COAST:
Caribbean Oceans, Aquaculture Sustainability Facility

Fernando R. Echavarria, Ph.D.
Bureau of Oceans, International Environmental & Scientific Affairs, OES
U.S. Department of State

Ignite Stage, UN Global Platform on Disaster Risk Reduction, Cancun, Mexico, May 25, 2017
What is the problem?

• Fisheries and aquaculture assure the livelihoods of 10-12 % of the world’s population.

• Coastal areas ( the buffer 100 km from coastlines) account for 61% of the world’s total GDP, specially in developing countries.

• The 2013 annual catch of 180 million tons of fish was a mayor contribution to human nutrition for billions of people, accounting for 16% of total global animal protein intake.

• But fisheries are under threat due to overexploitation. Coastal resources are poorly managed. Threats are increasing due to higher frequency and intensity of natural + tech. disasters.

• According to World Bank since 1980, 9 countries in Caribbean and CA have experienced disasters with economic impacts with more than 50% of annual GDP ( Grenada, 2004, 212% of GDP; Haiti, 2010, 120% of GDP).
What is COAST?

• An innovative financial mechanism for the Caribbean to support: resilient fisheries; protect the livelihoods of fisherfolks; and promote coastal disaster resilience.

• It is a parametric hurricane risk insurance product modelled on CARICOM’s Caribbean Catastrophe Risk Insurance Facility (CRRIF).

• COAST is housed at World Bank, with input from FAO, and The Nature Conservancy, endorsed by CARICOM.

• DOS has provided 5 million USD to WB’s PROFISH initiative, but hopes to mobilize 20 million in 4 years to enable indirect insurance coverage for 180k fisherfolks and associated industries.
What is parametric insurance?

• Innovative insurance mechanism where payments after a disaster are not based on lengthy, on-the-ground assessment of losses. Instead they are based on models and indexes of intensity of events.

• The models that ingest biophysical variables such as rainfall amount, wind speeds, storm surge, e-quake location/magnitude and shake intensity, etc.

• It provides lower cost insurance, for prompt assistance to communities recovering from disasters.

• COAST is modelled on the Caribbean Catastrophe Risk Insurance Facility (CRIFF).
What is CCRIF?

• Caribbean Catastrophe Risk Insurance Facility (CCRIF), the world’s first multi-country risk pooling mechanism begun in 2007.

• CRRIF currently has 17 Central American and Caribbean member states, with assets of 132 Million USD. Since it was started it has made 21 payouts for 68 million USD.

• It addressed tropical cyclones, e-quakes, excessive rainfall disasters in Caribbean and Central America.
COAST (CFI): helping fishing communities get back on their feet

Damages from Disasters (US$ millions)

- Suriname
- St. Vincent
- St. Lucia
- Dominica
- AB
- Belize
- Guyana
- St. Kitts & Nevis
- Grenada
- Jamaica
- DR

Source: EM-DAT
PROFISH 2005 - 2016

$6 million from PROFISH

$1.6 billion in WBG, GEF and private sector finance
Active Projects and WBG Pipeline
Conclusion

• COAST is a parametric disaster risk insurance product housed at the WBank, with input from FAO, TNC.

• COAST is an innovative financial mechanism to promote: resilient fisheries; livelihoods of fisherfolks; sustainable management of coastal infrastructure, food security, and disaster risk reduction in the Caribbean.

• With your participation and assistance, we hope to make COAST a success. Help us extend its lessons to other fisherfolks communities in regions around the globe.
COAST Contacts

• Randall Brummett, World Bank, Aquaculture & Inland Fisheries, Env. & Natural Resources Dept.  
  Rbrummett@worldbank.org

• Anushree Banerjee, U.S. Department of State, Office of Global Food Security,  
  BanerjeeA@state.gov

• Jane K. Gamble, U.S. Department of State, Office of Marine Conservation,  
  Gamblejk@state.gov