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Country Impact Stories

Building Financial Resilience: Disaster Risk Financing and Insurance in the Philippines

June 3, 2025

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Global Shield Financing Facility

Disaster Risk Financing & Insurance Program

SUPPORTED BY WORLD BANK GROUP

Philippine Context

What impacts us

Key Perils

Frequent Typhoons

Earthquakes

Volcanic Eruptions

Other Natural Hazards

What are we currently doing

Current DRF Program / Strategy

The Philippines developed and adopted its **Disaster Risk Financing and Insurance (DRFI) Strategy** aimed at sustaining economic growth through protecting gains from natural disaster shocks, and reducing the impact of disasters on the poorest and most vulnerable.

The Strategy has been developed in the context of the National Disaster Risk Reduction and Management (NDRRM) Plan under Outcome 5 which aims to ensure that communities have access to effective and applicable disaster risk financing and insurance. It is also consistent with the ASEAN Agreement on Disaster Management and Emergency Response (AADMER) and the ASEAN DRFI Roadmap.

DRF Program Deep Dive

Program Overview

The Government, through the DOF, has organized its disaster risk financing initiatives at three levels:

- **National Level**: Improve the financing of post-disaster emergency response, recovery, and reconstruction needs.
- **Local Level**: Provide local governments with funds for post-disaster recovery and reconstruction efforts.
- **Household/Individual Level**: Empower the poor and vulnerable households and owners of small and medium-sized enterprises to quickly restore their livelihoods after a disaster.

