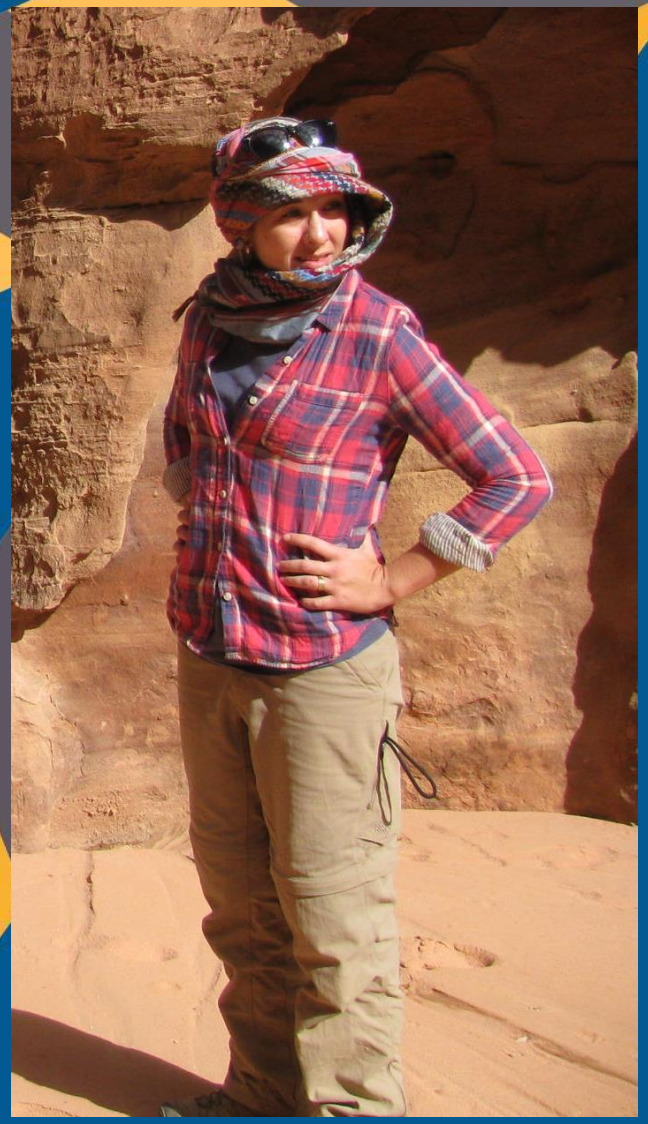
Humanitarian response, risk, and insurance: The winning combination for impact!

About Sabrina…



- Licensed US attorney, Certified Fraud Examiner (CFE), international development and humanitarian assistance professional
- Focus on supporting integrity, risk, and compliance systems in third sector organizations
- 20 years of experience working with large INGOs, small local charities, private sector consultancy firms, and donors
- Currently pursuing a doctorate focusing on risk management in small/medium-sized nonprofits
- Worked/lived in over 20 countries, currently located in Kigali, Rwanda

About Emma…

- Emma is leading Aon's work in helping non sovereign public sector entities look at innovative financing solutions to access private sector support.
- Recently led the IFRC Disaster Risk Emergency Fund (Re)Insurance Solution and is working on solutions with other NGO's such as Start Network, and UN agencies.
- Has 25 years of experience in reinsurance working across various parts of the reinsurance sector and geographies, including bringing reinsurance to support terrorism pools and other government catastrophe risk pools.

Third-sector Reinsurance Case Study

Start Network
(www.startnetwork.org)

