Global Initiatives – Awareness & Education

Presented to the 18th Consultative Forum
Accra Ghana
By
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23 October 2023
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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

- 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

- 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

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