



ACADEMY ON SOCIAL AND SOLIDARITY ECONOMY (12th EDITION)

BUILDING BACK BETTER: THE ROLE OF SOCIAL
AND SOLIDARITY ECONOMY IN A HUMAN-
CENTRED AND PLANET-SENSITIVE RECOVERY

15-26 NOVEMBER 2021

Noel D. Raboy (CLIMBS)

*Elective 3: SSE, just transition to climate-neutral
and circular economy: innovative ways of production and
consumption*



EURICSE



REPÚBLICA
PORTUGUESA

TRABALHO, SOLIDARIEDADE
E SEGURANÇA SOCIAL



CASES

Cooperativa António Sérgio para a Economia Social



International
Labour
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International Training Centre



CLIMBS Life and General Insurance Cooperative

www.climbs.coop



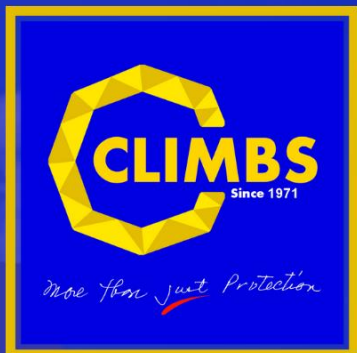
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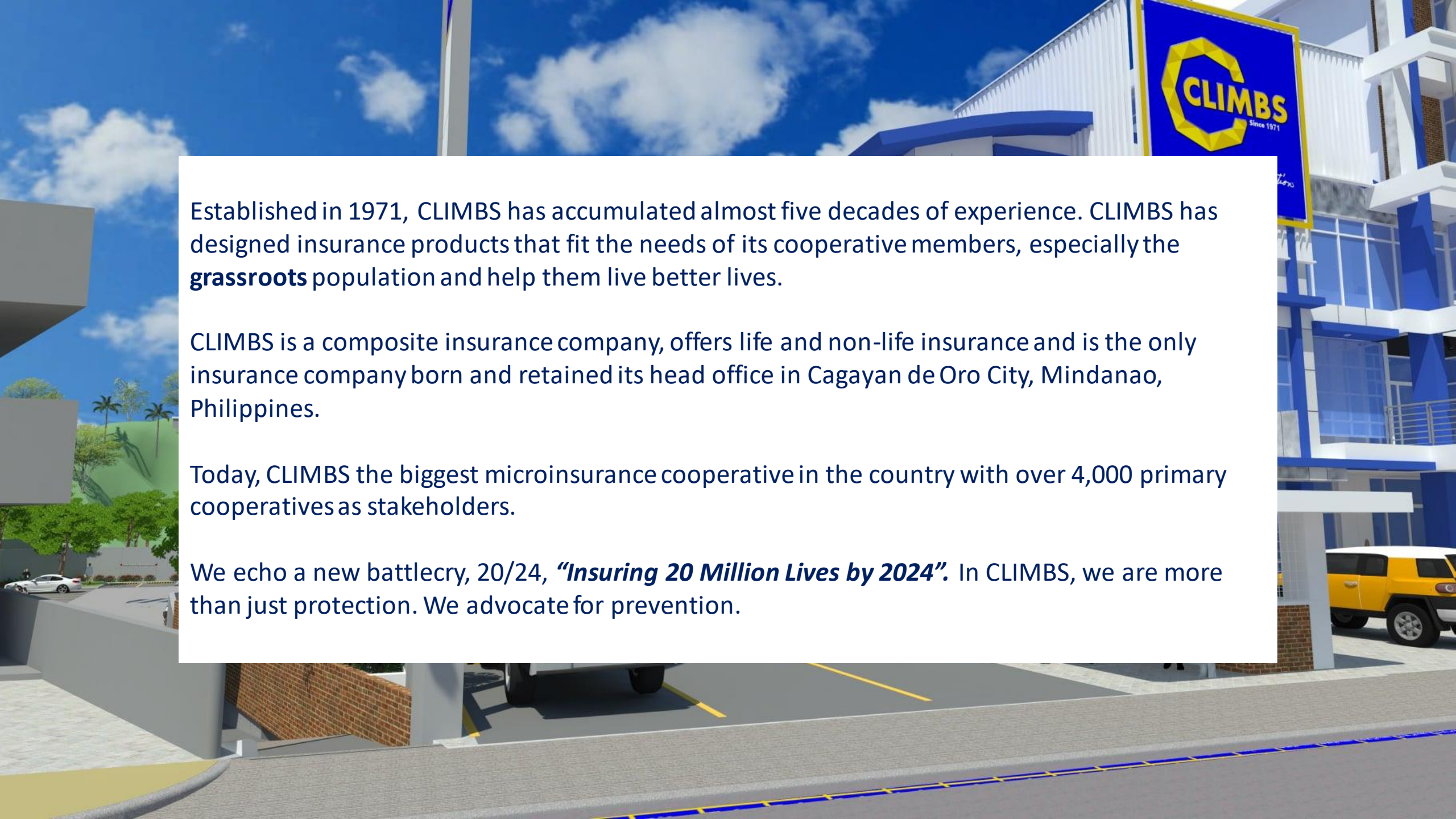
ILO Academy on Social and Solidarity Economy



