



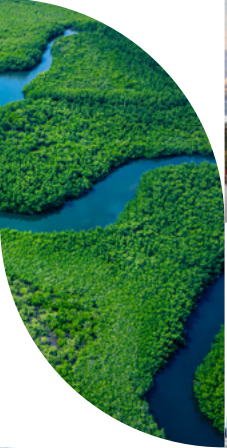
Insurance and
Risk Finance
Facility



United Nations Development Programme

UNDP Insurance and Risk Finance Facility

Annual Report 2025



United Nations Development Programme (UNDP)

UNDP is the leading United Nations organization fighting to end the injustice of poverty, inequality, and climate change. Working with our broad network of experts and partners in 170 countries, we help nations to build integrated, lasting solutions for people and planet.

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The UNDP Sustainable Finance Hub brings together UNDP's financial expertise to harness public and private capital for the Sustainable Development Goals (SDGs) – supporting governments, investors and businesses in reaching climate, social impact and sustainability targets. Its work drives systemic change towards a sustainable financial architecture that benefits people and the planet. Find out more about its integrated services that ensure all finance is sustainable, at sdgfinance.undp.org or follow @UNDP_SDGFinance

UNDP Insurance and Risk Finance Facility

UNDP's Insurance and Risk Finance Facility, housed within the Sustainable Finance Hub, is increasing countries' capacity to financially manage evolving risks and build long-term financial resilience. The Facility is currently active in 39 countries, working with governments and the insurance industry to develop tailored financial protection solutions for countries, households, businesses, nature and food systems. To create the right environment for these solutions to scale, the Facility is working with governments to develop supportive insurance regulations and policies, and building the capacity of local industry to develop inclusive products, services, and distribution channels. The Facility also provides technical assistance to help governments integrate risk finance and insurance into all aspects of public financial planning and management. Learn more at www.irff.undp.org

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Table of Contents

Overview	4
Strengthening the foundations of sustainable insurance markets	5
Advancing favourable public policy and regulation in 2025	6
Building local insurance industry capacity in 2025	7
Delivering risk finance solutions	8
Scaling sovereign and sub-sovereign risk finance solutions in 2025	9
Building disaster risk financing capacity in 2025	13
Incentivising insurance innovation	14
Championing innovative solutions in 2025	15
Expanding inclusive insurance skills, regulations and frameworks in 2025	17
Protecting smallholder farmers and food systems	18
Driving the agricultural finance and insurance agenda in 2025	19
Agricultural insurance products and services delivered in 2025	22
Knowledge-sharing and evidence on agricultural insurance in 2025	22
Designing insurance solutions for nature	23
Developing insurance solutions for nature in 2025	24
Making the case for nature-related insurance in 2025	26
Looking forward	28
UNDP Insurance and Risk Finance Portfolio Outlook for 2026	29
Insurance as a Strategic Priority for Sustainable Development in 2026	30

Overview

In 2025, human development progress slowed to its lowest rate in 35 years¹, with governments around the world operating under increasing financial constraints. These dynamics have increased the costs of responding to crises while reducing financial capacity — both nationally and globally — to invest in long-term resilience.

UNDP's 2026–2029 Strategic Plan was developed and launched in this context. Recognizing that development funding will remain under pressure for the foreseeable future, the plan focuses sharply on strengthening public-private collaboration to deliver solutions at the scale and speed that today's challenges demand.

The Insurance and Risk Finance Facility, part of UNDP's Sustainable Finance Hub, is already demonstrating this in practice. With active projects in 26 countries, the Facility is integrating risk finance into public policy, strengthening national insurance markets and facilitating the development of tailored insurance solutions for public assets, businesses, households, farmers and nature.

To date, UNDP has advanced insurance regulation and policy reforms in 13 countries, creating pathways for new insurance solutions — that meet people's actual needs — to emerge and scale.

This includes four (sub)sovereign risk finance solutions delivered in 2025 through UNDP's Tripartite Agreement Programme, in partnership with the German Federal Ministry for Economic Cooperation and Development (BMZ), InsuResilience Solutions Fund (ISF) and the Insurance Development Forum (IDF), reaching over four million people.

Through UNDP's Inclusive Insurance Innovation Programme with BMZ, Generali and the International Cooperative and Mutual Insurance Federation (ICMIF),

11 inclusive insurance innovations were also launched on the market in 2025. Ranging from parametric crop insurance in Viet Nam to jaguar-protection insurance in Argentina, these solutions reached over 250,000 beneficiaries across 10 countries.

In partnership with BMZ and Milliman, UNDP worked with government ministries and national training centres to strengthen risk finance, insurance and actuarial expertise across 19 countries in 2025. This work reached over 5,350 public officials and private sector professionals, building new skills and capacity that they can translate into market development and policy implementation.

For UNDP, these efforts are grounded in the knowledge that strong insurance markets act as a precondition for governments, businesses and individuals to invest and plan for the future. Our work over the year has included advocacy, evidence and knowledge sharing initiatives, highlighting pathways for insurance to de-risk investments in the Sustainable Development Goals (SDGs) and unlock access to capital markets.

UNDP's progress on insurance for development is made possible through strong country leadership and the support of donors and partners that share our commitment to advancing human development. Together, we have demonstrated what coordinated public–private action can deliver in an increasingly uncertain world.

Our 2025 results, detailed in this Annual Report, also offer greater evidence and examples of how UNDP is creating the public-private bridges needed to deliver on global sustainable development ambitions through country-level implementation.

Project results reporting 2023-2025 and Project Document [available here](#).

¹ UNDP, "Human development report 2025 : a matter of choice : people and possibilities in the age of AI" (2025) Available at <https://hdr.undp.org/system/files/documents/global-report-document/hdr2025reporten.pdf>

Strengthening the foundations of sustainable insurance markets



Through UNDP's Insurance Innovation Programme, Colmena Seguros, Entre Amigos and Bemovil, have developed a credit line with theft and damage to help shopkeepers like Pedro Herrera (pictured) access financing and maintain working capital.

Photo: UNDP Colombia

Across developing countries, vulnerability to shocks remains one of the greatest barriers to sustained progress and poverty reduction.² Without strong insurance markets, efforts to deliver financial protection to those who need it will remain limited.

Effective and reliable insurance regulation and policy frameworks are essential to insurance market growth and stability, enabling the development of new insurance products that meet people's needs. For markets to take root and grow, local capacity is equally essential.

UNDP is working with local and global partners to strengthen regulatory frameworks and public policy while building capacity across both the public and private sectors, including through technical assistance and training. This work is driving change at the systems level, and delivered in partnership with BMZ, the Gates Foundation, Generali, the Ocean Risk and Resilience Action Alliance (ORRAA), Milliman and Jupiter Intelligence, alongside national and local governments across 26 programme countries.

Advancing favourable public policy and regulation in 2025

To date, the Facility has supported 13 countries with the delivery of policy, regulatory and legislative reforms to enable Climate and Disaster Risk Finance and Insurance (CDRFI). Inclusive insurance frameworks and directives have been strengthened in nine countries, regulatory frameworks aligned with international insurance standards in 2 countries; and inclusive insurance sector strategies and roadmaps developed in 2 countries.

