of insurance, its benefits, and its role in disaster risk financing for households and businesses.

- Ensure adequate deployment in times of need, by providing ample liquidities that can be accessed quickly to finance cash or commodities for the poor/vulnerable population.

VIII. Implementation

19. The GoSVG intends to fully implement these strategic priorities by 2026. Shortly after approval of the Strategy for Disaster Risk Financing, key focal points within the GoSVG will convene to lay out a comprehensive implementation plan with the involvement of stakeholders responsible for each recommended action. Several of the actions have already been implemented or are currently under implementation. With assistance from external development partners as needed, implementation by 2026 is a feasible goal.

20. A technical working group (TWG) will be formed to finalize and guide the implementation of the strategy. Members will include the representatives of relevant departments within the GoSVG, private sector representatives, insurance companies and other NGOs and community development organization. Terms of reference (ToR) for the TWG will be prepared and signed by each member to detail expectations of members' contributions and to solidify cooperative partnerships amongst the various sectors. The ToR will also highlight the importance of ensuring, throughout implementation phase and beyond, that mechanisms for coordination and monitoring are established across all levels of government, to ensure the transparent use of post disaster funds for their intended purpose.

21. Capacity building is a key and cross-cutting component that informs each of the strategic priorities. The MoFEP will continue to prioritize the education and professional development of its staff through organization of internal trainings and cooperation with external partners for regional and Saint Vincent and the Grenadines-specific workshops and training that address priority areas identified in the strategy.

Strategic Priorities (SP)	SHORT-TERM	MEDIUM-TERM	LONG-TERM	PERFORMANCE INDICATOR	AGENCY	COSTS	RISK LEVEL	RISK TYPE	MITIGATING ACTION
Key Activity (KA)	**Less than a year**	**Between 1 and 3 years**	**Over 3 years**	**Specific, Tangible Outputs that can be monitored**	**Ministry of Finance**		**Risk to implementation - H for High, M for Medium & L for Low**	**Multiple Risks Exist, including Financial, Human, Technological, Legislative, Information, *inter alia***	
SP1 - Strengthen data collection and management									
KA 1.1. Streamline and institutionalize damage and loss data collection and reporting system across ministries for all severities of events									
KA 1.1.a Develop a loss and damage database in line with the standard DaLA methodology across ministries, along with guidelines on how and when to enter information	√			Improved data capturing system for all severities of events	MoF, NEMO				
KA 1.1.b Build institutional capacity within the MoFEP, the National Emergency Management Organisation (NEMO) and other agencies in the methodology for calculating damage and loss as well as quantifying indirect economic losses	√			guidelines in place on how and when to enter information related to disasters	MoF, NEMO, all ministries				
KA 1.2 - Develop a risk-based asset management system, based on a comprehensive inventory of public fixed assets									
KA 1.2.a - Strengthen the asset registry and asset management system to maximize the effectiveness of risk transfer instruments - to inform efforts to prioritize the reconstruction of public works damaged by disasters		√		improved asset management and registry system	MoF				
KA 1.2.b - Complete a geo-referenced inventory of public assets at risk and their attributes (for example, exact location, construction type, and number of stories) - building an exposure database, which is integrated with hazard and vulnerability models to establish a fiscal disaster risk profile.		√		publicly available information is standardised and housed on an open-source, web-based platform	PPU				
KA 1.3 - Establish detailed standard operation procedures (SOPs) for the process of estimating economic losses from direct damages to access post-disaster financing.	√			develop improved cost effective mitigation strategies	MoF, NEMO				

