



World Food  
Programme

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LIVES  
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LIVES

# Safeguarding food security and building resilience: an overview of WFP-supported disaster risk financing programmes

Scaling up risk financing solutions through integrated and risk-layered approaches

The impacts of the climate crisis are intensifying, with its most severe effects being felt by the world's most vulnerable communities—those who have contributed the least to its causes.

Smallholder farmers, pastoralists, and small and medium-sized entrepreneurs are increasingly facing extreme weather events such as droughts, floods and storms, with limited access to financial tools to help them manage these challenges.

July 2025

Given the severe effects of the climate crisis, WFP recognises the need to expand risk financing solutions that provide financial protection to communities against climate-induced losses and damages, helping to prevent them from falling into hunger and food insecurity.

Since 2008, WFP has enabled food-insecure communities to access financial protection through disaster risk financing (DRF) solutions. These instruments enable governments and communities to better manage climate shocks by providing timely resources that support early responses and faster recovery, while reinforcing the ability to cope with future disruptions.

WFP's DRF programmes focus on two workstreams: [inclusive risk financing](#) and [macro-level risk financing](#). At the community level, WFP enables smallholder producers with access to insurance and other financial instruments, integrating these with activities that strengthen resilience and reduce vulnerability to external shocks. At the regional and national level, WFP mobilizes risk financing through partnering with regional risk pools to activate insurance coverage that provides funding for early disaster response when a catastrophic climate shock triggers a payout, as well as integrating other risk financing solutions, such as trigger-based contingency funds.

## Our action in 2024

In 2024, WFP supported **6 million vulnerable people in 37 countries** to access disaster risk financing, with **global coverage totaling nearly US\$361 million**. In areas affected by drought, floods and tropical cyclones, **US\$49 million in payouts were distributed to over 2 million people**. Below is an overview of how WFP-supported risk financing solutions provided financial protection to vulnerable people in 2024. For more detailed information please refer to the [2024 Disaster Risk Financing Annual Report](#).



## Inclusive Risk Financing

At the community level, WFP helps vulnerable households to better prepare for and cope with climate-related shocks, such as droughts, floods, storms and heatwaves, using an integrated set of risk management strategies to reduce vulnerabilities that include access to tailored financial services, such as savings, credit and insurance. These tools complement each other and provide support for different risk severity levels, enabling individuals to manage a variety of risks.

Informed by the lessons learned and evidence gathered over the years through the **R4 Rural Resilience Initiative (R4)**, the **Inclusive Risk Financing (IRF)** approach focuses on

### WFP-SUPPORTED INCLUSIVE RISK FINANCING PROGRAMMES

**Countries where WFP provides support through direct engagement on product design, implementation and premium payment:** Bangladesh, Burkina Faso, Côte d'Ivoire, Cuba, Ethiopia, Guatemala, Haiti, Iraq, Kenya, Kyrgyz Republic, Madagascar, Malawi, Mozambique, Senegal, and The Gambia.

**Countries where WFP provides technical assistance to governments:** Democratic Republic of Congo, India, Lesotho, Zambia and Zimbabwe.

# OUR REACH AND SCALE IN 2024

## Macro-level Risk Financing



**2.8 million** people protected by macro-level insurance during the 2022/23 season



Total value of premium amounts to **US\$12.1 million**



Over **US\$102.9 million** in financial coverage



Over **614,000** people received WFP assistance funded by macroinsurance payouts in 2024



**US\$13.5 million** in macro-risk financing payments triggered in 2023/2024, of which **US\$7.3 million** was transferred to beneficiaries in 2024

## Inclusive Insurance



Over **3.1 million** people covered by inclusive and/or meso-level insurance in 2024



Total value of premium amounts to nearly **US\$14.8 million**



Over **US\$248 million** in financial coverage, including over **US\$167 million** in indirect coverage through technical assistance



Over **1.4 million** people benefiting from inclusive insurance payouts distributed in 2024



Over **US\$41.5 million** in insurance payouts distributed in 2024

## Financial Inclusion



Over **320,000** participants engaged in financial inclusion initiatives in countries where WFP implements disaster risk financing programmes



**68 percent** of participants are **women**



Over **US\$17 million** saved by participants of financial inclusion programmes in countries where WFP implements disaster risk financing programmes



**US\$10.2 million** of loans accessed by financial inclusion initiative participants in countries where WFP implements disaster risk financing programmes

strengthening the resilience of agri-food value chains to improve their ability to guarantee food security and nutrition. WFP has improved the effectiveness and sustainability of the programme through three strategic areas: **improved targeting and integration** of risk financing tools into relevant WFP programmes that support market access, resilient food systems and value chains, and financial inclusion; **improved quality of programmatic interventions** to increase access to savings and loans; and **better long-term sustainability and exit strategies** by leveraging national systems. In 2024, WFP's IRF programmes reached over **3.1 million** vulnerable people in **15 countries** in, improving food security, food consumption and capacities to respond to and recover from disasters.