In Colombia, UNDP worked with the country's financial regulator, the Financial Regulation Unit (Unidad de Regulación Financiera, URF) and its insurance supervisory body (Superintendencia Financiera de Colombia) to support the implementation of the road map for the Modernization of the Insurance Sector (2021–2025).³ The road map aims to modernize Colombia's insurance regulatory framework based on resilience, transparency and inclusion.

In the Dominican Republic, UNDP provided technical assistance to the Superintendent of Insurance to develop the Institutional Strategic Plan of the Superintendency of Insurance for 2026–2029.

In Pakistan, UNDP worked with the Securities and Exchange Commission of Pakistan to develop a national insurance sector digitalization blueprint to modernize supervision and market operations, including through digital platforms and inclusive policy reforms. The blueprint integrates gender-responsive strategies, data protection and financial inclusion for underserved and climate-vulnerable populations.⁴

In Uzbekistan, as part of the Tripartite Agreement with BMZ and IDF, UNDP continued to support the alignment of the country's regulatory framework with Solvency II, the European Union's regulatory framework for insurance and reinsurance. UNDP provided technical assistance for developing policies on insurance reserves, minimum insurance requirements, solvency and investments which led to legislative changes that were approved by Uzbekistan's insurance supervisor in June 2025. In addition, UNDP supported the establishment of a National Agriculture Fund in Uzbekistan, enabling the agricultural insurance pilot launched in 2025 to expand coverage to additional perils and reach farmers across the country.

² Microinsurance Network, *The Landscape of Microinsurance 2023* (Luxembourg, 2024). Available at <https://microinsurancenet.org/resources/the-landscape-of-microinsurance-2023>.

³ C. Hernández, L. Walteros, A. Guerrero and D. Tocaría, "Hoja de ruta para la modernización del sector asegurador 2021–2025" [Road map for the modernization of the insurance sector 2021–2025] (Bogotá, URF, 2021). Available at <https://www.cerlatam.com/normatividad/hoja-de-ruta-para-la-modernizacion-del-sector-asegurador-2021-2025/>.

⁴ Pakistan, Securities and Exchange Commission of Pakistan and UNDP, "Blueprint for Digitalization of Pakistan's Insurance Ecosystem" (Islamabad, 2025). Available at <https://www.undp.org/pakistan/publications/blueprint-digitalization-pakistans-insurance-ecosystem>.

Building local insurance industry capacity in 2025

In 2025, the Global Actuarial Initiative (GAIN), in partnership with Milliman, continued to strengthen actuarial capacity across 15 countries⁵ GAIN mobilized over 300 experts and over 32,000 hours of pro-bono consulting support. 11 technical working groups and road maps⁶were established, mentorship programmes launched in 7 countries⁷ and two targeted toolkits on microinsurance and insurance education developed: including actuarial pricing for a hospital cash product, and for life microinsurance.⁸

In collaboration with Jupiter Intelligence, UNDP supported the development of long-term climate risk data projections across Uganda, Ethiopia, Tanzania, Mexico and Ecuador to provide national and subnational governments with improved intelligence to strengthen climate resilience and insurability. In 2026, UNDP and Jupiter Intelligence will partner with local governments to translate these projections into actionable policy briefs, enabling forward-looking climate risk analytics to be integrated into public policy and planning frameworks.

In 2025, UNDP continued to deliver country training programmes, building capacity in CDRFI and inclusive insurance across 14 countries. Over 400 public sector officials and professionals engaged in activities to strengthen their understanding and skills in designing and implementing CDRFI strategies. And over 600 private sector professionals enhanced their abilities in customer-centric product design and responsible servicing practices for underserved people. To support the continued dissemination of training across the sector, UNDP partnered with national institutions to train and certify more than 120 local inclusive insurance trainers.

UNDP also produced research to support innovative market development, including *Insurance for Energy Access: Unlocking Economic Resilience in Rural Communities*: a landscape assessment of how insurance can be integrated into Distributed Renewable Energy markets to boost financial resilience in the essential climate adaptation sector.



- 5 Bangladesh, Colombia, the Dominican Republic, Ecuador, Egypt, Ethiopia, Ghana, Jordan, Nepal, Nigeria, Pakistan, Uganda, the United Republic of Tanzania, Uzbekistan and Viet Nam
- 6 In Colombia, Ecuador, Ethiopia, Ghana, Jordan, Nepal, Nigeria, Pakistan, Uganda, the United Republic of Tanzania and Viet Nam.
- 7 Colombia, Egypt, Ghana, Nepal, Nigeria, Pakistan and the United Republic of Tanzania.
- 8 B. Merkey and J. Collins, "An introduction to actuarial pricing of a hospital cash product" (Seattle and New York, Milliman and UNDP, 2025). Available at <https://actuaries.org/app/uploads/2025/09/Hospital-Cash-User-Guide.pdf>; R. de Harlez and A. Hassan, "An introduction to actuarial pricing of a life microinsurance product" (Seattle and New York, Milliman and UNDP, 2025). Available at <https://actuaries.org/app/uploads/2025/09/Life-Microinsurance-User-Guide.pdf>.
- 9 D. McGree, *Insurance for Energy Access: Unlocking Economic Resilience in Rural Communities* (New York, UNDP, 2025). Available at <https://irff.undp.org/external-report/insurance-energy-access-unlocking-economic-resilience-rural-communities>.

Delivering risk finance solutions

Through the Tripartite Agreement Programme, the Lagos State Government launched a parametric flood-risk insurance policy covering up to 4 million people and securing up to US\$7.5 million for flood response and recovery.



In 2025, extreme climate events across the world included record-breaking heatwaves, flooding and drought. Developing countries face compounding risks: climate-related disasters are increasing every year, further straining infrastructure, exacerbating debt and diverting attention from other national development priorities.

Disaster risk finance and insurance strategies are key to increasing disaster readiness and implementing measures to reduce risks to critical public policy priorities. This is also critical to maintain insurability, enable investment and protect prosperity for countries and communities.

UNDP is working with 19 countries to align disaster risk reduction interventions with public policy and insurance, leveraging global technical expertise and local knowledge to facilitate (sub)sovereign risk finance solutions that respond to national realities and priorities.

Through tailored technical assistance, insurance and risk transfer are also being included in national strategies and policy frameworks, including National Adaptation Plans (NAPs) and Nationally Determined Contributions (NDCs).

Scaling sovereign and sub-sovereign risk finance solutions in 2025

In 2025, through the Tripartite Agreement, UNDP, IDf, InsuResilience Solutions Fund (ISF) and BMZ worked together to scale public sector risk finance solutions that provide protection for communities and key infrastructure. To achieve this, UNDP worked with governments to identify and address regulatory and institutional barriers, unlocking the market potential for CDRFI solutions (see Box 1).

Four major products supported by UNDP and its Tripartite Agreement partners became operational in 2025. In Uzbekistan, a parametric product covering smallholder horticulture farmers against frost was launched. The government subsidizes 60 percent of the cost to farmers, which was made possible due to policy changes facilitated by UNDP. In Ecuador, parametric drought and flood insurance products were finalized and successfully piloted with 2,800 smallholder farmers. In Nigeria, a parametric flood risk insurance policy for Lagos State went live in December 2025, protecting up to 4 million climate-vulnerable people in across seven local government areas.