Key Impacts

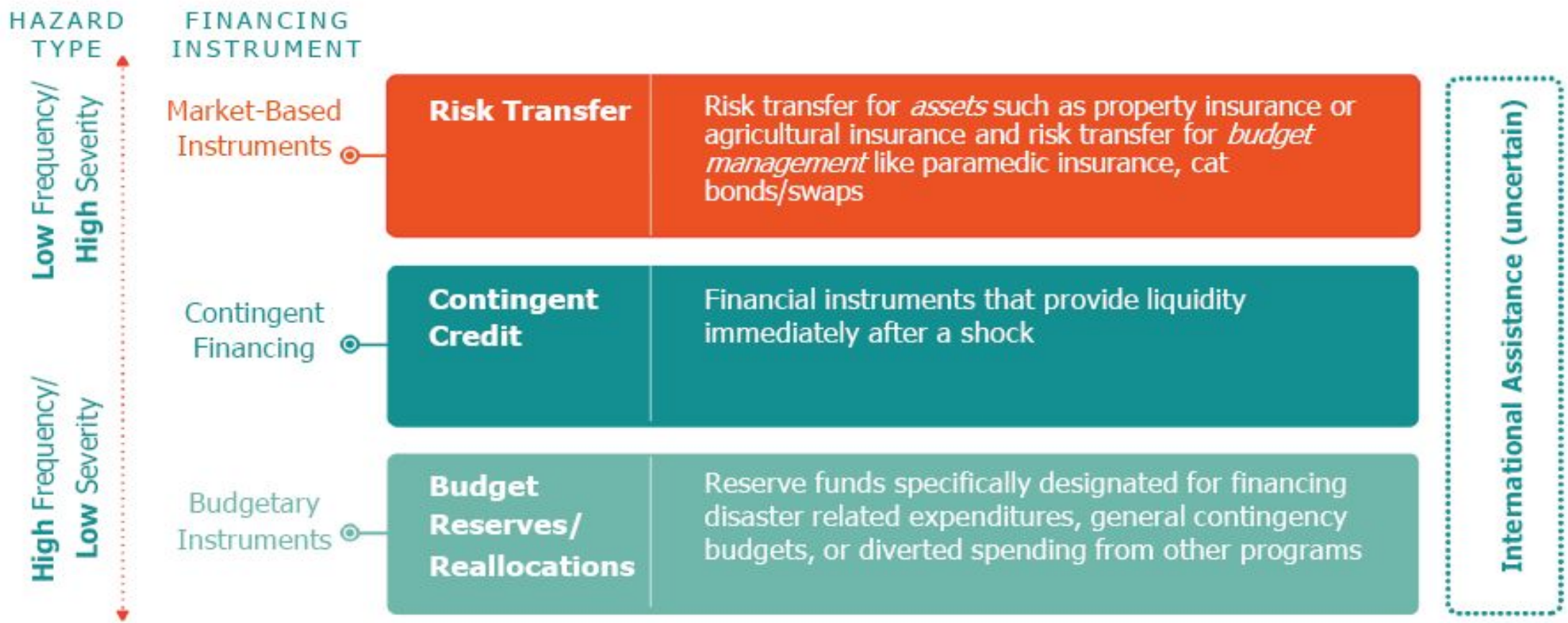
Maintained Sound Fiscal Resilience

Reduce the Impact on the Most Vulnerable

Strengthened Risk Layering

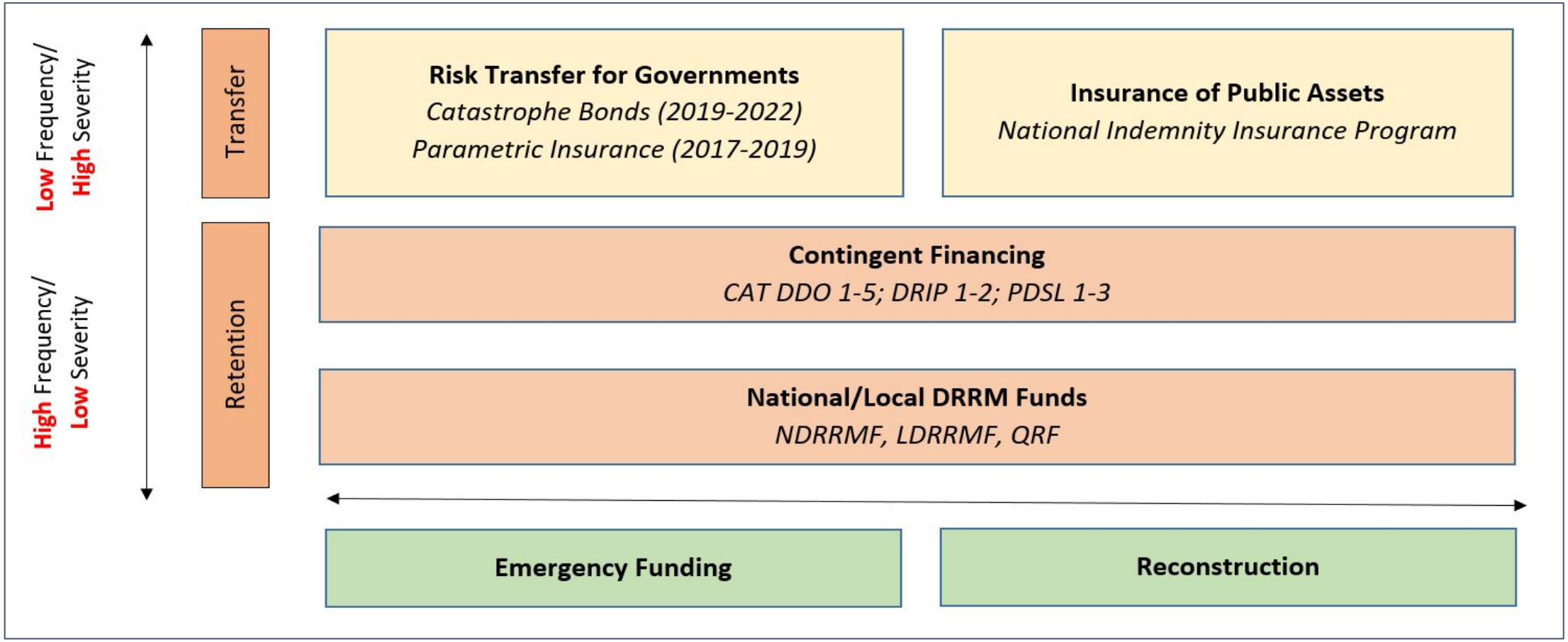
Catalyzed Private Sector Participation

PHILIPPINES DRFI STRATEGY:
OVERVIEW OF DISASTER RISK LAYERING FRAMEWORK



THREE-TIERED RISK LAYERING STRATEGY FOR GOVERNMENT

PHILIPPINES DRFI STRATEGY:
OVERVIEW OF DISASTER RISK LAYERING FRAMEWORK



Challenges and Way Ahead

Key challenges

- Legal and Regulatory Constraints
- Strategic Implementation Gaps
- Data and Information Systems
- Local Government Capacity

Opportunities

- Public-Private Partnerships
- Regional and International Cooperation
- Capacity Building and Knowledge Management

Where do you see the DRF program in the next 5 years?

- Strengthened Institutional Framework
- Expanded Coverage and Accessibility
- Innovation and Technology Integration

What can private sector do?

- Risk Transfer and Insurance Solutions
- Investment in Resilient Infrastructure
- Data Sharing and Risk Modelling
- Development of Financial Instruments
- Capacity Building and Technical Assistance
- Policy Engagement and Advocacy

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Thank you.

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DEPARTMENT OF FINANCE
REPUBLIC OF THE PHILIPPINES