ABOUT
START NETWORK

A BRIEF HISTORY

START NETWORK

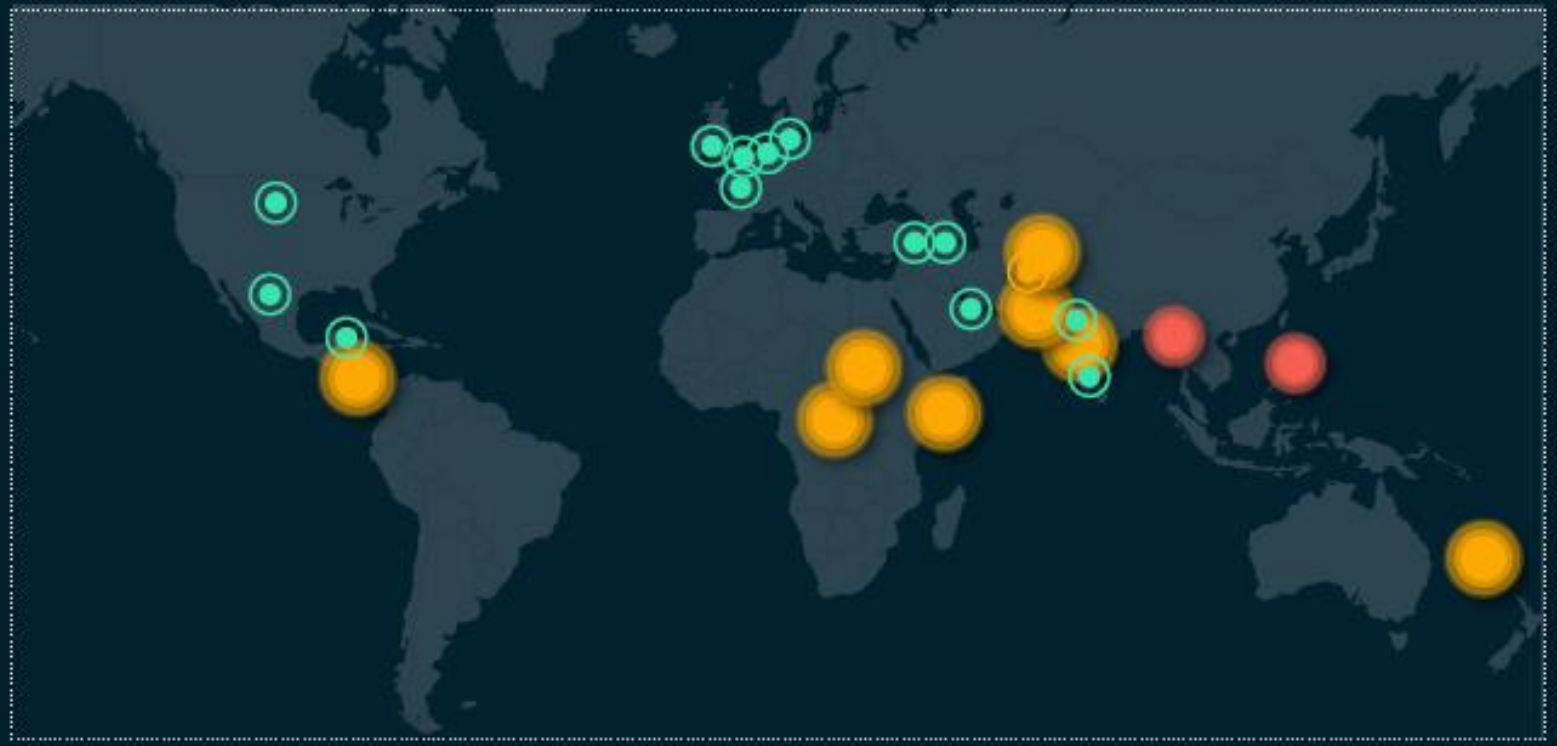
Start Network was born in 2010 from informal conversations. The conversations focused on the challenges that humanitarian NGOs faced, both within their own organisations and in the wider sector.

A small project was established within Save the Children UK (SCUK). It brought together humanitarian organisations to collaborate and address some of these challenges. The project grew, evolved and started to achieve some fantastic successes.

With growing momentum, Start Network became an independent UK charity in 2019.

