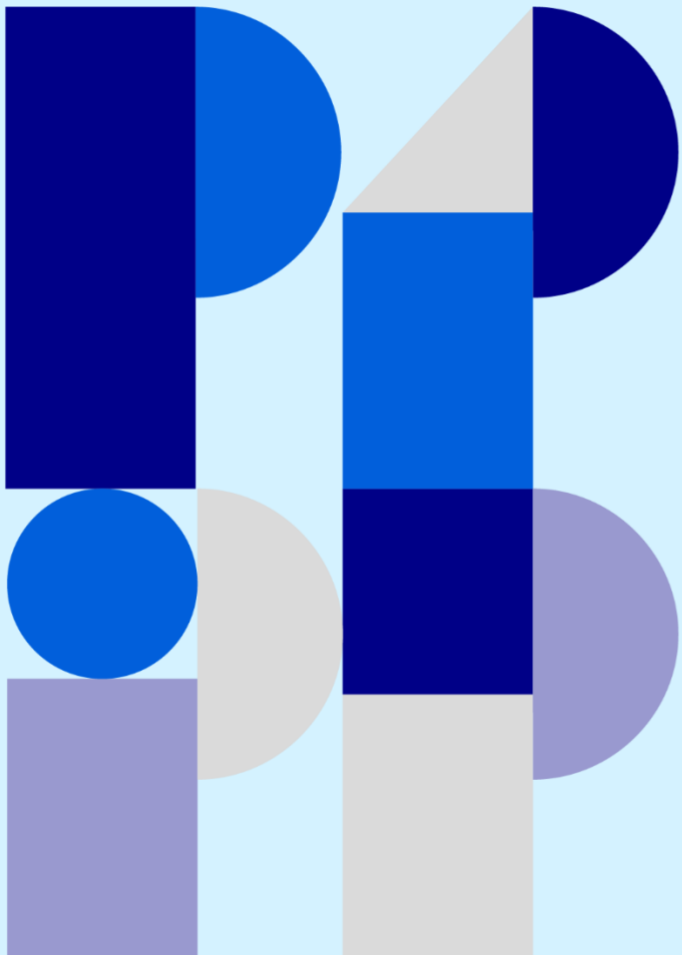
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Partnerships for Resilience

A Public–Private–(Philanthropic) Partnership Framework for Addressing Protection Gaps in Asia



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Authors:

Ashby Tai, Associate Director, Global Asia Insurance Partnership

XueJun Li, Associate Director, Global Asia Insurance Partnership

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Table of Contents

Framework at a glance 5

Executive Summary 6

The Framework and Rationale 9

1 Introduction 10

2 Working Definitions, Contribution and Use 12

2.1 Working definitions 12

2.2 Protection-gap scope and where the framework applies 13

2.3 What the framework adopts, adapts and integrates 14

2.4 How to use the framework and read this paper 15

3 The Three-Phase Framework 17

3.1 The Architecture: Three Phases and Eleven Layers 17

3.2 Phase 1: Pre-Design 19

3.3 Phase 2: Design and Delivery 25

3.4 Phase 3: Ongoing Operation 33

3.5 Partnership archetypes and relative emphasis 36

3.6 What the framework establishes 39

Practitioner Guide 40

4 Applying the Framework 41

4.1 How this section is organised and where emphasis falls 41

4.2 Phase 1: Pre-Design 43

4.3 Phase 2: Design and Delivery 56

4.4 Phase 3: Ongoing Operation 84

5 Conclusions and Further Development 93

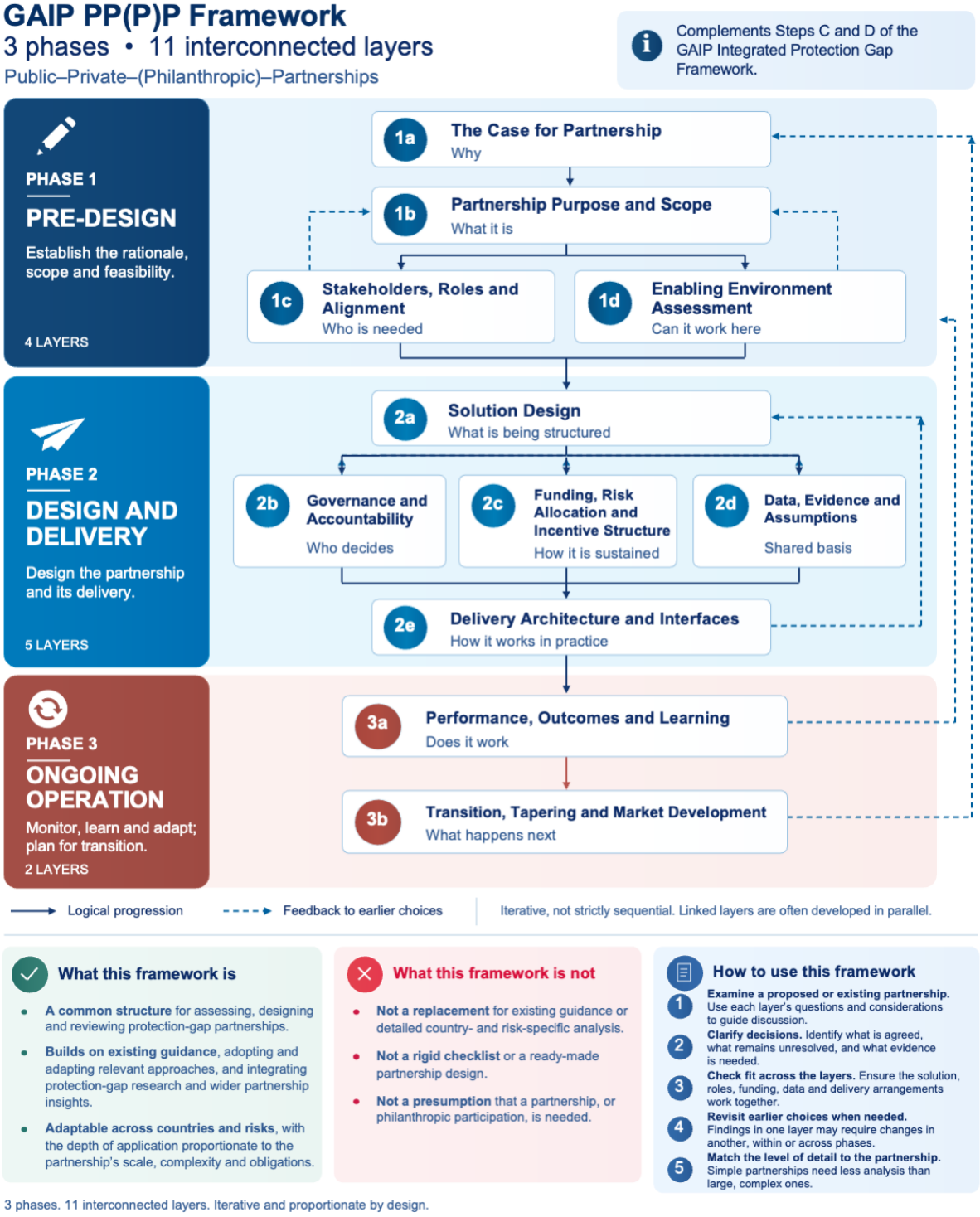
5.1 Applying the framework in context 93

5.2 Reviewing existing partnerships with the framework 94

5.3 Further review and next steps 96

Appendix A1: Definitions and Conceptual Basis 98
A1.1 Institutional definitions and common elements 98
A1.2 Implications for the working definition 104
A1.3 Protection-gap scope and solution categories 107
A1.4 Mapping to GAIP's Integrated Protection Gap Framework 109
Appendix A2: Relationship to Existing Guidance 112
A2.1 Basis of the synthesis 112
A2.2 The case for partnership 113
A2.3 Purpose and scope 114
A2.4 Stakeholders, roles and alignment 115
A2.5 Enabling environment 116
A2.6 Solution design 117
A2.7 Governance and accountability 118
A2.8 Funding, risk allocation and incentives 119
A2.9 Data, evidence and assumptions 120
A2.10 Delivery architecture and interfaces 121
A2.11 Performance, outcomes and learning 122
A2.12 Transition and market development 123
Appendix A3: Philanthropic Participation - Supporting Discussion and Illustrations 124
A3.1 Philanthropy as a distinct actor from the public sector 124
A3.2 Philanthropy as a distinct actor from the private sector 125
A3.3 Contributions beyond capital 127
Appendix A4: Stakeholder Capabilities and Contributions Across the Three Phases 129
References 132

Framework at a glance



Executive Summary

Protection gaps remain a significant challenge across Asia, exposing individuals, households, businesses and governments to financial losses and wider economic and social vulnerabilities. GAIP's papers[1] on protection gaps have shown that addressing these gaps requires coordinated efforts that encompass risk reduction, insurance and fiscal risk financing, which are brought together in GAIP's Integrated Protection Gap Framework. Within it, public-private partnerships come in as one possible mechanism for delivering a chosen solution.

This paper presents the first version of GAIP's Public-Private-(Philanthropic) Partnership (PP(P)P) Framework. It is intended to help those designing or reviewing partnerships determine whether collaboration offers sufficient additional value over feasible alternatives and, where it does, what is required for the arrangement to work and remain justified over time.

The framework adopts, adapts and integrates existing insurance, financing and partnership guidance, GAIP's earlier protection-gap research, and qualitative perspectives from questionnaires, interviews and roundtable discussions with regulators, supervisors, industry and partnership practitioners. Its purpose is to bring interdependent decisions into a common structure: the case for partnership, its purpose and participants, enabling conditions, governance, funding and risk allocation, evidence, delivery and future role. Three phases of Pre-Design, Design and Delivery, and Ongoing Operation, and eleven interconnected layers, as shown in the ***Framework at a Glance*** above, organise these decisions, applied proportionately across functional partnerships, partnerships for risk coverage and risk pools. How the layers are applied depends on the risk, market and institutional setting.

Key Insights and Practical Implications

A partnership must be justified against alternatives, not assumed. The starting point is the protection need and the reasons existing measures do not adequately address it. A partnership may address a persistent constraint or bring forward capabilities that would otherwise develop too slowly, and different functions within the same arrangement may have different horizons. Its benefits must be weighed against establishment and operating costs and against feasible public, private or other approaches. Deciding not to proceed, or

[1] See GAIP's Protection Gap series: GAIP (2023a), About the Protection Gap; GAIP (2023b), The Solutions Landscape; GAIP (2025a), Catalysing Resilience & Well-being; and GAIP (2025b), Turning Intentions into Resilient Outcomes. Full details in the reference list.

to defer, is a valid result. The case for the partnership should be revisited as risks, markets and experience change.

Stakeholder alignment and practical feasibility need early attention. The consultations highlighted difficulties coordinating public agencies with different mandates, priorities and resources, as well as differences between private participants. Identifying the right institutions is not enough: their roles, incentives and commitments must work together. The assessment should distinguish initial convening and establishment roles from continuing responsibilities, and test the legal authority, fiscal commitments, and actuarial, claims, data, and operational capacity needed to deliver. Some gaps are preconditions for launch whilst others can be addressed through design or capacity building. Regulators and supervisors act within their statutory mandates, with independent oversight preserved.

Funding, risk allocation and the future of support should be explicit. The arrangement needs agreement on who pays, who bears which obligations and risks, who makes decisions, and what happens if resources are insufficient. Subsidies, guarantees and contingent public liabilities should be visible alongside affordability, commercial incentives and fiscal sustainability. Risk financing should support, not displace, risk reduction. Sustainability does not necessarily mean becoming self-financing: continuing public support may be appropriate. The partnership's future role and the need for each form of public, concessional or philanthropic support should nevertheless be reviewed separately against agreed conditions, not continued or withdrawn by default.

Shared evidence and effective delivery are part of the design. Partners need to agree what data, analysis and assumptions underpin decisions, how evidence is validated and challenged, and how confidential and proprietary information is protected. Where data or capability are limited, building a usable evidence base may itself require coordinated support. An institutionally sound arrangement can still fail to reach its intended users if distribution, administration, communication, claims or other interfaces do not work together. These interfaces, and the limits of what protection provides, need to be made clear before and during operation.

Performance must be assessed against intended outcomes and continued relevance. Uptake, premiums or completed activities alone do not establish whether protection has improved for the population the partnership was established to serve. Reviews should examine access, equity, fiscal exposure, delivery and resilience outcomes, distinguishing observed changes from impacts that can be attributed to the arrangement. The findings

should inform adjustments to the design and a fresh assessment of whether the original rationale for partnering still holds.

Philanthropic participation is optional and separately justified. The case for a public-private arrangement is assessed first. A philanthropic actor should participate only where it can add something the public and private parties cannot adequately provide, which may include analysis, early experimentation, convening, institutional development or funding. Its role, influence, accountability, conditions and intended duration must be clear.

Who the framework is for and how the framework can be used

For finance ministries and policymakers, the framework makes the fiscal commitment, its intended duration, and its conditions visible from the outset. For regulators and supervisors, it separates the capacities in which they act and identifies the enabling conditions within their influence. For insurers, reinsurers and intermediaries, it sets out what a public counterparty will need to see and recognises capacity building and technical contributions as subject to the same tests as any other role. The key capabilities and practical contributions different stakeholder groups may bring to each of the three phases are summarised in Appendix A4 (Table A4.1).

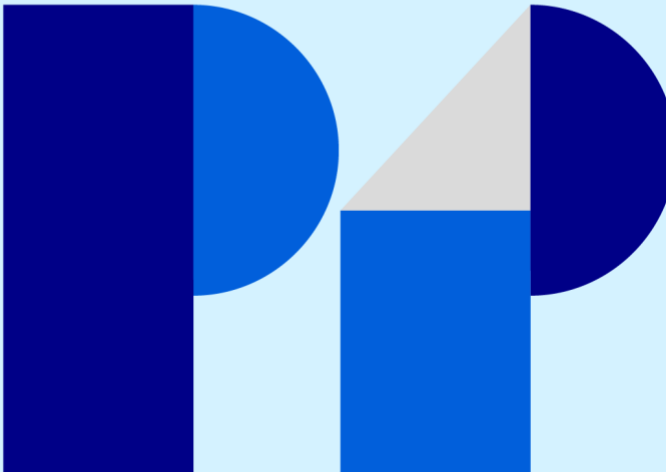
This framework can be used to assess new partnerships or review existing partnerships. GAIP has also developed a companion review tool for its partners, using the layers' questions and requirements to record evidence, assessments and actions. This tool supports applying the framework to review existing partnerships.

How to read this paper

Readers interested in the framework's rationale and overall architecture can read Sections 1–3 and then the conclusions in Section 5. Those assessing, designing or reviewing a partnership can turn to the Practitioner Guide in Section 4, which sets out the questions, considerations and expected outputs for each layer. Appendices A1–A4 provide the supporting definitions, review of existing guidance, discussion of philanthropy and stakeholder contributions.

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The Framework and Rationale



1 Introduction

Protection gaps are complex and multidimensional, and addressing them often requires coordinated action across public and private stakeholders and, where relevant, philanthropic actors. Different stakeholders bring different capabilities, resources and responsibilities, and effective collaboration can help bring these together to develop more integrated responses to protection needs.

GAIP's previous work has highlighted the importance of such multi-stakeholder approaches. ***About the Protection Gap*** emphasised the need for multi-stakeholder engagement in developing holistic responses to protection gaps, while ***The Solutions Landscape*** considered the role of public-private partnerships (PPPs) across different solution categories. More recent work, including ***Catalysing Resilience & Well-Being*** and ***Turning Intentions into Resilient Outcomes***, has further explored how solutions can be brought together within an integrated approach to strengthening resilience and well-being.

Public-Private Partnerships (PPPs) offer one approach to fostering this multi-stakeholder involvement. However, the concept of a PPP is interpreted and applied in different ways across sectors and contexts. Existing frameworks and guidance provide valuable approaches for particular applications, but are often developed within specific sectors, contexts or types of partnership.

Against this backdrop, this paper explores a Public-Private-(Philanthropic)-Partnerships (PP(P)Ps) framework for addressing protection gaps. The framework integrates relevant PPP, insurance, partnership and financing disciplines around the specific challenge of addressing protection gaps. It is designed to be country-adaptable and risk-domain-neutral, providing a common architecture that can be adapted to diverse local contexts, whether the objective is strengthening climate resilience, addressing health protection gaps or enhancing disaster risk financing mechanisms. It is organised as three phases and eleven layers, each of which answers a question that any partnership must settle, from whether a partnership is warranted at all to what should happen when the conditions that justified it change.

The development of the framework was also informed by engagement with 18 respondents through a structured questionnaire and targeted interviews across different Asian jurisdictions, including insurance regulators and supervisors, insurers, reinsurers,

reinsurance brokers, and selected institutions and practitioners with experience in partnership design and implementation, as well as structured roundtable discussions. These inputs were analysed qualitatively to identify recurring themes, practical experience and differing views. They inform the development of the framework rather than represent jurisdictions or stakeholder groups.

This paper provides an initial framework that can be further tested and refined through engagement with stakeholders and practical applications. It may also provide a basis for subsequent work to develop more detailed sector- or risk-specific applications, including more detailed risk-specific guidance.

The remainder of this paper is structured as follows. **Section 2** sets out the working definitions, protection-gap scope, contribution and use of the framework. **Section 3** presents the proposed framework at a strategic level, explaining the purpose and rationale of the three phases and layers under each phase, how they connect and how emphasis differs across three partnership archetypes; it can be read on its own by readers concerned with the framework's overall structure and logic. **Section 4** provides detailed guidance on the application of this framework for those assessing a new arrangement or reviewing an existing one: it sets out, layer by layer, the design considerations, assessment questions and expected outputs, and how the emphasis varies across three partnership archetypes. **Section 5** draws the conclusions and identifies potential further development.

Appendix A1 sets out the definitions and conceptual basis, Appendix A2 consolidates the comparison with existing guidance, Appendix A3 provides the fuller discussion and illustrations of philanthropic participation, and Appendix A4 summarises the key capabilities and practical contributions different stakeholder groups may bring to each of the framework's three phases.

2 Working Definitions, Contribution and Use

The definitions, scope, contribution and use of the framework are set out below. Refer to the appendices for the detailed derivation and supporting analysis.

2.1 Working definitions

Drawing on the institutional definitions reviewed[2], this paper adopts the following working definition of a public-private partnership (PPP):
"*A PPP is a* ***sustained, purpose-driven multi-stakeholder arrangement*** *involving both* ***public entities*** *(national or sub-national governments, public organisations, bilateral development agencies, multilateral development banks and development finance institutions, state-owned enterprises, and/or* ***where their statutory mandate permits****, regulatory / supervisory authorities) and* ***private entities*** *(insurers, reinsurers, distributors, technical providers)* ***with shared protection objectives and complementary mandates, capabilities, resources and responsibilities****, that offers additional value in achieving* ***protection and resilience outcomes*** *compared with* ***feasible alternatives***."

A sustained commitment lasts for the period needed to fulfil the arrangement's purpose, including where it is deliberately time-bound. Participants may agree on protection objectives while retaining different institutional, commercial and social motivations. Regulators' and supervisors' roles are determined by their statutory mandates; recognising their contribution does not imply that they become parties to the arrangement or share responsibility for its decisions.

Philanthropic actors may participate alongside public and private actors. Building on the PPP definition, this paper adopts the following definition:
"A **PP(P)P** is a PPP in which one or more philanthropic actors participate as parties to the arrangement, contributing mandates, capabilities and resources that add value beyond what the public and private participants could achieve without their involvement."

The philanthropic P is bracketed because participation is optional. A PPP can proceed without a philanthropic party. Where philanthropic participation is proposed, the appraisal should identify the contribution it would make, the constraint it would address, and whether another participant or arrangement could meet that need more appropriately. A

[2] Refer to Appendix A1.1 for the institutional comparison and A1.2 for the design implications of the definition.

justified philanthropic participant retains its own mandate and agreed responsibilities, rather than being treated simply as a funding source.

This paper uses philanthropic to mean private foundations, charitable trusts, endowed philanthropies and corporate foundations acting on a charitable mandate. Public donors, multilateral development banks and public development finance institutions are classified separately according to their mandates. The financing characteristics of "concessional", "catalytic" and "patient" describe the terms or function of support, not the institutional identity of its provider. Where only public and commercial participants provide those functions, the arrangement remains a PPP, and where a genuine philanthropic participant adds value, it may be a PP(P)P.

Potential philanthropic contributions extend beyond funding to institutional design, support for early experimentation, technical and analytical capacity, convening and longer-term stewardship. Their relevance depends on the particular actor and the needs of the arrangement. Independence, credibility and the duration of support should be assessed rather than assumed.

The Gavi illustration[3] shows philanthropic involvement in funding, technical knowledge and governance alongside other partners. Layer 1a (Section 3.2.1) tests the case for a PPP first and philanthropic participation separately; the subsequent layers carry justified contributions and responsibilities into the design.

2.2 Protection-gap scope and where the framework applies

GAIP's *The Solutions Landscape* (2023b) paper[4] identifies three complementary categories of response to protection gaps: risk reduction, increasing insurance penetration and risk financing. Where a partnership is warranted, it may support one or a combination of these categories (Appendix A1.3). The framework is therefore not confined to insurance coverage. Its starting point is the protection need and the functions required to address it, rather than a preferred instrument or institutional form[5].

GAIP's Integrated Protection Gap Framework begins by aligning motivations around shared protection objectives (Step 0), followed by understanding and quantifying key risks (Step A), identifying partners, stakeholders and target groups (Step B), developing the

[3] Refer to Appendix A3.
[4] See GAIP (2023b), *The Solutions Landscape*, on the range of interventions already in use across Asia.
[5] Appendix A1 sets out the loss categories, solution categories and fuller diagnostic mapping.

solutions menu (Step C), and developing the implementation plan (Step D). A partnership first comes into consideration as one possible solution mechanism in Step C. The PP(P)P framework begins to apply in Step D, with Layer 1a assessing whether the proposed partnership offers sufficient additional value relative to feasible alternatives before detailed partnership design proceeds (Appendix A1.4).

The two frameworks are iterative. Findings on the case for partnership, feasibility, stakeholder incentives, evidence or delivery may require the earlier risk assessment, stakeholder mapping or solution choices to be revisited. A conclusion that no partnership is warranted, or that it should be revisited or deferred, is a valid result. The partnership form follows the identified need and solution; it is not an objective in itself.

The same layers can be used to review an existing partnership: to test whether its original rationale remains valid, identify where its design or operation could be strengthened, and inform adaptation or reform. The framework complements the wider diagnostic process rather than replacing it.

2.3 What the framework adopts, adapts and integrates

The review draws on the G7 (2024); the International Association of Insurance Supervisors (IAIS, 2023); the Geneva Association (GA, 2026a); the World Bank (2017b); the Organisation for Economic Co-operation and Development (OECD, 2012); and the World Health Organisation Regional Office for Europe (WHO Europe, 2023). Their relevant disciplines are brought together and adapted to protection-gap partnerships, not replaced. The development of the framework also draws on GAIP's applied research, design judgements and the stakeholder perspectives described in the introduction. Appendices A1 and A2 retain the supporting comparison.

Adopted. The framework retains the requirement to justify partnership before design, using evidence proportionate to the arrangement and allowing a negative answer. It draws on guidance on objectives, constraints and trade-offs; clear institutional mandates; programme design; funding and affordability; efficient risk allocation; verification, disclosure and independent scrutiny; delivery and monitoring; and transition mechanisms. It retains the distinction between an arrangement that is effective and one that is efficient, and the preference for performance milestones over fixed dates.

Adapted for protection gaps. Scope covers both the protection offered and the functions needed to deliver it. Reach is measured against the population the arrangement was established to serve, rather than through aggregate uptake alone. Risk reduction is considered in funding and incentives across archetypes, with responsibilities assigned to actors able to undertake the relevant actions. Where several parties rely on the same factual basis, it should be jointly validated and contestable rather than only jointly generated. The intended direction of travel is considered at design and reviewed as conditions change, including where continuing support is the appropriate long-term structure. Where that is the intended end-state, saying so at design allows the arrangement to be funded and governed accordingly, rather than reaching it by default through repeated reauthorisation.

Integrated. The framework carries a justified philanthropic party's role, conditions, accountability and intended duration through the arrangement. It examines alignment within the public and private sectors as well as between them, recognising different mandates, motivations and commercial positions. It also considers Asia-relevant operating conditions identified through GAIP's work, including partial or non-local data, limited market capacity, uneven institutional capacity and constrained fiscal space. It distinguishes genuine preconditions for the relevant activity from issues that can be managed through design. These conditions are not necessarily unique to Asia.

These elements are brought into a common process because the decisions are interdependent: the participants, authority, funding, evidence, delivery and arrangements for change need to work together. This is a first version, informed by existing guidance and stakeholder perspectives. Further stakeholder review and worked applications could test and refine it.

2.4 How to use the framework and read this paper

The framework comprises three phases and eleven interconnected layers. Phase 1 establishes whether a partnership is warranted and what it is for, who is required and whether it can work in the intended setting. Phase 2 develops the solution, governance, funding and risk allocation, evidence and delivery arrangements. Phase 3 addresses performance, learning and what happens next. Each layer answers a question that any partnership must settle, whatever the risk it addresses, and produces a defined output on which later layers rely. Section 3 explains the purpose of each layer, why it matters and how it connects to the others; Section 4 provides the application guidance: for each layer it sets

out the design considerations, assessment questions and expected output, numbered in parallel so that each layer in Section 3 has its counterpart in Section 4.

The layers can be applied to a proposed partnership or used to review an existing one, testing whether its original rationale remains valid and where its design or operation needs to change. In either case the aim is to make the decisions required explicit, identify the evidence and assumptions on which they rest, and check that choices across layers are consistent rather than treating each layer as a separate exercise.

Three features govern how the framework is applied. First, the progression is logical rather than strictly sequential: governance, funding, evidence and delivery are developed in parallel, and findings in a later layer may require earlier choices to be revisited. Second, it is applied proportionately: the depth of analysis and the formality of arrangements should reflect the partnership's scale, complexity and obligations, and the framework is not a checklist requiring the same depth of work in every case. Third, it does not prescribe a model: the appropriate structure depends on the objectives, actors, risks and context, and the framework complements rather than replaces the technical, legal and institutional assessment needed for the application.

3 The Three-Phase Framework

Designing a multi-sector partnership involves aligning actors whose mandates, motivations, timelines and risk appetites often differ. The framework provides a common architecture for identifying the relevant decisions and interdependencies before formal commitments are made. Section 2 explains its scope and use. This section explains, for each phase and layer, what it is for, why it matters and how it connects to the rest of the framework, and then describes how emphasis differs across three partnership archetypes (Section 3.5). Section 4 provides the detailed application guidance, including assessment questions, design considerations and expected outputs for applying each layer.

The framework adopts, adapts and integrates relevant guidance as discussed in Section 2.3[6]. Evidence, risk reduction, the safeguards and conditions attaching to philanthropic participation, and pathways for transition and market development are developed within the layers to which they belong.

3.1 The Architecture: Three Phases and Eleven Layers

This framework is organised into eleven distinct layers, grouped across three overarching phases, as shown in Chart 1 below. As set out in Section 2.4, the phases follow a logical progression from initial concept through design to ongoing operation, but the layers within them are not strictly sequential. Governance, funding and evidence in particular are developed together, because decisions in each depend on the others, and findings within or across phases may require earlier layers to be revisited.

The framework should also be applied proportionately. While the same overarching considerations are relevant across different types of PP(P)Ps, the depth of analysis, formality of governance and supporting arrangements should reflect the scale and complexity of the partnership and the nature of the obligations it creates. A limited functional partnership, for example, may require less extensive analysis or governance than a sovereign risk pool or an arrangement creating significant contingent liabilities. Section 3.5 describes how the emphasis varies across the archetypes.

[6] Further details in Appendix A2.

Phase 1: Pre-Design focuses on establishing whether a partnership is needed and defining its overall purpose. The layers in this phase assess the case for intervention, clarify objectives and scope, identify key stakeholders and evaluate whether the broader policy, regulatory, and market environment can support the proposed partnership.