SP2 - Strengthen public financial management related to disasters to foster the legal and administrative environment permissible to sound practices in disaster risk financing.									
KA 2.1 - Update the chart of accounts (COA) by integrating disaster management and climate change considerations to enable and improve tracking of disaster-related expenditure.		✓		all disaster management and climate change related expenditures are captured	MoF, Treasury				
KA 2.2 - Integrate the definition and consideration of contingent liabilities (fiscal risks) arising from disasters in the fiscal legislation and regulations of the GoSVG, including National Emergency and Disaster Management Act (NEDMA) and the Finance Administration Act (FAA)	✓			defined explicit and implicit contingent liabilities associated with natural hazards and responsibe agencies	Legal Affairs, MoF				
SP 3 - Improve fiscal protection and financing of post-disaster emergency response and recovery needs through financial instruments including risk retention and risk transfer instruments, optimized to cover low-, middle- and high-risk levels.									
KA 3.1 - Maintain the Contingencies Fund for natural hazard response - with a capitalization levels consistent with average annual loss (AAL) of hydrometeorological events.									
KA 3.1.a - Capitalize and Regulate the Contingencies Fund, with a fast-disbursement mechanism, as a vehicle for the rapid financing of public post-disaster reconstruction operations.	✓			a well-managed, transparent fund set aside specifically for disasters	MoF				
KA 3.2 - Establish a contingent line of credit that covers contingent liabilities of prominent hydrometeorological events of at least a 10-year return period, with flexible access that allows response to various types of events.									
KA 3.2.a - Engage international development partners to develop more-flexible instruments addresses not only reconstruction but also relief and recovery. The GoSVG requires a menu of options to address DRF and there is a need to develop a contingent line of credit that facilitates rapid disbursement of funds for medium- to high-intensity disasters or public health emergencies, after the Contingencies Fund has been depleted.	✓			a facility developed for rapid disbursement of funds with an adaptable soft trigger for medium- to high-intensity natural disasters	MoF				
KA 3.3 - Optimize sovereign parametric insurance (e.g., CCRIF SPC) coverage to finance existing immediate liquidity gaps until the reserve fund is fully capitalized, then continue to engage such instruments to cover high layers of risk.									
KA 3.3.a - Maintain appropriate levels of coverage to augment access to immediate liquidity beyond the Contingencies Fund	✓			developed methodologies and guidelines to set the various parameters; to be consistent with the other financial instruments which are informed by the country's risk appetite	MoF				
KA 3.3.b - Strengthen financial protection from natural hazards in vulnerable populations and sectors	✓			developed sector specific insurance and contingency budgeting	MoF, MoA	,			
SP 4 - Increase collaboration with private sector to improve availability and affordability of catastrophe risk insurance products for the government, households, and businesses, with specific attention to vulnerable sectors of society									
KA 4.1 - Enhance availability, penetration, and affordability of private and residential catastrophe insurance, and evaluate potential for public-private partnerships (PPPs)									
KA 4.1.a Work with the insurance regulator to create an enabling regulatory environment for public and private sector investment in catastrophe risk insurance products		✓		increased technical capacity of local insurers in contract design and monitoring and to access reinsurance markets	MoF, FSA				
KA 4.1.b Engage with the Financial Services Authority (FSA) and private insurers to support affordable and accesible insurance products		✓		increased supply of insurance especially to segments of the population excluded from the existing insurance markets, such as, low and/or irregular income earners	FSA				
KA 4.1.c Identify and address reasons for Vincentians' low voluntary use of available insurance products and stimulating voluntary demand for insurance		✓		strengthened consumer confidence that the insurance market is fair and transparent regarding the use of insurance	MoF, FSA				
KA 4.2 - Enhance data sharing in agriculture and fisheries sectors - smallholder farmers and fishers while working to develop similar solutions in other vulnerable sectors		✓		identification of data gaps and production of robust databases with maintenance and sharing agreements.	MoF, MoA				
KA 4.3 - Establishing national communication strategies to highlight the relevance of effectively implemented tailored financial protection strategies to respond more quickly and resiliently to disasters.									
KA 4.3.a Promote the understanding and awareness of insurance by the FSA		✓		increased knowledge by consumers of the benefits of insurance and its role in disaster risk financing	FSA				
KA 4.3.b Ensure adequate deployment in times of need		✓		avaible information regarding access cash or commodities for the poor/vulnerable population.	MoF				