

Global Initiatives – Awareness & Education

Presented to the 18th Consultative

Forum

Accra Ghana

By

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23 October 2023

Presentation Outline



Mandate of the Commission

National Commitment to Climate Adaptation

Commitment to build resilience at country level

Collaborative Efforts

Commission Initiatives

Industry Initiatives

Concluding Remarks

Mandate of the Commission



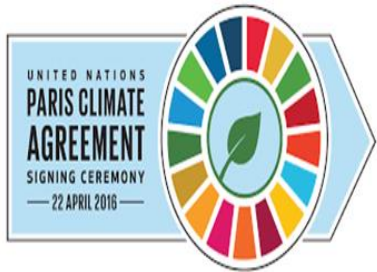
Regulate and Supervise Insurance and pension industry

Policyholder protection
-Consumer Protection

Policy Advisory
-Research Papers

Market Development
-Promote Inclusive Growth

National Commitment to Climate Adaptation



- ❖ 2030 Agenda for Sustainable Development adopted through the United Nations.
- ❖ UN Framework Convention on Climate Change (1992)
- ❖ Paris Agreement on Climate Change signed in 2016 with commitments towards greenhouse gas emissions
- ❖ 2021 Low Emission Development Strategy for Zimbabwe
- ❖ 2022 National Adaptation Plan (NAP) seeks to mainstream climate change
- ❖ Economic Blueprint (NDS1) provides for inclusive participation “leaving no one behind”
- ❖ Sustainability Reporting (SR) pronounced by National Treasury as mandatory in Zimbabwe - Early Adopter of SR

Commitment To Build Resilience At Country Level



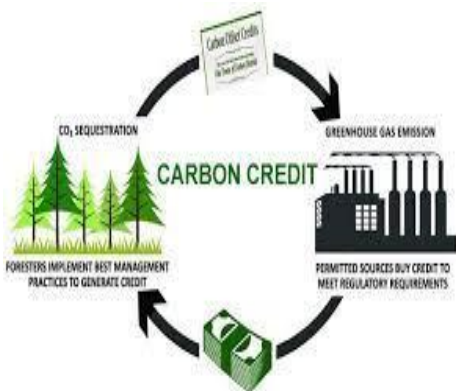
- ❖ Objective is to embed disaster risk reduction (DRR) and climate adaptation solutions into long-term development
- ❖ Climate smart agriculture solutions & strengthen agricultural value chains and markets
- ❖ Conservative Agriculture solutions allowing optimization of resources - Pfumvudza Concept
- ❖ Drafting of Disaster Risk Management and Civil Protection Bill to ensure adequate preparedness and predictability
- ❖ Disaster Risk Governance & Financing
 - ❖ Purchased parametric sovereign drought insurance policy from Africa Risk Capacity (ARC).
 - ❖ Ecological Mapping of high-risk areas
- ❖ Efforts to establish a Disaster Risk Fund (DRF) for the Country