To ensure the protection of farmers against a range of perils, WFP provided financial protection of over **US\$248 million**, with premiums totalling nearly US\$15 million. **Over US\$41 million** in payouts

were triggered, directly **benefitting over 1.5 million people**. Additionally, WFP either provided technical assistance or laid the groundwork for capacity strengthening in in the Democratic Republic of Congo, India, Lesotho, Zambia and Zimbabwe.

## Macro-level Disaster Risk Financing

At the macro level, WFP directly purchases or supports governments to purchase insurance coverage that offer rapid finance for early response operations aimed at supporting affected communities after major disasters.

WFP typically partners with regional risk pools to purchase an insurance product or top-up the

premium of the Government partners' existing insurance policies, to enable finance to be channelled through government-owned shock responsive social protection systems or to finance WFP's assistance when a climate shock triggers a payout.

At present, WFP works with three regional risk pools, specifically the African Risk Capacity (ARC) Ltd, CCRIF SPC (Formerly the Caribbean Catastrophe Risk Insurance Facility Segregated Portfolio Company) in Latin America and the Caribbean, and the Pacific Catastrophe Risk Insurance Company (PCRIC) in the island nations of the Pacific.

**AFRICA:** In 2024, WFP protected **1.8 million people** in Burkina Faso, Madagascar, Mali, Mauritania, Mozambique, Somalia, Sudan, The Gambia, Zambia and Zimbabwe from catastrophic drought and tropical cyclone through ARC Replica, with financial protection totalling over **US\$48 million**. Following droughts and cyclones, WFP received US\$12 million in insurance payouts, including US\$2.6 million in Burkina Faso and US\$3.3 million in Zambia. In Zimbabwe, ARC confirmed a minimum guaranteed payout before the coverage period ended, providing WFP with US\$6.09 million payout from

### WFP-SUPPORTED MACRO-LEVEL RISK FINANCING PROGRAMMES

**Countries where WFP directly purchased an ARC policy:** Burkina Faso, Madagascar, Mali, Mauritania, Mozambique, Niger, The Gambia, Somalia, Sudan, Zambia and Zimbabwe.

**Countries where WFP provided a top-up to the government's policy:** Antigua, Belize, Dominica, Grenada, Jamaica, St Lucia and St. Vincent and the Grenadines.

**Countries with a trigger-based contingency layer:** Madagascar, Mali, Mauritania and Zimbabwe.

**Countries where WFP is expanding in 2025:** Dominican Republic, Haiti, Laos, Solomon Islands and Syria

its ARC Replica policy following severe drought. As a result, WFP was able to pre-finance food assistance and start distributions months ahead of other partners—reaching 272,000 people in three districts before the crisis peaked.

To effectively address different levels of risks at the macro level, WFP is adopting a risk-layering approach. In 2024, WFP piloted a **trigger-based contingency fund for localized shocks**, together with ARC Ltd. in Madagascar, Mali, Mauritania and Zimbabwe. Additionally, to address more severe, less frequent events than those covered by ARC Replica, WFP also piloted a **regional catastrophic insurance layer** in the Sahel, covering Burkina Faso, Mali and Niger. This initiative will optimize coverage in the case of an extreme drought (more than one in 10-year) and complement other risk financing instruments.

**LATIN AMERICA AND THE CARIBBEAN:** In 2024, WFP topped-up macro insurance premiums for Antigua, Belize, Dominica, Grenada, Jamaica, St Lucia and St. Vincent and the Grenadines through CCRIF SPC. Top-ups increased coverage against tropical cyclones and excess rainfall, potentially enabling US\$16.3 million in cash transfers in 2024 across all countries. In July 2024, Hurricane Beryl highlighted the WFP-CCRIF model's impact, triggering payouts totalling US\$65.7 million of which US\$5.6 million was allocated for cash transfer support across Grenada, Jamaica and St. Vincent and the Grenadines. These interventions demonstrated the power of linking disaster risk financing to social protection, offering a scalable model for resilience and recovery.

WFP collaborated with the Government of Grenada to ensure that part of the climate insurance payout

reached the most vulnerable people. Of the nearly US\$44 million received after Hurricane Beryl, approximately US\$4.2 million of the CCRIF payout was allocated to social protection efforts through the Beryl Recovery Income Support Programme (BRISP).

**ASIA AND THE PACIFIC:** In 2024, WFP partnered with the Pacific Catastrophe Risk Insurance Company (PCRIC) to design a programme that would facilitate increased insurance coverage to vulnerable countries. In November, WFP supported Fiji, Samoa, Tonga and Vanuatu in accessing initial or increased sovereign parametric insurance for tropical cyclones from PCRIC. These policies help governments strengthen their financial resilience and improve disaster response capabilities.