BOX 1

On-the-ground impact: Overcoming regulatory and institutional barriers in Ecuador, Nigeria and Uzbekistan

In Ecuador, Nigeria and Uzbekistan, regulatory, policy and legislative barriers complicated the roll out of CDRFI solutions. In each country, UNDP partnered with the government to identify the barrier and implement a solution, smoothing the way for the adoption of CDRFI solutions that protect communities and assets while contributing to national priorities.

Ecuador

CDRFI solution: Parametric Weather Index Insurance for Smallholder Farmers

Barrier: The absence of a regulatory framework prevented the introduction of parametric solutions to the market.

Solution: UNDP delivered capacity-building on parametric insurance for the Ministry of Agriculture and provided technical assistance to strengthen regulation, enabling the integration of parametric insurance in time to launch the CDRFI solution.

Nigeria

CDRFI solution: Parametric Flood Risk Insurance for Lagos State

Barrier: Limited integration of CDRFI within national climate policies and planning frameworks.

Solution: UNDP worked with the government to integrate CDRFI into the NDC 3.0 process, with the NDC published in September 2025, embedding the risk finance work within national priorities and planning.

Uzbekistan

CDRFI solution: Livelihood Protection for Smallholder Horticulture Farmers

Barrier: Legislation capped government premium subsidies making the cover unattractive for insurance companies and farmers alike.

Solution: UNDP worked with the Ministry of Agriculture to amend the legislation and built trust with local insurance companies and farmers to generate interest in the product.

Table 1: Progress of public sector solutions in 2025 in 19 countries where the Tripartite Agreement is engaging.

Country	Product/risk	Status in December 2025	UNDP facilitation
Argentina	Flood insurance for target cities (rainfall and river urban flooding)	Product developed, regulatory approval pending	Development of disaster management and disaster risk reduction guidelines for municipalities.
Bangladesh	Parametric insurance for climate risks	Government engagement	In development.
Ethiopia	Public infrastructure	Government engagement	Government consultations, DRF Strategy implementation.
Colombia	Livelihood protection for agricultural rural communities (drought, excess rainfall)	Product under development	National government contingency planning, public policy and legal recommendations on parametric insurance.
Dominican Republic	Parametric insurance solution for vulnerable population (flood & windstorm)	Product under development	Insurance regulator's 2026–2029 institutional strategic plan, legal reviews and draft bill to modernize Insurance and Surety Law.
Ecuador	Parametric weather index insurance solution for smallholder farmers (drought, flood)	Product launched 2025, operating	Alignment of CDRFI with Disaster Risk Reduction policy, parametric insurance regulation.
Egypt	Agriculture insurance scheme	Government engagement	In development. Developing Disaster Risk Financing Strategy.
Ghana	Sub-sovereign risk transfer scheme for urban floods in Accra (rainfall and river urban flooding)	Product developed, tendering for market placement under way	National Disaster Management and Risk Finance strategy, Flood-risk Contingency plan, support to the Ministry of Finance on flood risk modelling.
Jordan	Agriculture insurance scheme	ISF application process ongoing	Support for the passage of the Takaful Law, enabling the Agriculture Fund to engage in re/insurance.
Madagascar	Parametric insurance for schools/hospitals	Awaiting ISF proposal approval	Support on disaster risk finance strategy development and capacity building, including contingency plan development and institutional support through adaptation and DRR measures handbooks.

Country	Product/risk	Status in December 2025	UNDP facilitation
Mexico	Parametric crop insurance for smallholder farmers (drought, extreme rainfall)	Product developed	Coffee, corn and honey sector risk management strategies for three states. Development of the program's gender strategy.
Mozambique	Artisanal fisher and mangrove insurance products to build resilience to flood, storm and drought	ISF application process ongoing	Capacity building of government institutions on CDRFI.
Nepal	Sub-sovereign risk transfer scheme for flood and earthquake	Awaiting ISF proposal approval	Technical assistance for the development of NDCs, NAPs, and INFFs, including the integration of CDRFI.
Nigeria	Parametric flood insurance for Lagos State (rainfall, river and coastal urban flooding)	Product launched 2025, operating	National flood insurance policy, Disaster Risk Financing Strategy, Contingency Plan and Payout mechanism, integration of risk financing into NDC 3.0.
Pakistan	Sub-sovereign risk transfer scheme for flood and earthquake	Government endorsement	In development.
Tanzania	Parametric insurance for climate risks in agriculture and livestock (drought, excess rainfall)	Awaiting ISF proposal approval	Assessment of the Economic and Fiscal Impacts of Disasters and Climate Risks in Zanzibar + Disaster Risk Financing Strategy, incorporates disaster risk financing into NAP.
Thailand	Sub-sovereign Public Asset Insurance scheme (floods)	Preparing ISF proposal for approval	Development of the loss and damage assessment methodology and a DRF strategy, CDRFI training for public officials and integration of CDRFI into INFF.
Uzbekistan	Agriculture insurance scheme for horticulture farmers (flood, extreme cold, windstorm)	Product launched 2025, operating	Issuance of legislation enabling government to subsidize the premium cost.
Vietnam	Sub-sovereign risk transfer scheme for flood & tropical storms	Preparing ISF proposal for approval	Technical assistance to support the development of public asset insurance solutions, strengthening the enabling environment.

The development of risk financing solutions, supported by regulatory, policy, and legislative reforms, has contributed to broader market and institutional strengthening across UNDP's programme countries, showcasing the lasting impact of these solutions beyond their initial implementation.

This has led to interest from national and sub-national governments to replicate and scale risk financing solutions across regions, perils and beneficiary groups. In Ghana, the urban flood-risk insurance product in Accra is being considered for roll out

across five regions. In Nigeria, scaling of the Lagos State flood insurance programme to Anambra State is currently being explored and the Federal Ministry of Finance has asked UNDP to support with the development of a bill that would mandate the national scale up. In Ecuador, the agricultural insurance programme is being scaled through the National Development Bank to include public asset insurance, and in Uzbekistan, the initial pilot of agricultural insurance is set to be expanded to a National Agriculture Fund which will cover additional perils.

Building disaster risk financing capacity in 2025

UNDP is strengthening disaster risk financing capacity at the country level, enabling governments to move from ad hoc disaster response toward more structured, ex-ante financial planning.

UNDP supported disaster risk finance strategies in eight countries in 2025, including a comprehensive disaster risk management and risk finance strategy and implementation plan for Ghana, and the implementation of disaster risk finance strategies in Ethiopia and Zanzibar (Tanzania).

In Madagascar and Nigeria, UNDP worked with the government to integrate risk finance in NDC 3.0s. Assistance for NDC risk finance integration is ongoing and planned in eight additional countries: Colombia, Ecuador, Ghana, Jordan, Nepal, Pakistan, Senegal and Thailand.

To date, 23 countries have been supported with CDRFI guidance on integrating risk finance into NDCs, NAPs and social protection systems. In 2025, UNDP supported public policies and programming for CDRFI in 21 countries, supporting governments in aligning risk financing with national budget processes, alongside facilitating access to complementary grant financing, to enable the uptake of insurance solutions. Capacity-building is a key component of UNDP support for public sector risk financing. Thus far,

CDRFI capacity-building initiatives for the public sector have been delivered in 20 countries, reaching over 700 participants from more than 130 public sector institutions. Governments requested this support ahead of collaborating with private sector partners, alongside continued technical accompaniment throughout solution design and engagement processes. As projects advanced, additional demand for tailored capacity-building emerged, with training adapted to support the adoption and expansion of risk finance solutions.