Phase 2: Design and Delivery translates the partnership concept into structural and operational mechanics. The layers in this phase outline the broad features of the solution design and how it will reach its target groups. Much of this work happens in parallel, simultaneously establishing decision-making governance and accountability arrangements, determining funding and risk-sharing mechanisms and designing the shared data protocols that the partnership will rely on. Alongside these decisions, it maps out the practical delivery architecture through which the partnership will operate.

Phase 3: Ongoing Operation focuses on managing the partnership once it is operational. It involves continuously monitoring performance and outcomes, feeding evidence back into a learning and adaptation cycle, and managing a transition pathway that allows continuation, reconfiguration, scaling-up, handover or withdrawal of support, as appropriate to the partnership's purpose and to changes in risk, market and institutional conditions.

Chart 1: A Three-Phased PP(P)P Framework

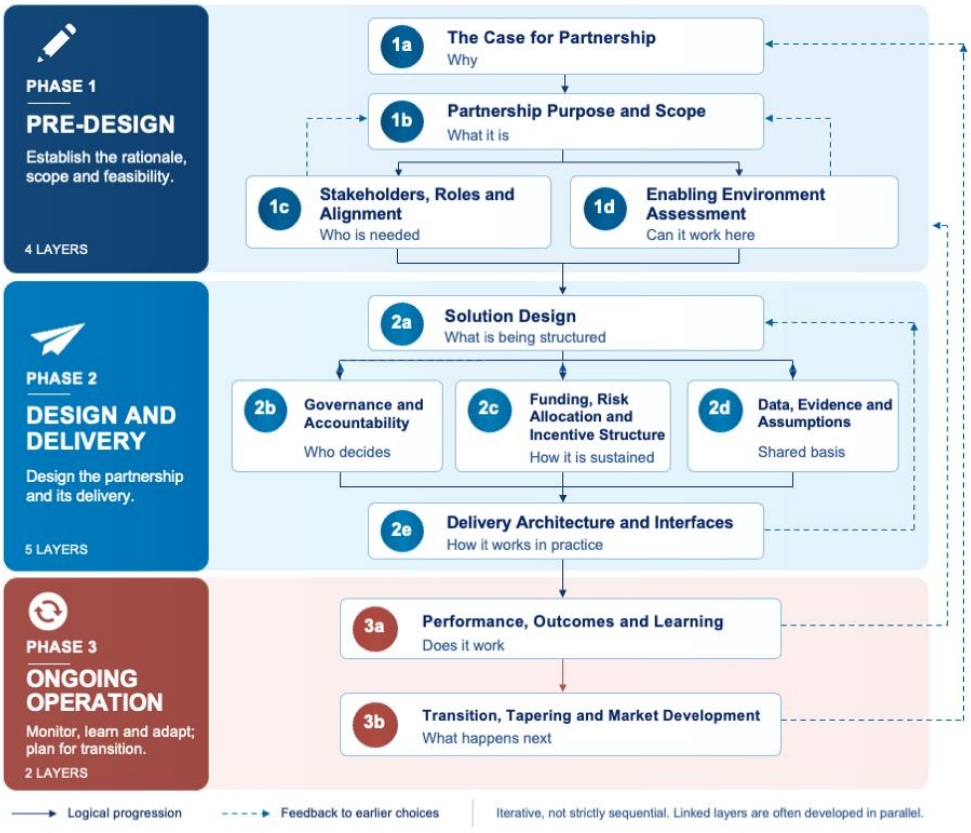


Chart 1 above presents the architecture. Its layout shows the grouping of layers and their logical relationship. Work may proceed in parallel, and findings may require earlier layers or diagnostic choices to be revisited, so it is not a strict step-by-step sequence. The following sections explain each layer and how it connects to the rest of the framework; Section 4 sets out the detailed considerations, questions and outputs for application.

3.2 Phase 1: Pre-Design

Phase 1 establishes the strategic groundwork for the partnership before substantial commitments to detailed legal structuring or financial design are made. Its primary objective is to assess the actual need for a collaborative partnership approach, define the outcomes the partnership is intended to achieve, identify the essential actors who need to be involved and determine if the broader operating environment can support the proposed intervention.

Encompassing the first four layers of the framework as shown in Chart 2 below, this phase answers two core questions: *Is a partnership genuinely necessary, and what exactly is it built to achieve?* The first two layers focus on defining the problem, testing the case for a multi-sector approach and setting the partnership's purpose and scope. The subsequent two layers evaluate the required actors and conditions for success, mapping both stakeholder alignment and the regulatory, institutional, fiscal, and market environment within which the partnership will operate. Because these components are closely linked, these foundational layers are often developed in parallel rather than in a strict, step-by-step sequence.

Chart 2: Phase 1: Pre-Design



3.2.1 Layer 1a: The Case for Partnership (the 'Why' layer)

Layer 1a establishes whether a partnership is warranted and whether it offers sufficient additional value relative to feasible alternatives. It provides the rationale for proceeding to design, or for returning to another solution pathway. The question it asks is: *Is a partnership warranted, and does it offer sufficient additional value relative to feasible alternatives?*

As set out in Section 2.2, a partnership comes into consideration as one possible mechanism at Step C of the Integrated Protection Gap Framework and is assessed here, at Step D, once the protection gap, key risks, stakeholders and possible intervention pathways have already been examined. A PP(P)P is not a default solution.

In many contexts, governments face fiscal constraints that limit their ability to fund interventions or absorb risks through traditional public procurement approaches. At the same time, private-sector participation may be hindered by the lack of immediate commercial viability, high uncertainty, long investment horizons, or inadequate risk-adjusted returns. When these constraints overlap, a multi-sector partnership may be warranted to align incentives, pool capabilities, and distribute risks across multiple sectors. The consultations also highlighted the importance of distinguishing between objectives that are fundamentally public responsibilities and those that can be addressed through viable private-sector provision. Where either sector can adequately achieve the intended outcomes independently, a partnership may not offer sufficient additional value.
A key output of Layer 1a is a **PP(P)P Necessity Test**, which assesses whether the proposed intervention genuinely requires a PP(P)P arrangement. Rather than operating as a checklist, the test follows a decision pathway comprising two related but distinct assessments: first, whether a public-private partnership is justified relative to feasible alternatives; and second, where a PPP is justified, whether there is an additional need for philanthropic participation and, if so, what role it should perform.

The need for partnership may also change as the underlying risk and market response evolve. Consultation evidence highlighted circumstances in which private markets did not initially have sufficient commercial incentive or scale to serve particular risks or jurisdictions, as well as cases where changing risk conditions contributed to declining affordability. The Caribbean Catastrophe Risk Insurance Facility (CCRIF) and the Pacific catastrophe risk insurance pilot illustrate how pooling risks across countries can improve participating governments' access to reinsurance. Australia's cyclone reinsurance pool was established to improve affordability by reducing reinsurance costs in cyclone-exposed areas. Where the purpose is to bring forward protection while market capacity develops, the initial assessment should identify what would indicate that private participants could take on

particular functions and sustain the intended protection. Where a constraint is likely to persist, the partnership may have a continuing role, and partners should identify what would justify that role over time. Both considerations may apply to different functions within the same partnership. Layer 3b revisits these initial expectations in light of experience.

The assessment may support: no partnership, a PPP, or a PP(P)P, or a decision to revisit or defer the proposed intervention where the conditions or evidence required to proceed are not yet sufficient. A conclusion that no partnership is warranted is a valid result, not a failure of the process.

By clearly articulating first the case for public-private collaboration and, separately, where applicable, the need and role for philanthropic participation, Layer 1a provides the strategic foundation upon which all subsequent layers are built.

3.2.2 Layer 1b: Partnership Purpose and Scope (the 'What It Is' layer)

Once the fundamental rationale for a partnership has been defined in Layer 1a, Layer 1b shifts the focus from why the partnership exists to exactly what it is built to do. The question it asks is: *What is the partnership for, what functions does it perform, and where does its mandate stop?*

This layer establishes the functional identity of the partnership by defining its core purpose and intended outcomes, the functions and responsibilities it performs, the level at which it operates, and clarifying the limits of its mandate. Being explicit about what the partnership is not intended to do is as important as stating what it is. A loosely drawn scope allows the arrangement to acquire responsibilities without corresponding authority or resources, leaves other actors unclear about what still falls to them, and removes the reference point against which governance, resourcing, accountability and performance are later judged. Where the partnership's objectives pull against one another, as availability, affordability, limiting public exposure and encouraging risk reduction can, their ordering is settled here as well, because the design layers and the performance assessment in Layer 3a depend on it.

The output of this layer is a purpose and scope statement that distinguishes core responsibilities, supporting responsibilities and activities outside the partnership's remit, and makes clear which remaining needs or responsibilities fall to other actors or arrangements. It is the shared reference point for every subsequent layer and is revisited where evidence or conditions change materially.

3.2.3 Layer 1c: Stakeholders, Roles and Alignment (the 'Who Is Needed' layer)

Having established the partnership rationale in Layer 1a and defined its purpose and scope in Layer 1b, Layer 1c focuses on identifying the stakeholders required to achieve the partnership's objectives and examining how their interests, responsibilities and capabilities can be aligned. At its core, this layer addresses two fundamental questions: *who needs to be involved, and how can their interests be aligned?*

This layer translates the stakeholder analysis and alignment undertaken through the Integrated Protection Gap Framework into the proposed partnership's composition. It identifies the actors whose involvement is needed, their motivations and constraints, and how their roles and commitments can support the agreed protection objectives. Even where the appropriate actors are present, unresolved incentives, expectations or mandates can undermine the partnership. Effective collaboration therefore depends not only on bringing together the appropriate stakeholders but also on ensuring that their motivations, expectations and roles are understood and coordinated in support of collective action.

This mapping should consider relationships within sectors as well as between them. Public-sector participants may have different mandates, policy priorities and resource allocations, while private-sector participants may have different commercial incentives and risk appetites. Actors outside the public-private interface may bring further objectives and constraints. Inter-agency coordination, in particular, was identified through the consultation as a potential constraint, reinforcing the need to examine alignment within the public sector rather than treating it as a single actor. The consultations further underscored the importance of early engagement with relevant stakeholders, including private-sector providers and intended beneficiaries, to identify potential misalignments, clarify expectations and inform the allocation of roles and responsibilities before key design decisions are finalised.

A key objective of this layer is to establish a shared understanding of the outcomes the partnership seeks to achieve. Consistent with the motivation alignment stage of the Integrated Protection Gap Framework, stakeholders should be able to articulate a common objective that justifies collective action despite differing institutional mandates, commercial incentives, political priorities or social objectives. Effective partnership architecture does not require the elimination of these differences; rather, it aims to align diverse stakeholders around shared outcomes while maintaining clear roles, responsibilities and accountabilities. This is particularly important in partnerships involving public, private and, where relevant, philanthropic institutions, where success depends on

combining collective action with role differentiation and leveraging each participant's comparative advantage.

The composition of the partnership follows its purpose and the functions, capabilities and authorities required, rather than a presumption that every type of actor must participate. The test for each participant is whether its involvement is necessary and what role it performs, and whether that role is continuing or confined to bringing the arrangement into existence. Consultation evidence indicates that some arrangements spanning several jurisdictions have relied on external support to convene participants who have no standing forum and to fund the analytical work on which the case rests. In the Caribbean[7], a multi-donor trust fund helped meet CCRIF's establishment and reinsurance costs. In the Pacific, funding under the Pacific Catastrophe Risk Assessment and Financing Initiative (PCRAFI) supported the development of the catastrophe risk models used to place the pilot cover with international reinsurers before the Pacific Catastrophe Risk Insurance Company (PCRIC) was established. The convening role may recede once a facility has its own mandate. At SEADRIF, member countries continue to draw on the World Bank to convene participants and provide technical advice. The output is a stakeholder and alignment map of the actors required, their roles, incentives and relationships, and the shared objectives guiding collective action.

3.2.4 Layer 1d: Enabling Environment Assessment (the 'Can It Work Here' layer)

While Layer 1c identifies the stakeholders required for the partnership and examines how their interests can be aligned, Layer 1d assesses whether the broader enabling environment is sufficiently conducive for the partnership to be established, implemented and sustained. These two layers are developed in parallel, as stakeholder and contextual feasibility are closely interdependent. The availability, capabilities and incentives of potential partners cannot be fully assessed without understanding the operating environment in which the partnership will function, while the enabling environment itself may influence which stakeholders can realistically participate and the functions they are able to perform.

Accordingly, Layer 1d asks a highly practical question: *Can this actually work here?* It examines whether the legal, regulatory, institutional, fiscal, market and operational conditions required for effective collaboration are in place, while identifying constraints that may affect feasibility or require adaptation in the partnership design.

[7] World Bank (2012)

In assessing these enabling conditions, Layer 1d should also distinguish between constraints that may fundamentally affect the viability of the proposed partnership and those that can be addressed through subsequent design and structuring decisions. Certain limitations may represent critical barriers that require the partnership model to be reconsidered, such as the absence of necessary legal authority, inadequate market capacity, or inability to sustain required public commitments. Other constraints may represent manageable challenges that can be addressed through appropriate governance arrangements, financing structures, operational approaches or implementation measures.

This distinction helps ensure that critical feasibility concerns are identified before significant resources are committed to partnership development, while allowing the model to be adapted where constraints can be effectively mitigated.

The assessment should also consider context-specific factors and regional nuances that may influence partnership feasibility, particularly within Asian markets where conditions can vary significantly across countries. These may include limitations in data availability, shallow financial and insurance markets, uneven institutional capacity, differences in regulatory maturity, constrained fiscal space, the need in some markets for Sharia-compliant structures, and complex political-economy considerations. The consultation reinforced the importance of distinguishing between the formal presence of an enabling framework and the practical capacity to operate within it: a market may have the necessary legal basis while still requiring technical, institutional or governance adaptations before the proposed model can function effectively, and a model drawn from a mature market may depend on enabling conditions, such as a national loss model, a widely held product to which cover is attached, or the fiscal credibility to assume large liabilities and raise funds quickly after an event, that the adopting market lacks. Understanding these contextual factors is essential to determining whether a partnership model can be effectively adapted to local realities, rather than forcing a standardised model into an incompatible environment.

The enabling environment assessment may support proceeding as proposed, proceeding subject to preconditions or design adaptations, proceeding on a limited or piloted basis while untested elements are validated, deferring while constraints are addressed, or revisiting the proposed partnership or solution. It is the point at which the framework can stop a partnership before significant resources are committed, and its findings may require earlier assumptions, stakeholder arrangements or solution choices to be reconsidered.

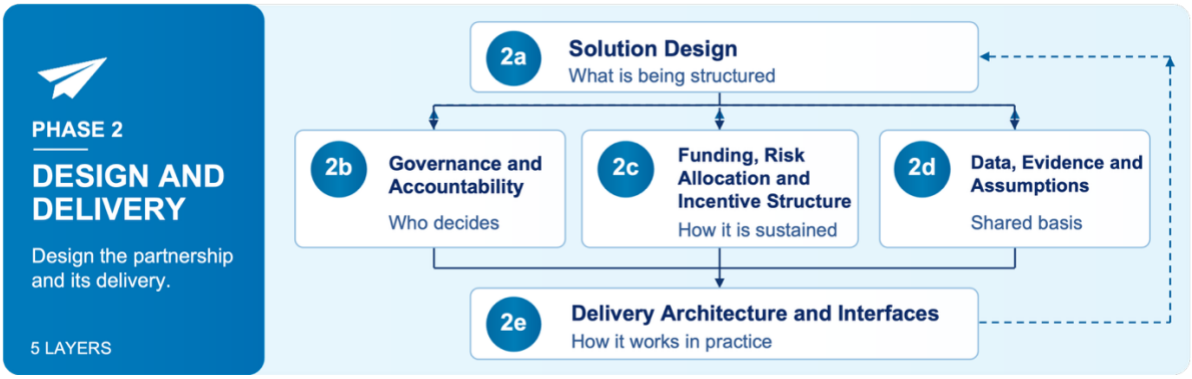
Together, the four Phase 1 layers establish whether the partnership is strategically justified and practically feasible before design begins.

3.3 Phase 2: Design and Delivery

Phase 2 translates the partnership concept into a clear set of structural and operational arrangements. Its primary objective is to define the broad features of the solution design and establish how the intervention will be delivered to its target groups. While Phase 1 establishes the strategic foundation, this phase focuses on developing the practical systems, agreements and structures necessary to bring the partnership into operation.

Comprising five interconnected layers as shown in Chart 3 below, Phase 2 answers two central questions: *How is the partnership built, and how should it operate?* The process begins by defining the core elements of the partnership design. As these structural components are closely interconnected, much of the subsequent work is undertaken in parallel. The following layers simultaneously establish the decision-making governance and accountability arrangements, define funding and risk-sharing mechanisms, and develop the shared data protocols that will underpin the partnership. These elements are developed alongside the practical delivery architecture and interfaces through which the partnership will operate. Findings on delivery may in turn require the solution, governance, funding or evidence arrangements to be revisited.

Chart 3: Phase 2: Design and Delivery



3.3.1 Layer 2a: Solution Design (the 'What Is Being Structured' layer)

Layer 2a translates the purpose and scope established in Layer 1b into a structured arrangement. The question it asks is: *What is being structured?* It defines who it is for, what the solution will cover or provide, the circumstances in which it responds, and the broad form of the arrangement, which may correspond to one or a combination of the archetypes described in Section 3.5.

The solution should be designed around the outcomes sought and the identified protection gap, rather than predetermined institutional arrangements or technical mechanisms, and it is developed alongside governance, funding, evidence and delivery rather than settled before them, since each of those layers tests whether the design can be sustained. The consultations also highlighted the importance of balancing user choice and opportunities for innovation with affordability, equity and long-term sustainability. These considerations should inform the overall solution design, recognising that different objectives may involve trade-offs.

The solution's scope, response, participation model and approach to access should remain connected to the intended protection and resilience outcomes it exists to deliver. Its intended end-state is considered from the outset, including justified continuing support, evolution or transition as market, institutional and operating conditions change, because that choice shapes how the arrangement is governed and funded. The solution should support risk reduction and adaptation, with financial protection designed for the risk that remains, recognising where complementary action by others is required.

The design should distinguish common principles from the technical specifications needed for the application, such as product structures, financing mechanisms, service specifications, processes and technology. Those details should be developed through the relevant layers for the particular partnership. Technical considerations needed to establish feasibility should inform the design before the structure is fixed.

The output of this layer is a solution design setting out the broad structure, intended users, response, participation model and approach to access. It is then tested against the allocation of authority, cost and evidence in Layer 2b to 2d and made operational through Layer 2e.

3.3.2 Layer 2b: Governance and Accountability (the 'Who Decides' layer)

Layer 2a establishes what the partnership is structuring. Layer 2b establishes who decides. Because the two questions are closely interdependent, and because decision rights cannot be settled in isolation from how the arrangement is funded and what evidence its decisions rest upon, this layer is developed in parallel with Layers 2c and 2d rather than after them.

Accordingly, Layer 2b addresses three connected questions: *Who holds authority, on what basis are decisions taken, and to whom is the partnership accountable*? It sets out how decisions will be made across the partnership, which actor holds which decision rights, how

oversight is exercised, how disagreement between partners is escalated and resolved, and what safeguards protect the public interest and, where present, the terms on which philanthropic participation is given.

This layer should be distinguished from the stakeholder work undertaken in Layer 1c and from the delivery arrangements addressed in Layer 2e. Layer 1c identifies which actors need to be involved and how their mandates, incentives and expectations can be aligned. Layer 2b determines which of those actors decides what, on what basis, and how they answer for those decisions. Layer 2e addresses who acts and how responsibilities connect in practice. The distinction is therefore between who has authority, which is settled here, and who is responsible for delivery, which is settled in the delivery architecture.

Where a partnership also involves philanthropic parties or community actors, their decision rights and accountability should be established alongside those of the other participants. This concerns the allocation of authority, while the reconciliation of interests across the same set of actors is addressed in Layer 1c.

The consultation supports treating governance as a design-stage matter. Regulatory responses highlighted the need to define roles, responsibilities, reporting lines and the management of conflicts of interest at the outset, alongside transparent information, objective decision-making, effective oversight and attention to beneficiaries. A practical concern raised was that, where financing, administration, distribution, data or claims responsibilities are divided among several participants, accountability can become fragmented. The consultation emphasised that such arrangements must not diminish the contractual and statutory rights held by policyholders and beneficiaries. This illustrates why the framework requires decision rights, accountability and public-interest safeguards to be established within the governance architecture, rather than treating beneficiary interests only as a downstream performance outcome. The detailed allocation of decision rights in Section 4.3.2 is a design judgement to be adapted to the partnership's mandates, contributions and obligations. Trust between the parties rests in part on a common technical foundation - agreed data, assumptions and standards, independently reviewed - which is why the governance architecture settled here depends on the evidence base settled in Layer 2d.

Reported experience from operating arrangements points to an explicit and durable mandate as the feature that most clearly separates a partnership from a one-off procurement approached transactionally and without shared objectives. Governance is the layer at which that distinction is either settled deliberately or left to chance.

Governance also establishes the authority to change the arrangement as its scope, contributions, participants or structure evolve. This connects the evidence generated through Layer 3a with the transition pathways in Layer 3b.

These principles apply across partnership types, but the machinery through which they are given effect varies: contractual governance between a few parties, a board with formal decision rights where several parties bear defined exposures, or member representation, voting and accession arrangements across sovereign participants (Section 3.5). Beneath that, the legal form of any vehicle, the composition of its board, the drafting of reserved matters and the applicable corporate and regulatory requirements are jurisdiction-specific and must be specified for the relevant legal context and application. The framework's concern is that decision rights, oversight, escalation, amendment and safeguards are explicitly settled and coherently allocated, and the output is a governance architecture that makes them so.

3.3.3 Layer 2c: Funding, Risk Allocation and Incentive Structure (the 'How It Is Sustained' layer)

Layer 2b establishes who decides. Layer 2c establishes how the arrangement is paid for, how cost and exposure are distributed between the parties, and what keeps it viable once it is operating. It is developed alongside Layers 2b and 2d, since the allocation of cost and obligation both shapes and is shaped by the allocation of authority, and rests on the evidence base developed in Layer 2d.

Accordingly, Layer 2c addresses the question: *How is the partnership sustained?* It sets out how costs, obligations, exposures and incentives are allocated across the parties, how the solution pathway is funded, what happens where obligations exceed the resources committed to meet them, and how affordability, public exposure and long-term sustainability are reconciled.

This layer is written at the level of allocation logic rather than instrument mechanics. Partnerships addressing protection gaps take widely different forms: some transfer risk between the parties, others deliver a service against defined performance obligations, others provide an interface or coordinating function. The questions of who pays, who carries which obligations, what sustains the arrangement and what its funding structure incentivises are common to all of them. The mechanisms through which those questions are answered are not. Where an arrangement is built around the transfer of risk, the answer takes the form of a structured hierarchy of absorption; where it is built around service

delivery, it takes the form of payment terms, performance obligations and the allocation of operational exposure. Sections 3.5 and 4.3.3 set out how the answers differ across the archetypes, and possible sector applications could develop the mechanism-level detail. What this layer requires is that the partnership can state its allocation logic, whatever form that logic takes.

Existing frameworks address this layer in depth (Section 2.3 and Appendix A2.8), including allocating obligations to the party best able to manage or bear them and making subsidies, guarantees and contingent liabilities explicit. An arrangement may be effective without being efficient, so the appraisal should compare cost, capability and risk borne against feasible alternatives. Among the more consequential decisions in the design is where the line falls between public policy cost and commercial activity. The cost of a social objective should be placed deliberately and visibly, whatever the instrument through which it is placed, and any redistribution between risk classes, regions, generations, income groups or earlier and later participants should be visible rather than embedded silently in the terms of contribution. Where a policy objective requires a price below the technical cost of the risk, the difference is often better met through explicit and separately funded support than through a price that obscures the risk signal, since the signal is what allows the cost of the objective to be seen and evaluated.

Sustainability does not necessarily mean becoming self-financing: continuing public support may remain appropriate where the funding model is sustainable and authorised over the intended operating horizon. Redistribution should be visible and assessed alongside the participation model. Losses outside agreed cover are distinct from obligations accepted but not met; a funding shortfall does not itself change agreed entitlements or applicable beneficiary protections.

Incentives should support relevant risk reduction, but individual incentives cannot by themselves resolve collective risks or gaps in public infrastructure. Risk absorption may also weaken incentives for prevention on the public side as well as among beneficiaries. Each source of support, whether philanthropic, public donor, development finance or commercial, carries its own conditions and its own consequences if it is withdrawn, and the terms attaching to each are established separately (Section 4.3.3).

The parameters expected to change over time become the subject of monitoring in Layer 3a and the substance of transition or reconfiguration under Layer 3b. Capability to design and monitor the arrangement connects back to Layer 1d.

The output of this layer is a funding and allocation structure that states the allocation logic, the long-term funding model, the basis of any philanthropic or external support, and the parameters expected to change over time.

3.3.4 Layer 2d: Data, Evidence and Assumptions (the 'Shared Basis' layer)

Layers 2b and 2c settle who decides and how the arrangement is sustained. Both rest on a prior question that is easily left implicit: what the partnership treats as fact and evidence. Layer 2d makes that question explicit. It clarifies the evidence base on which the partnership relies, how its key assumptions are formed, and how data, analysis and decision-useful information are governed between the parties.

Accordingly, Layer 2d addresses the question: *What does the partnership accept as the shared evidence basis for action, and who determines it?* It covers the evidence and assumptions underpinning design decisions, the ownership and validation of data and analytical methods, the protocols under which information is shared between public, private and, where present, philanthropic actors, and the mechanisms through which disagreement about the evidence is resolved.

This layer makes explicit how a factual basis relied on by several parties is jointly validated and can be contested through an agreed mechanism. This does not mean converging on a single accepted source: any analysis is a view of the underlying risk or need rather than a settled account of it. What is required is that the parties have settled which evidence bears on which decision, how divergence between sources is handled, and which record is authoritative for a given determination.

The case for doing so is practical. Where the evidential basis is left unsettled, disagreement does not disappear; it re-emerges later as a dispute about whether an obligation has arisen, whether performance targets have been met, or whether a party has failed in its commitments, at the point when the partnership is least able to absorb it. Settling the evidence base early converts a foreseeable source of later conflict into a design decision.

The consultation also highlighted data governance and the terms of data sharing as practical concerns for the institutions expected to operate these arrangements, and that confidence in the evidence and understanding of the protection provided affect continued participation. An outcome can be technically correct under the agreed terms and still differ from what participants expected. The design should therefore address the suitability and limitations of the evidence, how determinations are explained, and how experience informs

review. This bears directly on the resources allocated to the evidence base and whether its development is included among the upfront costs in Layer 2c.

The evidence base is not static. Experience, changes in exposure or improved data may require assumptions and participation terms to be revisited, connecting this layer to amendment authority in Layer 2b, funding parameters in Layer 2c and the learning loop in Layer 3a. Combining information can also generate risk knowledge of wider value beyond the arrangement itself.

Consistent with the treatment of the other design layers, this framework specifies the governance functions the evidence base requires rather than the technical specifications through which they are met. Data standards, analytical specifications, validation methodologies, the basis on which obligations are determined, the treatment of divergence between modelled and observed outcomes, and platform architecture are domain-specific and must be specified for the relevant application, with more detailed risk-specific guidance.

What the framework requires is that the partnership can state what it relies on, who owns and validates it, on what terms it is shared, how disagreement is resolved, what it contributes back, and how the position changes as evidence improves.

3.3.5 Layer 2e: Delivery Architecture and Interfaces (the 'How It Works In Practice' layer)

A partnership can only deliver its intended outcomes when its institutional design can be effectively translated into a delivery model that works in practice. Layer 2e focuses on this translation by examining how the partnership's agreed solution, responsibilities, incentives and supporting arrangements come together at the points where organisations, systems and users interact. It addresses the practical mechanics through which the partnership reaches its intended users and beneficiaries, while embedding considerations of access, inclusion, trust and user experience within the delivery design rather than treating them as downstream concerns. It also considers the critical operational dependencies and continuity arrangements required to sustain delivery when a material participant, process or system is disrupted or fails.