Collaboration Initiatives



GREEN
CLIMATE
FUND

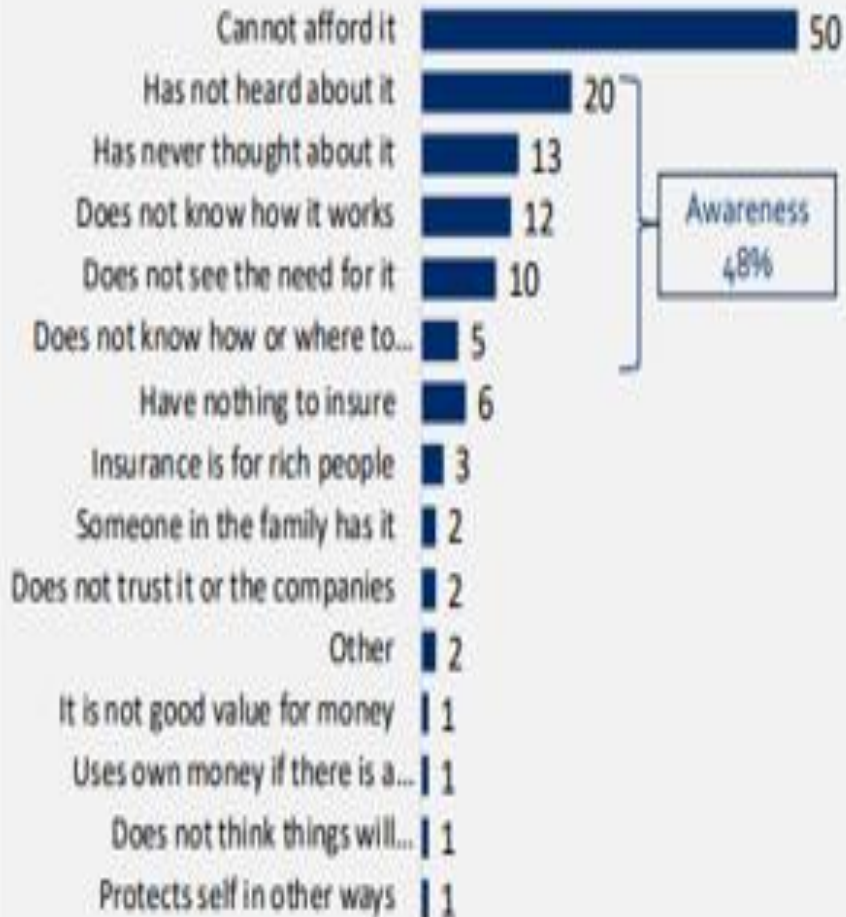


- ❖ The Infrastructure Development Bank of Zimbabwe (IDBZ) accredited as a Direct Access Entity to the Green Climate Fund in 2021.
- ❖ Climate Finance Facility (CFF) under IDBZ to crowd in various climate finance sources and private sector investment for green infrastructure projects
- ❖ EMA accredited as the National Implementing Entity to the Adaptation Fund
- ❖ Reserve Bank of Zimbabwe issued a Climate Risk Management Guideline applicable to Banks and MFIs in 2023 – Commission to emulate
- ❖ Engagements with Public Accountants and Auditors Board and Institute of Chartered Accountants Zimbabwe on clear roadmap and milestones for sustainability reporting- Call to action

Insurance and Pensions Commission Initiatives



Barriers to insurance



- Insurance sector barriers include cover affordability and awareness (Zim Finscope Survey, 2022)
- Microinsurance, micro pensions, microfinance and consumer awareness to enhance uptake
- Collaboration activities with industry to raise awareness and promote financial inclusion
- Improvement in financial literacy and risk awareness

Insurance and Pension Commission Initiatives



- Signed Nairobi Declaration on Insurance – call to action
 - Entities encouraged to entrench ESG principles in their strategies
- Part of A2ii insurance innovation labs targeting small-holder farmers.
 - Development of innovative insurance products to mitigate climate-related risk
 - Project now at pricing of a prototype farmer's basket
- Facilitation of pension fund investments into renewable energy
- Microinsurance Framework – promote financial inclusion digestible products
- FSD Bimalab- Insurtech accelerator for innovation

Insurance and Pensions Commission Initiatives



- **International Finance Corporation (IFC), - assisting in developing Agriculture Index Insurance Framework**
 - **Close protection gaps created by conventional insurance**
 - **Benchmarking tour on index insurance – Kenya & Uganda**
 - **Policy Paper on index insurance reviewed by IFC and ready for tabling**
 - **Industry & Commission training on index insurance**
 - **Another round of industry training on agriculture index insurance**
- **Strategic focus on ESG in 2024 - Guideline on the sustainability reporting and disclosure requirements for pension funds and insurers**

Insurance Industry Initiatives



Prescribed assets into renewable energy

- Transitioning to renewable energy sources as part of prescribed assets requirement for insurers and pension funds
- Efforts to de-risk agriculture
- Solar and mini-hydropower plants financed by insurance companies and pension funds feeding into the national grid
- Smart cities infrastructure
- Resilient infrastructure in rural areas
- Promoting special economic zones

Concluding Remarks



- ❖ Efforts on building personal, societal and macroeconomic resilience
- ❖ Financial sector regulators to coordinate through the Financial Stability Committee & Smart Regulatory Forum
- ❖ Climate change is real“
- ❖ Climate change is running faster than we are. We need much more ambition and urgency.” Green Climate Fund
- ❖ To Change the Nat-Cap Gap we should adapt faster

**Thank you
for the
invitation**

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