To extend capacity on risk finance integration into public sector systems, UNDP published two operational implementation frameworks on integrating risk finance into climate policy: *Climate and Disaster Risk Finance and Insurance (CDRFI) in National Adaptation Plans and Nationally Determined Contributions*¹⁰ and on how governments can link risk finance and social protection: *Social Protection, Risk Finance and Insurance*.¹¹

¹⁰ UNDP, *Climate and Disaster Risk Finance and Insurance (CDRFI) in National Adaptation Plans and Nationally Determined Contributions* (New York, 2025). Available at <https://irff.undp.org/report/climate-and-disaster-risk-finance-and-insurance-cdrfi-national-adaptation-plans-a>.

¹¹ UNDP, *Social Protection, Risk Finance and Insurance* (New York, 2025). Available at <https://irff.undp.org/paper/social-protection-risk-finance-and-insurance>.

Incentivising insurance innovation



UNDP's Insurance Innovation Challenge in Nepal has supported NLG Insurance Company with a multi-risk insurance product that combines real-time weather monitoring and crop advisory services to protect potato farmers throughout the growing season.

Photo: UNDP Nepal

Households, informal workers, farmers and small businesses are exposed to a wide range of risks, including climate, economic, health and livelihood shocks. When any one of these shocks occur, businesses may close, workers may lose their livelihoods and families may be pushed into poverty.

Yet these groups are among the most likely to be uninsured, due to a lack of affordable, tailored products that meet their needs: 9 out of 10 people in developing countries have no insurance coverage.¹²

Inclusive and accessible insurance products and services can help bridge this protection gap.

UNDP is working with governments to strengthen their inclusive insurance regulations and policies, building enabling environments that will allow inclusive insurance to thrive. At the same time, a pipeline of over 40 insurance innovations tailored to local needs and contexts is being developed across 30 countries, with over 100 public and private local partners.

Championing innovative solutions in 2025

In 2025, UNDP continued to roll out the world's largest Insurance Innovation programme, in partnership with BMZ, ICMIF and Generali.

The programme combines local knowledge and global expertise to develop financial protection solutions tailored to the needs of those who need it most. In 2025, the programme delivered 11 innovative insurance solutions on the market in 10 countries and reached over of 250,000 beneficiaries.

Insurance innovation challenges and projects have been launched in 22 countries¹³ with 12 more countries preparing their activities for roll out in 2026¹⁴ A selection of insurance innovations from 2025 are highlighted below.

In Mexico, the Innovation Challenge developed with ProDesarrollo has led to the development of a new insurance product linked to productive credit, accessed through a nationwide microfinance network. Designed by Raúl Coka Barriga and Sura Seguros, the product offers comprehensive protection across health, maternity, business interruption and caregiving time, and introduces a pioneering gender-based violence coverage. Through this solution, a woman experiencing aggression from a partner or any individual can access unlimited psychological support and a fixed cash benefit of MXN 5,000, which may be used for urgent medical care or to support her transition away from a violent environment.

In Tanzania, the Programme is supporting Twende Bima, an innovative insurance solution for motorcycle couriers, in cooperation with Tanzania Insurance Regulatory Authority (TIRA), the Association of Tanzania Insurers and insurance company MUA Tanzania. A digital platform connects motorcycle couriers to customers and provides integrated insurance for vulnerable riders through an innovative pay-per-ride micro-contribution model. This allows couriers to contribute a percentage of their earnings from each ride completed through the Twende platform, instead of paying large monthly premiums upfront. In return, couriers receive health insurance, injury cover and, after 15 years of enrolment, long-term pension benefits.

In Uzbekistan, where the government has launched a green energy drive to build resilience and drive economic transformation, UNDP and BMZ are supporting local insurer Temiryol-Sug'urta in developing an insurance solution enabling SMEs to insure solar panels and batteries. The solution is delivered in partnership with the National Agency of Perspective Projects (the country's insurance market regulator).

¹² Microinsurance Network, *The Landscape of Microinsurance 2023* (Luxembourg, 2024). Available at <https://microinsurancenetwerk.org/resources/the-landscape-of-microinsurance-2023>.

¹³ Argentina, Colombia, the Dominican Republic, Ecuador, Ethiopia, Ghana, Indonesia, Jordan, Kenya, Malawi, Malaysia, Mexico, Mozambique, Nepal, Nigeria, the Philippines, Senegal, Sri Lanka, Tanzania, Thailand, Uzbekistan and Viet Nam

¹⁴ Algeria, Argentina, Bangladesh, Colombia, Comoros, Egypt, Ethiopia, India, Indonesia, Madagascar, Pakistan and Uganda

BOX 2

On-the-ground impact: Innovative Insurance Solution for Smallholder Farmers in Senegal

Agriculture provides a livelihood for millions of people in Senegal, and 60 percent of the country's youth work in this sector or in supply chains. However, the climate crisis is making agriculture increasingly precarious.

Philomène Ndour is a small-scale farmer in the rural community of Loul Sessène, where she mainly grows peanuts, millet, and corn. When drought, floods, or crop diseases strike, she explains, the consequences are severe: “lack of food for families, difficulty feeding animals, and even impacts on nature – trees produce less and the local economy weakens.”

To help farmers recover quickly after a disaster, the National Agricultural Insurance Company of Senegal (CNAAS), winner of the UNDP Insurance Innovation Competition in Senegal, has introduced a multi-risk index-based insurance solution that combines data on rainfall, yields, and river flow to provide automated coverage.

Since signing up for the product, Philomène has received compensation multiple times, and she says that the payouts have been life-changing: “When you hope for a good harvest, but the rains don't come, the compensation becomes a real support: it allows you to buy food for the family, but also feed for the animals. And without them, as we say here, we can't do much.” Through the work of the Insurance Innovation programme, Philomène and her family are kept safe until the rain returns. She says: “It helps us get through to the next season and start again with hope.”

With support from the Insurance Innovation Programme, more farmers in Senegal will be equipped with the protection and tools they need to manage climate risks, recover quickly from shocks, and sustain their livelihoods and communities. The solution is currently being piloted with 35,000 farmers.

Further stories from the individuals who have benefited from the Inclusive Insurance Programme are available on the UNDP Insurance and Risk Finance Facility website.¹⁵

¹⁵ UNDP, “Voices of the Insurance Innovation Programme”. Available at <https://irff.exposure.co/>.

Expanding inclusive insurance skills, regulations and frameworks in 2025

UNDP has supported eight countries¹⁶ with their inclusive insurance regulatory and policy frameworks, including in new and innovative areas like Insurtech and insurance sector digitalization.

Through the Insurance Innovation programme, a Global Insurance Innovators Community (GIIC) was launched in 2025. In addition to the funding and technical assistance received by over 50 winning local insurance companies, the GIIC offers companies access to technical assistance from experts and institutions to scale their capacity, strengthen investment readiness, measure impact and achieve greater visibility. Two GIIC case briefs were released in 2025: “Global Insurance Innovators Community Case Briefs: Insurtech for Development” and “Global Insurance Innovators Community Case Briefs: Parametric Insurance for Climate Action”.¹⁷

Following the successful collaboration between UNDP, Fasescolda (Colombian Federation of Insurers) and Banca de las Oportunidades on a series of insurance innovation challenges, NovaSeg — a national insurance innovation lab — was launched in 2025. NovaSeg is fostering collaboration and product innovative across the insurance ecosystem in Colombia.