The focus of this layer is therefore not on the detailed technical or domain-specific operation of the solution. Those features should be developed for the particular application case. Instead, Layer 2e defines the overall delivery architecture and critical interfaces that need to function across the partnership as a whole. This includes how responsibilities are

coordinated across actors, how users enter and navigate the system, how services or benefits are distributed, how information and support are provided, how continuity of delivery is maintained, and how delivery problems or disputes are identified and resolved when implementation does not proceed as intended.

This is particularly important for PP(P)Ps where delivery often spans organisational and sectoral boundaries. Public authorities, private-sector providers, philanthropic actors, intermediaries and community organisations may operate with different mandates, capabilities, systems and practices. The partnership should therefore be designed not only around the responsibilities assigned to individual actors, but also around the interactions between them. Critical hand-offs, dependencies and points of potential failure should be identified and addressed as integral elements of the partnership design.

Layer 1d assesses whether the broader legal, regulatory, institutional, fiscal and market conditions are sufficiently conducive to establishing and sustaining the partnership. Layer 2e takes those contextual conditions as the starting point and focuses on how the partnership should operate within them, including how identified constraints affect delivery interfaces, user access and operational coordination.

Likewise, the stakeholder and governance layers (Layers 1c and 2b) settle who is involved, who has authority, decision rights and accountabilities, Layer 2e settles who acts, what actions need to occur, when responsibilities transfer between actors, and how those responsibilities are connected in the delivery process. This distinction allows the framework to address practical coordination without duplicating the governance architecture.

Where Layer 2a considers whether the solution is appropriately designed for its intended users, Layer 2e considers whether that solution can be effectively accessed, understood and delivered in practice.

This user-centred perspective is important because formal availability does not necessarily result in effective access. An intervention may be technically available but remain unused because it is difficult to understand, costly or burdensome to access, administratively complex, poorly distributed or not trusted by intended users. Layer 2e should therefore treat access, affordability, equity, reach and user experience as design considerations that shape the delivery architecture itself.

The Delivery Architecture and Interface Design connects the agreed solution and institutional arrangements to implementation. It also tests the coherence of the whole

design at the points where organisations, systems and users interact: choices that appear sound individually may create gaps at hand-offs, conflicting incentives or unreachable users when brought together, and findings at these interfaces may require earlier design choices to be refined.

3.4 Phase 3: Ongoing Operation

Phase 3 shifts the focus from establishing the partnership to assessing its performance over time and determining how it should evolve in response to experience and changing conditions. Its objective is to ensure that the partnership remains aligned with the outcomes established in Phase 1, while enabling learning, adaptation, transition and, where appropriate, exit. The partnership should therefore be treated as an evolving arrangement rather than a fixed structure, with implementation experience informing adjustments to its design and future direction.

Comprising two interconnected layers as shown in Chart 4 below, Phase 3 answers two central questions: *Does the partnership work, and what happens next?* The first layer focuses on assessing performance, outcomes and implementation experience against the partnership's intended objectives, including identifying gaps, unintended consequences and opportunities for improvement. The second layer considers the conditions under which the partnership should mature, be reconfigured, transition to other actors or arrangements, taper external support, or ultimately end.

Together, these layers create an ongoing learning and transition cycle. Performance evidence should inform not only assessments of success or failure, but also adjustments to implementation, refinement of the partnership design, and decisions about its future form. At the same time, the intended end-state should be considered from the outset to support sustainable market development and institutional capacity, rather than creating unintended long-term dependency on the partnership itself or on the external support sustaining it.

Chart 4: Phase 3: Ongoing Operation



3.4.1 Layer 3a: Performance, Outcomes and Learning (the 'Does It Work' layer)

Once the partnership is operational, it is important to establish whether it is achieving the outcomes for which it was established and whether the assumptions underpinning the partnership remain valid. The indicators and review arrangements should therefore be established before launch, from the intended outcomes identified and set in Layer 1b. Layer 3a provides the basis for assessing performance over time by connecting implementation and operational evidence to those intended outcomes. The questions this layer asks are: *Is the partnership delivering the outcomes it was established to achieve, and what does the evidence say needs to change?*

The purpose is not simply to confirm whether planned activities have been completed, but to assess whether the partnership is generating meaningful improvements in protection, equity, consumer outcomes, fiscal resilience and, where relevant, broader resilience objectives. It should also assess whether the partnership itself continues to function effectively and provides additional value relative to feasible alternatives. Performance is assessed against the purpose and value for which the partnership was established, rather than against delivery of activities or compliance with agreed inputs: the reviewed guidance shows that aggregate indicators can improve while the protection gap the arrangement was created to close remains where it was (Appendix A2.11).

The performance assessment process here should create a learning loop, rather than function solely as a reporting exercise. Evidence from implementation should be used to challenge the original design, not only measure performance against it; it should feed back into the relevant design layers and, where conditions have changed materially, prompt the ordering of objectives in Layer 1b to be revisited, rather than weaknesses being addressed only at the end of the partnership.

The learning loop connects performance evidence to decisions on continuation, adjustment, scaling, reconfiguration and transition. Where that evidence calls into question the partnership's continuing rationale or additional value, the necessity assessment in Layer 1a should also be revisited.

The output from this layer is a Performance and Outcomes Framework that measures the partnership against the outcomes that justified it, across the population it was established to serve, and against its own functioning as a partnership, including whether it still adds value relative to the alternatives and whether its funding remains sustainable. Observed outcomes are distinguished from attributable impact, since not every change during the

partnership's life can be credited to it. Section 4.4.1 sets out the indicator dimensions and how the evidence is collected, reviewed and used.

3.4.2 Layer 3b: Transition, Tapering and Market Development (the 'What Happens Next' layer)

A partnership should be designed with the expectation that its structure will evolve over time as the underlying market, institutional capacity, delivery systems and risk environment change. As these factors evolve, the rationale for public, private or philanthropic participation and for particular forms of support may shift with them. The design layers provide for this rather than leaving it to be discovered later. Layer 2b establishes who may propose a change to the arrangement and whose consent is required. Layer 2c identifies which parameters are expected to move over time. And Layer 2d treats a change in the evidence base as one of the principal triggers for revisiting them.

Layer 3b establishes how the partnership should respond to these changes. The questions this layer asks are: *How should the partnership evolve as the conditions that justified it change, and what must be in place for it to mature, transition, taper support or step back?* It treats the partnership's intended end-state as an explicit design consideration, considered at design and refined as evidence develops rather than left until the initial operating period approaches its conclusion, and in doing so builds on the transition mechanism and preference for performance milestones discussed in Section 2.3 and Appendix A2.12.

A particular consideration arises where the partnership relies on external support that performs a catalytic or enabling function. Such support may take different forms and may be provided by a philanthropic party, by public or development institutions, or by other participants. Its intended role and duration should therefore be established based on the function it performs, rather than assuming that a particular type of participant or funding is necessarily catalytic or temporary.

Where support is intended to be catalytic or transitional, the partnership should consider from the outset the conditions under which it may be reduced, replaced or withdrawn. The objective is not necessarily to eliminate external support, but to avoid unintended dependency where the functions it performs can become sustainable through other means. Conversely, where continued support remains necessary to sustain intended outcomes, including affordability, coverage or equity, continuation may be an appropriate long-term outcome provided that its rationale, funding and responsibilities remain transparent and sustainable. Transition should therefore be evidence- and condition-based

rather than based on a presumption that tapering or exit is inherently preferable; the end-state recorded under Layer 1a is the starting hypothesis, not a presumption in either direction.

At the same time, market development should not be understood as a linear progression towards the partnership becoming unnecessary. Consultation evidence highlighted that the constraints a partnership addresses may themselves evolve. An arrangement established to address one constraint may continue to add value by responding to new or changing constraints, provided that this role remains consistent with its purpose and continues to demonstrate additionality. Transition may therefore involve reconfiguration of the partnership's role rather than withdrawal, where evidence shows that a different function is needed to support the same underlying protection objectives.

Changes must also be assessed against the interests of users and beneficiaries: financial or institutional milestones alone do not establish that protection or resilience outcomes can be sustained.

The layer therefore produces two outputs, adapted to the arrangement, which keep the review of external support separate from the review of the partnership's wider role. A Transition and Support Review Protocol addresses the continuing need, form and level of support and any handover. A Market Development Pathway examines whether the underlying constraints are being reduced and whether other actors or arrangements can sustain the relevant functions, rather than simply measuring the partnership's continued delivery. Both support justified continuation, adaptation, handover or withdrawal rather than treating tapering as the default result; Section 4.4.2 sets out what each contains.

3.5 Partnership archetypes and relative emphasis

GAIP's *Turning intentions into resilient outcomes* (2025b) paper[8] discusses three forms of partnership relevant to reducing protection gaps, and this paper adopts them as archetypes for illustrating how the framework applies. These archetypes differ in purpose, in nature of the obligations created, in counterparty and, consequently, in the governance, funding, risk allocations, and data evidence they require. *Several of the examples below draw on established schemes in the United States, Japan and Australia. The same type of partnership can serve a different purpose in another market. In an emerging market, for example, a partnership may bring forward coverage by helping participants develop the*

[8] See GAIP (2025b), *Turning Intentions into Resilient Outcomes*, pp. 87–91, on the three archetypes.

data or distribution capacity they need. Funding to *establish a regional risk pool may be time-bound even where members continue to benefit* from *pooling. In Thailand's rice insurance scheme,* the *premium subsidy helps make cover affordable for farmers*.[9] Layer 1a *asks what each contribution is needed for and what would justify its continuation*.

3.5.1 Functional Partnerships

Functional partnerships connect or develop complementary capabilities and processes to deliver services and products more reliably to target groups, for example through distribution via banks or cooperatives or improved claims administration. An example of a functional partnership is the Thailand Rice Growers Scheme, where the industry association provides administrative handling of risk and reinsurance, and a bank partner provides insurance distribution and optional complementary lending. The government provides, among other things, a partial and targeted subsidy. The emphasis is to perform a defined function to an agreed standard, continuously or when an event occurs, rather than bearing insured risk. The design decisions that matter most concern the boundary of the function (Layer 1b), the delivery architecture that connects the parties (Layer 2e) and, at the outset, whether the arrangement is a partnership at all rather than ordinary procurement (Layer 1a).

3.5.2 Partnerships for Risk Coverage

Partnerships for risk coverage provide financial protection to individuals, households or firms where private provision alone is insufficient or unaffordable. They may offer retail cover, act as an insurer of last resort or provide a reinsurance backstop. The United States' National Flood Insurance Program (NFIP) illustrates this approach, with the federal government providing flood insurance coverage and bearing the underlying insured risk, while participating private insurers facilitate policy distribution and claims administration. This arrangement enables households to access flood insurance protection against losses that may otherwise be difficult to insure through the private market alone. Depending on the arrangement, public and private parties may share responsibilities for provision, financing and risk-bearing, with the allocation of insured risk varying across partnership models. Financial obligations arise on an insured event under agreed terms, using assessed loss, a fixed benefit or an index. Because the magnitude of those obligations depends on who participates, the allocation of exposure, the authority each party needs and the evidence base they rely on are difficult to settle in sequence; Layers 2b, 2c and 2d are therefore interdependent, and the enabling environment (Layer 1d) often determines whether particular forms of cover are feasible at all.

[9] ASEAN, 2025

3.5.3 Risk Pools

The risk pools considered here bring together different stakeholders to share risks, including low-frequency, high-severity risks, and arrange financing before events. They combine risk-bearing capacity and may arrange additional protection through reinsurance or capital markets, supporting insurance availability, claims payments and post-event liquidity. They also support risk awareness, monitoring and measurement. Financial obligations are owed to members or other covered parties, which may include insurers, governments and other public entities, with payouts determined by agreed index triggers or assessed loss. Examples include Japan's earthquake insurance arrangement involving Japan Earthquake Reinsurance (JER) and the cyclone reinsurance pool administered by the Australian Reinsurance Pool Corporation (ARPC), alongside multi-country pools such as the Caribbean Catastrophe Risk Insurance Facility (CCRIF), Pacific Catastrophe Risk Insurance Company (PCRIC), African Risk Capacity (ARC) and Southeast Asia Disaster Risk Insurance Facility (SEADRIF). The decisive design questions are member alignment, including the distinction between the parties that establish a pool and those that participate in it on a continuing basis (Layer 1c); governance that can sustain participation over time and, where relevant, across jurisdictions (Layer 2b); and the credibility and comparability of the analysis on which continued participation rests (Layer 2d).

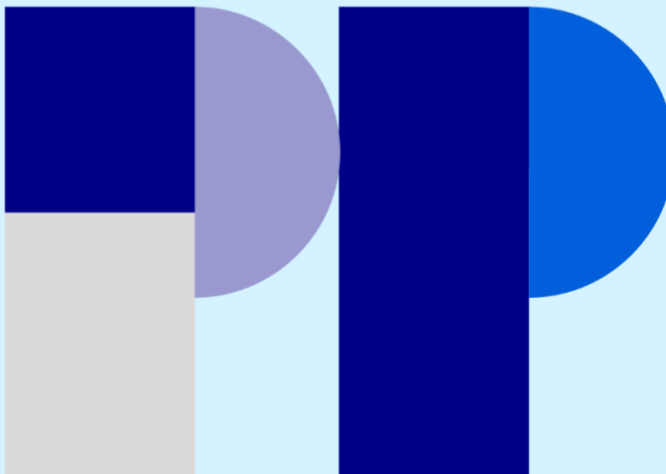
The differences among these archetypes are in design emphasis, not a ranking of complexity, and all eleven layers apply to each archetype. The archetypes are best read as a way of organising the design questions rather than as a classification into which every partnership must be placed: a coverage arrangement may use a functional partnership for distribution, a pool may stand behind member coverage schemes, and the balance between elements may shift as an arrangement develops. Where an arrangement draws on more than one archetype, the emphasis applies to the corresponding part of it. Nor is philanthropic involvement constitutive of any archetype: each can be constituted by public and private parties alone, and where a philanthropic party is present the question is the function and level of its contribution, subject to the separate test in Layer 1a. Table 1 in Section 4.1 summarises the relative emphasis by layer, and Sections 4.2 to 4.4 develop the differences within each layer's guidance.

3.6 What the framework establishes

Taken together, the eleven layers in the proposed framework provide a common basis for deciding whether a partnership is needed, how it should be designed and operated, and how it should be reviewed and adapted. They do not prescribe a single model: the appropriate structure depends on the objectives, actors, risks and context, and on the archetype or combination of archetypes involved. Readers concerned with the framework's strategic purpose may proceed to Section 5. Section 4 sets out, for each layer, the considerations, assessment questions and outputs needed to apply it.

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Practitioner Guide



4 Applying the Framework

This section sets out, for each of the eleven layers explained in Section 3, the assessment questions, the considerations that answer them, and the expected outputs, numbered in parallel with Section 3 so that each layer's guidance can be read alongside its rationale. It is applied proportionately, with linked layers developed in parallel and revisited as evidence or conditions change (Section 2.4).

4.1 How this section is organised and where emphasis falls

Each layer's guidance is presented as a set of assessment questions, each followed by the considerations that answer it, and closes with an "Across the archetypes" block and the "Expected output" block. The archetype block sets out where the emphasis falls for functional partnerships, partnerships for risk coverage and risk pools (as introduced in Section 3.5). Where an archetype bears on one question alone, it appears under that question with the same label. Where philanthropic participation is relevant, the guidance considers where it may add value, subject to the separate test in Layer 1a; the appropriate contribution and governance depend on the arrangement, not on an assumed philanthropic role in each archetype. For an existing partnership, each question can be read as a review question: whether the answer settled at design still holds.

Table 1 maps the relative emphasis of each layer in the proposed framework by partnership archetype and can be used to read this section selectively. **Primary emphasis** indicates a layer on which the archetype's principal design decisions most often arise; **High emphasis** indicates a layer needing more than the general treatment; **Standard emphasis** indicates that the general guidance applies without added emphasis, not that the layer can be omitted. **Focused application** indicates the scope rather than degree of emphasis: a layer applies in full, but its subject matter is materially narrower. All eleven layers apply to every archetype. Where a cell is not elaborated in the archetype block for that layer, the general guidance applies with the emphasis indicated.

Table 1: From framework to partnership archetypes

Layer	Functional Partnerships	Partnerships for Risk Coverage	Risk Pools
1a Case for partnership	**Primary** — boundary against ordinary procurement	High — compare coverage needs, costs and feasible alternatives; necessity is not presumed	**Primary** — collective and member-level benefits, including diversification, against costs and alternatives

Layer	Functional Partnerships	Partnerships for Risk Coverage	Risk Pools
1b Purpose and scope	High — the function's boundary is the design	Standard	High — scope across members
1c Stakeholders, roles and alignment	Standard — increase emphasis where multiple actors or capability gaps require coordination	High — usually several parties bearing defined exposure	**Primary** — wide range of parties involved, and founding actors may be distinct from continuing participants
1d Enabling environment	Focused application — contracting authority, intermediation, licensing and data protection for the relevant functions	**Primary** — legal and product requirements, risk-transfer access and technical capacity needed for the proposed cover	High — assessed at facility and member level separately
2a Solution design	Standard	High — structured coverage arrangement	High — member affordability, product fit and intended use; further assessment at member-scheme level
2b Governance and accountability	Standard — contractual or institutional, proportionate to obligations and dependencies	High — decision rights, institutional form and independent oversight	**Primary** — joint decision-making, accession, multi-sovereign (where relevant)
2c Funding, risk allocation and incentives	Standard — service form, not layered absorption	**Primary** — solidarity, participation and cross-subsidy, alongside funding and risk allocation	High — establishment and operating costs, capital, contributions and risk transfer
2d Data, evidence and assumptions	Focused application — performance and beneficiary data; depth reflects sensitivity and shared-system dependencies	High — supports pricing and assumption governance, not only administration	**Primary** — credibility is a condition of membership, comparability of risk data and analysis, and support to members on monitoring and measurement
2e Delivery architecture and interfaces	**Primary** — the arrangement is the delivery architecture that connects services	High — implement the chosen participation model and delivery requirements	Focused application — member interfaces and authorised payout use; retail interfaces where relevant
3a Performance, outcomes and learning	High — service reach; re-tests Layer 1a	High — coverage, equity, fiscal exposure	High — payout timeliness and effectiveness, and basis risk monitoring
3b Transition, tapering and market development	Standard — renewal, re-tender or handover, with continuity of service and funding	High — review continued support, any intended transition and the rationale for continuation	High — review membership, scope, support and sustainable funding; no assumed tapering or expansion

4.2 Phase 1: Pre-Design

4.2.1 Applying Layer 1a: The Case for Partnership

Applying Layer 1a means identifying the outcomes against which the case is assessed, and then running the PP(P)P Necessity Test in two stages, first for the public-private partnership and then for any philanthropic participation. The outcomes typically fall within the domains below, which are illustrative rather than exhaustive; the specific outcomes, and the level each aims for, are settled in Layer 1b:

- Protection: narrowing protection gaps and expanding access to risk and financial protection;
- Equity and consumer outcomes: improving equity, affordability and consumer outcomes;
- Fiscal: strengthening fiscal resilience and managing public liabilities;
- Resilience: enhancing broader social and economic resilience objectives, including long-term adaptation objectives;
- Non-financial: such as faster liquidity after an event, losses avoided, risk knowledge generated, institutional capability built and trust between the parties.

The PP(P)P Necessity Test is then applied in two stages.

Stage 1: Is a public-private partnership necessary?

Stage 1 assesses whether collaboration between public and private actors provides sufficient additional value relative to feasible alternatives. Key questions include:

- **Existing alternatives:** Can the intended outcomes be effectively addressed without establishing a new arrangement - by a single sector acting alone, through existing public-sector mechanisms, private markets or another single-sector approach; or through a partnership, vehicle or institution already operating in the relevant market or sector, whether by extending its mandate, adjusting its terms of participation or addressing shortfalls in its delivery?
- **Complementarity:** Are capabilities, authorities or resources required that are distributed across public and private actors and cannot be effectively brought together through a simpler arrangement?
- **Time horizons:** Do the intended objectives extend beyond typical public budgeting cycles or commercial investment horizons, and would a partnership help sustain the commitments needed over that period?

- **Market frictions:** Do market failures, changes in the underlying risk or other factors limit the protection that intended users can obtain or afford? Without a partnership, would the market meet those users' needs in time? Where could a partnership materially address a persistent constraint, and where could it accelerate market development? Record what this implies for the partnership's role over time, for review in Layer 3b.
- **Risk distribution:** Is coordinated risk-sharing across multiple stakeholders required?
- **Public value:** Is there a clear public interest that justifies public-sector participation?
- **Comparative value and cost:** Do the expected additional benefits of the partnership justify its establishment, transaction, coordination, governance and ongoing management costs relative to feasible alternatives, and where those benefits are capable of estimation, such as the diversification gain from pooling exposures, have they been estimated rather than asserted? Could a simpler arrangement achieve the intended outcomes more reliably, more quickly or at lower cost?

Where this assessment indicates that a feasible alternative can achieve the intended outcomes more effectively or efficiently, a PPP should not proceed in its proposed form and the relevant solution choices under the Integrated Protection Gap Framework should be revisited. The alternatives that can be overlooked include risk reduction, land-use policy, direct subsidy and a functioning private market, each of which may address a gap potentially more directly than a formal partnership; where private capacity already exists, the better course may be to strengthen risk-based pricing, uptake and affordability for targeted groups. A useful positive test is whether the gap can be made insurable, or otherwise serviceable, through public intervention. Where public-private collaboration provides demonstrable additional value, the assessment proceeds to consider whether the additional philanthropic "P" is warranted.

Stage 2: Is philanthropic participation needed and, if so, in what role?

Stage 2 assesses the additional "P" separately, by considering whether philanthropic participation can perform a distinct function required by the partnership that cannot adequately be met by the public and private participants. Importantly, this function need not be limited to the provision of capital. Key questions include:

- **Additionality:** Is there a specific constraint or capability gap that cannot adequately be addressed by the public and private participants alone?
- **Function:** What role would philanthropic participation perform in addressing that constraint or gap? This may include technical or analytical capacity, innovation and

experimentation, capacity building, neutral convening and trust-building, longer-term stewardship or other relevant functions.

- **Philanthropic contribution:** Would a philanthropic party contribute mandates, capabilities or resources that the public and private parties are institutionally constrained from providing, and would the arrangement achieve materially more with one than without? Concessional or catalytic capital from public or development institutions is a separate consideration, addressed in Layer 2c.
- **Alternatives:** Could the same function be provided more appropriately or sustainably by another participant or mechanism?
- **Proportionality and market impact:** Is the proposed philanthropic involvement proportionate to the identified need, and can it be structured without unnecessarily displacing public responsibility or commercially viable private-sector activity?

Where no distinct need for philanthropic participation is identified, the appropriate structure may remain a conventional public-private partnership. Where such participation is justified, its specific role should be carried forward into the subsequent layers of the framework rather than assuming that philanthropy's contribution is primarily financial.

Across the archetypes

For functional partnerships, this layer warrants particular attention because they can be readily confused with ordinary procurement or outsourcing. Where a public body contracts a provider to perform a defined task against a specification, the arrangement may constitute outsourcing rather than partnership. Layer 1a should therefore establish the added value of the partnership, including the shared objectives and complementary contributions of the parties and the outcomes that could not be achieved as effectively by either party acting alone. Where philanthropic participation is relevant, it may help absorb early-stage costs or risks associated with testing an innovative delivery model or reaching an underserved group before a commercial case has been established.

For partnerships for risk coverage, necessity is not presumed. The comparison is between the coverage needs identified, the cost of meeting them through the arrangement, and the feasible alternatives, including whether existing provisions could be extended or supported without a new arrangement.

For risk pools, this layer applies a collective and member-level test. The appraisal should assess whether diversification, access to risk-bearing capacity and shared capabilities, and an intermediary role among various sectors offer additional value relative to what members could achieve individually, taking account of establishment and operating costs. The

expected benefits should be supported by evidence rather than assumed from membership alone. Where members' exposures are strongly correlated, the diversification benefit may be weaker even where the case for coverage does not.

Expected output

The decision pathway can therefore produce four broad outcomes: (i) no partnership, where an alternative approach is more appropriate; (ii) a public-private partnership, where collaboration between public and private actors is justified but no distinct philanthropic role is required; (iii) a PP(P)P, where both the partnership and the additional contribution of a philanthropic actor are justified; or (iv) revisit or defer the proposed intervention where the case for partnership is plausible but the conditions or evidence required to proceed are not yet sufficient.

It is important to recognise that the application of the PP(P)P Necessity Test is context-dependent; the specific criteria, indicators and relative weighting of considerations will vary depending on the risk type, partnership archetype and geographic context. Consistent with the proportionality principle set out in Section 3.1, the depth of the appraisal should also reflect the scale, complexity and potential obligations of the proposed arrangement. These contextual differences also inform any subsequent sector- or risk-specific applications. For example, necessity tests for large-scale infrastructure projects may draw on established frameworks and guidance developed by institutions such as the World Bank, with greater emphasis on value for money, fiscal sustainability and long-term service delivery. Conversely, applications addressing disaster, climate or resilience risks may require greater consideration of systemic vulnerabilities, risk pooling mechanisms and adaptive capacity, drawing on approaches developed by the GA (2026a) and other similar initiatives. Accordingly, the PP(P)P Necessity Test should provide a common decision-making framework while allowing sufficient flexibility to reflect the distinct characteristics and requirements of different intervention contexts.

4.2.2 Applying Layer 1b: Partnership Purpose and Scope

Applying Layer 1b produces the purpose and scope statement. The questions below settle what the partnership is to achieve, the functions it performs, the proposed boundary of its mandate, and the level at which it operates.

- **What is the partnership intended to achieve?**
  Define its primary objectives and intended outcomes, and the specific problems, needs, opportunities or interfaces it is designed to address: for whom, which gap, from whom, for which risk and where, the level it aims to reach and the milestones expected on the way.

- **What functions and responsibilities is it expected to perform?**
  Identify the functions, services, activities and responsibilities it is expected to undertake. Establish its primary role, whether focused on delivery, coordination, regulatory support within statutory mandates, financing, advisory support, integration, innovation, stewardship or another function.
- **What activities fall within and outside its mandate?**
  Distinguish between core responsibilities, supporting responsibilities and activities that fall outside its remit. Make clear which remaining needs or responsibilities fall to other actors or arrangements.
- **At what level does it operate, and which stakeholders, sectors, jurisdictions or systems does it encompass?**
  Specify the level at which it operates, such as the international, regional, national, sub-national, sector, network or end-user level, and the stakeholders, sectors, jurisdictions or systems encompassed.

Across the archetypes

For functional partnerships, this layer is important in clearly defining the boundary of the function performed and the respective responsibilities of the partners; where the boundary is loosely drawn, the arrangements may acquire responsibilities without corresponding authority or resources.

For risk pools, the scope is defined across members. The statement should set out the perils and members the pool covers, whether it provides liquidity after events only or also supports members' risk awareness, monitoring and measurement, and at which level, facility or member, each function is performed.

Expected output

The output of Layer 1b is a clearly articulated statement of the problem the partnership addresses, its purpose and target outcomes, functions, scope boundaries, operating level and areas of responsibility.

4.2.3 Applying Layer 1c: Stakeholders, Roles and Alignment

Applying Layer 1c produces the stakeholder and alignment map. The questions below settle which actors are required, how their mandates and incentives align, and what shared outcomes hold them together while their roles stay distinct.

- **Which stakeholders are required, why is each needed and what role will each perform?**

  The stakeholders required, and the roles they perform, will depend on the purpose, structure and context of the partnership. Not every PP(P)P will require every type of actor, and an actor may perform more than one role. The Table 2 below sets out the principal stakeholder groups that may be relevant and the roles and contributions they may bring to a partnership.

