



# ASEAN Disaster Risk Financing and Insurance (ADRFI) Programme

- Enhancing** the financial resilience of ASEAN
- Strengthening** capacities to effectively manage  
the impacts of disasters
- Promoting** regional cooperation on DRFI for a  
resilient and sustainable ASEAN Community

# Enhancing Financial Resilience Against Disaster and Climate Risks

The costs of disasters are increasing. Disasters and their effects lead to rising exposure and vulnerability of assets. Population increase and economic growth expose more people and assets to disasters, making the most valuable resources of a country predisposed and vulnerable to damages and losses.

There will always be losses that need financing in the event of disasters.

Who pays for these catastrophic losses? Who absorbs the financial impacts? Who owns the risks?

The burden of paying for the costs of responding and rebuilding from a disaster go to governments. The costs of damages and losses by disasters have drained many countries already limited resources, especially developing countries.

## **Risk financing is about managing the risks.**

Risk financing is about planning in advance that provides governments the capacity to create sound decisions to ensure that the money goes where it's needed most.

## **Recovery and reconstruction are possible with risk financing.**

Governments can prevent and reduce the frequency and severity of damages and losses from occurring. Disaster risk financing and insurance (DRFI) strategies can help governments become financially resilient to disaster and climate risks.