START NETWORK

WE ARE A GLOBAL NETWORK OF NGOS



96 EXISTING MEMBERS

58% LOCAL & NATIONAL NGOS

8 CURRENT HUBS
2 EMERGING HUBS

About Start Ready

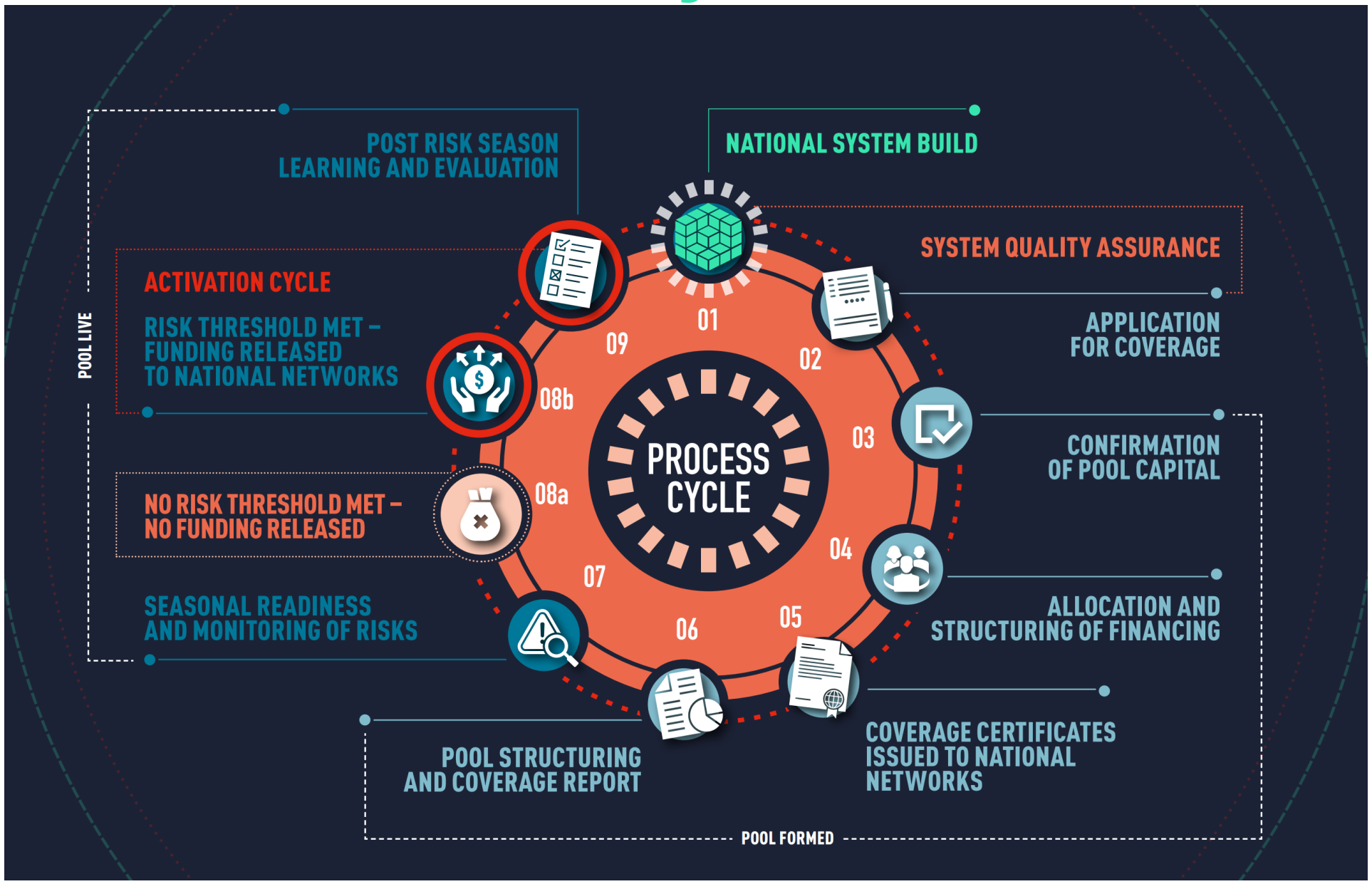
START NETWORK

- Start Ready is Start Network's newest humanitarian financing mechanism which supports **anticipatory action** and **disaster risk financing (DRF)** to respond to climate related risks. The first risk pool was launched in 2022 with £2.7m. Currently, risk pool three holds £7m (and is stretched to £9.7m). Pooled funds allow for more flexibility in response.

- Start Ready prepositions funds (**guaranteed for humanitarian access**) for crises that happen with predictable patterns of recurrence. Start Network builds **risk models** which draw on insights from the private/insurance sector. The Start Ready Governance Committee has **representatives from the private/insurance industries**.

- Start Ready contributes to a more **locally-led and anticipatory humanitarian** system by building DRF systems through networks of members at the national level, ensuring these systems are governed and owned by national stakeholders, and enables direct funding to flow to members wherever possible.

About Start Ready



About Start Ready - donors

The Start Ready Risk Pool is supported by:

- UK Foreign, Commonwealth and Development Office
- European Union
- Margaret A. Cargill Philanthropies
- IKEA Foundation
- Irish Aid
- French Ministry for Europe and Foreign Affairs
- Netherlands Ministry of Foreign Affairs
- Swiss Re Foundation
- German Federal Foreign Office
- Howden Foundation
- L'Oreal Climate Emergency Fund

We have also received technical support from the UK Government Actuary's Department, DCP, and AON.