Table 2: Potential Stakeholders and Their Roles in a PP(P)P

Potential stakeholder	Potential roles and contributions
National and sub-national governments and public agencies	Provide policy direction and public mandates; contribute public funding or other resources; coordinate across government; provide or support public services and infrastructure; and, where appropriate, assume or share risks that cannot efficiently be borne by other participants.
Regulators and supervisors	Provide regulatory and supervisory perspectives; assess compatibility with applicable regulatory frameworks; identify regulatory constraints or enabling measures; and maintain appropriate oversight while preserving regulatory and supervisory independence.
Insurers, reinsurers and other risk-bearing institutions	Provide risk assessment, underwriting, pricing and risk-transfer capacity; contribute claims and operational expertise; support product and solution design; and provide relevant market and risk information.
Brokers and other insurance intermediaries	Provide specialist subject matter expertise, market knowledge and advice on available coverage and risk-transfer solutions; facilitate coordination between clients, insurers, reinsurers and other relevant parties, particularly for complex placements and related risk-transfer activities; and support placement and distribution arrangements where appropriate.
Other private-sector participants and service providers	Provide financing, technology, distribution, operational capability, technical expertise, data or other services required to design and deliver the partnership.
Development institutions and concessional finance providers	Provide financing, technical assistance and capacity building; convene relevant stakeholders and, where appropriate, act as a neutral convener between participants, providing impartial technical advice, facilitating dialogue and helping to build trust and confidence across public and private actors.[10]
Philanthropies	Where justified through Layer 1a, perform the specific function identified as requiring philanthropic participation. This may include funding, technical or

[10] Consultation evidence highlighted the potential value of a neutral convener where participants have different incentives and perspectives. An institution without a commercial interest in the transaction may be able to provide impartial technical advice, facilitate dialogue and build confidence across public and private participants, particularly where an arrangement is unfamiliar or involves approaches not previously tested in the market. Neutrality should not, however, be assumed from institutional type alone; it depends on the actor's independence, credibility and technical capability in the particular context.

Potential stakeholder	Potential roles and contributions
	analytical capacity, support for innovation and experimentation, capacity building, neutral convening and trust-building, or longer-term stewardship. Beyond financial contributions, where these are established, philanthropies may bring flexibility, independence, credibility and longer-term perspectives. Their involvement, including public endorsement of an initiative, may help build confidence among the general public, lend legitimacy and encourage wider stakeholder participation, particularly where the partnership is addressing emerging or underserved needs.
Civil society and community organisations	Represent or provide insight into community and beneficiary needs; support engagement and trust-building; facilitate access to underserved groups; and provide feedback on the design and delivery of the intervention.
End users and beneficiaries	Provide perspectives on needs, accessibility, affordability, usability and outcomes, helping to ensure that the partnership and its delivery arrangements respond to the populations they are intended to serve.

The table is illustrative rather than prescriptive. The appropriate combination of stakeholders should follow from the functions, capabilities and authorities required to achieve the partnership's objectives. For each candidate participant, record whether its participation is necessary rather than merely useful, and what specific role it is expected to perform, and whether that role is continuing or confined to bringing the arrangement into existence, so that founding and convening functions are identified separately from operating ones. The mapping should also look beyond the usual public and private participants for actors whose decisions affect the gap but who may not see a role for themselves, such as suppliers, service providers, employers or community bodies. Appendix A4 (Table A4.1) complements Table 2 by illustrating the capabilities, expertise and resources that different stakeholder groups may contribute across the three phases of the PP(P)P framework.

- **How do their mandates, incentives, capabilities and relationships align?**
  Stakeholder mapping is required to understand the mandates, incentives, objectives, interests and constraints that each participant brings to the partnership. It is important to pay particular attention to areas of both alignment and divergence, recognising that stakeholders are often driven by different institutional, commercial, political or social imperatives. Understanding these dynamics early helps calibrate expectations and assess whether essential participants can enter and remain on sustainable terms, before governance, financing and delivery arrangements are developed.

  The mapping should examine:
  - The identity and role of each stakeholder.
  - The mandate, authority and responsibilities of each stakeholder.

- The incentives, motivations and expected benefits driving participation, and the time horizons over which each party plans.
- The resources, capabilities and contributions each stakeholder can provide.
- The dependencies and interrelationships between stakeholders, both across sectors and within the same sector.
- The decision-making authority and areas of influence held by different actors.
- Potential conflicts, tensions or points of friction.
- The degree of alignment between stakeholder objectives and partnership objectives.

- **What shared outcomes unite the partnership, and how will responsibilities remain differentiated?**
  Establish the common objectives that justify collective action despite differing mandates, motivations and constraints. Clarify how roles and responsibilities will remain differentiated while supporting those shared outcomes; alignment does not require the elimination of the participants' differences.
- **Who initiates the discussion, and who coordinates engagement, alignment and the resolution of differences until the partnership has its own governance?**
  Before an arrangement is constituted, there may be no body with the standing to convene the parties. The role may fall to a public authority, a regulator acting within its mandate, a development institution, or a regional facility acting as a neutral convener and translator between the public and private sides, as the World Bank did for SEADRIF described in Section 3.2.3. It should be identified explicitly, together with how it hands over once the partnership's own governance is in place.
- **How will stakeholders be engaged, and how will the partnership be communicated to the public?**
  Set out who is engaged, at which stages and by what means, including those affected by the arrangement who are not party to it. Public communication of the partnership's purpose, scope and limits supports the understanding on which participation and public support depend. Communication with users is developed in Layer 2e, and what the partnership reports and publishes in Layer 2b.

Across the archetypes

For partnerships for risk coverage, several parties usually bear, fund or oversee defined exposures, so the map should record for each the exposure it carries and the capacity in which it participates. Regulators and supervisors in particular may license the product, supervise the participants and be invited into the arrangement; each capacity should be identified separately here and in Layer 2b.

For risk pools, the parties that establish and capitalise a pool may differ from those that participate in it on a continuing basis, and their decision rights, exposures and time horizons differ. The terms on which new members join, and the treatment of any cross-subsidy running between earlier and later members, do not arise where the participant set is fixed; sub-pooling on accession is one possible response. In 2014, CCRIF restructured as a segregated portfolio company in preparation for the admission of Central American members. Their risks would be held in a separate portfolio, protecting existing Caribbean members' accumulated capital reserves from the new members' risks. Independent convening may help where members are reluctant to accept one participant as the lead. The basis for apportioning contributions among members with different risk exposures and financial capacities, and the terms on which later members join, should be settled in advance through a process that participants regard as credible and impartial. The governance consequences are taken up in Layer 2b.

Expected output

The output of Layer 1c is a stakeholder and alignment map recording for each actor, its role, mandate, incentives, contribution and dependencies, and the shared objectives guiding collective action, together with an engagement and communication plan. Building on the stakeholder analysis undertaken through the Integrated Protection Gap Framework, particularly Step B on identifying partners and stakeholders, this map helps keep the partnership focused on the protection gap objectives that underpin its creation while providing a clear basis for effective collaboration.

4.2.4 Applying Layer 1d: Enabling Environment Assessment

Applying Layer 1d assesses the enabling environment against four conditions, the legal and regulatory basis, market and technical capacity, the sustainability of public commitments, and institutional capacity, and then sorts the findings into preconditions for launch and matters that can be managed through design.

- **Is there a sufficiently clear legal and regulatory basis for the proposed arrangement?**

  Assess whether the legal and regulatory framework supports the partnership's requirements, including contracting, role allocation, funding mobilisation and risk transfer. This may include the ability to facilitate arrangements such as cross-border reinsurance, international capital flows and philanthropic contributions within applicable regulatory, tax and capital requirements. The consultation highlighted the need for a sufficiently clear legal and regulatory basis before launch. This suggests that the assessment should establish early whether the proposed roles, transactions and

risk-transfer arrangements have a sufficiently clear legal and regulatory basis, including the approvals required for anticipated changes in scope, membership or the groups served, rather than assuming that these issues can be resolved during implementation. The assessment should also consider relevant procurement requirements, the enforceability of contractual commitments and any public guarantees on which prospective participants would rely.

- **Is there sufficient market and technical capacity to perform the required functions?** Evaluate the depth, maturity and capacity of relevant markets, including the availability of domestic or external financial, insurance and capital market capacity. Assess whether relevant private-sector participants have the capacity and commercial incentives to undertake their intended roles on sustainable terms for the period required, taking account of any applicable prudential constraints. Consider potential market distortion or displacement of existing private-sector activity. Particular attention may be needed where market capacity is concentrated among a small number of participants or support is available only to selected institutions. Beyond financial capacity, assess whether the necessary technical expertise and operational capabilities are available to perform the required functions at the scale and standard envisaged. The consultation identified actuarial and claims capability as necessary conditions in some markets. Where gaps exist, consider whether they can realistically be addressed through capacity building, technical assistance or other design measures. In markets where state-owned insurers or reinsurers hold a significant position, their capacity, financial strength and role within the proposed arrangement should also be assessed.
- **Can the required public commitments be sustained?** Examine the broader fiscal and institutional context within which the partnership will operate, including government fiscal capacity, fiscal sustainability considerations, public financial management systems, political commitment and stakeholder incentives. The consultations also highlighted the importance of policy stability and predictability for sustained private-sector participation. The assessment should therefore consider whether the relevant policy direction and public funding commitments provide sufficient confidence for participants to undertake longer-term obligations. Where the arrangement depends on broad public participation, the assessment should also consider whether there is public understanding of, and consensus on, its overall design, including what it covers and how responsibility is shared. This helps determine the durability of public commitments and long-term partnership support. Layer 2b addresses the terms for a participant's withdrawal or replacement. Layer 2c addresses who provides funding, who bears risk and how the partnership would respond if funding were reduced or withdrawn.

- **Can participating institutions implement and coordinate the partnership effectively?**

  Evaluate whether participating institutions have the capabilities, systems and resources required for effective implementation, including administrative capacity, data availability, technical expertise and mechanisms for coordinating complex multi-stakeholder arrangements. This should include the operational readiness of key counterparties and their capacity to fulfil the responsibilities and commitments on which other participants depend.
- **Which constraints are preconditions for launch, and which can be managed through design?**

  Preconditions for launch: Critical requirements that must be addressed before the partnership can be established, such as legal authority, regulatory approvals, minimum market capacity or government commitment, and the beneficiary safeguards, including complaints handling, on which participants will rely. Where the partnership depends on specialised technical capabilities, such as actuarial or claims functions, the availability of these capabilities should also be treated as a precondition where they cannot realistically be developed or sourced during implementation.

  Design considerations: Issues that can be managed through the partnership structure itself, such as governance mechanisms, capacity building, technical assistance, phased implementation or risk-sharing arrangements. This includes defining roles and responsibilities, reporting lines, information flows, oversight arrangements and approaches to managing conflicts of interest where these can be established through the partnership design.

The assessment should connect material constraints to decisions about scope, conditions and timing, while recognising that some requirements must be met before the relevant activity begins. The implications of an enabling-environment constraint will depend on its nature and materiality, whether it can reasonably be addressed, and the consequences for the viability of the proposed partnership. The Table 3 below illustrates how the assessment can connect key diagnostic questions to indicators of readiness, warning signs and possible actions.

Table 3: Illustrative Enabling Environment Diagnostics and Decision Implications

Enabling condition & key diagnostic question	Indicators of readiness	Warning signs	Illustrative actions
Legal and regulatory readiness: Can the proposed partnership operate within the applicable legal and regulatory framework?	The proposed roles, contractual arrangements, funding flows and risk-transfer mechanisms have a sufficiently clear legal and regulatory basis and required approvals can reasonably be obtained.	Material uncertainty exists over legal authority, regulatory treatment, contracting, funding flows or risk transfer; or critical approvals cannot be obtained within the required timeframe.	Clarify the legal and regulatory treatment early and engage relevant authorities. Adapt the proposed structure where feasible. Where a necessary legal or regulatory basis cannot reasonably be established, defer the partnership or revisit the proposed solution.
Market capacity: Is there sufficient market and technical capacity to perform the functions required by the partnership?	Relevant market participants and risk-bearing capacity are available, with the technical capabilities required to perform their roles at the necessary scale and standard. Identified capability gaps can realistically be developed or sourced.	Relevant markets are shallow, capacity is concentrated or insufficient, or critical technical capabilities are unavailable and cannot readily be developed or sourced.	Assess whether gaps can be addressed through capacity building, technical assistance, external expertise or appropriate external market capacity. Where material gaps cannot reasonably be addressed, reconsider the scale, structure or timing of the partnership.
Fiscal and political economy conditions: Can the partnership sustain its intended functions as public commitments and funding conditions evolve?	The partnership's funding and risk-sharing arrangements support its long-term sustainability, including the flexibility to adapt to changes in public funding or commitments. Appropriate public financial management arrangements are in place, and there is sufficient institutional and political commitment to support implementation over the required period. Relevant public decision-makers demonstrate	The arrangement lacks sustainable funding arrangements or the flexibility to respond to changes in public support, lacks sufficient political buy-in or institutional ownership from the outset, depends heavily on short-term political support or individual champions, or lacks a credible basis for maintaining public commitments over the required period.	Reconsider the scale, funding structure or allocation of obligations; strengthen political and institutional ownership among the relevant public actors; or phase implementation where appropriate. Where public funding or commitments change, assess whether adjustments to funding, risk-sharing or the partnership structure can sustain its intended functions. Where required public commitments cannot be sustained, revisit the proposed solution.

Enabling condition & key diagnostic question	Indicators of readiness	Warning signs	Illustrative actions
	sufficient ownership and support for the partnership and the commitments it requires.		
Institutional and operational capacity: Can participating institutions implement and coordinate the partnership effectively?	Participants have, or can realistically develop, the administrative capacity, systems, data, expertise and coordination mechanisms needed to perform their intended functions.	Responsibilities exceed institutional capacity; critical systems, data or expertise are unavailable or cannot be legally shared between the parties; roles are unclear; or coordination weaknesses are likely to undermine implementation.	Clarify roles and interfaces; strengthen coordination mechanisms; introduce technical assistance or capacity building; phase implementation; or reallocate functions where another actor is better placed to perform them. Where material constraints cannot reasonably be addressed, reconsider the proposed structure or solution.

The examples in the table are illustrative rather than prescriptive. Some findings can be managed through design adaptations, while the absence of essential legal or regulatory requirements prevents the relevant activity from proceeding. The response should reflect the materiality of the constraint and the availability of credible mitigation measures. The assessment may therefore support proceeding as proposed, proceeding subject to specified preconditions or design adaptations, proceeding on a limited or piloted basis while untested elements are validated (for example within a regulatory sandbox where one exists), deferring implementation while constraints are addressed, or revisiting the proposed partnership or solution pathway.

Consistent with the proportionality principle set out in Section 3.1, the depth of the enabling environment assessment should reflect the scale, complexity, risk and potential obligations of the proposed partnership.

Across the archetypes

For functional partnerships, the enabling environment focuses on the conditions needed for the function, including contracting authority, intermediation and licensing rules, data protection and permitted distribution channels. Where the function sits within a wider coverage arrangement, the relevant risk-transfer requirements must also be addressed.

For partnerships for risk coverage, the enabling environment warrants particular attention because the legal basis for risk transfer, product approval, access to reinsurance capacity and, in some markets, actuarial and claims capability may determine whether particular forms of coverage are feasible at all, and they shape how the arrangement is structured.

For risk pools, the enabling environment is assessed at two main levels: the legal basis for the facility itself, and each member's ability to participate in the pool and to receive and use payouts under the applicable financial and regulatory arrangements. For public members, this includes any public financial management requirements governing the receipt and appropriation of payouts. Where the facility's cover reaches entities subject to domestic insurance regulation, a third is whether that cover is recognised in each jurisdiction, including any local licensing requirement, and how the supervisors concerned share information.

Expected output

The output of Layer 1d is an enabling environment assessment that identifies the contextual conditions affecting partnership feasibility, highlights critical gaps or constraints, and determines the adaptations required to ensure the partnership model is appropriate for the operating environment. It records which constraints are preconditions for launch, which are managed through design, and which of the possible conclusions (proceed, proceed with preconditions, pilot, defer, revisit) the assessment supports.

4.3 Phase 2: Design and Delivery

4.3.1 Applying Layer 2a: Solution Design

Applying Layer 2a produces the solution design. The questions below settle what the solution covers or provides, its alignment with the purpose set in Layer 1b, its intended end-state, the choices offered to users, its contribution to risk reduction, and the technical features that must be specified for the application.

- **What is the solution intended to cover or provide, and under what circumstances should it respond?**

  Define the broad form of the arrangement and the function it is intended to perform. It is useful at this point to distinguish arrangements designed to provide immediate liquidity after an event, those designed to fund recovery or reconstruction, and those designed to broaden the protection cover or services for households or businesses, since each can imply a different form, a different counterparty and a different measure of success; the design should state which of these it is pursuing. Depending on the

context, this may be a functional partnership, partnership for risk coverage, or a risk pool. A provisional view of the form will usually have informed Phase 1; it is confirmed here against the intended objectives, and may correspond to one or a combination of the archetypes. The design should also specify clearly what the solution is intended to cover or provide, the circumstances under which it is expected to respond, and how that response may vary under different scenarios, including any deliberate limit on the level of cover, which can keep cover affordable and private participation viable but leaves part of the loss with the policyholder by design. This is particularly important where the underlying risk is uncertain or may evolve in ways that differ from the assumptions on which the solution was initially designed. Where the purpose is to enable action before an event rather than to finance recovery after it, the response may be forecast-based, with payment made on a defined forecast threshold ahead of the event; this changes the evidence base required under Layer 2d and the trigger communication required under Layer 2e. Section 3.5 describes the three archetypes in more detail.

- **Is the proposed solution aligned with the partnership's purpose, scope and intended outcomes?**

  Ensure that the proposed solution remains closely aligned with the objectives established in Layer 1b. This includes defining the risks or needs to be addressed, the target beneficiaries, the geographical or sectoral scope of the arrangement, and the outcomes it seeks to achieve. The scale and complexity of the solution should be proportionate to the nature of the identified protection gap and consistent with the broader objectives of the partnership.

- **Has the intended end-state been considered, and can the solution evolve as conditions change?**

  Consider the intended end-state of the partnership from the outset, including how the arrangement may mature, scale, reconfigure, transition to other actors or arrangements, maintain justified continuing support or reduce reliance on external support as market, institutional and operating conditions evolve. Where the arrangement involves risk transfer, one possible path is to begin with limited, higher-attaching or parametric capacity, or with a controlled pilot, and to expand as data, experience and governance mature. The solution design should state the intended path from launch structure to steady-state structure so that later layers can test whether the funding, evidence and delivery arrangements support each stage. The solution should be designed to support these pathways where appropriate, rather than creating unnecessary long-term dependency on particular actors, structures or forms of support. This also guides the design considerations for following layers, including but not limited to the governance, funding, risk allocation and incentives structures.

- **What choices will be offered to users, and how does the design support access, affordability, equity and user fit?**

  Assess whether the proposed solution can effectively reach its intended target groups while remaining accessible, affordable, equitable, and appropriate to user needs. This includes considering the policy, programme or product choices to be offered, whether those choices are sufficiently clear and appropriate for the intended users, and the participation model through which users will access the intervention. Another reach question that sits above channel choice is whether a solution possibly planned at national level connects to the needs of communities, municipalities and small businesses; the design should identify the level at which protection is intended to take effect and test the connection between the two. Consideration should be given to eligibility criteria, delivery channels, affordability constraints, participation incentives, behavioural characteristics and barriers to uptake, particularly for vulnerable or underserved populations. The design should seek to maximise inclusion without compromising operational or financial sustainability. Layer 2e subsequently considers how these design choices are translated into practice, including how they are communicated, administered and experienced by users and how the relevant delivery channels and interfaces operate.
- **How do the design choices support risk reduction, adaptation and broader resilience outcomes?**

  The design choices made under this layer should be explicitly linked to the partnership's intended outcomes for addressing the protection gap and advancing broader resilience objectives, while also considering how the partnership may need to evolve over time as market conditions, institutional capacity, delivery systems and the wider risk environment change. Risk-reduction and adaptation measures may operate over a longer term than the annual cycle on which much financial protection is contracted; where the solution is intended to support risk reduction, the tenor of the arrangement, or a multi-year commitment within it, may need to be aligned with the period over which reduction can be achieved and reflected in terms[11]. Accordingly, design choices should not be treated as purely technical or transactional decisions, but evaluated based on their contribution to reducing risk, strengthening adaptation and supporting long-term resilience. Where appropriate, the proposed solution should also align with existing risk reduction and adaptation strategies and identify which actions depend on participants within the partnership and which require complementary action by others, including any public investment on which the arrangement's assumptions rely.

[11] The consultations also highlighted the importance of sustained beneficiary engagement in interventions involving prevention or early intervention, where achieving the intended outcomes may require ongoing participation over time rather than one-off interactions.

- **Which technical features must be specified for the particular application?**
  Develop the relevant product structures, financing mechanisms, service specifications, processes and technology through the appropriate layers. Technical considerations needed to establish feasibility should inform the design before the structure is fixed.

Across the archetypes

For partnerships for risk coverage, this layer is engaged substantially, since the coverage arrangement itself is what is being structured; the participation model, whether voluntary, incentivised, conditional or compulsory, is settled here, with its pricing and funding implications in Layer 2c and its operation in Layer 2e.

For risk pools, this layer addresses whether the facility's cover fits members' risks, financing needs and ability to pay. Where member schemes deliver protection to households or firms, affordability and user-fit also need to be assessed at that level.

Expected output

The output of Layer 2a is a solution design setting out the broad structure, intended users, response, participation model and approach to access and delivery. It establishes the design parameters to be tested alongside governance, funding, risk allocation and evidence, with the practical delivery choices developed through Layer 2e.

4.3.2 Applying Layer 2b: Governance and Accountability

Applying Layer 2b produces the governance and accountability architecture. The questions below run from the partnership's mandate through decision rights, institutional form, the position of regulators, disagreement and exit, safeguards for beneficiaries and the public interest, conditions on external support, and the authority to change the arrangement itself:

- **What is the partnership mandated to do, on whose authority and for how long, and are its renewal and change arrangements predictable and accountable?**
  Establish what the partnership is mandated to do, on whose authority, and for how long. An explicit and durable mandate allows the arrangement to enter into long-term commitments that depend on counterparty confidence in its continuity, and provides a stable basis for integrating activities that would otherwise be duplicated. Where several institutions hold adjacent or overlapping responsibilities, the partnership should establish where authority sits for each function and how those institutions consult one another where their responsibilities meet. Where the arrangement depends on periodic budgetary or legislative renewal, as many public commitments legitimately do, the design objective is predictability: renewal arrangements should be scheduled, the

criteria for renewal stated in advance, and the consequences of a lapse identified, so that the parties can plan for renewal uncertainty and its consequences.

Reported experience from operating arrangements highlights the importance of institutional durability. Examples discussed include the Australian Reinsurance Pool Corporation, CCRIF SPC and New Zealand's Natural Hazards Commission Toka Tū Ake, each established through a dedicated vehicle with an explicit mandate. Such structures may support continuity of purpose across political cycles, long-term commitments with capacity providers and coordination of activities that would otherwise be duplicated. Where mandates are unclear, overlapping or too short for the obligations undertaken, possible consequences include duplicated processes and slow execution. The related failure mode is the arrangement treated as a one-off procurement, approached transactionally and without shared objectives, which may undermine the intended outcomes.

- **Which decisions does the partnership need to make, and who holds the authority to make each of them?**
  Establish which decisions belong to which party, and which require joint or unanimous agreement. One possible allocation that can serve as a starting point places public-policy purpose and the enabling framework with the public party, technical pricing, underwriting, portfolio management and claims with the private participants, and assurance with independent oversight that does not duplicate operational decisions. Whatever the allocation, it should be pre-agreed and recorded, and decisions should be taken in forums where the evidence relied on is documented. Frictions the allocation must be able to absorb include misaligned time horizons and incentives, uncertainty over who bears adverse development, changes in political priorities, confidentiality constraints around commercial information and tension between affordability and risk adequacy. It is helpful to distinguish strategic decisions determining the character of the arrangement, including scope, the basis of participation and the approach to allocating cost; operational decisions taken within delegated authority; financial decisions concerning the commitment and release of resources; and evidential decisions concerning the data and analysis on which other decisions depend, addressed further in Layer 2d. For each category, the partnership should record who proposes, who approves, who may object, and who must be consulted.
- **Does the partnership require a dedicated vehicle, and if so, what form and governance structure is appropriate and proportionate?**
  Determine whether the partnership requires a dedicated vehicle, such as a special purpose entity, trust, fund or facility, or whether its functions can be discharged contractually within existing institutions. Where a vehicle is established, the partnership

should settle board composition, appointment and removal rights, voting arrangements, reserved matters, and the duties owed by board members, and, where participants are themselves owners of the vehicle, how nomination rights are separated from current commercial position. The form should be proportionate to the scale, duration and complexity of the arrangement, since an unnecessarily elaborate structure can itself become a barrier to establishment. Where the arrangement is expected to endure and to hold long-term commitments, however, a dedicated vehicle may support continuity, but its benefits should be assessed against the costs and the use of existing institutions.

- **In what capacity do regulatory and supervisory bodies participate, and how is the independence of oversight preserved?**
  Clarify the capacity in which regulatory and supervisory bodies participate, maintaining a clear distinction between oversight exercised under statutory powers and participation in the governance of the partnership itself, so that the arrangement does not compromise the independence of that oversight. As noted in Section 2.1, the supervisor's role is determined by statutory mandate rather than fixed. These bodies may also act as convenors, within their mandates, before an arrangement is formally constituted, when there is not yet an entity to bring the parties together: a standing technical working group is one possible mechanism at that stage, its value lying in surfacing disagreement while the architecture is still open.
- **How will disagreement between partners be escalated and resolved, and what happens if a partner fails to perform or seeks to withdraw?**
  Establish how disagreement between partners is surfaced and resolved. This should cover deadlock at board level, proposed changes to scope, disagreement over the allocation of cost or the interpretation of evidence, failure of a partner to meet its obligations, the entry of new participants, and the withdrawal or replacement of a participant. These mechanisms address relationships between the partners and should be distinguished from the user-facing complaints and appeals mechanisms considered in Layer 2e, although the two should be connected so that recurring user complaints can be escalated as a governance matter where they indicate a systemic problem.
- **How are the interests of intended beneficiaries represented, how are conflicts of interest managed, and what is reported and published?**
  Ensure that the governance architecture holds together a public mandate, private execution and, where present, philanthropic or concessional participation without any single interest displacing the others. This includes how the interests of intended beneficiaries are represented in decision-making, and how conflicts of interest are declared and managed, including where one participant performs several roles within the arrangement. The concern applies equally where a private participant supplies the

analysis on which its own terms depend: a technical partner should not become the de facto policy-maker, programme manager or sole validator of its own assumptions. Competitive tension, independent assurance, clear intellectual-property arrangements and a planned transfer of capability are the available safeguards. A principle stated in the consultation should govern this: dividing responsibility for financing, administration, distribution, data or claims among several participants must not diminish the contractual and statutory rights held by policyholders and beneficiaries. Where functions are delegated or outsourced, the safeguards extend to audit trails and to oversight of the delegated function itself. Transparency is the principal mechanism through which these safeguards operate, so the partnership should also determine what it reports and publishes, to whom and how often, covering design assumptions, financial position, exposure and performance.

- **What governance conditions attach to philanthropic and development support, and what safeguards address influence, accountability, redirection and withdrawal?**

  Establish the legal and governance basis on which each provider of support participates, and the influence attaching to it. Influence should reflect the function the contribution performs rather than its size alone.

  - Where a philanthropic party is present, the governance questions concern mission alignment between the funder's charitable purpose and the arrangement's objectives; agenda-setting power, and the safeguards preventing a single funder from shaping design in ways that do not serve the stated objectives; how influence over decisions with public consequences is made legitimate and accountable; declared conflicts of interest; the conditions attaching to the contribution and protections against its redirection; and the accountability the funder owes and to whom.
  - Where support comes from public donors, development institutions, or multilateral development banks, the governance questions are different in kind: their financing terms, fiduciary duties to their own shareholders or legislatures, internal approval requirements, and the environmental, social and procurement safeguards they are obliged to apply. These may constrain decisions the partnership would otherwise take independently, and should be identified at design rather than encountered during implementation.