UNDP continued delivery of 12 inclusive insurance country training programmes in 2025, increasing local industry stakeholders’ capabilities in designing and distributing tailored and inclusive insurance solutions. More than 450 industry participants enrolled in the programme, out of which 120 are local trainers being trained through partnerships with national training institutions. So far, 73 trainers have been completed the certification process, and the rest are expected to finalize the programme this year.

For insurers, distributors and other stakeholders interested in delivering inclusive, client-centred insurance solutions, the previously well received Inclusive Insurance Navigator was updated to include new guidance and case studies and re-released in 2025. The 2025 Navigator is available in a fully digital format, increasing flexibility and ease of use.¹⁸

In partnership with Generali, UNDP continued to strengthen MSME resilience in 2025, launching two guidance reports for public and private stakeholders on taking a value chain approach to creating tailored risk solutions for MSMEs in South and Southeast Asia: Building MSME Resilience in South and Southeast Asia: A value chain approach and “Building the resilience of women-led MSMEs in Asia: With a country focus on India, Malaysia and Thailand”.¹⁹ The partnership also launched a publicly accessible “Better Health, Better Business” health and well-being toolkit in 2025, to support MSMEs in Thailand.²⁰

¹⁶ Dominican Republic, Ghana, Nepal, Indonesia, Nigeria, Pakistan, Tanzania, and Senegal

¹⁷ UNDP, “Global Insurance Innovators Community Case Briefs: Insurtech for Development” (New York, 2025). Available at <https://irff.undp.org/factsheet/global-insurance-innovators-community-case-briefs-insurtech-development>; UNDP, “Global Insurance Innovators Community Case Briefs: Parametric Insurance for Climate Action” (New York, UNDP, 2025). Available at <https://irff.undp.org/factsheet/global-insurance-innovators-community-case-briefs-parametric-insurance-climate-action>.

¹⁸ UNDP, “The Inclusive Insurance Navigator”, 2025. Available at <https://irff.undp.org/inclusive-insurance-navigator>.

¹⁹ UNDP, *Building MSME Resilience in South and Southeast Asia: A value chain approach* (New York, 2025). Available at <https://irff.undp.org/report/building-msme-resilience-south-and-southeast-asia-value-chain-approach>; UNDP, “Building the resilience of women-led MSMEs in Asia: With a country focus on India, Malaysia and Thailand” (New York, 2025). Available at <https://irff.undp.org/paper/building-resilience-women-led-msmes-asia-country-focus-india-malaysia-and-thailand>.

²⁰ UNDP and Generali, “Better Health, Better Business”, 2025. Available at <https://generali.co.th/en/msme-social-protection-framework-site/>.

Protecting smallholder farmers and food systems

Dora Anterkyi, a smallholder maize farmer in Ghana, is covered against weather, pest and disease-risk through an insurance solution created by Agricom Assurance – winners of the UNDP Insurance Innovation Challenge in Ghana.

Photo: Dora Anterkyi



Agriculture provides up to 85 percent of employment in developing countries,²¹ and smallholder farmers — who manage between one to 10 hectares of land — are the backbone of the agricultural sector. As climate threats continue to rise, 80 percent of farmers most at risk from crop failure due to climate change live in sub-Saharan Africa, South Asia and Southeast Asia.²² Climate adaptation remains underdeveloped,

and financing is not sufficiently directed toward building resilience.

UNDP is building the resilience of smallholder farmers and agricultural value chains through country-led initiatives that align financial protection with national priorities.

Driving the agricultural finance and insurance agenda in 2025

Through the Financial Resilience in Agriculture (FRA) initiative, in partnership with the Gates Foundation, UNDP is embedding agricultural insurance and climate adaptation into national policy, public programmes and financial management systems in Bangladesh, Ethiopia, India, Uganda and the United Republic of Tanzania.

FRA's country-level work is organized into five models. Implemented together, these models are institutionalizing the agricultural insurance agenda, designing and delivering solutions and enabling solutions to be scaled or replicated across countries. In 2025, substantial progress was made under each model, as follows.



1.

Anchoring agricultural insurance within government structures in 2025

This model supports governments with building and strengthening national agricultural insurance by aligning policy, regulation, programmes and financing. Agricultural finance and insurance units are being established within relevant Ministries across the five programme countries. In 2025, the Rural Finance Service Unit in Ethiopia was established and became operational (see Box 3).

In Bangladesh, a Climate Risk Finance and Insurance Unit is being established within the Local Government Initiative on Climate Change, supported by new funding to expand evidence and advocacy. In India, a proposed national bill recommends creating a new regulatory body for agricultural insurance to consolidate existing schemes under a unified legal framework. In Uganda, the Ministry of Finance has secured a ten-year extension of the national agricultural insurance scheme and is creating a dedicated technical unit to oversee agricultural finance and insurance. And in Tanzania, the Prime Minister's Office is developing a national agricultural insurance policy to strengthen cross ministerial coordination.

²¹ World Bank, "Employment in agriculture (percent of total employment) (modeled ILO estimate)", January 17, 2026. Available at <https://data.worldbank.org/indicator/SL.AGR.EMPL.ZS>

²² World Bank, "What you need to know about food security and climate change", 17 October 2022. Available at <https://www.worldbank.org/en/news/feature/2022/10/17/what-you-need-to-know-about-food-security-and-climate-change>.

BOX 3

On-the-ground impact: The Rural Finance Service Unit in Ethiopia

To address systemic barriers in agricultural finance and insurance markets, UNDP supported Ethiopia's Ministry of Agriculture with the establishment of the Rural Finance Service Unit (RFSU), with technical and financial support from UNDP and the Japan International Cooperation Agency (JICA), along with ad hoc technical assistance from the World Food Programme (WFP), the African Development Bank (AfDB) and the International Fund for Agriculture Development (IFAD).

The RFSU is a coordination unit within the Ministry of Agriculture, leading the development of an institutionalized national agricultural insurance system. It works in close partnership with the insurance industry and relevant government agencies, operating under a clear mandate to strengthen risk management and financial resilience in the agriculture sector.

The RFSU's function is to coordinate public and private stakeholders and efforts, advocate for market reforms (within and beyond the scope of the Ministry of Agriculture), champion public infrastructure for farmer data and generate actionable evidence from market-led initiatives.

RFSU objectives:

- Design a national de-risking scheme, to be co-designed with government agencies and insurance industry national insurance.
- Strengthen government capacity by recruiting and equipping a transitional team to lead coordination and advance national priorities on agricultural insurance.
- Coordinate multistakeholder working groups to co-design and advance financial resilience in partnership with public, private and development actors
- Develop and implement a 24-month, milestone-based road map to institutionalize agricultural insurance in Ethiopia, supported by evidence and research to guide policy and ensure long-term sustainability.

For more on the RFSU, see UNDP and the Ethiopian Ministry of Agriculture's consultation paper "[Building resilient agricultural finance and insurance markets in Ethiopia: the Rural Finance Service Unit \(RFSU\)](https://irff.undp.org/sites/default/files/2025/Jun/FRA-RFSU-consultation-paper-04.pdf)".²³

²³ Ethiopia, Ministry of Agriculture and UNDP, "Building resilient agricultural finance and insurance markets in Ethiopia: the Rural Finance Service Unit (RFSU)" (Addis Ababa and New York, 2025). Available at <https://irff.undp.org/sites/default/files/2025/Jun/FRA-RFSU-consultation-paper-04.pdf>.