International
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NOEL D. RABOY, MBA Ex
CLIMBS President & CEO

The background of the slide is a 3D architectural rendering of a modern building with a blue and white facade. A large sign on the building features the CLIMBS logo, which is a yellow hexagon with the word 'CLIMBS' in blue and 'Since 1971' in smaller text below it. A yellow van is parked in front of the building. The sky is blue with white clouds.

Established in 1971, CLIMBS has accumulated almost five decades of experience. CLIMBS has designed insurance products that fit the needs of its cooperative members, especially the **grassroots** population and help them live better lives.

CLIMBS is a composite insurance company, offers life and non-life insurance and is the only insurance company born and retained its head office in Cagayan de Oro City, Mindanao, Philippines.

Today, CLIMBS the biggest microinsurance cooperative in the country with over 4,000 primary cooperatives as stakeholders.

We echo a new battlecry, 20/24, ***“Insuring 20 Million Lives by 2024”***. In CLIMBS, we are more than just protection. We advocate for prevention.

CURRENT REALITIES

Philippines is located along Asia –Pacific’s typhoon belt and “**ring of fire**” making its people vulnerable to the onslaught of calamities.

The Philippines is "**the most exposed country in the world to tropical storms**" according to a Time Magazine article in 2013.



Challenges on Climate Action

- Big Losses especially in the Agri sector and value-chain markets
- Sustainable and Resilient Organizations
- The Philippines is among the countries most vulnerable to and at risk for climate change.

Philippines ranking in global climate risk

CRI 2000-2019 (1999-2018)	Country	CRI score	Fatalities	Fatalities per 100 000 inhabitants	Losses in million US\$ PPP	Losses per unit GDP in %	Number of events (2000-2019)
1 (1)	Puerto Rico	7.17	149.85	4.12	4 149.98	3.66	24
2 (2)	Myanmar	10.00	7 056.45	14.35	1 512.11	0.80	57
3 (3)	Haiti	13.67	274.05	2.78	392.54	2.30	80
4 (4)	Philippines	18.17	859.35	0.93	3 179.12	0.54	317
5 (14)	Mozambique	25.83	125.40	0.52	303.03	1.33	57
6 (20)	The Bahamas	27.67	5.35	1.56	426.88	3.81	13
7 (7)	Bangladesh	28.33	572.50	0.38	1 860.04	0.41	185
8 (5)	Pakistan	29.00	502.45	0.30	3 771.91	0.52	173
9 (8)	Thailand	29.83	137.75	0.21	7 719.15	0.82	146
10 (9)	Nepal	31.33	217.15	0.82	233.06	0.39	191

Top 10 countries most affected by weather-related losses from 2000-2019 (annual average)

Source: Global Climate Risk Index (2021)

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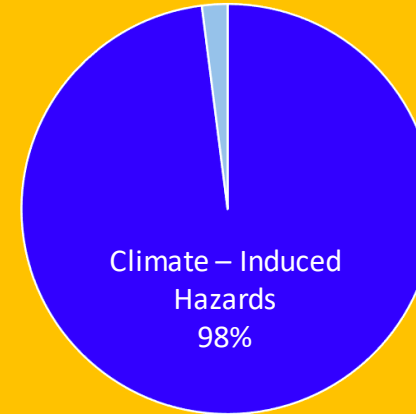
THE PHILIPPINES AND CLIMATE CHANGE

Sea level and temperature rise, as well as increasing onslaught of extreme weather events, due to some of climate change's impact on the country.



Successive typhoons have also affected our inflation rates. In January 2021, the general price level clocked higher rate of year-on-year growth of 4.2%

On a long-term average basis, we stand to incur P 177 billion (or \$3.6 billion) per year in losses due to typhoons and earthquakes.