- **Who may propose a change to the arrangement itself, on what evidence, by what process, and with whose consent?**

  A further consideration, and one easily overlooked at establishment, is the authority to change the arrangement itself. Partnerships are not expected to remain in their founding form indefinitely: scope may broaden, the balance of contribution may shift,

participants may join or leave, and the arrangement may move towards a different structure as conditions change. The governance design should therefore establish who may propose such a change, what evidence must support it, whose consent is required, how those affected are heard, and what protections apply to parties whose position is altered by it. Where this authority is not settled at the outset, adaptation later requires renegotiation of the founding arrangements, which can make necessary changes more difficult. Two potential change-related failure modes that the amendment process should guard against are terms altered retrospectively and a remit expanded ad hoc after losses in ways that crowd out viable private capacity. This also connects to the monitoring arrangements in Layer 3a, which generate the evidence on which such decisions are taken, and to the pathways in Layer 3b.

Across the archetypes

For functional partnerships, this layer may take a contractual or institutional form, proportionate to the functions and dependencies involved. Complexity may arise from multiple participants as well as asymmetry between them: the public contracting party typically holds both the mandate and the funding, and the delivery partner may have limited standing to raise problems with a design it did not set. Escalation routes and the evidence on which terms may be revisited therefore deserve attention even where the wider governance architecture is thin. Where a philanthropic party contributes to convening, institutional design or continuity, its influence and accountability should be settled under Layer 2b according to its role. A limited service arrangement may need fewer formal structures, but its functional purpose does not remove these governance questions.

In partnerships for risk coverage, multiple parties may bear, fund or oversee defined exposures, requiring governance arrangements that extend beyond a simple bilateral contract. Depending on the structure and scale of the arrangement, a dedicated vehicle may be warranted to provide mandate clarity, operational continuity and the capacity to maintain long-term relationships with risk-transfer markets. This layer warrants particular attention, including the allocation of decision-making and amendment authority, accountability between participating parties, and the respective roles of regulators and supervisors. The distinction between supervisory participation and statutory oversight is particularly important here, since the same authority may license the product, supervise the participants and be invited into the governance of the scheme. Amendment authority also matters because terms of participation are typically recalibrated more than once. Where a dedicated institution is created, the governance basis at Layer 2b needs to be settled at the outset: the terms of a philanthropic party's presence within the vehicle are settled at the same moment as the vehicle itself, and contribution to institutional design

can be the Section 2.1 function most clearly engaged, since later changes to the organisation may require renegotiation.

For risk pools, particular emphasis falls on this layer because the arrangement must hold its participation across political cycles and, where relevant, across jurisdictions. The distinction drawn at Layer 1c (Stakeholders, roles and alignment) between the parties that establish and capitalise a pool and those that participate in it on a continuing basis governs the governance basis here, including any philanthropic party's: the terms on which a capitalising party holds decision rights are not those on which a participating member holds them. Member representation, voting, accession and withdrawal terms, and the process for apportioning contributions need to be settled in a form the members regard as credible and impartial, and longer-term stewardship applies because the arrangement must hold across those same cycles.

Expected output

The output of Layer 2b is a governance and accountability architecture that identifies the decisions the partnership must take, allocates authority for each of them, establishes the institutional form through which authority is exercised, and sets out the oversight, escalation, safeguard, reporting and amendment arrangements that hold the partnership to its stated purpose. Together with the solution design established in Layer 2a, it provides the institutional basis on which funding and cost allocation, the shared evidence base, and the delivery architecture are developed in parallel.

4.3.3 Applying Layer 2c: Funding, Risk Allocation and Incentive Structure

Applying Layer 2c produces the funding and allocation structure. The questions below cover funding across the life of the arrangement, the principle on which cost and obligation are allocated, what happens when obligations exceed resources, affordability against sustainability, the incentives created, the conditions attaching to each source of support, the capability to design and monitor the allocation, and the parameters expected to change:

- **How is the arrangement funded across its life, and what is the stated path to sustainability?**

  Identify what funds the arrangement across its life, in what proportions, and for how long each source can be relied upon. This includes the upfront costs incurred before the arrangement is operational — feasibility work, data and analytical development, legal and technical work, systems build and capacity building — which can be a barrier to establishment and may be difficult to recover from participants later. The upfront technical work may include improving exposure data, structuring portfolios, calibrating

models, defining coverage and payout protocols and stress-testing capital and liquidity. Where it is provided by a participant, two conditions apply: ownership of the outputs and any conflicts of interest should be clear, and the assistance should follow a credible roadmap towards stronger local capability and a more conventional, competitive relationship rather than permanent dependence on a small group of technical partners. The funding plan should state who meets the cost of this work as well. The consultation identified capacity building as a contribution extending beyond funding, describing risk-transfer participants as supporting authorities and scheme operators in design, technical practice and research. The funding plan should also include a stated long-term funding model. That model need not involve external support falling away: a health subsidy, a disaster backstop or a social protection scheme may legitimately require continuing public support, and the test is whether the funding model is sustainable and authorised over the horizon the arrangement is intended to operate, not whether it eventually becomes self-financing. Continuing public support need not mean subsidy: a public reinsurance layer priced to cover its claims over the long term contributes risk-bearing capacity and liquidity rather than recurring expenditure. Where recurring public contributions or subsidies are expected, this should include a credible mechanism for incorporating those commitments into the relevant budgeting and public financial management processes, rather than relying on ad hoc or temporary funding. Where initial support is intended to be catalytic, the funding plan should also identify potential longer-term contributors, including actors that benefit indirectly from the protection provided, and assess the incentives and conditions under which they may assume part of the funding. These may include governments, employers or businesses benefiting from more resilient communities and supply chains. A stated funding model should include how operating costs and capital requirements are met, and what happens when a committed funding source changes. Early catalytic support should be connected to that long-term funding model.

- **On what principle are costs, obligations and any cross-subsidy allocated, and is this consistent with the participation model?**

  Determine how costs and obligations are distributed, and on what principle. A view expressed in the consultation was that the cost of social policy should be met through government contributions rather than absorbed through resources held for prudential purposes by private participants. Establishing where this line falls between public purpose and commercial activity is among the more consequential decisions in the design, and it applies whether the private contribution takes the form of risk-bearing capacity, service delivery or operational capability. The instrument, however, need not be a direct government contribution. The consultation also described the cost of a policy objective being placed through proportionate regulatory requirements for a

distinct product class, through mandatory allocation of exposure among market participants, and through tax relief on premiums. Tax relief is a public cost that does not always appear as expenditure and is therefore easily overlooked. What matters is that the cost is placed deliberately and visibly, not the mechanism through which it is placed. Where private participants carry part of a public objective, the terms should not leave them at a competitive disadvantage against those outside the arrangement. Where the structure also redistributes cost between risk classes, regions, generations or income groups, or between existing and incoming participants, that redistribution should be visible rather than embedded silently in the terms of contribution, so that its purpose, cost and scope for adjustment can be assessed, including the treatment of resources accumulated before new participants join. Where redistribution is combined with wholly voluntary participation, the arrangement should also be assessed for adverse selection.

- **What happens where obligations exceed the resources committed to meet them, and how is that communicated to those affected?**

  Establish in advance what happens where the partnership's obligations exceed the resources available to meet them. The consultation highlighted that this should not be left implicit: the arrangement should establish who bears such obligations, the order in which resources are drawn upon, any legally permitted and contractually specified procedures for proportionate or deferred payment, and how the outcome is communicated to those affected. Two mature schemes described in the consultation apply aggregate limits. Japan's earthquake insurance system sets a total payment limit per event, calibrated against a historical worst-case event and backed by reserves held by public and private participants. The limit is decided by the Diet, Japan's parliament, every fiscal year[12]. The government has statutory authority to borrow if its earthquake reinsurance account has insufficient funds to meet its reinsurance obligations. If total claims payable exceed the event limit, insurers may reduce payments proportionately. Chinese Taipei's residential earthquake insurance fund operates with a statutory total-claims limit. If total losses payable for one event exceed that limit, payments for covered losses must be reduced proportionately. Several supervisors treated communicating such limits to policyholders as part of the design rather than a consequence of it. Two further points arise from the consultation. Where a limit is used, it should be established through an appropriate formal mechanism rather than held as an internal design parameter, and where possible, it would be preferable for the limit to be actuarially supportable. Losses outside the agreed cover also remain: one supervisor described such losses falling on affected households, businesses or the government through

[12] Ministry of Finance Japan (MoF). N.d.; GIROJ, 2022

discretionary relief. These residual losses should be distinguished from obligations that a participant has accepted but cannot meet. A funding shortfall does not itself change the agreed entitlement or the applicable protections for policyholders and beneficiaries. The equivalent question arises in service-based arrangements as capacity constraints and prioritisation, and should be answered with the same explicitness. The hierarchy of absorption should also be placed within the wider set of financing instruments available to the public party, such as reserves, contingent credit and risk transfer, so that each layer is held by the actor whose capacity and risk appetite fit it, and the budget allocated to pre-arranged financing should be compared with the size of the gap it is intended to cover rather than set independently of it. Where a public layer or backstop forms part of the hierarchy, the conditions under which it is drawn should be defined in advance rather than negotiated after a loss.

- **How is affordability reconciled with commercial and fiscal sustainability, and are both the absolute public exposure and the comparison with feasible alternatives understood?**

  Reconcile affordability and access for intended beneficiaries with commercial and fiscal sustainability. The trade-offs can be stated as pairs - broad access against underwriting selectivity, short-term affordability against investment in mitigation, stable terms against responsiveness to changing risk, and rapid deployment against the time needed to build data and governance - and are better acknowledged at design stage and managed through agreed tolerances, review points and allocated decision rights than resolved case by case. Commercial sustainability is a precondition for durable private participation, as fiscal sustainability is for durable public commitment; neither can be traded away indefinitely. The consultation emphasised considering these objectives together, balancing affordability, access and adequate protection against the financial sustainability of participating institutions, with indicators monitored regularly to hold that balance. Where the arrangement creates public exposure, the design should establish: which authority holds the budgetary mandate for it; how explicit and contingent liabilities are recognised, budgeted and disclosed; the extent, duration and aggregate scale of exposure across the arrangement's obligations; how that exposure behaves under stress; and how it compares with the liability government already carries implicitly through expected assistance in the absence of the arrangement, although the comparison is not like for like. Both the absolute exposure and the comparison with feasible alternatives matter, including the public exposure that would remain without the arrangement.

These requirements should be applied proportionately to the scale and materiality of the exposure, so that a small arrangement is not subjected to the analytical apparatus

appropriate to a sovereign-scale commitment. The exposure assessment connects to Layer 1d and to the fiscal monitoring in Layer 3a.

- **Does the structure align the parties and reduce underlying risk, and what are the limits of those incentives?**

  Test whether the allocation of obligations, costs and rewards aligns the parties and supports relevant risk reduction. This linkage is treated as a standing design consideration, reviewed in operation. The implementation conditions include actions that are measurable and verifiable; a defensible basis for attributing reduced loss to them; benefits reflected in terms without frequent changes to the requirements; responsibility placed with the party able to act; a realistic transition period; and accessible financing or grants for mitigation where users or public authorities lack the means. Funds earmarked for risk reduction should be held for that purpose, and the reduction achieved should be visible in the terms of cover. Incentives arise from the allocation of obligation and reward and from the point at which each party's exposure begins and ends; the partnership should identify where they could produce under-provision to harder-to-serve groups, delay in meeting obligations, or reliance on public capacity that discourages commercial capability. The consultation highlighted the complementarity of financial protection and prevention. The design should identify the actions, the actors able to undertake them and the evidence of their effects. Relevant levers include preparedness and awareness, preventive practice, obligations that mitigate large losses, and differentiated terms that reward better risk management. Differentiated terms need not operate through price. Where an effect cannot yet be reflected reliably in pricing, participation terms may provide another route, provided that the conditions are evidence-informed, fair, transparent and feasible for the intended users. One option is a multi-year arrangement in which a share of the underwriting result is returned to fund mitigation, so that the financing of risk reduction runs on the same horizon as the cover, with the funds held for that purpose and the reduction achieved reflected in subsequent terms.

  Recognise, first, that incentives directed at individual participants cannot by themselves overcome collective action problems, gaps in planning and land-use control or public infrastructure. Where the source of risk is collective, individual incentives will not address it on their own, and the arrangement should be paired with community-level and public measures rather than expected to substitute for them. Recognise, second, that an arrangement absorbing the consequences of risk can weaken the incentive on other actors to reduce it. This applies to the public side as much as to beneficiaries: where an arrangement reliably absorbs the cost of events, the pressure on public bodies to invest in prevention investment or limit development in

exposed areas may weaken. Where the structure mutes signals it would otherwise send, compensating measures are needed to restore them, and any incentive should be material enough to change a decision.

- **What conditions attach to each source of support?**
  Catalytic and concessional describe the function or terms of support, not the institutional identity of its provider. A single arrangement may draw on several sources at once, and each carries different tests, different failure modes and different consequences if it withdraws. The partnership should establish, for each source separately:
  - **Philanthropic grants or risk-bearing support**. Whether the contribution is additional to what would otherwise be available, proportionate to the function it performs rather than to its size, and structured so as not to distort the market the arrangement is intended to develop. Such capital is generally most useful where it funds data, technical assistance, risk reduction, time-limited start-up costs or remote layers of risk that the market cannot yet carry, rather than permanently substituting for contributions that should ultimately be borne by beneficiaries or public sponsors.

    Governance protections against redirection and against a single funder shaping design are in Layer 2b. Where the contribution is intended to reduce, that reduction should be staged and matched by a corresponding build in other sources rather than arriving as a discontinuity. The consultation also identified prevention, data quality, awareness and preparedness as possible uses of support. Whether philanthropy is the appropriate provider should be established through the additionality test.

    Philanthropic support may take either of two broad forms in partnerships for risk coverage, and each raises different questions. A proposed capital contribution should be assessed against the resources already available to the arrangement, including any public guarantee and the terms on which other capital can be obtained. The funding plan should establish what a philanthropic layer adds, rather than infer additionality from its non-commercial terms alone. Support directed at identified high-cost or low-income participants raises a different question: how protection will be sustained once beneficiaries rely on it. The intended duration of support, the funding for any continuing commitment and the conditions for any reduction or replacement should be settled through Layers 2c and 3b before support begins.

- **Public donor funding**. Whether the commitment survives appropriation cycles and changes of government, over what horizon it can be relied upon, and what the arrangement does if it is reduced or withdrawn at short notice. Donor funding carries policy conditions of its own, which should be identified where they constrain the partnership's design or its choice of beneficiaries.
- **Development finance institution and multilateral development bank finance**. Whether the terms are repayable and on what schedule, whether the institution's country or sector mandate constrains what the arrangement can do or how long support can continue, and whether eligibility is subject to graduation criteria that may lapse as the market develops. These institutions carry their own return and risk requirements, and the arrangement should establish that their participation is not displacing commercial capacity that would otherwise be available.
- **Commercial capital**. Whether the return required is compatible with affordability objectives and commensurate with the risks and obligations assumed. The design should assess whether essential participants can remain on sustainable terms, how their obligations are treated for regulatory capital and solvency purposes, and how any gap between the cost of provision and the amount beneficiaries can afford is funded. These terms should be assessed alongside public value, fiscal exposure and beneficiary outcomes. Terms should be driven by identifiable differences in risk and uncertainty rather than by the public status of the arrangement itself; a discount or a premium attached to public status, in either direction, obscures the cost of the policy objective. The assessment should extend to the security of the capacity itself: the credit quality of the providers and of any retrocession behind them, since capacity resting on a chain of weaker securities may not be available when it is called upon.
- **Blended structures**. Where sources are combined, whether the concession granted is justified by the additional capital, capabilities and protection outcomes it enables, who bears first loss and on what terms, and whether the structure makes the distribution of exposure clearer or harder to see. A blended structure is a means of combining the sources above, not a source in its own right, and each component remains subject to its own test.

The corresponding governance protections are in Layer 2b, and the conditions for reduction or reconfiguration in Layer 3b.

- **Can the participants design and monitor the allocation they are accepting?**

  The capability to design and monitor these arrangements cannot be assumed. The consultation described differences in capability across the markets consulted, from operating national aggregate limits with defined reduction mechanisms as in Japan and Chinese Taipei, and rate-setting that builds modelled extreme scenarios into

premiums, through regimes combining catastrophe accumulation monitoring, scenario testing and solvency oversight, to regimes in which testing against extreme or tail-risk scenarios specifically is still being developed. Such gaps bear directly on the decisions taken here about obligations exceeding committed resources, and should be identified through the enabling environment assessment in Layer 1d and addressed either as a precondition for launch or through the capacity-building arrangements described above.

- **Which parameters may change, and how will changes be handled?**
  The funding structure should also allow for change. The balance between sources may shift as an arrangement matures, participant contributions, public or external support are reviewed; exposure profiles change as the underlying risk and the market change; and a party may secure access to a source of capacity before it requires it in order to preserve the option of drawing on it later; and the terms on which the parties participate may be recalibrated more than once. Layer 2c should therefore identify which parameters are expected to move, what evidence would indicate that a change is required, and what process applies when it is. Those parameters become the subject of monitoring in Layer 3a and the substance of the pathways in Layer 3b. Requiring the founding agreement to be reopened for every adjustment can make necessary changes more difficult.

Across the archetypes

For functional partnerships, the defining feature is the function performed rather than the bearing of insured risk, and this shapes the application of the design layers. Under this layer, the emphasis is on payment terms, performance obligations and the allocation of operational exposure rather than the layering of financial risk absorption: whether the payment structure rewards reach to harder-to-serve groups or discourages it where remuneration follows volume. Where a public subsidy is present, this layer's requirements apply to it in full: on what principle it is allocated, whether it is targeted, and whether it is visible rather than embedded in the terms on which the other partners participate. For this archetype, philanthropic support may fund the testing of a new delivery model, and the weight falls on the funding plan: it must distinguish that cost from costs which would ordinarily fall to a commercial party, such as acquiring each customer or servicing a policy once written. Where support covers the latter, enrolment and service figures may hold up for as long as the funding lasts while saying little about whether the channel can operate without that support, since the party that would carry the cost is not carrying it. Layer 2c should therefore make the purpose and duration of support explicit and assess any market distortion. Layer 3b then considers whether continuing support, replacement funding or

withdrawal can sustain delivery and access, rather than assuming that the channel must become self-financing.

For partnerships for risk coverage, three elements require particular attention: the hierarchy of absorption, the point at which the line falls between public policy cost and commercial activity, and the treatment of obligations exceeding committed resources. Because the magnitude of the contingent financial obligations is uncertain in advance and depends materially on who participates, obligation and participation are best considered together rather than in sequence: where participation is compulsory, cross-subsidy is available as a pricing tool; where it is voluntary, the same redistribution can increase adverse-selection risk, and support for high-cost participants is better provided explicitly and separately than embedded in the pricing structure. What distinguishes this archetype is the interdependence of Layers 2b (Governance and accountability), 2c (Funding, risk allocation and incentives) and 2d (Data, evidence and assumptions), which are difficult to settle in sequence: the allocation of exposure determines what authority each party requires, and both rest on an evidence base that must itself be agreed.

For risk pools, within this layer, the establishment and ongoing funding, capital and contribution questions are addressed under the first question above. Feasibility work, modelling, legal structuring and systems build incur costs before the pool begins operating, so the funding plan should establish who will meet them. It should also address operating costs, capital adequacy, the allocation of contributions among members with different risk exposures and financial capacities, and the terms on which risk is transferred. Development banks and bilateral donors may support pool establishment and operation; Section 2.1 classifies them as public participants. A philanthropic institution's contribution should be assessed alongside that support. Philanthropic funding may help meet the upfront costs of studies, modelling, legal structuring and systems build where the appraisal identifies an unmet need, consistent with the treatment of establishment costs in this layer. The funding plan should distinguish one-off establishment support from recurring support for contributions or operations and identify the intended duration of each. Where affordability is the barrier, continuing support may be appropriate, provided its funding and purpose remain explicit. A further approach is for an external party to take cover alongside a member's own, on the same trigger and within the same operational checks: under ARC Replica[13] , launched in 2018, humanitarian agencies can purchase policies matching those of participating African governments, so that a payout to the government is accompanied by a payout to the agency operating in the same country. That additional cover also

[13] ARC n.d.

depends on continued funding, so the implications of its withdrawal or replacement need to be considered.

Expected output

The output of Layer 2c is a funding and allocation structure that sets out how the partnership is financed, how cost, obligation and exposure are distributed across the parties, how affordability and public exposure are reconciled with sustainability, what the incentives created by the structure are designed to achieve and what they cannot achieve alone, and the intended sustainable long-term funding model. It also establishes the basis on which any philanthropic participation is provided, and identifies the parameters expected to change over time, both of which are carried forward into Phase 3.

4.3.4 Applying Layer 2d: Data, Evidence and Assumptions

The evidence base takes different forms in different partnerships, and this layer is written to accommodate that. An arrangement organised around service delivery depends on performance, utilisation and beneficiary data. One organised around financial protection depends additionally on exposure information, claims experience and the analysis used to set terms. A risk pool operating across multiple jurisdictions depends on hazard and exposure modelling and on the comparability of data drawn from institutions of differing capability. The governance questions are the same in each case. What differs is the intensity of the evidence requirement and the technical form it takes, as reflected in the guidance below; more detailed risk-specific guidance could develop the technical detail. The questions below establish what the partnership relies on as fact, what the parties expect it to mean, and how the evidence base is owned, shared, integrated, contested and revisited:

- **What data, analysis and assumptions do the partnership rely on, and how have the key assumptions been formed and documented?**

  Identify what the partnership relies on as fact, and how the assumptions underpinning cost, capacity, exposure and expected outcomes have been formed. Consultation feedback on technical assumptions emphasised that they should be current, realistic, evidence-based, consistently applied, regularly tested against experience, and documented together with their sources, methods, the judgement exercised, the changes made and their effect under normal and adverse conditions. The framework applies that discipline to the assumptions on which the partnership as a whole is premised, including those that are not quantitative, so that the parties can identify which of their expectations rest on evidence and which rest on judgement. Where the underlying risk is changing faster than historical experience captures, the assumptions may need to incorporate forward-looking scenarios and projections alongside

experience, with the review cycle under the final question of this layer set to match the pace of change.

- **What does each party expect the partnership to deliver and in what circumstances, and what does each need in order to satisfy itself that it represents value?**
  Establish not only what the evidence shows but what the parties expect it to mean, and how the arrangement's value is evidenced to those who must judge it. The consultation highlighted difficulties with interpretation as well as analytical quality: an outcome correct on its own terms, because it falls outside a defined scope or below an agreed threshold, may be read as a failure of the arrangement itself. The partnership should settle at design stage what each party expects the arrangement to deliver and in what circumstances, expressed in terms that party can verify against its own observation, and identify what each party needs in order to satisfy itself that the arrangement represents value where it has no independent basis on which to judge.
- **Who owns and validates the data and analytical methods, and how are they reviewed and challenged?**
  Establish who owns the data and analysis on which the partnership depends, how they are validated, how often they are reviewed, and who may change them, what rights the partnership hold to continue using them if the party providing them withdraws, and whether they can be produced within the time the arrangement's response commitments require. The consultation identified practical records such as versions, assumptions, calibration, sensitivity tests, validation reports, uncertainty ranges and change logs, and showed that ownership takes more than one institutional form: in one operating arrangement, a national research institute builds and maintains the analytical systems under contract to the scheme, while in another, the loss models sit with a non-profit rating organisation established under law, whose reference rates are filed with a supervisor and reviewed for conformity with statutory standards; an authority responsible for the overall scheme itself does not own the model it depends on. These contrasting arrangements illustrate that ownership and validation need not follow a single institutional model. The framework should therefore specify the governance functions required rather than presuppose an ownership arrangement, and should establish how the analysis is grounded in local conditions and tested against observed outcomes. Validation should not rely solely on the provider’s own assurance, particularly where that provider also has an interest in the outputs. The depth and form of independent validation should be proportionate to the decision and obligations involved. Technical input is of greatest value before the structure and price have been fixed, so the evidence base should be developed with the design rather than assembled afterwards to validate it. Where exposure is changing quickly, through

urbanisation, infrastructure development or shifting hazard, a recalibration cycle should be fixed at design rather than left to be triggered by events.

- **On what terms is information shared, and can participants access and use it effectively?**

  Establish the terms on which information moves between the parties to support collective decision-making and outcome assessment while ensuring appropriate safeguards. Consultation responses highlighted the need to agree in advance on ownership, the purpose and scope of sharing, authorised access, confidentiality, privacy and information security, restrictions on onward disclosure, and any competition-related limitations. One respondent added that the balance should rest on a defined legal basis rather than assuming that public provenance is itself a licence to use, and proposed a tiered approach that could inform the design: open-data objectives met through hazard maps, anonymised statistics and standardised indicators, with proprietary methods, personal data and competitively sensitive information more strongly protected. Consultation evidence also highlights that availability should not be equated with effective accessibility or usability. Even where data, analytical outputs or models can be made available across participants, their effective use may require specialised technical expertise and capacity. Where proprietary models are used, the partnership should also distinguish between access to decision-relevant outputs and access to the underlying methodology or intellectual property. Where a shared platform is established, the conditions identified for success were a mandated owner, lawful access, interoperable standards, allocated costs and liability, measured data quality, and implementation support for smaller institutions - the last deserving attention, since a platform workable only for the largest participants may reinforce existing gaps in access and capability. A complementary distinction is between shared or pre-competitive data, which can support resilience and market development across participants, and commercially sensitive data and intellectual property, which remain protected. The partnership may also provide a mechanism through which public agencies, insurers, reinsurers and model vendors compare their views of the risk, with the assumptions and uncertainty of each documented openly, which also guards against reliance on a single shared model whose errors would then be common to all participants.

- **Where are information and processes integrated across the parties, and which record is treated as authoritative?**

  Determine where information and processing can be integrated across the parties rather than duplicated. Where public and private actors each maintain parallel collection, verification and processing for the same event or the same beneficiary, this can create confusion for users, avoidable cost and inconsistent records of what

occurred. The risk is relevant to both disaster and health arrangements. The partnership should identify at design stage which datasets and processing steps should be shared, which must remain separate for legal, competitive or privacy reasons, and how records are reconciled where separation is unavoidable. The delivery consequences are addressed in Layer 2e; what belongs here is the decision about which version of the information the parties treat as authoritative.

- **How will disagreement over analysis, determinations or outcomes be resolved, and by whom?**

  Establish in advance how disagreement about analysis, determinations and outcomes will be handled where the expectations settled above have not prevented it, including who may challenge a determination, what evidence is admissible, who adjudicates, and what interim arrangements apply while a matter is unresolved. The framework treats this as a design requirement even where current practice or consultation evidence does not specify a complete mechanism. Where assistance outside the agreed entitlement is considered, the arrangement should identify who may authorise it and from which funds. Such assistance should be distinguished from a claim due under the arrangement and should not imply an unagreed extension of a participant's obligations.

- **Where data are partial, fragmented or non-local, what is the binding constraint, and how will the partnership proceed?**

  Recognise that many partnerships in the region will be designed under conditions of incomplete, institutionally uneven or non-local data. The consultation identified limits on availability and sharing in some jurisdictions, with differing constraints: respondents located the binding constraint variously in the understanding of data inputs and technical error at source, in fragmentation and limited digitisation, in the absence of an industry-wide approach to personal-data requirements, and in limited market scale. These are different diagnoses requiring different remedies, calling variously for protocol design, capability building, or investment in the underlying infrastructure. The partnership should identify which constraint it faces rather than applying a standard remedy, and establish how it will proceed with the data available, including the use of proxies, regional datasets and expert judgement, with an explicit record of the limitations this introduces. One possible route is to proceed on regional re-analysis data, global models and satellite or remote-sensing sources while local exposure and claims data are built. The data on which a model or trigger rests should be traceable to credible sources, independently verifiable and appropriate to local conditions. The partnership should settle explicitly which evidence is treated as authoritative where local and non-local sources diverge, record what is assumed about local conditions, test the analysis against observed outcomes, and develop local actuarial and risk-management capability to assess and use the available sources.