## The way forward

In 2025 and beyond, a key priority will be scaling risk financing solutions for fragile states, following the successful launch of WFP's first macro insurance policy against drought for Syria in January 2025. This year, WFP will work to expand this approach to other fragile contexts, ensuring that populations in high-risk, conflict-affected regions receive timely financial protection against weather-related shocks. Together with our partners, WFP is committed to building a more resilient future for the communities we serve, ensuring that no one is left behind in the face of the escalating climate crisis.



### CLIMATE AND RESILIENCE SERVICE PROGRAMME, POLICY AND GUIDANCE DIVISION – PPG World Food Programme

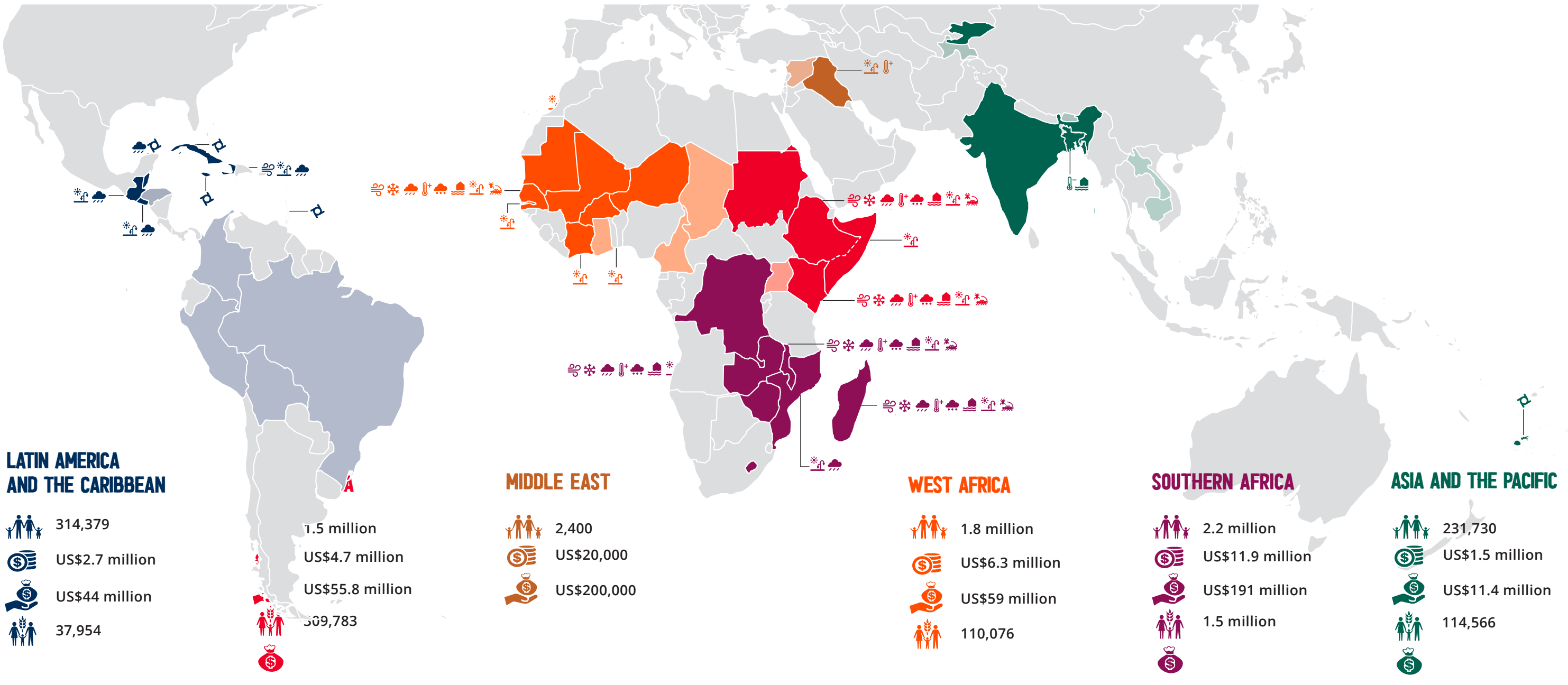
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# OUR REACH AND SCALE IN 2024



In 2024, WFP provided **US\$361 million** in financial protection to over **6 million people** through its disaster risk financing instruments across **37 countries** in Africa, Asia and the Pacific, the Middle East, Latin America and the Caribbean. In regions impacted by weather-related shocks, such as drought, floods and tropical cyclones, WFP assisted over **2 million people** through insurance payouts amounting to **US\$48.9 million**.

## LEGEND

- Number of people covered by insurance
- US\$ value of premiums
- US\$ value of sum insured
- Number of people benefiting from insurance payouts
- US\$ value of payouts triggered and/or disbursed in 2024
- Current countries
- Expansion countries
- Pests and diseases
- Cyclone
- Violent wind
- Frost
- Excess rainfall
- Flood
- Hail
- Cold spell
- Heatwave
- Drought