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PROJECT BRIEF
ARGENTINA

Argentina is highly vulnerable to flood events. The frequency of major incidents is increasing in the country, especially along the banks of the Paraná and Uruguay Rivers and the Cuenca del Salado in the south-west of the province of Buenos Aires. Exposure is due to flooding from rivers rather than to flooding from the sea. The Argentinian government has attempted to develop flood alleviation strategies based, in part, on the control of land use in those areas more prone to flooding rather than the construction of more traditional flood control structures but not much progress has been made. The project partners propose to develop an index-based insurance solution covering (riverine and/or flash) flood based on data from weather stations and/or satellite data with the four municipalities as insurance policyholders. It is expected that the cities themselves will finance the insurance premium.

PRODUCT CHARACTERISTICS

Target group
Population of municipalities

Target region
Tres Arroyos, La Paz, Nogoyá, San Jorge

Insured asset
Critical public infrastructure, emergency relief

Insured peril / hazard
Riverine flood and/or excess rainfall

Insurance type
Macro- level approach - cities' municipalities act as policyholders
Development of new insurance product

Own contribution
52.6% of total ISF project costs

PRODUCT DEVELOPMENT ACTIVITIES SUPPORTED

- Understanding the risk.
- Risk modelling and product design.
- Capacity building.
- Regulatory and legal advice.
- Define organisational set up to be ready for tender process of the new insurance product.

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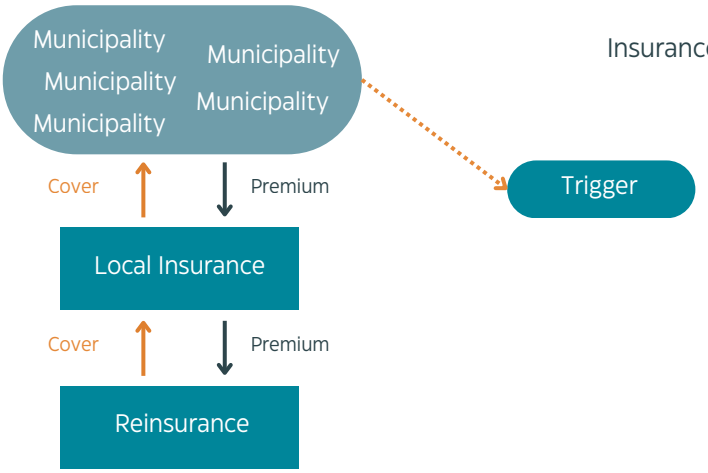
PROJECT SET UP



Insurance pooling allows for improved risk sharing and lower premiums

EXPECTED IMPACTS

- The overall project objective is to increase the resilience of selected cities in the Pampean region through a better response to the impact of flood in order to enhance financial capacities for reconstruction of crucial infrastructures measures as well as emergency relief.

PROJECT PARTNERS

DEMAND

- Town Hall of Tres Arroyos / City Government / AR
- Town Hall of La Paz / City Government / AR
- Town Hall of Nogoyá / City Government / AR
- Town Hall of San Jorge / City Government / AR

SUPPLY

IDF Members:
- Hannover Ruck SE / Reinsurance Company / DE
- SCOR SE / Reinsurance Company / FR
- Guy Carpenter & Company S.A. / Reinsurance Company / AR

Other partners
- La Segunda Cooperativa de Seguros / Mutual Insurance Company / AR

EXPECTED BENEFICIARIES[1]

148,445 by 2025
100% poor and vulnerable

IMPLEMENTATION PERIOD

FEB 2023 — AUG 2025

GRANT AMOUNT

EUR 586,505

[1] Based on submission documents requiring use of IGP M&E Methodology.