- **What risk knowledge will the partnership produce and publish for wider use?** Recognise that combining information across participants can generate knowledge beyond the arrangement itself. Where a partnership brings together exposure, incidence and outcome data across populations and institutions, it may produce evidence of wider value for public policy, planning, prevention and the market. This potential should be considered in design rather than treated only as a by-product, consistent with the consultation's observation that support may be directed to data quality and risk awareness. The partnership should determine what it can produce and publish for wider use, on what cycle, and with what protections.
- **How will the evidence base be revisited and resulting changes handled?** The partnership should establish not only what it currently accepts as fact, but the process by which that position is revisited, who may initiate a revision, and how a change flows through to the terms of participation, the allocation of cost, coverage and performance assessment. Because a change in the evidence base is one of the principal triggers for changing the arrangement itself, this connects to the amendment authority in Layer 2b, the parameters identified as subject to change in Layer 2c, and the learning loop in Layer 3a.

Across the archetypes

For functional partnerships, exposure modelling and pricing analysis are generally less central where the function does not involve bearing insured risk, and this layer is engaged more narrowly as a result. What remains material is ownership: the delivery partner frequently holds the beneficiary data, and the terms on which it is shared and retained outlast the contract that produced it. Philanthropic provision of analytical capacity may also be relevant here, in the form of the channel testing and target-group research on which the design depends. Joint, public or philanthropic funding may be justified where the benefits are shared: where the target group is not yet a market, a channel shown to work is available to competitors as much as to the party that proved it, and the most useful result of the research may be a finding that the channel does not work.

In partnerships for risk coverage, data supports the pricing of the arrangement, not only its administration: the analysis is the basis on which obligations are accepted, and improving it can itself change the price at which the scheme obtains capacity. This layer also requires information and processing to be coordinated across the parties. Philanthropic funding may contribute to this analytical infrastructure where a specific need remains unmet. Better analysis may improve the terms at which the scheme obtains capacity, while its benefits extend to participants and the wider market. Where those shared benefits limit an individual party's incentive to fund the work, or the analysis requires exposure and claims

information beyond any one insurer's book, coordinated industry, public, development or philanthropic support may be appropriate.

For risk pools, this layer carries weight comparable to Layer 2b (Governance and accountability), and for a reason beyond the technical. The credibility of the analysis is a condition of continued participation. Where analysis is weak or drawn from contexts that do not reflect local conditions, outcomes may fail to correspond to what participants observe, and confidence and continued participation may be affected. Where obligations are determined by a parametric trigger, the mechanism for resolving disputes over determinations carries particular weight here. Layer 2d's treatment of risk knowledge as an output of the partnership is also well supported, since the pools support their members in developing risk awareness, monitoring and measurement — a function performed for members rather than a by-product of operating the facility. For this archetype, shared modelling and member capacity work can be supported by public and development institutions as well as philanthropic actors. A philanthropic contribution may add value where it funds unmet analytical needs or sustains the work as a pool develops. Regional comparison can require data and expertise beyond those available to any single member or insurer, making coordination and agreed access important. The appraisal should identify who can provide these capabilities and whether the proposed philanthropic contribution fits its mandate and complements existing support. Whoever funds the analysis, it should remain open to a finding that the pool is not warranted, and to later reassessment as risks and members' needs change.

Expected output

The output of Layer 2d is a shared evidence and data governance arrangement that records what the partnership relies on as its factual basis, what the parties expect that basis to mean, who owns and validates that basis, the terms on which information is shared between the parties, how disputes over its outputs will be resolved, what the partnership contributes back to wider knowledge, and how the position will be revisited as evidence improves. Its purpose is to establish a common factual basis for action before decisions or obligations depend on it, and thereby to reduce later disputes about what is being measured, monitored or prioritised.

4.3.5 Applying Layer 2e: Delivery Architecture and Interfaces

Applying Layer 2e produces the delivery architecture and interface design. The questions below move from the end-to-end architecture through the user journey, communication, the participation model, channels, trust, operational processes, interoperability, continuity and redress, and end by testing the coherence of the whole design at the point of delivery.

- **How do the actors, stages and interfaces connect in an end-to-end delivery architecture?**

  This layer should begin by translating the agreed partnership arrangements into an end-to-end delivery architecture at the partnership level. This involves mapping the key stages through which the intervention moves from the partnership to its intended users, the actors responsible at each stage, the principal interfaces between them, and the channels through which users access information, services or benefits. It should also clarify where operational responsibility lies, how activities are coordinated across organisational boundaries, and what mechanisms are available to identify and resolve delays, disputes or delivery failures. The map may need to include actors the archetypes do not name, such as intermediaries for distribution, service providers including for data and analysis, donors for finance and supranational bodies for strategy or regulatory acceptance, and should allow for the additional time to delivery that a multi-actor arrangement entails.

- **How will users and beneficiaries enter and navigate the arrangement?**

  A central feature of this layer is the user and beneficiary interface. Delivery should be considered from the perspective of the individuals and organisations expected to participate in or benefit from the partnership. The partnership should therefore map the relevant user journey, covering how users become aware of the intervention, understand their options, establish eligibility, access or enrol in the relevant arrangement, receive the intended service or benefit, and obtain support or redress where necessary.

  A further consideration is inclusion at the point of delivery. The partnership should identify groups that may face greater barriers to accessing or participating in the intervention and determine whether the delivery model adequately addresses those barriers. This may require differentiated channels, additional support, alternative communication methods, community-based engagement or other appropriate accommodations [14] . Inclusion should therefore be embedded in the delivery

[14] This may include assisted or in-person services where digital channels alone are insufficient to meet beneficiaries' needs.

architecture from the outset, rather than assessed only after implementation through outcome or performance measures.

This layer should also consider the practical conditions that influence take-up and continued participation. Factors such as awareness, affordability, convenience, clarity of eligibility, administrative simplicity, perceived value, trust, incentives and access to support can all shape whether intended users participate. Where the partnership relies on voluntary uptake or behavioural change, the delivery model should seek to minimise unnecessary friction and make the intended pathway as clear, accessible and straightforward as possible.

- **How will the available choices and the limits of the arrangement be communicated and understood?**

  Once the relevant policy, programme or product choices have been determined through the solution design, Layer 2e considers how those choices are communicated and understood in practice. The delivery model should provide appropriate information, communication and support so that users can understand the options available to them, including what the arrangement will and will not provide and the conditions under which it responds, and take the actions required to participate or access benefits. This includes considering policy, financial or risk literacy and addressing gaps in understanding that could become barriers to effective access or participation.
- **How does the chosen participation model translate into practice?**[15]

  The partnership should determine how the chosen participation model translates into practice. Depending on the nature of the intervention, participation may be voluntary, incentivised, conditionally required or compulsory: New Zealand's natural hazards cover, for example, attaches automatically to any home insurance policy that includes fire cover, so that participation is required of everyone who insures their home but of no one else[16] The consultation identified ways to broaden risk sharing short of compelling users: obligations on market participants, and attaching cover by default to a product that users already hold, with the option to decline, so that take-up follows that product's own penetration. Where compulsion is considered, the partnership should establish the rationale, scope, safeguards, exemptions and practical implications. The aim should be to strike an appropriate balance between individual choice, public interest, equity and the intended outcomes of the intervention.

[15] Participation models may range from voluntary participation and soft incentives through to conditional requirements or mandatory participation. The appropriate approach will depend on the intervention, legal context, public-interest rationale and distributional implications.
[16] Natural Hazards Commission Toka Tū Ake, n.d.

- **Which channels will reach the intended users and beneficiaries?**[17]
  The partnership should determine how the intervention will reach its intended users and beneficiaries. This involves mapping the relevant distribution channels and clarifying the roles of public institutions, private providers, intermediaries, community organisations, digital platforms and other delivery actors. Channel choices should reflect the characteristics and needs of the target population, as well as the practical challenges of reaching groups that may be geographically remote, digitally excluded or otherwise underserved. The focus should remain on the overall distribution architecture rather than detailed channel-specific operating procedures.
- **How will trust, risk awareness and community feedback support continued participation?**
  The partnership should consider how trust in participating institutions, providers and delivery mechanisms may affect participation and take-up. Where interventions involve unfamiliar risks, complex choices or significant behavioural change, effective delivery may require sustained community-level engagement and risk awareness. Trusted intermediaries, community organisations, and other locally credible actors may play an important role in this process. Engagement should not be limited to communicating information to communities; it should also provide mechanisms for community experience and feedback to inform how the partnership operates. Trust also depends on whether users can recognise when protection has worked. A payment lower than expected is easily read as a failure of the cover when it may mean only that the event fell outside the agreed terms; the delivery architecture should therefore provide for determinations, including non-payment, to be explained in terms users can verify, and persistence of participation across renewals, by users and by capacity providers alike, can be treated as a practical test of whether the arrangement is understood and valued.
- **Which operational processes, hand-offs and escalation routes are required?**
  The partnership should identify the critical processes through which the agreed solution is translated into delivery. This should cover key steps, hand-offs, dependencies, decision points, service interfaces, information requirements and escalation routes, with particular attention to processes that cross organisational or institutional boundaries. Detailed technical procedures and domain-specific operating requirements should be specified for the relevant application.
- **Can the participants' administrative and procedural requirements operate together?**

[17] Channels may include direct public-sector delivery, private-sector distribution, financial or commercial intermediaries, community-based organisations, digital platforms and other trusted local or institutional networks. The appropriate combination will depend on the target population and context.

The partnership should assess whether the administrative, procurement, approval, funding-access and reporting processes required by different participants can operate together without creating unnecessary delays or barriers to delivery. Where participants are subject to different institutional procedures, these interfaces should be identified in advance, including their sequencing, responsibilities and implications for implementation. Where procedural requirements cannot readily be changed, the delivery architecture should consider whether implementation support, capacity building or other arrangements are needed to manage the resulting friction.

- **What happens if a critical participant, system or process is disrupted or fails?**
  The partnership should identify the actors, systems, infrastructure and other dependencies that are critical to continued delivery and consider the consequences if they become unavailable or fail, including as a result of the event to which the arrangement responds. This includes identifying material delivery partners and critical systems, potential single points of failure, alternative providers or channels where available, continuity and contingency arrangements, and the responsibilities and escalation processes that apply during a disruption. The level of continuity planning should be proportionate to the materiality of the function and the consequences of interruption. Continuity planning should also extend to the evidence the arrangement requires of its users. The consultation described insurers being directed after disasters to accept alternative proofs of loss where the documentation ordinarily required had been destroyed by the event itself. Provision of this kind works better established in advance than improvised afterwards.
- **How can users complain, challenge decisions and obtain redress?**[18]
  The delivery architecture should provide accessible mechanisms through which users and affected stakeholders can provide feedback on their experiences, raise complaints, challenge decisions, seek clarification and obtain appropriate redress. These mechanisms should establish clear points of entry, responsibilities for resolution, escalation pathways and appropriate feedback loops. Beneficiary feedback should be sought through appropriate channels, rather than relying solely on complaints, to understand user experiences and identify opportunities for improvement. Complaints, feedback and appeals should also be treated as a source of evidence for improving delivery, helping to identify recurring delivery problems, barriers to access or unintended consequences.

[18] The specific form and legal status of complaint, appeals and redress mechanisms will vary by jurisdiction and intervention. At the framework level, the emphasis is on ensuring that users have a clear, accessible pathway to raise concerns, challenge relevant decisions and seek resolution.

- **Does the delivery architecture reveal inconsistencies in the overall partnership design?**

  Test the coherence of the overall partnership design at the point of delivery. For example, responsibilities may be allocated across organisations in ways that create gaps at critical hand-offs; funding or incentive arrangements may unintentionally affect affordability or provider behaviour; information requirements may not align with the practical delivery process; proposed distribution channels may not adequately reach the intended population; administrative or procedural requirements imposed by different participants may interact in ways that create implementation delays or burdens; reliance on a material delivery partner or system may create a vulnerability for which no adequate continuity arrangement exists. Layer 2e should identify these interface issues and, where necessary, provide a basis for refining the relevant design choices before implementation.

Across the archetypes

For functional partnerships, because the arrangement is centred on connecting complementary functions, particular emphasis falls on this layer, including the hand-offs between actors, the channel strategy, the user journey, the points at which responsibility transfers and the complaint and redress mechanism.

For partnerships for risk coverage, this layer establishes how the participation model chosen in Layer 2a works in practice, including the requirements and safeguards for participation. Shared information and coordinated claims handling can reduce duplication for beneficiaries, and the operational interfaces for integrated claims payment are settled here.

For risk pools, this layer applies differently where the counterparty is a government, other public entity or insurer rather than a household. At pool level, the design should address member participation, communication, payment and dispute-resolution arrangements. Where the counterparty is a government or public entity, the design should also establish and test the route from receipt of a payout to its authorised use, whether for public services, recovery or direct assistance to affected populations. Where the counterparty is an insurer, the design should address how the pool's cover connects to the insurer's claims and delivery obligations to policyholders. This balance shifts as a pool matures. Where pools extend to subnational entities or to distribution reaching end users more directly, the delivery and interface questions of Layer 2e apply at the level of the facility rather than only through the member scheme.

Expected output

The output of this layer is a Delivery Architecture and Interface Design that sets out how the partnership functions across its key institutional and user interfaces. It should define the main delivery actors and responsibilities, critical hand-offs and dependencies, user journeys, distribution channels, operational processes, administrative and procedural interfaces, information and support requirements, escalation and complaint mechanisms, continuity arrangements, and key access and inclusion considerations. Ultimately, this layer asks whether the partnership is designed not only to be institutionally sound, but to work for the people and organisations expected to use and deliver it. It connects the solution and institutional architecture developed in the preceding layers to the reality of implementation by testing whether responsibilities, channels, processes and user interactions form a coherent delivery system.

4.4 Phase 3: Ongoing Operation

4.4.1 Applying Layer 3a: Performance, Outcomes and Learning

Applying Layer 3a produces the Performance and Outcomes Framework. The questions below settle the indicators, how evidence on performance, outcomes and impact is read, who collects and reviews it, and how it feeds learning and decisions on the partnership's future.

- **What indicators will show whether the intended outcomes and partnership performance are being achieved?**

  Begin with the intended outcomes defined in Layer 1b and their current ordering, and measure performance against the outcomes that justified the partnership in the first place, rather than being defined primarily by the volume of activities undertaken or the performance of individual partners. For arrangements providing financial protection, periods with few or no claims should not, on their own, be taken as evidence that protection is no longer needed, without examining the value of the protection provided during that period.

  This layer should establish a proportionate set of indicators covering both process and outcome dimensions. Process indicators provide visibility over whether the partnership and its delivery arrangements are operating as intended, including whether agreed activities are being implemented, intended users are being reached, services or benefits are being delivered, and operational issues are being resolved. Outcome indicators should assess whether these activities are translating into the intended changes in protection, access, equity, consumer outcomes, fiscal exposure and resilience. The appropriate balance between process and outcome measures should

reflect the partnership's maturity, scale and objectives, while recognising that some outcomes may take longer to materialise than others. Indicators should be established at inception, measured consistently and reviewed after material events, and should distinguish risk-transfer performance from wider policy outcomes so that each participant is assessed against objectives it can influence. Continued participation across renewal cycles, by users and by capacity providers, is a useful summary measure of whether the arrangement is valued.

The performance assessment should also recognise that aggregate performance can mask important differences across population groups, geographies or other relevant segments. Where appropriate, indicators should therefore examine not only overall reach and outcomes, but also who is benefiting, which groups remain underserved, and whether the partnership is creating unintended distributional effects. This is particularly important where equity or inclusion is an explicit objective, or where external support is directed at overcoming barriers that would otherwise prevent certain groups from participating.

The **Performance and Outcomes Framework** translates the partnership's intended outcomes and key dimensions of partnership performance into a practical set of measures and reporting arrangements. Outcome indicators show whether the intended changes are occurring; contributing measures show whether the partnership is doing what those changes depend on, and several usually bear on each outcome. Depending on the intervention, this may include indicators relating to:

- **Protection gap outcomes**: measuring changes in the availability, affordability, coverage and accessibility of protection, levels of uptake and participation, and the extent to which identified protection gaps are being reduced, estimated against uninsured as well as insured exposure if possible, distinguishing take-up among those eligible from coverage across the whole population, and counting cover held outside the arrangement so that the gap is not overstated.
- **Equity and consumer outcomes**: measuring the distribution of access and benefits across relevant population groups, affordability, effective access and understanding of the protection provided, user experience, complaints and redress, and other indicators of consumer welfare
- **Fiscal outcomes**: measuring changes in public expenditure, fiscal exposure, risk transfer and other factors relevant to the sustainability of the public finances
- **Resilience outcomes**: measuring changes in risk exposure, preparedness, adaptation, recovery capacity and other factors linked to the partnership's broader resilience objectives, where relevant

- **Non-financial benefit outcomes**: measuring benefits not captured in financial terms, such as the speed of liquidity after an event, losses avoided, risk knowledge generated, institutional capabilities built and trust between the parties
- **Contributing measures:**
  I. **Process and delivery performance**: measuring implementation progress, service quality, reach, operational efficiency, timeliness, including whether critical delivery interfaces and hand-offs are functioning as intended
  II. **Partnership health**: measuring how effectively the partnership itself is functioning, including the effectiveness and timeliness of joint decision-making, information sharing between partners, fulfilment of agreed obligations, unresolved conflicts or points of friction, periodic assessment of the perceptions and experiences of different partner groups, and the effectiveness of coordination across partnership actors
  III. **Partnership additionality**: assessing whether the partnership continues to create additional value relative to feasible alternative arrangements, including whether the rationale and conditions that justified the partnership remain valid
  IV. **Financial sustainability**: assessing whether the partnership remains financially viable over time, including the adequacy and sustainability of its funding arrangements, whose resources ultimately fund participants' contributions, emerging financial pressures, continuity of essential capacity and, where relevant, the continued affordability of the arrangement for participating actors and beneficiaries
  V. **Unintended consequences:** assessing whether the partnership is generating material unintended effects, including market distortion, displacement of existing provision, inappropriate incentives, unintended dependence on external support or adverse distributional effects.

- **What does the evidence show about performance, observed outcomes and attributable impact?**

  The Performance and Outcomes framework should distinguish between monitoring performance and assessing outcomes or establishing impact. Not every change observed during the lifecycle of the partnership can be attributed to the partnership itself, particularly where outcomes are influenced by wider economic, social, climatic, regulatory or market conditions. Where causal impact is being assessed, the approach should be proportionate to the purpose and materiality of the decision, while conclusions remain limited by the availability and quality of evidence. The framework should be clear about which measures demonstrate partnership performance or observed outcomes and which, if any, support conclusions about attributable impact.

Individual participants should be assessed against their responsibilities and the outcomes they can influence.

- **Who collects, reviews and reports performance information, and how are deviations escalated?**
  This layer should also establish how performance information is collected, reviewed and used. These arrangements should specify who is responsible for monitoring each indicator, how frequently performance is assessed, how results are reported, and how material deviations from expected outcomes are escalated. The objective is to create a shared basis for assessing performance across the partnership rather than allowing individual actors to judge success solely against their own institutional objectives.
- **How does the evidence inform learning, adaptation and decisions about the partnership's future?**
  Use implementation evidence to identify what is working, where assumptions have proved incorrect and which groups or channels are underperforming. Allow the evidence to challenge the original design and feed back into the relevant layers, rather than assessing performance only against it.

  This creates an iterative relationship between design and implementation. The partnership should be able to distinguish between temporary implementation challenges, structural weaknesses in the partnership design and changes in the external environment that require a different response. Performance evidence should therefore inform decisions on whether to continue, adjust, scale, reconfigure or begin transitioning the partnership, while maintaining alignment with the intended outcomes the partnership exists to achieve and with the current ordering of its objectives. These considerations provide the basis for the next layer on Transition, Tapering and Market Development.
- **How are the partnership's performance and outcomes communicated to external stakeholders and the wider public, building on the reporting and publication arrangement settled in Layer 2b?**
  Establish how performance and outcome information will be communicated beyond the partnership to support transparency and accountability. This may include public reports, disclosures to relevant authorities, or reporting to parliamentary committees and other oversight bodies, where applicable. The scope, frequency and format of reporting should reflect the partnership's objectives, governance arrangements and public accountability requirements, taking into account relevant confidentiality and data protection requirements.

Across the archetypes

For functional partnerships, this layer is where the obligation is tested, in the form of service performance and reach, and it carries the additional function of revisiting Layer 1a: whether the partnership still offers additional value over the alternatives available.

For partnerships for risk coverage, emphasis in this layer falls on the coverage, equity and fiscal indicators above: changes in the availability, affordability and take-up of the cover, the distribution of access and benefits across groups, and the public exposure carried under the arrangement.

For risk pools, this layer measures payout timeliness and, where relevant, basis risk. It also assesses whether public counterparties' fiscal response to events or insurer counterparties' capacity to meet claims has improved, as applicable.

Expected output

A Performance and Outcomes Framework covering the outcome indicators and contributing measures above, the arrangement for collecting, reviewing, reporting and escalating performance information, and the review points at which evidence feeds decisions on adjustment, reconfiguration and transition.

4.4.2 Applying Layer 3b: Transition, Tapering and Market Development

Applying Layer 3b produces the Transition and Support Review Protocol and the Market Development Pathway. The questions below settle the future form that remains justified, how support and any handover are reviewed, whether the underlying constraints are being reduced, and whether change sustains outcomes and preserves what has been learned.

- **What future form remains justified as the conditions underlying the partnership change?**

  The starting point for this layer should be the intended end-state of the partnership, as established in Layer 2a. The end-state may involve continuation of the partnership in a more mature form, transfer of functions to existing public or private institutions, integration into mainstream market or government structures, reconfiguration of the partnership, or full dissolution. The appropriate pathway will depend on the original rationale for the partnership and the extent to which the conditions that justified the arrangement continue to exist. Evidence from Layer 3a, including whether the partnership continues to demonstrate additionality, should inform this assessment.
- **How will the need for support and any proposed handover be reviewed?**

  The **Transition and Support Review Protocol** sets out how the continued need, form and level of external or catalytic support will be assessed over time. Rather than relying

solely on fixed timelines, tapering should be linked to observable milestones and conditions that demonstrate that the underlying conditions for sustainability have strengthened. These may include improvements in market capacity, private-sector participation, affordability, institutional capability, fiscal capacity, distribution infrastructure, risk absorption capacity or other conditions relevant to the intervention.

The partnership should also establish how responsibilities, risks and functions will be transferred where a transition or reduction in support is envisaged. A milestone-driven handover should identify what needs to be in place before particular functions or risks can be transferred, who will assume them, and what safeguards are required to prevent premature withdrawal from undermining the intended outcomes. Where milestones are not achieved, the approach should allow for reassessment and, where justified, continuation, adaptation or redesign of the partnership rather than treating the transition timetable as irreversible.

The **Transition and Support Review Protocol** may include:

- **Scope of support:** identifying the forms of external support being provided, the functions each performs and the party providing it, including any founding or convening function performed by an actor not expected to remain within the arrangement
- **Rationale and continued need:** assessing whether the original rationale for each form of support remains valid and whether the function could appropriately be assumed by another actor or mechanism
- **Milestones and triggers:** identifying the objective conditions that should be met before support is reduced, such as improved market capacity, private-sector participation or institutional capability
- **Tapering pathway:** setting out how any agreed reduction in support will take place, including the sequencing and pace of withdrawal
- **Handover requirements:** specifying the functions, risks and responsibilities to be transferred, the actors expected to assume them, and the conditions that must be met before transfer
- **Safeguards:** establishing protections to ensure that withdrawal does not materially undermine access, affordability, equity, consumer outcomes or resilience, and that resources remain sufficient to meet obligations already incurred
- **Review and reassessment:** providing for adjustments, justified continuation or redesign where transition milestones are not achieved or conditions change, including where financial sustainability, governance or operational challenges affect the partnership's continued viability

- **Exit conditions:** where exit is an intended outcome, defining the conditions under which the relevant support can be fully withdrawn without undermining the partnership's intended outcomes

- **Are the underlying constraints being reduced, and what alternative arrangements are becoming feasible?**

  This layer should consider not only changes in external or catalytic support, but also the evolution of the wider partnership architecture. As market and institutional conditions improve, some functions that initially required coordinated partnership support may become capable of being undertaken through conventional public mechanisms, commercial markets or other established institutions. Conversely, changes in the risk environment, market conditions or public priorities may create a continuing or new rationale for partnership. The relevant question is therefore not whether the market has reached a predefined state of “maturity”, but whether the functions performed by the partnership remain necessary and whether other actors are sufficiently capable of assuming them without materially weakening the intended outcomes. The transition process should therefore be responsive to evidence rather than assuming that the partnership must either continue unchanged or terminate completely.

  Another important consideration is whether the partnership is contributing to market and institutional development. Where the partnership was established partly because private-sector capacity, market infrastructure or institutional capability was insufficient, progress should also be assessed by whether these underlying constraints are being reduced. A **Market Development Pathway** should therefore identify the conditions under which the formal PP(P)P structure can step back, be reconfigured or evolve as alternative market or institutional capacity develops, rather than simply measuring the partnership’s continued ability to deliver the intervention. The assessment should also consider whether complementary risk reduction and resilience measures are reducing expected losses and, in turn, the level of financial protection or external support required over time.

  The **Market Development Pathway** may include:

  - **Market capacity conditions:** identifying the level of private-sector capability, competition and participation and how changes in these conditions may affect the future role of the partnership
  - **Institutional capacity conditions:** identifying the public, regulatory and institutional capabilities required to sustain the intended outcomes and the implications for the future structure of the partnership

- **Commercial sustainability conditions:** assessing the extent to which market participants can provide the relevant products, services or functions on a commercially sustainable basis without ongoing concessional support
- **Infrastructure and ecosystem requirements:** identifying the market infrastructure, distribution channels, data, systems and other enabling conditions needed for alternative arrangements to function effectively
- **Risk absorption capacity:** establishing whether sufficient capacity exists among public, private or other actors to assume risks that were initially supported or absorbed through the partnership
- **Alternative arrangements:** identifying the public mechanisms, commercial markets or other institutions that could assume functions currently performed through the partnership
- **Transition conditions:** defining the milestones that may support continuation, reconfiguration, transfer of particular functions or a reduction in the partnership's role while maintaining the intended outcomes
- **Market development monitoring:** establishing how progress against these conditions will be assessed and incorporated into transition decisions

- **Will the change sustain protection outcomes and preserve what has been learned?** Transition decisions should be linked to the performance and outcome measures established in Layer 3a, ensuring that the partnership does not exit simply because financial or institutional milestones have been reached if the underlying protection or resilience outcomes cannot be sustained.

  Finally, this layer should ensure that knowledge generated through the partnership can be carried forward beyond the individual arrangement. Lessons from implementation, effective institutional structures, delivery approaches, market-development mechanisms and other design features should be documented in a form that can inform future applications. This reinforces the framework's cross-sector and cross-country adaptability by helping make the knowledge and capacity developed through the partnership available for future applications.

Across the archetypes

For functional partnerships, this layer may focus on renewal, re-tender or transfer of the function; the market development pathway is also relevant where the arrangement was established to build delivery capability or widen access. Continuity of service remains important through any change of provider or funding.

For partnerships for risk coverage, this layer follows from the funding basis rather than applying uniformly. Where the arrangement rests on subsidy or other external support, the continued need for that support and any intended transition are central; where it exists to restore or maintain market capacity the private sector cannot supply, permanence may be the intended end state, and this layer becomes a requirement for periodic re-examination of whether the conditions that justified the arrangement still hold. Where philanthropic support is directed at identified high-cost or low-income participants, its purpose, cost and funding source should be visible, including where it is reflected in premiums. This layer should assess the implications of continuing, changing or withdrawing that support. Where a reduction is intended, the design should establish whether it can be made without reopening the terms on which other participants hold cover.