Estimated cost of
P455 billion – worth of damages
due to climate change
(2010-2019)

In the next 50 years, the country has:

40% Chance of experiencing a loss exceeding PhP 988 billion (\$ 20 billion)

20% Chance of experiencing a loss exceeding PhP 1.5 trillion (\$ 30 billion)

Source: Philippine Statistics Office



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RISK MITIGATION THROUGH INNOVATIVE SOLUTIONS

CLIMBS WEATHER PROTECT

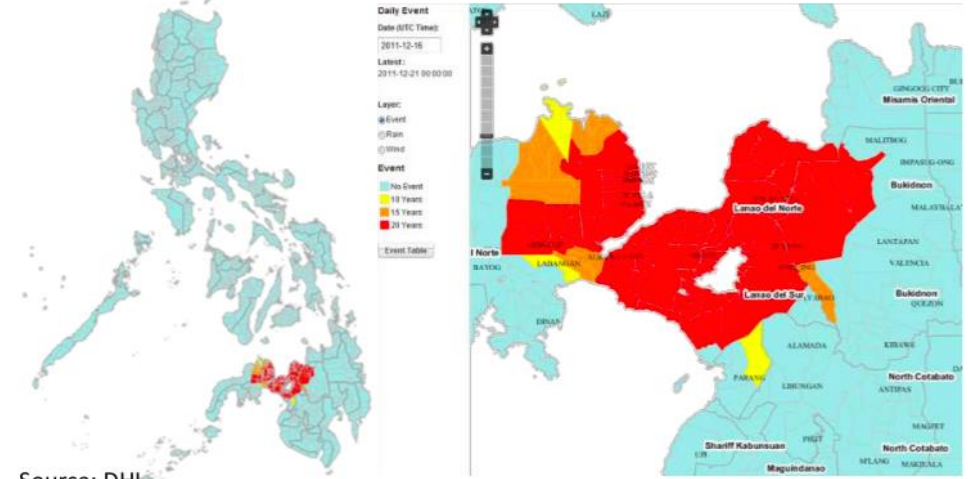
Catastrophe Protection Policy
2011

- Protecting Cooperative Loans Portfolios Against Extreme Weather
- Satellite Base (Weather Index)
- Triggers on: Excess Wind speed (Knot) and Excess Rainfall (mm/24hr)
- Product Focus

Experience:

2011 with renewals until 2013:	11 coops
Total Coverage:	\$ 1.40M
Total Premiums Generated	\$ 48,163.20
Total Claims Paid	\$ 26,289.08
Re-Insurance Recovery	\$ 20,020.84
Loss Ratio	54%

Washi (Sendong) sets excessive rainfall triggers to 118 municipalities



Source: DHI

Challenges & Lessons Learned:

- Product Focus
- Market Acceptance
- Strong Interest of the Individual Consumers
- Promising business line
- Reinsurance Support
- Acceptance of the Technology based Trigger

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ENHANCED WEATHER PROTECT PRODUCT

- **Customer Focus Product**
- **Learned from the previous weather protect insurance**
- **Cooperative Leadership in addressing Climate Action** – commitment to SDGs, the Cooperative as a primary mover to address Climate Action.

Relaunched the Enhanced Weather Protect Product

with global partners: IBISA, ICMIF, CIAT and Global Parametrics.

- **IBISA Network** – Inclusive Blockchain Insurance using Space Assets.
- **ICMIF** – International Cooperative and Mutual Insurance Federation
- **CIAT** – International Center for Tropical Agriculture works in collaboration with hundreds of partners to help developing countries make farming more competitive, profitable, and resilient through smarter, more sustainable natural resource management.
- **Global Parametrics** – leverage advances in climate science, data modelling and financial engineering to build the tools needed to understand, manage and mitigate the risks of extreme weather and natural disasters anywhere in the world.



This is an **innovative solution** using blockchain technology with a **unique feature on smart agriculture** to help **build resilience and sustainability among our farmers and agripreneurs.**

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ENHANCED WEATHER PROTECT PRODUCT:

Started on September 1, 2021

- 18 Pilot Provinces
- 4 On-boarded Cooperatives
 - With Total Premium of Php 454,382.50 (\$ 9,075.76)



