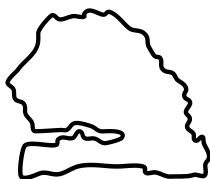




# PROJECT BRIEF SENEGAL



Climate-related shocks and disasters disproportionately affect Senegal's poor and vulnerable. Agriculture, livestock rearing, and fishing serve as primary income sources for this segment, with earnings highly exposed to climate risks, impeding households' capacity to fulfill their food needs and exacerbating food insecurity. In response to this challenge, the Project Partners propose the development and implementation of two market-based risk transfer solutions for drought and flood. The proposed project aims to expand FSN's financial resources in the aftermath of a drought or flood through the use of risk transfer instruments, ensuring fast payouts and effective disaster response. The project also aims to further develop FSN's systems and capability for early warnings, accurate loss evaluation, and fast and reliable processing of compensations.



**Target group**  
Poor and vulnerable households



**Target region**  
Nationwide



**Insured asset**  
Compensation for damaged houses, loss of life, emergency relief



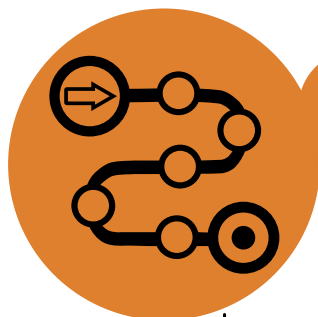
**Insured peril / hazard**  
Drought and (urban) flood



**Insurance type**  
Macro-level approach  
Development of new insurance product



**Own contribution**  
50.9% of total ISF project costs



## PRODUCT DEVELOPMENT ACTIVITIES SUPPORTED

- Development and implementation of two insurance products covering drought and flood
- Development of risk models to support pricing, structuring and provision of new risk transfer solutions
- Development of a claims management and damage evaluation platform to monitor, evaluate and administer large numbers of catastrophe claim.
- Development of a multi-hazard early warning platform which is linked to existing tools for flood, drought and food insecurity
- Trainings and awareness raising activities

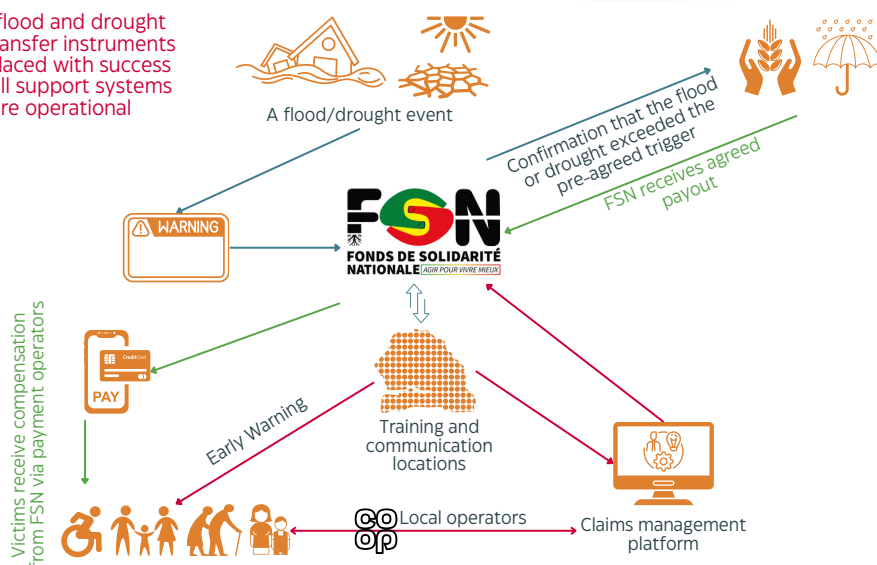


## PROJECT SET UP

### Systems building and product structuring



The flood and drought risk transfer instruments are placed with success and all support systems are operational



## EXPECTED IMPACTS



- Advancement in flood risk modelling to the benefit of FSN, the local insurance sector, and also ARC Limited's product offer by improving risk understanding.
- By combining public reserves and risk transfer instruments, the FSN can make optimal use of public funds and private market capital and respond more efficiently to the emergency needs of most vulnerable populations while covering exposures that exceed the available reserves.
- Improvement of the early warning system and the development of a digital solution that allows for a faster, more reliable and cost-efficient processing of compensation for affected households after a disaster.

## PROJECT PARTNERS

DEMAND

- Fonds de Solidarité Nationale - FSN / Public Fund - Government Institution / SN

SUPPLY

- Gallagher Re / Private Reinsurance Broker / UK

## EXPECTED BENEFICIARIES<sup>1</sup>



423,300 by 2025  
100% poor and vulnerable

## IMPLEMENTATION PERIOD



## GRANT AMOUNT

EUR 1,822,900