For risk pools, this layer considers the facility's development and the role of each source of support. Membership or perils covered may expand, while public or external support may continue, reduce or be replaced. The direction should follow the pool's purpose and sustainable funding model, with explicit conditions for any change in support and for members joining or leaving.

Expected output

A Transition and Support Review Protocol and a Market Development Pathway, adapted to the arrangement, setting out the evidence, conditions and safeguards for reviewing support and the partnership's future role, and the documented lessons to be carried forward.

5 Conclusions and Further Development

This paper brings together a working definition, the distinct and optional philanthropic role, three phases and eleven layers, and three partnership archetypes. These provide a common basis for assessing whether a partnership is warranted and, where it is, aligning its participants, obligations, funding and delivery. Its contribution is to adopt, adapt and integrate relevant guidance around protection-gap decisions, not replace the frameworks or prescribe a particular partnership model.

5.1 Applying the framework in context

The framework provides common questions across risk types, while the answers depend on the particular setting. Criteria fixed for natural catastrophe risks cannot be applied unchanged to health risk; a data standard appropriate to a parametric trigger has little to say about an obligation determined by healthcare utilisation or assessed medical cost; a tapering condition suited to a subsidised retail scheme does not transfer directly to a member-funded facility. The common requirements therefore need to be applied alongside the technical, legal and institutional assessments appropriate to the arrangement.

Five areas are left to contextual assessment by design:

- The criteria, indicators and relative weighting applied in the necessity test vary by risk type, archetype and geography, and are left to be established accordingly.
- The design principles need to be translated into technical specifications and institutional arrangements appropriate to the risk, market and participants.
- The governance functions the evidence base must perform are specified; the data standards, analytical specifications, validation methodologies and bases of determination through which they are performed need to be established for the particular arrangement.
- The delivery architecture requires operational processes, channels and systems suited to the intended users.
- The principles governing the review of support are stated, while the conditions for continuing, changing, tapering or withdrawing it depend on the context.

These are areas for contextual application rather than reasons to delay using the framework. It can organise appraisal before every technical detail is settled, while essential requirements must be resolved before the relevant activity proceeds. Technical findings

may require earlier choices on scope, roles, funding or the case for partnership to be revisited.

5.2 Reviewing existing partnerships with the framework

The questions that guide the assessment and design of a proposed partnership also guide the review of an existing one. The review examines whether the case for partnership remains valid, whether the purpose, participants and enabling conditions are as assumed, whether the governance, funding, evidence and delivery arrangements are working as intended, and what the arrangement's performance implies for its future.

A review conducted on this basis builds on three elements established in this paper. The eleven layers provide the questions to be asked of any arrangement. The requirements set out within each layer provide the common basis against which its current design and operation can be assessed. The framework-to-archetypes matrix in Section 4.1 indicates where particular design considerations warrant closer attention for the archetype concerned.

The review begins by settling its own scope and depth. The depth of review for each layer depends on the partnership's archetype or combination of archetypes, its scale and complexity, and the obligations it creates, in line with Section 3.1. For example, a limited functional partnership may require less extensive review than a sovereign risk pool. All eleven layers apply in either case. The same step records the arrangement-specific parameters that Section 5.1 leaves to context, such as the criteria used in the necessity test or the conditions attached to continuing support, so that the arrangement is judged against the framework's requirements, taking into account the standards and conditions agreed by its participants and the relevant operating context.

The review then brings together the original business case and agreements, any previous reviews, and operating and performance records to compare the original design with what has happened in practice. Performance evidence from Layer 3a can be a useful starting point for revisiting Phase 1 questions, including whether the partnership still offers additional value over feasible alternatives.

The review then works through the eleven layers, recording for each question the finding, the evidence relied on and its limits, and the assessment, and closing each layer with a conclusion. Findings in one layer are carried into the questions in other layers that depend on them. The standard applied to each question is explicit and drawn from this framework:

it states what an adequate answer looks like and where more would be expected, providing a consistent basis for assessment and making the rationale for each finding transparent. For each applicable question, the common scale records whether the position is working or adequate, whether strengthening is recommended or whether priority attention is needed. If the evidence is insufficient to reach a conclusion, that is recorded instead. Questions that do not apply to the arrangement are marked as such. The review is undertaken with the participants rather than of them: findings are shared, differing views are recorded rather than averaged, and the assessment is framed around what the partnership would be expected to show rather than around fault.

The findings are finally translated into agreed actions and a view on the arrangement's direction. That view is recorded in two parts, as the framework separates them: for the arrangement, whether it should continue as designed or be adapted, scaled, reconfigured or discontinued; for each form of support, whether it should continue, change, taper or be withdrawn; and in either case, whether further evidence is needed before the decision can be taken.

Reviewing on this basis offers three things in particular:

- The first is comparability. Because the framework is deliberately independent of archetype, risk type and jurisdiction, and because scope, depth and the arrangement's own criteria are fixed before the review begins, the same eleven layers can be applied to a sovereign risk pool, a subsidised health scheme or a distribution partnership and produce findings on a comparable basis. For a regulator, ministry or development partner overseeing several unlike arrangements, this is the difference between a set of separate reviews and a portfolio view.
- The second is that the case for partnership is re-tested rather than assumed. Applying the Layer 3a performance evidence to the Layer 1a questions allows a review to conclude that the original rationale no longer holds, before continuation is reached by default through repeated reauthorisation.
- The third is that Layer 3b explicitly addresses the future of each form of support. Ahead of the next funding decision, participants can assess whether public, concessional or philanthropic support should continue, change, taper or end, using agreed objectives, conditions or milestones.

Within this structure, the review also gives the participants what any sound review should: an assessment of whether the arrangement reaches its intended population and achieves its intended outcomes for that population, looking beyond activity or uptake alone; the design-stage and current positions recorded side by side; findings traceable to a stated

requirement; and a shared, documented basis for decisions about the arrangement's future.

To support these reviews in practice, GAIP has developed a companion review tool. It begins with the scope and depth of the review, then takes reviewers through the questions for all eleven layers. For each question, the tool sets out the assessment standard drawn from the relevant layer's requirements. Reviewers record the evidence and enter their assessment using the scale described above. The tool also includes an action plan and a report that brings the findings together.

GAIP's partners can use the tool to review existing arrangements they participate in or oversee. It is an aid to applying the framework and not a substitute for the judgement of those who know the arrangement.

5.3 Further review and next steps

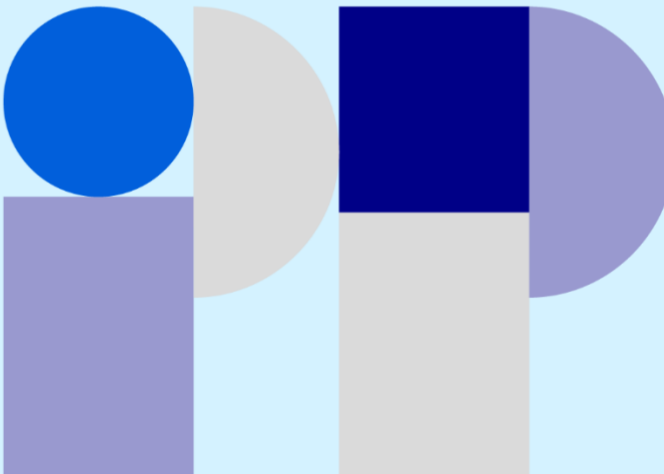
Further stakeholder review and worked applications could test this first version of the framework, identify where its requirements need clarification or refinement, and assess how well the architecture translates across different risk contexts. A priority is to review selected existing partnerships with their participants, using the approach in Section 5.2 to assess each arrangement and test the framework in practice.

Beyond the benefits to the partnerships reviewed, the findings could offer lessons for those designing or reviewing partnerships elsewhere and help identify where the framework needs refinement. The framework sets out the common requirements against which a partnership should be designed and assessed. Reviews of existing arrangements could show what those requirements mean in practice across different risks and contexts, and where more detailed risk-specific guidance would add value, while retaining the need for country- and arrangement-specific assessment.

This first version brings interdependent choices about alternatives, participants, authority, funding, support and technical design into a common process. Further review and application should test whether it helps participants make these decisions in practice, with success judged by the protection and resilience outcomes sought rather than the creation or continuation of a partnership itself.

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Appendices



Appendix A1: Definitions and Conceptual Basis

This appendix sets out the basis for the working definitions in Section 2.1 and their application to protection gaps. It brings together the institutional comparison, the design implications of the definition, the protection-gap and solution categories, and the fuller mapping to GAIP's Integrated Protection Gap Framework.

A1.1 Institutional definitions and common elements

There is currently no universally accepted definition of PPPs in the insurance and risk-financing context. Existing definitions vary widely depending on institutional mandate, level of abstraction, and policy objectives. To create a fit-for-purpose definition, this paper therefore reviews major institutional definitions, extracts their common elements, and identifies where adaptation is needed when applied to protection gaps in Asia.

PPPs have been applied across multiple domains — infrastructure, financial resilience, sovereign risk management, social protection, and insurance — and major institutions have developed definitions that reflect their own mandates and analytical lenses.

Across major institutional definitions, there is substantial convergence on several foundational characteristics of PPPs. Six sources are drawn on throughout this paper. Three address insurance directly: the **G7 (2024)** framework for public-private insurance programmes against natural hazards, which sets out a three-step process for governments from assessing protection gaps to developing a programme; the International Association of Insurance Supervisors **(IAIS) (2023)** report on the role of supervisors in addressing natural catastrophe protection gaps; and the Geneva Association **(GA) (2026a)** study of public-private insurance programmes (PPIPs), which analyses fourteen existing schemes across five peril classes. Three address partnerships in public infrastructure and services: the **World Bank (2017b)** PPP Reference Guide, a practitioner reference covering the full partnership cycle; the Organisation for Economic Co-operation and Development **(OECD) (2012)** Recommendation on Principles for Public Governance of Public-Private Partnerships, an instrument adopted by the OECD Council; and the World Health Organisation Regional Office for Europe **(WHO) Europe (2023)**, which examines health infrastructure and service partnerships in middle-income European countries. These points of alignment provide an important baseline for assessing how GAIP's working definition fits within the broader PPP landscape.

- First, **public-private collaboration is the organising feature of these approaches,** but partnership must be justified against feasible alternatives. Insurance-led guidance, including the G7 and GA, considers public-private programmes alongside risk reduction and private market development. Development-oriented guidance compares partnerships with conventional procurement, and distinguishes the decision to invest from the choice of financing and delivery route. The relevant alternatives differ, but the requirement to justify does not.
- Second, **most definitions emphasise the pursuit of broader socio-economic outcomes beyond purely commercial objectives**, such as financial resilience, broad coverage, fiscal protection, market stability, service quality to end users, or value for money in procurement. The public side generally establishes the policy objectives, while the contractual and governance arrangements seek to align them with the incentives of the private participants.
- Third, **governance and role allocation feature prominently** across these frameworks. Institutions differ in how explicitly they specify roles, but all recognise that a clear delineation of responsibilities, transparent accountability, and structured risk allocation between public and private participants are prerequisites for success.
- Finally, **existing definitions implicitly or explicitly assume a degree of durability**, recognising that effective PPPs extend beyond one-off transactions. Some explicitly label PPPs as “long-term agreement/contract”, some imply it structurally. The emphasis on institutional arrangements, programme sustainability, and systemic impact reflects an expectation of structural continuity rather than opportunistic, short-term engagements.

Table A1.1 compares the six sources across seven dimensions: the nature of the partnership, the public and private actors recognised, its purpose, the necessity condition, the equity focus, and instrument scope. It distinguishes the compact definitions from their surrounding guidance.

Table A1.1: Existing institutional definitions of PPPs—comparison across seven dimensions

Dimension	G7 (2024)	IAIS (2023)	GA (2026a)	World Bank (2017b)	OECD (2012)	WHO Europe (2023)	Complementary Enhancements
WHAT: Nature of the partnership	No formal definition offered. Functionally, a programme seeking to address financial vulnerabilities and achieve broad coverage against the hazards within its scope (G7 section 3.1). Duration not addressed.	No definition offered. Working description provided: catastrophe risk insurance programme entailing collaboration between public and private parties, established to support the availability, affordability or take up of insurance for certain natural disaster risks. Duration not addressed. (IAIS section 3.5)	No definition offered. Characterised through social licence — broad societal acceptance secured by delivering expected outcomes and staying within guardrails, so legitimacy must be actively maintained rather than assumed. Duration not stated, but most schemes in the sample are permanent, and temporary state guarantees tend to become permanent. (GA section 7.1)	A long-term contract between a private party and a government entity, for providing a public asset or service, in which the private party bears significant risk and management responsibility and remuneration is linked to performance (section 1.1). Terms typically 20 to 30 years, long enough for the private party to internalise whole-life cost at design stage (section 1.1.1). Short-duration arrangements without substantial private investment are excluded by definition (section 1.1.2). Finite by design, with expiry, asset handover and termination provisions built-in.	Long-term agreement between government and a private partner. Framing is a public governance regime, not a contract form.	A single contract between a public and a private entity that provides bundling of outputs and activities, part-financed by private capital, with sharing of costs, risks and benefits between the contracting parties. Facility contracts typically 30 years or more. Government ownership of assets at contract end.	**Purpose-driven arrangement, with durability stated as a definitional requirement grounded in purpose.**
WHO: Public actors	Government as principal actor to de-risking, data access and subsidisation, and acting as direct insurer, reinsurer or backstop (G7 section 3.1 and section 3.6). Supervisors named as a collaborating party, distinguishing	Requires a wide range of public sector actors, not only just government. Supervisors are instrumental in establishment and operationalisation, including early advocacy, design	Government as central actor - legislating the state guarantee, using compulsion or solidarity pricing to shape market outcomes on availability and affordability. Coordination required across national and local government. (GA, Principle 3)	Definition names only a government entity. The framework around it covers: PPP units, Supreme Audit Institutions, Legislative bodies, independent sector regulators and subnational authorities.	Definition names only the government. Principle 2 entrusts procuring authorities, PPP Units, the Central Budget Authority, the Supreme Audit Institution and sector regulators with clear mandates;	Government, health ministry or state agency as contracting authority. Needs-based capital planning treated as a core government function that should not be outsourced, and explicitly not suited to PPP units; a specialist procurement unit	**Explicitly mention supervisor and/or regulator in definition with mandate-dependent role to the arrangement**

Dimension	G7 (2024)	IAIS (2023)	GA (2026a)	World Bank (2017b)	OECD (2012)	WHO Europe (2023)	Complementary Enhancements
	conduct from prudential, supporting design and implementation and exercising oversight once established (G7 section 3.14). International organisations and development banks appear for capacity building only (G7 section 3.12); No Philanthropic actors	contribution, and supervisory activities. Positioned as enabling the programme rather than as a party to it. (IAIS section 3.5) No Philanthropic actors.	Regulators named among parties to engage early alongside re/insurers and consumer groups but given no defined role.	Regulators may in some configurations act as the government party to the contract itself. (section 2.3 - section 2.6)	Annex 1.1 adds the Ministry of Finance, line ministries and executive agencies, requiring a coherent approach across the public sector.	recommended for contracting capacity. Independent scrutiny by the supreme audit institution for larger schemes.	
WHO: Private actors	Insurers, reinsurers and capital markets mentioned and framed as source of capacity rather than parties to the arrangement; with private insurers also in a distribution role (G7 section 3.2, section 3.3 and section 3.6)	Private insurers named for underwriting, risk assessment and claims management. Reinsurance and capital markets appear as risk transfer capacity.	GA provides detailed account of private sector roles: underwriting, distribution, risk modelling, capital provision and market discipline. Reinsurers and ILS investors as distinct actor enabling tail risk transfer. Households and firms sit inside the risk-sharing set rather than outside it, and consumer groups named as partied to engage (GA, Principle 3)	A single private party	A single private party	A private entity contributing capital, expertise and human resources, including construction and facilities-management skills. Investors and creditors named as risk-bearing parties distinct from the operator.	**Explicitly mention the broad spectrum of private sector parties such as insurers, reinsurers, underwriters, distributors and technical providers.**
WHY: Purpose of PPPs	Four stated objectives: broad availability and affordability of coverage, private market leveraging and limiting public fiscal exposure, with incentivised risk reduction (G7 section 3.1-section 3.4). Trade-	Purpose derived from supervisory objectives: financial stability, policyholder protection and fair treatment, financial inclusion and market development. No shared motivation between parties	Purpose framed as optimisation problem: coverage outcomes (availability, affordability, uptake) pursued through state guarantees and cost redistribution, bounded by fiscal, market, social and operational guardrails,	Purpose attaches to the government's programme, not to the partnership: eight objectives (section 2.1) from accessing private finance and whole-life costing through to value for money,	Purpose stated as ensuring PPPs are affordable, represent value for money, and are transparently treated in the budget process. Risk allocated by efficiency rule (Principle 6) rather than shared toward a	Harnessing private capital, human resources and expertise against a committed public or user-fee revenue stream; Relieving public capital budget constraints; Leveraging construction and facilities-management skills not	**Shared protection objectives / aligned goal stated as a condition of entry, with clearly defined purpose/objectives with societal relevance**

Dimension	G7 (2024)	IAIS (2023)	GA (2026a)	World Bank (2017b)	OECD (2012)	WHO Europe (2023)	Complementary Enhancements
	offs between them acknowledged. Framed as programme performance objectives, not a shared motivations between parties.	stated. (IAIS section 2, section 3.5)	with explicit trade-offs between them. Legitimacy rests on social license — societal acceptance, not just institutional agreement. Protection gap closure is framed as efficient and socially desirable objective.	accountability and growth. The private party's motivation is assumed commercial and aligned through contract. Public interest appears as a scope condition on qualifying sectors, not as a shared aim (section 1.1).	common aim. No shared motivation between parties.	readily available to public procurement; Improving quality, efficiency and value for money in procurement. Capability access stated as a rationale in its own right, not only cost or efficiency.	
WHY: Necessity condition	Named necessity and viability step as sequenced entry gate. Require testing against the effectiveness of existing measures: risk awareness, risk reduction and private market development. Sits in the process but not the definition. (G7 section 2.1-section 2.4)	PPP justified where market alone is insufficient, and the test is explicitly two-sided that PPP may not be necessary or viable and side effects including fiscal risk and moral hazard must be weighed.	Four-step gate (GA section 7.1): clarify the problem and whether the gap is temporary or permanent; prioritise Pillar 1 (risk reduction) and Pillar 2 (private market enhancement alone), with Pillar 3 (PPIP) warranted only where intractable risk remains; agree perils and exposures; quantify the fiscal case, formalising hidden fiscal liability and monetising it through guarantee fees. Wind-down anticipated conditionally on Pillar 1 and 2 maturing, using performance milestones rather than fixed dates (Principle 5).	Two-stage: priority public investment projects identified first (section 3.1.1), then screened for PPP potential (section 3.1.2). Value for money is the comparator — whether a PPP offers better value than traditional public procurement — which section 3.2.4 describes as required by many programmes rather than as a universal condition.	Two decisions kept separate: whether to invest, taken at political level on a whole-of-government basis, and how to procure and finance (Principle 4). No institutional, procedural or accounting bias for or against PPPs; value for money is the only test of the procurement route (Annex 4.3), assessed through a procurement option pre-test (Principle 5). Fiscal advantage explicitly not a valid reason to choose a PPP.	Investment decision should be settled separately from, and before, the procurement route decision (Recommendation 1). The route decision must recognise long-term financial costs and risks to the public sector, to health systems, and to household budgets where user fees are introduced or expanded (Recommendation 2). Notes governments have used PPPs even where the model is unlikely to deliver best value.	**A necessity test embedded in the definition, assessing whether multi-party complementarity offers sufficient additional value relative to feasible alternatives**
WHY: Equity / informal sector focus	Affordability as a named objective, with subsidisation available to support it; needs of different policyholder groups considered; flat	Financial inclusion and market development named as a supervisory objective. Framed as supervisory mandate rather than a	Social guardrail address affordability and distributional fairness; coverage must extend to vulnerable groups, with residual gaps	Affordability handled through tariff design, targeted subsidy and output-based aid as design options; inclusive approaches	Equity mandate is procedural, not distributional: civil society, labour unions and NGOs must be actively involved, with	Equity of access and financial protection identified as compromised where user fees become a major component of the	**Core mandate – reaching vulnerable and informal sector population is embedded**

Dimension	G7 (2024)	IAIS (2023)	GA (2026a)	World Bank (2017b)	OECD (2012)	WHO Europe (2023)	Complementary Enhancements
	and intermediate premium-setting options weighed against risk-based pricing; no targeting of vulnerable populations specifically. (G7 section 3.1, section 3.5 and section 3.9)	design requirement on the partnership. (IAIS section 2)	acknowledged and societally acceptable (section 7.1). Affordability to be addressed through targeted transparent subsidies rather than distorted price signals (Principle 9). Solidarity pricing analysed principally through its unintended consequences.	to disadvantaged regions mentioned. Guidance rather than requirement, and outside the definition.	minority rights and social consequences named as concerns, and stakeholder engagement includes end-users. Affordability in the Principles means fiscal affordability to government, not to users (Principle 10, Annex 10.1) No Targeting of vulnerable populations.	private operator's revenue stream — a constraint on the financing model rather than a mandate on reach. Household affordability carried into the procurement route decision (Recommendation 2). No targeting of vulnerable groups.	
HOW: Form-agnostic instrument scope	Wide design options including public direct insurer, public reinsurer, government backstop and co-insurance pool. Flexible within natural hazard insurance programmes.	Note that PPPs take various forms: joint insurance programmes, public insurance pool, co-insurance with public backstop, public insurer with private reinsurance and private risk pool with government backstop. (IAIS section 3.5)	Fourteen schemes analysed across five peril classes, yielding two archetypes — market stabiliser and coverage expander — crossed with three market roles: insurer-PPIP, reinsurer-PPIP and backstop. Archetypes shown to be non-fixed, with schemes migrating over time. Structurally rich but confined to insurance instruments.	Bounded not by instrument type but by duration, significant private risk and management responsibility, and performance-linked remuneration; arrangements failing those tests are excluded (section 1.1.2). Silent on insurance as a sector.	Narrow on instrument, broad on sector: a capital asset is constitutive, but extends to social assets such as hospitals, utilities as well as economic infrastructures.	Three health sector models: specialised clinical and diagnostic services; health facility PPP; integrated PPP. Functional axis rather than instrument type but confined to health infrastructure and services and closed rather than held open.	**Explicitly form-agnostic, and form/instrument selection determined by shared goals and practicality test, not by definition.**

The comparison shows the divergences to be as instructive as the convergences. The insurance-led and development-oriented sources place purpose in different hands, apply necessity tests against different counterfactuals, and differ on whether the arrangement is bounded by a contract, a programme or a capital asset. The surrounding guidance often recognises more stakeholders and responsibilities than a compact definition can list, including regulators, budget and audit authorities, reinsurers, civil society and end users. Appendix A1.2 below identifies where the GAIP definition builds on or extends these approaches.

A1.2 Implications for the working definition

The following considerations inform the definition and application to protection gaps:

- **Sustained commitment**

  A partnership requires continuity of commitment for the period needed to fulfil its purpose. That period may extend across political and budget cycles, but an explicitly time-bound arrangement can also be appropriate. Duration should follow the obligations and intended outcomes rather than be treated as an end in itself
- **Explicit recognition of regulators and supervisors, with roles set by mandate**

  Compact definitions may refer to a government entity without specifying the supervisor's role, while surrounding guidance addresses the supervisor's involvement. Naming regulators and supervisors explicitly, while defining their role as mandate-dependent rather than fixed, clarifies accountability and supports the creation of an enabling regulatory environment. Depending on statutory mandate and the stage of the arrangement, that role may extend from diagnosis and design advice through market development to prudential and conduct oversight. It does not follow that the supervisor becomes a formal party to the partnership: the same frameworks that invite supervisory input also require programmes to meet prudential and conduct standards, which presupposes a supervisor independent of the arrangement it oversees. The definition therefore recognises supervisors as stakeholders whose contribution varies by circumstance, not as co-owners of partnership decisions.

  Responses to the consultations and questionnaires highlight the value of involvement before the commercial and operational arrangements are fixed, alongside continuing approval and supervision where required. The emphasis varies by mandate and context: in some jurisdictions the arrangement may sit with another ministry, such as the finance ministry, and the supervisor's role is confined to reviewing premium rates and supervising the participating entities. Some supervisors also hold market-development or enabling responsibilities. Their contribution should therefore be recognised without assuming that they become parties to the partnership or share responsibility for all its decisions.

- **Shared protection objectives, distinct motivations**
  Participants can agree on the protection and resilience outcomes sought while retaining different institutional, commercial and social motivations. The framework makes those differences explicit and examines how roles, incentives, commitments and responsibilities can be aligned around the agreed outcomes.
- **A necessity test against alternatives**
  Existing frameworks require partnerships to be justified, but against different benchmarks, either with conventional public procurement or risk reduction and private market development. A cross-sector framework should retain this comparison with alternatives and be capable of concluding against a partnership as readily as in favour.
- **Form-agnostic design flexibility**
  Rather than tying the definition to specific mechanisms or models, the proposed framework must allow PPP logic to be applied across risk types, instruments, and solution categories. The form of the partnership follows purpose, not the other way around.
- **Alignment across sectors, and within them**
  Alignment is needed within sectors as well as between them. The regulatory responses and roundtable describe coordination among ministries and agencies with different mandates, priorities and resources as a binding constraint. The same holds within the private sector, where insurers, reinsurers, distributors and technical providers hold different commercial positions. Stakeholder analysis should examine these relationships rather than treat either the public or private sector as a single actor.

Together, these elements are intended to make the definition not only conceptually robust but operationally meaningful for designing partnerships capable of reducing protection gaps in Asia.

The working definition is stated in Section 2.1. Table A1.2 explains its implications for the nature, participants, purpose and form of the arrangement.

Table A1.2: Design implications of the working definition

Category	Question	Element from definition	What it means for PPP design
WHAT	*What is the arrangement?*	**A sustained, purpose-driven arrangement**	• Not a one-off transaction. • Sustained signals continuity of commitment over the period needed to fulfil the arrangement's purpose, including where it is deliberately time-bound. • Purpose-driven means it exists for a specific gap objective, not as a general institutional arrangement.
WHO	*Who are the parties involved?*	**Multi-stakeholder involving both public entities** (national or sub-national governments, public organisations, *bilateral development agencies, multilateral development banks and development finance institutions*, state-owned enterprises, and/or ***where their statutory mandate permits***, regulator / supervisory authorities) + **private entities** (insurers, reinsurers, distributors, technical providers)	• Regulators and supervisors are named explicitly, with their roles set by statutory mandate rather than fixed. • Alignment within the public sector should be considered alongside alignment between public and private participants. • The private entity scope is broad to reflect market diversity. • Each party aligns structurally with others on complementary mandates and capabilities.
WHY	*Why does the partnership exist?*	**Shared protection objectives *and complementary mandates, capabilities, resources and responsibilities,*** *with additional value in achieving* ***protection and resilience outcomes*** *compared with* ***feasible alternatives***.	• Shared objectives do not require shared motivations. Participants should agree on the outcomes sought and the commitments needed to achieve them. • Protection and resilience outcomes reflect efficiency – enhancing solutions to coordinate failures, affordability constraints, and risk externalities, rather than collaboration for its own sake. • Comparative additional value provides the justification for choosing a partnership.
HOW	*What form does it take?*	No specific forms mentioned	The definition is deliberately form-agnostic at this level. The instrument, be it parametric, indemnity, pool, reinsurance, or capital facility, is a design choice within the partnership, not part of what defines it. Form follows purpose.

A1.3 Protection-gap scope and solution categories

The working definition must be applied to the conditions shaping protection gaps. Affordability constraints, limited data, market capacity, and institutional barriers can limit what each sector can feasibly achieve on its own, even when goals align. Their importance varies across Asian markets and target populations. These conditions inform the appraisal of a partnership, but they do not, on their own, establish that one is necessary.

GAIP's 2023 paper, "***About the Protection Gap***", distinguishes four layers of loss as adapted to partnership design in the table below. It should be noted that this does not limit PP(P)Ps to insurance – the broader response can include risk reduction and other risk-financing measures.