2.

Integrating insurance data in government-led digital public infrastructure in 2025

This model supports governments with designing and integrating centralized agri-climate data platforms into national digital systems. With multi-stakeholder data governance, secure cloud infrastructure and user-friendly data access tools can enable evidence-based decision-making, stronger risk assessment and scalable agricultural insurance solutions for long-term sustainability.

In Uganda, a Unified Climate Data Library, embedded in the national agricultural insurance scheme, was developed and piloted across four districts in 2025. In 2026, it is planned to link it to the national coffee traceability system and broader government digital infrastructure.

3.

Embedding insurance into the core business models of financial institutions in 2025

This model strengthens financial institutions' climate risk management by embedding insurance into agri-lending through a four-step approach: capacity-building, solution design, partnership mobilization and evidence generation.

In 2025, tailored technical assistance and value chain pilots were advanced in Bangladesh, Ethiopia, Senegal, Tanzania, Uganda and the Economic Community of West African States (ECOWAS), with insurance product tests linked to partner financial institution portfolios forthcoming in 2026.

4.

Embedding insurance public financial management systems in 2025

This model supports the integration of agricultural insurance into public policies and public financial management systems to strengthen fiscal resilience and improve the performance of national programmes.

In 2025, Bangladesh included agricultural insurance in the local government climate finance model and is exploring additional solutions for fisheries, aquaculture and livestock. Ethiopia embedded insurance into the Agricultural Commercialization programme through the RFSU and the Agricultural Transformation Institute. Tanzania began to integrate insurance into input and finance programmes within the Ministry of Agriculture, and Uganda is preparing to start this process in the coffee sector through the national coffee authority in 2026.

5.

Expanding the underwriting capacity of national insurance industries in 2025

This model expands the underwriting capacity of national insurance industries by establishing risk-sharing platforms that enable pool risks among national insurers, strengthen governance, co-design solutions with market actors and generate evidence for sustainable agricultural and climate insurance.

In Ethiopia in 2025, development began on a multi-purpose risk-sharing platform, being designed with insurers under the leadership of the RFSU and the Association of Ethiopian Insurers, with endorsement from national authorities. In Bangladesh, a government-led innovation process is laying the groundwork for future collaboration among insurers. In 2026, Bangladesh will deepen insurer engagement through a dedicated innovation process, Ethiopia will operationalize its risk-sharing platform and Tanzania will begin building the business model for its agricultural insurance consortium.

Agricultural insurance products and services delivered in 2025

In 2025, a pipeline of sovereign and inclusive agricultural insurance products was developed in 21 countries, with many placed on the market, protecting over 100,000 smallholder farmers against climate risks.

Examples include Ecuador’s first parametric agricultural insurance solution, protecting 3000 smallholder corn and maize farmers against drought and flood risks, delivered through Tripartite Agreement (see chapter 2) and an innovative agricultural solution in Nepal, using an AI-embedded muzzle verification system to insure livestock, delivered through the Insurance innovation Programme (see chapter 3).

Knowledge-sharing and evidence on agricultural insurance in 2025

The FRA Community of Practice (CoP) held its second annual meeting in June 2025, in Addis Ababa, Ethiopia, co-hosted by UNDP Ethiopia and the Ethiopian Ministry of Agriculture, with support from the Japan International Cooperation Agency (JICA). The CoP brought together more than 100 participants from 24 countries, serving as a key platform for sharing best practices and advancing efforts to institutionalize agricultural insurance.

Three South-South government study missions were facilitated with exchanges from Ethiopia to Rwanda, Ethiopia to India and Burkina Faso to Senegal, enabling peer learnings on agricultural insurance design and delivery:

A strategic presence was maintained across 19 global, regional, and virtual agriculture-focused events in 2025 and a series of agricultural finance and insurance research products released include: “Building resilient agricultural finance and insurance markets in Ethiopia: the Rural Finance Service Unit”; “UNDP Financial Resilience in Agriculture Community of Practice 2025: High-level Summary Report”; “Building integrated agricultural insurance agendas: A framework for government action”; and UNDP’s contribution to ISF Advisors’ Rural and Agricultural Finance State of the Sector report, *Beyond the Frontier: Decoding Viability in Smallholder Finance*.²⁴



24 Ethiopia, Ministry of Agriculture and UNDP, “Building resilient agricultural finance and insurance markets in Ethiopia: the Rural Finance Service Unit (RFSU)” (Addis Ababa and New York, 2025). Available at <https://irff.undp.org/sites/default/files/2025/Jun/FRA-RFSU-consultation-paper-04.pdf>; UNDP, “UNDP Financial Resilience in Agriculture Community of Practice 2025: High-level Summary Report” (New York, 2025). Available at https://irff.undp.org/sites/default/files/2025/Jul/web_High-level-Summary-FRA-Co-2025-Ethiopia.pdf; UNDP, “Building integrated agricultural insurance agendas: A framework for government action” (New York, 2025). Available at https://irff.undp.org/sites/default/files/2025/Sep/FRA-Institutionalization-Framewor-02_0.pdf; ISF Advisors, Beyond the Frontier: Decoding Viability in Smallholder Finance – Rural and Agricultural Finance State of the Sector Report (Geneva, 2025). Available at https://isfadvisors.co/wp-content/uploads/2025/10/ISF_AgFinance-SoS-Report-Oct-2025.pdf.

Designing insurance solutions for nature

With support from the Ocean Risk and Resilience Action Alliance (ORRAA), funded by the UK Government, UNDP, Swiss Re and the Government of Indonesia have developed a parametric insurance solution to protect and restore coral reefs.



As the climate crisis worsens and human activity continues to exacerbate biodiversity loss, nature is under critical threat. Ecosystem collapse could result in global GDP declining by up to 3 percent — or \$2.7 trillion annually — by 2030.²⁵

By increasing nature-related insurance, risk awareness and investment, communities can benefit from the natural protection that ecosystems provide against severe weather, increasing the insurability of crucial assets and infrastructure, and protecting the essential economic value of these ecosystems.

Developing insurance solutions for nature in 2025

In 2025, UNDP advanced innovative insurance solutions for wildlife, coral reefs, wetlands and conservation landscapes.

In Argentina, UNDP's work on combating human-wildlife conflict led to a key success in 2025: the launch of the world's first jaguar protection insurance (see Box 4).

In Indonesia, UNDP worked with the Indonesian Ministry of Marine Affairs and Fisheries (KKP) to expand sources of financing for sustainable marine and fishery programs, supporting the issuance of new regulation which lays the foundation for a Marine Biodiversity Trust. With funding from the Ocean Risk and Resilience Action Alliance (ORRAA) through the UK's Blue Planet Fund, UNDP worked with Swiss Re and the national insurance industry to develop a parametric insurance solution for coral reef protection and restoration in Indonesia's Gili Matra Islands (Gili Meno, Gili Air, and Gili Trawangan).