Value Added Benefits: SMART FARMING ADVISORIES

Based on soil temperature, season forecast, and data on flood risk



Crops suitable
to area



Livelihood
Mapping



Crop
Calendar



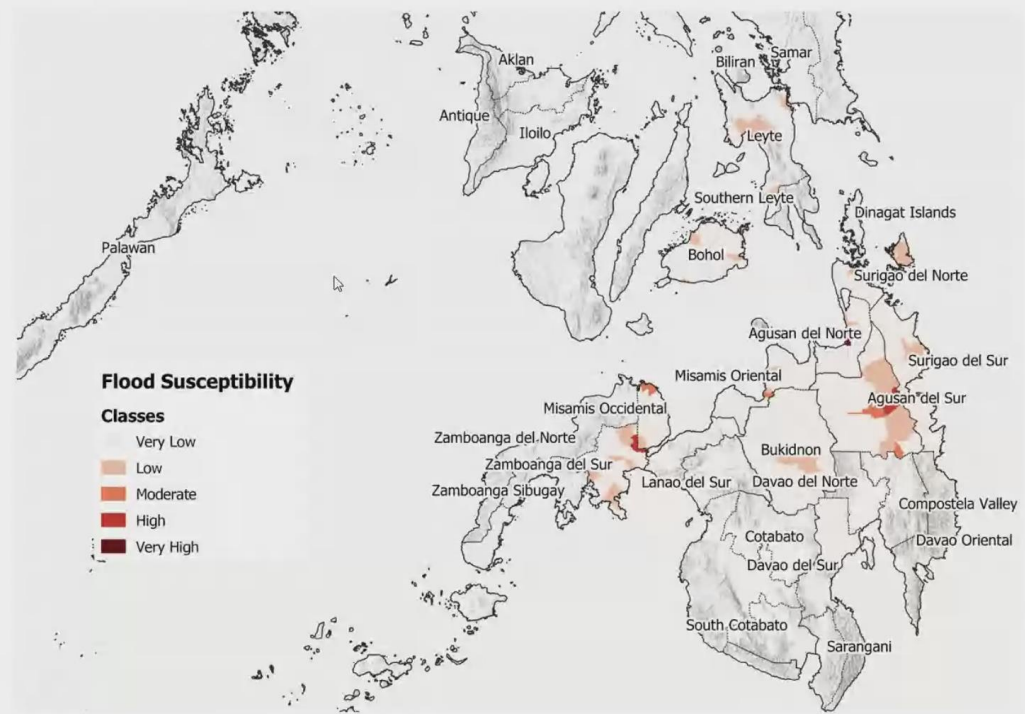
Seasonal
Agriculture

*Helping farmers and the importance of value-chain,
just transition and circular economy.*

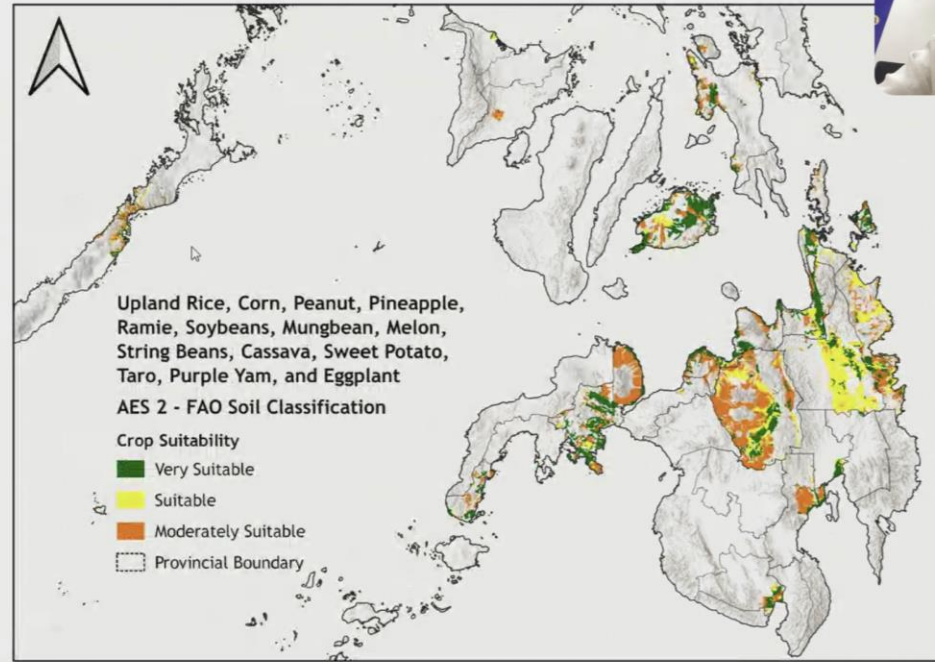
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presenting
With provincial labels



leyte is presenting
AES 2 with Corn



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COMMUNITY RESILIENCY AND SUSTAINABILITY

Our social contract in achieving United Nations SDGs

Financial Literacy and Risk Management (*important role of education*)

Teach Business Continuity Planning in all stages for sustainability and to strengthen resilience and adaptive capacity of cooperatives through the **CLIMBS Institute of Management (CIM)** formerly **CIFL**,. Addressing **SDG 4: Education** and **SGD 11: Sustainable Cities and Communities**.

- ▶ **Financial Literary** through product awareness and protection.
- ▶ **Forge strong partnerships with other organizations** (SDG 17: Partners for Goals) that help the most vulnerable sector “Impact Insurance Project” in the Philippines with the ILO’s Social Finance Program
- ▶ Partnership with the Local Government Units and the Department of Education



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COMMUNITY RESILIENCY AND SUSTAINABILITY

Our social contract in achieving United Nations SDGs



Promote Community Resiliency through CLIMBS CARES (Community Action Response to Emergency Services) and community development particularly on providing potable and clean water to remote areas, addressing SDG 6: Clean water and sanitation.



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