



Swiss Re, Oxfam America, Rockefeller Foundation and Columbia's IRI expand joint risk initiative in Tigray, Ethiopia

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New York, 25 September 2009 – Swiss Re, Oxfam America, The Rockefeller Foundation and The International Research Institute for Climate and Society at Columbia University (IRI) announced a joint Commitment to Action at the Clinton Global Initiative (CGI) 2009 meeting in New York on 22 – 25 September. Aimed at helping communities most vulnerable to climate variability and change, the collaboration will expand on their joint 2008 commitment focused on using risk reduction and risk transfer skills to improve financial and food security for farmers within the drought-prone village of Adi Ha, Tigray Regional State, Ethiopia.

Drought-related risks are a primary concern throughout Ethiopia where 85% of the population is dependent on smallholder, rain-fed agriculture. Education and exposure to micro-insurance, increased access to credit and improved risk management techniques are necessary measures for these populations to effectively adapt to the changing climate.

The 2009 commitment builds on the success of the 2008 pilot project in Adi Ha. After conducting workshops on climate change, financial literacy and insurance, the pilot weather risk insurance project achieved uptake by 20% of the village (200 households), with 38% of enrollees from female-headed households (recognized as the poorest of the productive poor). 65% of enrollees were participants in Ethiopia's Productive Safety Net Program (PSNP is a federal cash-for-work program that serves 8 million chronically food insecure households in Ethiopia) and most work on projects designed to build greater resilience to climate change within their communities in return for cash they use to pay for crop insurance.

David Bresch, Head of Sustainability & Emerging Risk Management for Swiss Re, commented, "Swiss Re is delighted to build on the success of our work with Oxfam and other partners to expand the pilot program in Ethiopia to five new villages. This expanded project will provide further validation on useful techniques that allow communities in developing countries to adapt to the changing climate."

The pilot project is part of the collaborative Horn of Africa Risk Transfer for Adaptation (HARITA) project including Swiss Re, Oxfam America and numerous additional international and Ethiopian organizations.

This year's commitment will expand the program to include at least one new crop and test the pilot model in four new villages in Tigray, and one in Amhara. Weather index insurance for rain-fed cereal farmers is proposed to be expanded utilizing two new automatic weather stations to cover the four new villages.

The Rockefeller Foundation, which has a \$70 million initiative focused on building resilience to climate change within the developing world, has provided over \$565,000 in additional funding for this commitment based on the success on the 2008 initiative, and the potential of the expanded 2009 program.

The efforts will be funded by Swiss Re and the Rockefeller Foundation and implemented by Oxfam America. The International Research Institute for Climate and Society at Columbia University will provide primary technical support. IRI has been at the forefront of weather index insurance initiatives aimed at meeting the needs of developing countries.

Oxfam America President Raymond C. Offenheiser said, "The expansion of the pilot project is an example of how collaborative projects such as HARITA can promote household food security, increase the impact of our risk reduction programmes including climate adaptation and provide guidance on the necessary measures to scale the pilot successfully in Ethiopia and beyond."

Rockefeller Foundation President Dr. Judith Rodin said, "The Rockefeller Foundation is proud to support the efforts of Oxfam and Swiss Re as we help protect smallholder farmers from the devastating impacts of climate change. As the climate crisis jeopardizes agricultural yields and food security, vulnerable communities around the world will need innovative insurance products to strengthen their resilience. This pilot represents important progress toward developing and expanding access to them."

Swiss Re has pioneered weather risk transfer instruments in developing countries, starting in India in 2004 with a program reaching over 350,000 smallholder farmers. In 2007, Swiss Re introduced the Climate Adaptation Development Programme (CADP).

The goal of the CADP partnership is to develop and implement weather risk transfer solutions in non-OECD countries.

Oxfam America is the US affiliate of Oxfam International, a confederation of 13 organizations working together with over 3,000 partners in more than 100 countries to find lasting solutions to poverty, suffering and injustice. Over the last 35+ years, Oxfam America has worked to bolster impoverished communities' capacity to reduce vulnerability. At the heart of OA's work is its aim to reduce risk. Nevertheless, climate change is dramatically increasing the global level of risk across the planet, and human intervention can do only so much to eliminate it. For this reason, OA recognizes the equally urgent need to develop formal risk transfer mechanisms that address questions of residual risk.

Notes to editors

Swiss Reinsurance Company Ltd

Swiss Re is a leading and highly diversified global reinsurer. The company operates through offices in more than 20 countries. Founded in Zurich, Switzerland, in 1863, Swiss Re offers financial services products that enable risk-taking essential to enterprise and progress. The company's traditional reinsurance products and related services for property and casualty, as well as the life and health business are complemented by insurance-based corporate finance solutions and supplementary services for comprehensive risk management. Swiss Re is rated "A+" by Standard & Poor's, "A1" by Moody's and "A" by A.M. Best.

Oxfam America

Oxfam America is an international relief and development organization that creates lasting solutions to poverty, hunger, and injustice. Together with individuals and local groups in more than 120 countries, Oxfam saves lives, helps people overcome poverty, and fights for social justice. To join our efforts or learn more, go to: www.oxfamamerica.org.

International Research Institute for Climate and Society at Columbia University

The IRI's mission is to enhance society's capability to understand, anticipate and manage climate-related risks and opportunities in order to improve human welfare and the environment, especially in developing countries. By providing practical advancements for managing current risks, we are creating solutions that will increase adaptability to long term climate change. IRI is a member of the Earth Institute at Columbia University. To learn more, please visit: www.iri.columbia.edu.

The Rockefeller Foundation

The Rockefeller Foundation, established by John D. Rockefeller, Sr., in 1913, works around the world to ensure that individuals, communities, and institutions can tap into growth and opportunity while building stronger resilience to risks and challenges. Since 2005, the Rockefeller Foundation has launched major efforts to bolster local resilience to the global climate crisis, mobilize an agricultural revolution in Africa, plan New Orleans' recovery from Hurricane Katrina, and shape more sustainable transportation policies in the United States. In 2008, the Foundation commenced a \$70 million Campaign for American Workers to develop new policy proposals and financial products that promote and protect savings, access to health care, and secure retirements. For more information, visit www.rockfound.org.