In Colombia, UNDP's Insurance Innovation programme (see chapter 3) has led to the development of two innovative nature protection products. The first is a parametric insurance product designed to protect the results of investments in conservation projects, benefiting local communities and helping mitigate human-wildlife conflict, with a focus on protecting the Andean Bear. This solution is being developed by Previsora Seguros and Pipra in partnership with Fasesolda (Colombia's insurance federation) and BIOFIN. The second is a parametric insurance scheme to protect paramos (highland wetlands)

against fire risks. Colombia's paramos cover 2 percent of the country's land area but supply 70 percent of the nation's drinking water. This solution is being developed by Seguros Sura and the World Wildlife Fund (WWF) in partnership with Fasesolda and BIOFIN.

In Mexico, another innovative solution was developed by Banfin Ecosocial through the Insurance Innovation programme launched in partnership with BIOFIN. This conservation investment fund, capitalized through the issuance of biodiversity bonds and backed by insurance, aims to mobilize private capital at scale to finance the protection and restoration of natural ecosystems while generating measurable environmental and financial returns.



²⁵ World Bank, "The Economic Case for Nature: A Global Earth-Economy Model to Assess Development Policy Pathways" (2021). Available at <https://openknowledge.worldbank.org/entities/publication/fcc11682-c752-51c4-a59f-0ab5cd40dc6f>



BOX 4

On-the-ground impact: Jaguar protection insurance in Argentina

Jaguars are essential to the ecology of Argentina, controlling herbivore populations, helping to prevent overgrazing and erosion, and maintaining the balance of the jungle ecosystem. But for farmers, jaguars can pose a serious threat to their livelihoods and to the lives of their animals. As a result, retaliatory hunting has become one of the leading causes of jaguar deaths.

In Argentina, UNDP's Insurance Innovation programme is supporting jaguar protection insurance – the first of its kind in the world. Farmers receive insurance free of charge, as premiums are funded by the provincial government. When the jaguar preys on livestock and the incident is confirmed, the farmer receives swift financial compensation, along with technical support, which includes livestock management measures to prevent future conflict incidents.

The product was developed by UNDP as a result of a collaboration between its Insurance and Risk Finance Facility and Biodiversity Finance Initiative (BIOFIN), financed by the German Federal Ministry for Economic Cooperation and Development (BMZ), and is being implemented in a partnership with the Government of Misiones, Río Uruguay Seguros (a local insurance company) and Aves Argentinas (a conservation organization).

Premiums are funded by the provincial government, so farmers receive the insurance free of charge. When a confirmed incident of jaguar predation on livestock takes place, the farmer receives speedy financial compensation, along with technical support, which includes livestock management measures to prevent future conflict incidents.

The product went live in May 2025, covering over 19,000 people in Misiones. Since then, 17 claims have been made, 6 of which were confirmed predations by Jaguars, and were verified and paid within 30 days.

The programme is being monitored and evaluated to assess the potential for expansion of this innovative insurance product to other regions of Argentina and across the wider Latin America and the Caribbean. If the pilot is successful, the Government of the Province of Misiones will increase coverage for the entire province.

For more on Argentina's jaguar protection insurance programme, see "World-first jaguar-protection insurance launched in Argentina by UNDP and the Government of Misiones".²⁶

²⁶ UNDP, "World-first jaguar-protection insurance launched in Argentina by UNDP and the Government of Misiones", 22 May 2025. Available at <https://irff.undp.org/press-releases/jaguar-protection-insurance>.

Making the case for nature-related insurance in 2025

UNDP is conducting outreach and developing research to raise awareness and improve understanding of the ways insurance and risk finance can be used to protect biodiversity, restore ecosystems and reduce human-wildlife conflict. In 2025, UNDP organized nature-related risk and insurance dialogues between investors, insurers, conservation groups, nature-data providers and standard setters. Evidence generated on nature-related risks and mitigation through insurance and risk finance included a guidance report produced in cooperation with BIOFIN: *How Insurance Can Address Nature-related Risks: A Summary Report*.²⁷ An extended version of the guidance is scheduled for publication in 2026.



²⁷ UNDP and BIOFIN, *How Insurance Can Address Nature-related Risks: A Summary Report* (New York, 2025). Available at <https://irff.undp.org/paper/how-insurance-can-address-nature-related-risks>.

Refined Theory of Change for UNDP’s Insurance and Risk Finance Facility

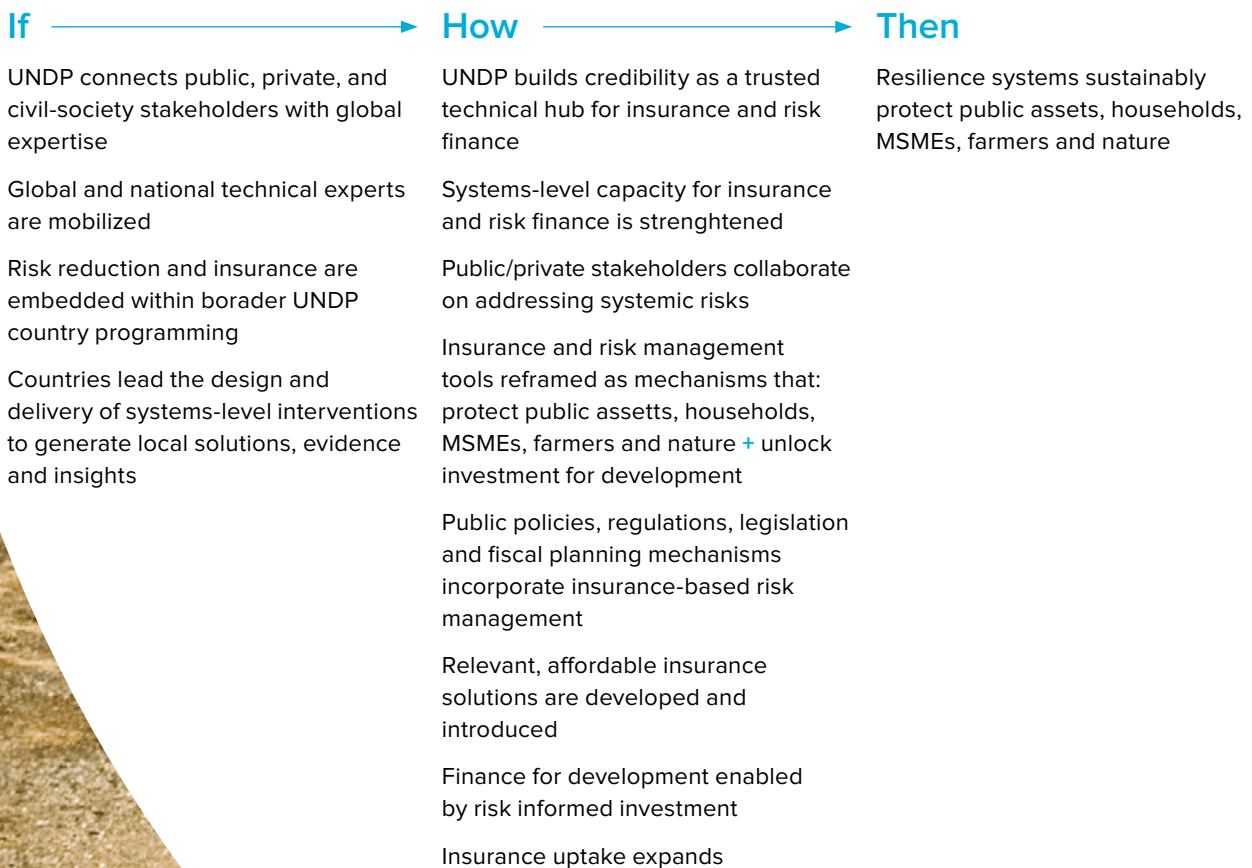
The Facility leverages UNDP’s global and country platforms to facilitate collaboration between public, private and civil-society stakeholders, powered by world-class technical experts. Countries lead the design of locally grounded solutions, supported by UNDP’s credibility as a trusted technical hub. This collaboration produces change across three interconnected dimensions.