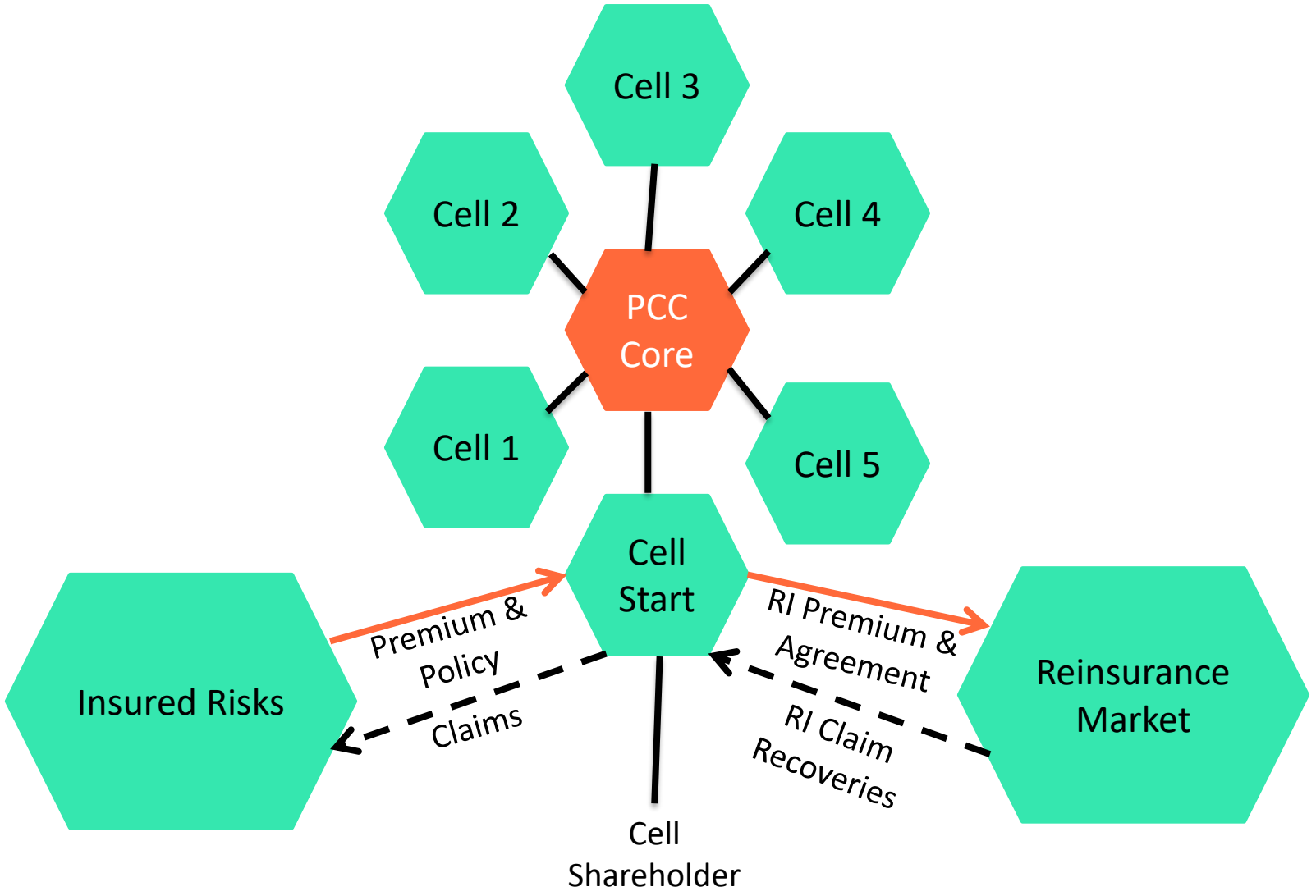
Start Ready activations (23 May – Bangladesh cyclone response)

Why does Start Ready need reinsurance?

- **MINIMIZE THE RISK OF DEFAULT** of the Start Ready pool
- **MAXIMIZE PROTECTION FOR AT-RISK COMMUNITIES** as available funds can be stretched further and more money can be allocated to each risk that is in Start Ready pool
- **MINIMIZE RISKS FOR START NETWORK** to use its own funds to cover disbursements that may be required if triggers happen when pool money runs out

This is particularly important within the context of **climate change** where humanitarian needs are outpacing the funding that is available.

Reinsurance structure for Start Ready



Expected results of reinsurance

- **RISK TRANSFER:** enables Start Ready to transfer risk of running out of funds and ensure that our Members can continue to access financing when needed
- **SUPPORTS INCREASED RISK APPETITE:** provides confidence to increase coverage/protection against threats included in the risk pool with less concern for running out of funds
- **ACCESS TO CAPITAL MARKETS:** positions Start Ready to potentially access new/different financing and risk transfer products in the future
- **INNOVATIVE FINANCING:** use/exploration of new ways to manage disaster risk and break ground on new ways for the humanitarian sector to engage and use insurance for humanitarian finance

Do you want to support risk management in the third sector?

Contact:

- The Risk Collaborative – an NGO focused on shifting the dialogue on risk/compliance between donors and implementing partners; emphasizing localization (tolerable.risk@gmail.com)

- Start Network – are developing an insurance working/ advisory group to explore additional opportunities to support humanitarian work; particularly seeking support with climate risks in Asia and the Caribbean (Danielle.Turner@startnetwork.org)

Thanks so much for listening!

Questions?