- At the systems level, institutional frameworks, policies, regulations, and fiscal planning mechanisms are reoriented to incorporate risk management — creating the enabling conditions for lasting change.
- Through transformational change, insurance and risk management instruments are reframed as development instruments — protecting households, farmers, MSMEs, communities, and nature — while de-risking strategies unlock new flows of public and private investment.
- Through relational change, the right players are brought together across sectors and geographies, building the trust and partnerships needed for markets to develop affordable products that beneficiaries can access and use effectively.

Across all three dimensions, internal and external learning loops feed insights back into design, ensuring that what works is strengthened and what doesn’t work is adapted.

The result: resilient systems that protect households, farmers, MSMEs, and nature — and keep protecting them — safeguarding development gains and catalyzing further investment in the people and systems that need it most.

MONITORING, EVALUATION & LEARNING LOOP



Looking forward



Emanuely Nkuwi Omary, one of 2 million 'boda boda' drivers in Tanzania, is covered by a multi-risk insurance solution developed by Twende Bima, winner of UNDP's Insurance Innovation Challenge in Tanzania.

Photo: UNDP Tanzania

With global risks reaching new heights, UNDP is responding to growing demand from countries seeking to use insurance to drive financial resilience and investment. Across 39 countries, UNDP will continue to deliver government and industry capacity-building programmes, facilitate tailored

insurance solutions and provide technical assistance. As UNDP implements its 2026-2029 Strategic Plan, insurance and risk reduction is being integrated into the organization's climate, energy, nature and inclusive growth pillars, with a strong focus on private sector engagement.

UNDP Insurance and Risk Finance Portfolio Outlook for 2026

Risk finance solutions are expected to go live in Argentina, Colombia, the Dominican Republic, Ghana and Indonesia, alongside the expansion of flood-risk and agricultural solutions on the market in Ecuador, Nigeria and Uzbekistan. Building on the disaster risk finance frameworks and improved public financial management facilitated by UNDP over the past years, UNDP will actively support country efforts to operationalize payouts through contingency planning and government-to-person (G2P) payments.

New **Insurance Innovation** Challenges will be launched in 12 countries in 2026, expanding the pipeline of insurance solutions designed to meet the needs of vulnerable households, small businesses, farmers and nature. Over 25 insurance products and services will continue to be developed by winners of insurance innovation challenges held in 2025. These solutions are expected to enter the market in 2026, and projected to reach over 1 million beneficiaries, supported with technical assistance, investment readiness support, and peer-to-peer exchange facilitated through UNDP's Global Insurance Innovators Community.

The **Financial Resilience in Agriculture** (FRA) Initiative's Community of Practice will convene over 25 governments in China alongside a new South-South cooperation initiative. New ministerial agri-finance and insurance units will be launched in Uganda and Bangladesh.

Through the UNDP and Generali partnership to build the resilience of micro- and small to medium-sized enterprises (**MSMEs**) and the **global value chains they support**, a new publicly available risk management tool for MSMEs in India along with up to

3 insurance innovation challenges will be launched in 2026. The two innovative Insurtech solutions designed for MSMEs in Thailand, which were announced at the UNDP-Generali SME Resilience event in Bangkok in 2025, will be finalized and put into the market.

The **Global Actuarial Initiative** in partnership with Milliman will continue to implement the actuarial capacity building roadmaps across 15 countries, working jointly with insurers, regulators, universities and actuarial associations.

New global initiatives will be rolled out, including the Generali-UNIDO-UNDP coffee value chain programme to strengthen smallholder coffee farmers' resilience in Uganda and ForestFlow, a programme to drive sustainable transitions in forest territories across Costa Rica, Guatemala, and Honduras, funded by Germany's Federal Ministry for the Environment, Climate Action, Nature Conservation and Nuclear Safety (BMU). The FRA Initiative will begin implementation of the FARM+ programme – the second phase of the Global Environment Facility's Financing Agrochemical Reduction and Management (FARM) program. In collaboration with UNDP's Rome Centre, work will commence with Public Development Banks to support climate-resilient agricultural projects in Tanzania, Uganda, and Senegal through the Platform for Investment Support and Technical Assistance (PISTA).

Insurance as a Strategic Priority for Sustainable Development in 2026

UNDP's 2026-2029 Strategic Plan prioritizes systems change through country leadership, integrated development solutions, and enhanced private sector engagement. Aligning with this vision, the

Insurance and Risk Finance Facility is expanding efforts to bridge government and private sector objectives to increase financial protection and build long-term resilience.

To achieve this in 2026, we will focus on three core areas:

Strengthening the links between disaster risk reduction, climate adaptation and insurance

Working alongside partners including the Insurance Development Forum, Centre for Disaster Protection and the Global Shield Against Climate Risks, UNDP is addressing the growing challenge of insurability²⁸ by integrating risk reduction and insurance into public financial management of risks. As part of this integrated approach, the Insurance and Risk Finance team is supporting countries with integration of insurance into requests for support from the Fund for Responding to Loss and Damage (FRLD).

Unlocking the insurance sector's investment-enabling capabilities

UNDP is creating new pathways to leverage the insurance sector as a critical enabler of investments in the SDGs. UNDP will increase its engagement with public and private investors, financial institutions and insurers to de-risk investments linked to sustainable development. For example, UNDP is working with national development banks to integrate insurance into their infrastructure and agricultural lending portfolios in Ecuador, Ethiopia, Senegal, Uganda, and Tanzania. Foundational research on the specific barriers and opportunities for SDG-aligned insurance investments across Africa is being developed for release in September 2026 and will act as a roadmap for mobilizing domestic resources for development from insurers. This work will link to UNDP's commitment to support the creation of country platforms that align national development plans with public finance, private investment and policy reforms.

Deepening our engagement with the private sector

UNDP will collect evidence to assess how public-private business models contribute to public sector resilience objectives while advancing private sector opportunities. Drawing on UNDP's existing public private insurance partnerships, UNDP will develop case studies — such as the Nigeria Flood Risk Case Study released in 2025 — documenting how it has collaborated with governments, businesses and financial institutions to create enabling regulatory and policy environments, de-risk investment and unlock innovation for sustainable development.

Ultimately, our work is grounded in the understanding that protecting people is at the heart of any meaningful effort to advance sustainable development. As noted by Bill Gates, investments in human development — in health, agriculture, and livelihoods — are fundamental to building climate resilience. Insurance provides a critical safety net that allows people and societies to invest in their futures, enhances their ability to adapt and safeguards progress when shocks occur. This focus on human development will remain the cornerstone of UNDP's insurance strategy.

²⁸ 'Insurability' is a term used to describe the threat of rising climate risks to the viability of insurance markets in climate vulnerable geographies.

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