Table A1.3: Protection-gap loss categories and implications for partnership design

Layer	Definition	Implication for PPP design
Economic losses	Total losses from an adverse event — the full scale of harm	Sets the outer boundary of the problem; not all of this is insurable
Uninsurable losses	Losses from risks that do not meet the relevant conditions for insurability; distinct from insurable risks for which capacity is unavailable	Consider risk reduction and other financing responses. Data, innovation and changes to the underlying risk may also improve insurability over time
Insurable losses (the actionable gap)	Losses that could be insured but are not, including where the required insurance capacity is unavailable	Identify whether the barrier concerns capacity, affordability, awareness, distribution or institutional capability; the appropriate response depends on the diagnosis
Insured losses	Covered by insurance and paid in claims – the existing baseline	PPPs build on this base; design should avoid unnecessary displacement or distortion of viable existing coverage

Applying the working definition in this context clarifies both when PPPs are appropriate and where their limits lie. In many Asian markets, the very populations most exposed to shocks – lower-income households, informal-sector workers, micro-entrepreneurs – face an affordability barrier or lack access to distribution channels. Meanwhile, governments often face fiscal constraints or competing priorities, and private insurers face challenges around data, pricing certainty, and concentration of risk. Where one sector cannot bring together the necessary resources and capabilities, a partnership may add value. The necessity test should establish that case rather than infer it from the presence of a protection gap.

These constraints also inform which parties are needed. The composition and responsibilities of a partnership should follow the functions required in the particular context, rather than an assumed model.

GAIP's The Solutions Landscape paper identifies three broad categories of response to protection gaps and makes the case that these three solution categories are complementary rather than substitutable. This clarification is important for the GAIP working definition: where a partnership is warranted, it is not confined to any single solution category:

Table A1.4: Solution categories and potential partnership contributions

Solution category	What it addresses	How a PPP can pursue it	Where the additional P may add value, if justified
1. Risk reduction	Reduces exposure and vulnerability before a loss event occurs — mitigation, prevention, adaptation	Embed risk reduction incentives directly into product design: premium discounts for mitigation measures, payout conditions tied to resilient reinstatement, data-sharing to identify high-risk areas for public investment	Fund the hazard and exposure evidence base whose benefits extend across participants and may be insufficiently funded by individual firms
2. Increasing insurance penetration	Moves insurable but uninsured losses into coverage — product innovation, distribution, awareness, affordability	Government mandate or subsidy combined with private underwriting expertise and distribution reach, to serve populations and risks neither could serve alone	Absorb design and failure risk on untested products for populations with no coverage history, at pilot scale and before commercial viability is established
3. Risk financing	Manages residual or catastrophic losses that cannot be fully insured — reserves, contingent capital, reinsurance, sovereign pools	Combine retention, reserves, insurance, reinsurance and other financing as appropriate, allocating each obligation to parties able to manage or bear it	Fund technical work to assess difficult-to-price risks or provide defined risk-bearing support where justified, and help convene participants

The capabilities each category draws on are context dependent. Some contexts are well served by a single actor: a mature private market may expand penetration without public participation, and a government with fiscal capacity may finance residual risk without private involvement. Partnership becomes warranted where the required capabilities are distributed, and a partnership offers greater value than feasible alternatives — where, for instance, affordability constraints, data uncertainty or correlated risks limit private markets, or fiscal and political constraints limit government. Which parties are needed is settled by the necessity and stakeholder tests, applied to the specific context, rather than assumed from the solution category. Philanthropic participation is subject to the same tests.

The working definition leaves open which combination of solution categories a PP(P)P pursues. A Natural Catastrophe (NatCat) risk pool may primarily address risk financing, and also encourage floodproofing through appropriate incentives. A health arrangement may

combine financial protection with support for prevention. The relevant actions, the parties able to undertake them, and the evidence of their effects should be identified in the design. This is why the GAIP definition is form-agnostic on the HOW: the instrument, the coverage layer, and the solution category are design choices made within the partnership, not constraints imposed by the definition itself. In this sense, the definition establishes the WHAT, WHO and WHY of a PP(P)P — the governance and purpose architecture — while the HOW, including the solution mix and instruments, is determined through design, against the necessity and stakeholder tests rather than left open.

A1.4 Mapping to GAIP's Integrated Protection Gap Framework

Section 2.2 summarises the relationship between the frameworks. The fuller mapping below distinguishes the diagnosis and selection of possible interventions from the appraisal and design of a particular partnership.

GAIP's Integrated Protection Gap Framework provides a structured five-step process for addressing protection gaps, beginning with aligning diverse stakeholder motivations around a common goal of narrowing protection gaps (Step 0). It recognises that while different actors such as governments, regulators, insurers, development agencies, philanthropies and communities may have different motivations and institutional objectives, they can align around shared protection objectives and the broader resilience and well-being associated with closing protection gaps. The framework then follows four interconnected steps: understanding and quantifying key risks (Step A), identifying partners, stakeholders and target groups (Step B), developing the solutions menu across three primary intervention pillars of risk reduction, increased insurance penetration and fiscal risk financing (Step C), and developing implementation plans that translate selected interventions into coordinated and actionable strategies (Step D).

Within this process, PP(P)Ps should not be viewed as the default solution to address protection gap issues. Instead, they constitute one of several potential instruments that may emerge through the systematic application of the Integrated Protection Gap Framework. A PP(P)P first comes into consideration as one possible solution mechanism in Step C, while the PP(P)P framework presented in this paper begins to apply in Step D as part of developing the implementation plan. The potential role of a PP(P)P is therefore assessed progressively through the Integrated Protection Gap Framework:

- Step 0 – Aligning motivations: Stakeholder motivations are aligned around the shared objective of closing protection gaps. This alignment establishes a common framing to guide subsequent analysis and decision-making.
- Step A – Understanding and quantifying key risks: The specific risks and primary drivers of protection gaps are identified, alongside estimates of the size of protection gaps. This

provides the evidential basis for assessing what scale and type of intervention is required.

- Step B – Identifying partners, stakeholders and target groups: Relevant public partners, private sector actors, and, if justified, philanthropic actors are mapped, alongside their respective goals, capabilities and considerations, and target groups are identified. This stage identifies the actors that may be required to deliver potential solutions; it does not in itself assume that a partnership structure is required. Where a partnership subsequently emerges as a candidate approach, the more detailed alignment of these actors is considered at Layer 1c of the PP(P)P framework.
- Step C – Developing the solutions menu: A comprehensive range of potential interventions is developed across three core pillars of risk reduction, increased insurance penetration and fiscal risk financing. In developing the menu, risk reduction and adaptation should be considered before risk transfer, so that financial protection is designed for the risk that remains rather than in place of measures that would reduce it. At this stage, a partnership may emerge as one potential means of structuring or coordinating interventions, particularly where implementation requires capabilities, resources or actions from multiple stakeholders. Other approaches may remain more appropriate where the identified solution can be delivered effectively without a partnership structure. The identification of a PP(P)P as a potential mechanism does not in itself determine that a partnership should proceed.
- Step D – Developing the implementation plan: Where a PP(P)P has been identified in Step C as a potential solution mechanism, the PP(P)P framework presented in Section 3 comes into application as part of developing the implementation plan. Layer 1a of the PP(P)P framework provides the formal necessity test at the outset of Step D, including consideration of the expected benefits and costs of establishing and operating the partnership relative to feasible alternatives. This provides the decision point on whether the proposed PP(P)P should proceed. If the partnership is justified, the remaining layers of the framework guide the development of its purpose and scope, stakeholder roles and alignment, enabling conditions, solution design, governance, funding and risk allocation, data and evidence, delivery arrangements, performance assessment and transition.

The application of the two frameworks should not be understood as a strictly linear process. Both are iterative. Findings that emerge during the PP(P)P appraisal and design process may reveal that earlier assumptions need to be revisited. For example, the necessity test in Layer 1a may indicate that a non-partnership solution would be more appropriate; findings on feasibility, stakeholder incentives, evidence, or design may require the proposed solution to be reconsidered; or the appraisal and design process may reveal gaps in the original risk assessment, stakeholder mapping or understanding of the target population. Where this

occurs, the process should return to the relevant earlier step of the Integrated Protection Gap Framework before proceeding.

The Integrated Protection Gap Framework may lead to a conclusion that a partnership is not appropriate. Step C may identify a solution pathway that requires no partnership structure, where risk reduction measures, regulatory reform or private market development alone are sufficient. Similarly, the necessity test undertaken through Layer 1a of the PP(P)P framework in Step D may conclude that a partnership does not provide sufficient additional value relative to feasible alternatives, or that it is warranted in principle but premature because the conditions required to sustain it are not yet present. These are valid outcomes of the diagnostic process and reinforce the principle that the partnership form should follow the identified need and solution, rather than being treated as an objective in itself.

Therefore, the proposed PP(P)P framework set out in Section 3 does not replace the diagnostic process outlined in the Integrated Protection Gap Framework. Rather, it complements that process by providing a structured approach once a PP(P)P has emerged from the solution menu as a potential mechanism and enters implementation planning in Step D. The partnership appraisal draws on the preceding analytical stages, including the alignment of resilience objectives, quantification of protection gaps and the systematic mapping of stakeholders and potential interventions.

For both new and existing partnerships, feedback between diagnosis, solution selection, appraisal and design allows earlier choices to be revisited as evidence or implementation experience develops.

Appendix A2: Relationship to Existing Guidance

This appendix consolidates the detailed review of the six institutional sources introduced in Appendix A1.1. It is organised around the design questions addressed by the framework. The source-specific analysis is retained here, with the principal implications summarised in Section 2.3 rather than repeated as a separate main-body literature chapter.

The framework proposed in this paper draws on four types of input: findings from the six frameworks reviewed; design judgements made in developing the framework where the sources reviewed do not settle the question; GAIP's applied research on protection gaps in Asian markets over recent years; and views expressed by regulators, supervisors, insurers, reinsurers, intermediaries, programme operators and other participants through GAIP's questionnaire and consultation process, including targeted interviews and the cross-sectoral roundtable.

The wider multi-stakeholder partnership literature — including work on public-private-philanthropic models and on partnerships for the Sustainable Development Goals — is complementary to this review rather than covered by it, and is referenced where it bears directly on the framework’s design.

A2.1 Basis of the synthesis

The synthesis distinguishes existing guidance, the framework’s design judgements, GAIP’s applied research and stakeholder perspectives. The reviewed guidance supplies most of the established disciplines; design judgements address questions the sources leave open or less developed; GAIP's applied research grounds the framework in Asian protection-gap contexts. The consultation, comprising questionnaires tailored to each stakeholder group including regulators, supervisors, industry practitioners and existing partnerships, targeted interviews and a cross-sectoral roundtable, was analysed qualitatively against the framework's layers. It was used to test, corroborate and extend the guidance, and to identify practical options reflected in Section 4. Analysis was exhaustive rather than majority-based: a consideration raised by a single respondent is retained where it adds something distinct. Where consultation evidence and existing guidance diverge, the paper says so; where the consultation is silent, the framework's position rests on design judgement. Consultation views are reported without attribution and do not represent the positions of individual jurisdictions or institutions.

A2.2 The case for partnership

The six frameworks support the need to justify a partnership against feasible alternatives, within their respective policy and institutional contexts. Insurance-led frameworks (G7, IAIS, GA) consider protection gaps and private-market capacity: the IAIS (2023) states at section 3.5.1 that in certain cases protection gaps cannot be addressed through private insurance markets alone, whether because of the frequency and severity of losses or restricted financial capacity. Development-oriented frameworks (World Bank, OECD, WHO Europe) consider public-sector constraints and the choice of delivery and financing route.

The different starting points do not remove the need to compare alternatives. Coordination may be valuable, but does not by itself establish that a partnership is the appropriate arrangement.

Development-oriented frameworks call for the investment decision to be settled before, and separately from, the choice of delivery route. OECD (2012) Principle 4 provides that the decision to invest should be taken on a whole-of-government basis and to be separate from how the project is procured and financed, with no institutional, procedural or accounting bias either in favour of or against partnerships; Annex 4.3 holds that value for money should be the only test of whether a project is procured as a partnership or conventionally. The World Bank (2017b) sequences the same discipline, identifying priority public investment projects (section 3.1.1) before screening any of them for partnership potential (section 3.1.2). WHO Europe (2023) states it as its first recommendation, recommending that the decision on whether to invest be settled before the decision on how to deliver.

The G7 (2024) places a programme within a wider assessment of possible responses. Its second step covers improving risk awareness (section 2.1), investing in risk prevention and reduction (section 2.2), and supporting private insurance markets through regulatory and supervisory measures (section 2.3), before assessing the necessity and viability of a programme (section 2.4) and proceeding to programme development at Step 3. The GA (2026a) connects its three pillars and adds at section 7.1 a requirement to quantify the fiscal liability created by a state guarantee and monetise it through guarantee fees.

The frameworks also provide for a negative answer. The IAIS states that depending on context a partnership may prove neither necessary nor viable, and that there may be benefit in leveraging available private market capacity instead, with side effects including risks to public finances and moral hazard to be considered. The G7 treats it as essential that the effectiveness of existing measures be assessed against the potential implementation of a programme, a comparison capable of resolving either way. The costs of partnering form part of that assessment: the World Bank observes that smaller projects may not justify a

partnership given the transaction costs involved, and WHO Europe reports higher transaction and financing costs for certain partnership models than for alternative forms of provision.

The framework proposed in this paper adopts appraisal before detailed partnership design, evidence proportionate to the arrangement, quantification where feasible and consideration of the costs of partnering. It permits a negative answer and assesses philanthropic participation separately. The resulting pathway is set out in Layer 1a: no partnership, a PPP, a PP(P)P, or a decision to revisit or defer.

In procurement-based appraisals, a public-sector comparator provides a benchmark for conventional delivery. The appraisal should be independently scrutinised, recognising the risk of technical error, optimism bias or deliberate misrepresentation in estimates. This supports the requirement to assess costs and contingent exposure rather than treat a state guarantee as cost-free support.

A2.3 Purpose and scope

Existing frameworks define PPPs along two complementary dimensions: purpose and scope.

On purpose, the G7 sets four programme objectives at section 3.1–3.4: broad availability and affordability of coverage; leveraging private insurance, reinsurance and capital market capacity while safeguarding insurer solvency; limiting public sector exposure; and encouraging risk reduction and adaptation. It acknowledges that these can pull against one another. The GA (2026a) builds directly on these, mapping its components back to G7 objectives and to the IAIS, and reframes the whole as an optimisation problem: coverage outcomes of availability, affordability and uptake, pursued through state guarantees and cost redistribution, bounded by fiscal, market, social and operational guardrails, with explicit trade-offs between them. The IAIS derives purpose instead from the supervisory mandate — financial stability, policyholder protection and fair treatment, and financial inclusion and market development (section 2). The World Bank identifies eight objectives commonly adopted by governments (section 2.1.1), from accessing private finance and whole-life costing through to service quality, accountability and innovation, noting that the choice among them follows from wider policy rather than from partnership doctrine.

These differing orientations lead to distinct approaches to scope definition. Insurance-led frameworks scope by risk parameters: the G7 defines coverage scope by the hazards included and the needs of different policyholder types (section 3.5), and the GA (2026a) by peril class and coverage layer across its fourteen schemes. Development-oriented

frameworks scope by operational boundaries: the World Bank by the functions transferred and the term of the contract, WHO Europe by what is bundled into a single arrangement across its three health models. The OECD bounds scope from a different direction, holding that value for money is the only legitimate basis for adopting a partnership, which forecloses its use as a means of moving expenditure off the balance sheet.

The framework brings these perspectives together where a protection gap presents as both a coverage problem and a delivery problem. Scope then needs to cover both protection and delivery: a scope set only by peril and policyholder leaves delivery arrangements undetermined, while one set only by functions transferred leaves the risk boundary undetermined.

A2.4 Stakeholders, roles and alignment

Across existing PPP frameworks, roles are defined by the comparative advantage of each side, though the institutional perimeter each recognises is considerably wider than two parties.

Insurance-led frameworks assign roles based on risk-bearing capacity and supervisory function. The G7 sets out government acting as direct insurer, reinsurer, participant in a co-insurance arrangement or backstop (section 3.6), with private insurers providing underwriting, risk assessment and claims management, and reinsurance and capital markets supplying additional capacity (section 3.2–3.3). It names supervisors as a collaborating party from the outset, distinguishing market conduct from prudential supervision, and provides at section 3.14 that supervisors may support the design and implementation of a programme by lending expertise or advice, and exercise oversight once established. The IAIS goes further, stating at section 3.5.1 that supervisors can play an instrumental role in the establishment and operationalisation of such programmes, and that establishing and operating one requires a wide range of public sector organisations as well as the insurance industry. The GA (2026a) names reinsurers, insurance-linked securities investors and distributors, places households and firms within the risk-sharing set, and calls for early engagement with re/insurers, regulators and consumer groups alongside coordination across national and local government (Principle 3).

Development-oriented frameworks define roles in terms of functional responsibilities. OECD Principle 2 entrusts procuring authorities, dedicated PPP units, the central budget authority, the supreme audit institution and sector regulators with clear mandates and sufficient resources, and Annex 1.2 provides that labour unions, NGOs and other civil society groups should be actively involved, with Annex 1.3 involving end-users in defining project outputs and monitoring service quality. The World Bank sets out the same architecture at

greater length (section 2.3–2.6), adding subnational authorities and allowing at section 2.5.5 that a sector regulator may in some configurations act as the government party to the contract itself. WHO Europe treats needs-based capital planning as a core government function that should not be outsourced, and recommends a specialist procurement unit for contracting capacity.

The framework draws on the guidance on mandates, institutional roles and coordination. It separates the reconciliation of interests from the allocation of authority so that both are examined in partnership design.

Alignment requires attention to differing interests within the public and private sectors as well as between them. Public agencies may have differing mandates and separate resource allocations, which the consultation identified as a practical constraint on coordination, though where mandates are separated by law, statutory duties to notify and consult can bridge them; and private participants may have different commercial positions. The framework also considers philanthropic participation, distinguishing it from support by public development institutions according to mandate, as set out in Section 2.1. Supervisory input remains bounded by statutory mandate and the independence of oversight.

A2.5 Enabling environment

Existing PPP frameworks emphasise the importance of a supportive enabling environment, with the conditions assessed reflecting their sectoral and institutional contexts.

Insurance-led frameworks focus on regulatory and market readiness. The G7 treats regulatory and supervisory support for the availability of private insurance markets as an action to be taken in its own right, ahead of and independent of any programme (section 2.3). The IAIS addresses supervisory capacity and legal authority, and in its discussion of emerging markets and developing economies notes constraints on financial capacity and institutional resources.

Development-oriented frameworks adopt a broader perspective, assessing institutional, legal and operational capacity. The World Bank devotes a module to the enabling framework (section 2), covering policy, legal basis, institutional responsibilities, public financial management and programme governance, including the presence of legally empowered PPP units and legal frameworks for long-term contracting. OECD Principle 3 calls for regulation affecting partnerships be clear, transparent and enforced, with red tape minimised and existing rules evaluated; Principle 10 assigns the central budget authority responsibility for determining that expenditure and contingent liabilities can be accommodated within sustainable revenue.

Across both paradigms there is convergence on the need for long-term fiscal and political sustainability, with frameworks requiring affordability assessments, governance credibility and alignment with broader public policy objectives.

The reviewed guidance informs the legal, regulatory, institutional, fiscal and market assessment. Layer 1d makes the implications for the proposed arrangement explicit, distinguishing genuine preconditions for the relevant activity from constraints that can be managed through design and connecting findings to adaptation, timing or reconsideration.

A2.6 Solution design

Across existing PPP frameworks, the design stage defines the intervention model, including scope, implementation form, target groups, and intended outcomes.

Insurance-led frameworks specify solution design primarily through coverage parameters. The G7 (2024) sets out the government's possible roles in a programme at section 3.6 — public direct insurer, public reinsurer, participant in a co-insurance arrangement among private insurers, or backstop standing behind any of these, the backstop taking the form either of non-repayable risk transfer or of repayable liquidity support — alongside decisions on the hazards and policyholder types covered (section 3.5), whether the programme is the sole or the residual provider (section 3.7), whether participation is compulsory (section 3.8), and how premiums are set (section 3.9). It is explicit that the choice among these turns on the role the programme and the government are intended to play relative to the private insurance market. The GA (2026a) reaches a compatible position from its sample of fourteen schemes across five peril classes, distinguishing two archetypes by the extent of the state guarantee and the degree of cost redistribution achieved through compulsion and solidarity pricing: market stabilisers, which rely largely on voluntary participation and risk-based pricing, and coverage expanders, which redistribute cost substantially more. Each may operate as insurer, reinsurer or backstop, and schemes migrate between these positions over time — the US National Flood Insurance Program has moved toward risk-based pricing since 2022, while Japan’s household earthquake insurance system has used risk-based premium rate classification since its establishment in 1966[19].

Development-oriented frameworks define solution design through implementation form and service scope, determining what infrastructure or services are delivered, the operational functions transferred to the private sector, and the performance outcomes

[19] GIROJ, 2022

expected over the project lifecycle. WHO Europe (2023) distinguishes its three health models by what is bundled into a single contract and how the operator is paid, from availability charge to patient volumes.

Across both paradigms, this layer translates abstract partnership objectives into explicit operational models, such as insurance pools, guarantee schemes, infrastructure partnerships, service delivery contracts, or hybrids thereof. Choices regarding target populations and outcome objectives — such as financial protection, service access, resilience enhancement, or equity — are embedded at this stage through scoping and design decisions rather than through downstream financing or governance mechanisms.

Collectively, these frameworks provide substantial guidance on solution design within their respective domains. Where a partnership is expected to address objectives drawn from more than one domain simultaneously, these perspectives may need to be brought together rather than applied in the alternative.

A2.7 Governance and accountability

Across existing PPP frameworks, the allocation of accountability, responsibility, and decision-making authority is treated as a central design consideration, shaping how partnerships are governed over their lifecycle.

Insurance-led frameworks allocate decision-making authority largely through board-level governance and supervisory structures, with governments acting as regulators, guarantors or market stewards, and private actors responsible for underwriting, pricing, capital management and operations within defined mandates. The IAIS (2023) sets out at section 3.5.1 that supervisors can play an instrumental role in the establishment and operationalisation of such programmes, advocating at an early stage and contributing to design, and then operationalising through supervisory activities once a programme is running. The G7 provides at section 3.14 that supervisors may support design and implementation by lending expertise or advice, and exercise supervisory oversight once a programme is established. The GA (2026a) calls for clear regulations defining roles, governance and oversight procedures, and states that a programme's operations should be insulated from short-term political deadlock (Principle 3).

Development-oriented frameworks define accountability primarily through institutional and contractual structures. Governments are positioned as contracting authorities, public service guarantors and ultimate risk holders, while private partners assume responsibility for financing, construction and service delivery performance within long-term contracts. OECD (2012) Principle 2 requires each institutional actor — procuring authority, PPP unit,

central budget authority, supreme audit institution, sector regulator — to hold a clear mandate and sufficient resources. These frameworks emphasise formal dispute-resolution mechanisms, transparency and independent oversight to manage conflicts, preserve the public interest and secure value-for-money outcomes. WHO Europe recommends independent scrutiny by the supreme audit institution for larger schemes.

Existing PPP frameworks allocate decision rights and accountability mainly through governance structures, focusing on clarity of roles and contractual responsibility. Coordination and shared accountability across a wider set of participating parties, several of whom may hold no contractual position, are less fully addressed.

A2.8 Funding, risk allocation and incentives

Existing PPP frameworks devote significant attention to funding, risk allocation, and incentives, although these elements are often discussed through domain-specific financial and governance lenses rather than articulated as a standalone, cross-sector design layer.
Insurance-led frameworks focus on financial structuring: premium pricing approaches, loss layering between private insurers, partnership vehicles and the state, capital and reinsurance strategies, and the use of explicit or implicit government guarantees to ensure the insurability of systemic risks. Pricing mechanisms — risk-based, flat or hybrid — and subsidy designs balance affordability against financial sustainability. The G7 sets out these options at section 3.9, noting that fully risk-based premium-setting has greater effect in incentivising policyholder investment in risk reduction, while flat or intermediate approaches address affordability at the cost of that signal. The GA (2026a) recommends quantifying the fiscal liability created by a state guarantee, which governments can then monetise by charging the programme for state backing (section 7.1), and that affordability be addressed through targeted, transparent subsidies rather than distorted price signals (Principle 9). The IAIS observes that subsidies which improve affordability can conceal the risk information carried in risk-based premiums.

Development-oriented frameworks frame this layer through project finance and fiscal governance, emphasising affordability for the sovereign, transparent treatment of subsidies and guarantees, and alignment with long-term budget constraints. OECD Principle 10 assigns the central budget authority responsibility for determining that expenditure and contingent liabilities can be accommodated within sustainable revenue. Funding models distinguish user-pays from government-pays structures, with hybrids in which public contributions bridge the gap between what users can afford and what the arrangement costs; incentives are primarily contractual, linking private returns to service availability, quality and long-term performance outcomes. Risk is allocated to the party best placed to prevent it or to bear its costs, on the basis that efficient allocation is itself a

principal route to value for money within fiscal sustainability limits. The World Bank (2017b) is direct about the limits of that logic: project-finance debt costs more than government borrowing, so the efficiency gains generated by a partnership's incentive structure should outweigh that additional cost of private finance for the arrangement to represent value for money. Where a partnership is instead adopted because government perceives itself unable to deliver by other means, the service will be delivered but at a higher cost than under efficiency conditions — the arrangement may be effective without being efficient.

Existing frameworks provide well-developed approaches to financing structures, risk allocation and incentive design. Two things sit less securely. Different forms of capital within a single arrangement — public, commercial and philanthropic, each with its own cost, horizon and conditions — are not treated as interacting. And while the G7 connects risk reduction directly to the funding structure at section 3.4, providing for premium discounts as incentives to policyholders, for the programme itself to fund risk reduction before or after a loss, and for public commitments to adequate investment alongside — and observes that a public direct insurer has greater capacity to incentivise policyholder risk reduction than a reinsurer, given more direct access — this linkage is not consistently treated as a standing parameter of the funding structure across archetypes.

The World Bank's value-for-money comparison concerns project finance: where private borrowing costs more than government borrowing, efficiency gains must justify that additional cost. As discussed in Layer 2c, this should not be applied mechanically to insurance or other risk transfer, whose value depends on the defined risks and obligations transferred as well as cost.

A2.9 Data, evidence and assumptions

Existing PPP frameworks treat data and evidence as inputs to other decisions rather than as a matter to be settled between the parties in its own right.

Insurance-led frameworks approach evidence as analytical capability — modelling capacity, stress testing, and the aggregation of exposure and loss information for wider policy use. The G7 (2024) also treats access to public sector data as a government contribution and promotes the role of technology in improving the availability of quality risk-related data.

Development-oriented frameworks approach it through verification and disclosure, specifying reporting obligations contractually, subjecting them to independent audit, and defining what is published and what remains confidential. WHO Europe extends this to the integrity of the assumptions themselves, observing that appraisals routinely underestimate future costs through technical error, optimism bias or deliberate misrepresentation, and

recommending independent scrutiny by an audit institution including an assessment of how costs may vary over the life of the arrangement.

These approaches include reporting, verification and public disclosure. The G7 also recognises a shared basis, noting at section 3.4 that bringing government, supervisors and industry together can generate data and expertise for identifying effective risk reduction measures. The framework retains those disciplines and makes explicit that, where several parties rely on the same factual basis, it needs to be jointly validated and contestable through an agreed mechanism rather than only jointly generated.

A2.10 Delivery architecture and interfaces

Existing PPP frameworks address delivery architecture by specifying how solutions are operationalised and accessed in practice.

Insurance-led frameworks focus on distribution and claims architecture, defining enrolment pathways, compulsion mechanisms, policy administration and claims handling, with emphasis on speed, transparency and consumer protection. Delivery is typically mediated through insurers and intermediaries, with supervisory oversight of conduct standards and service quality. The G7 provides at section 3.6 for private insurers to distribute publicly provided cover, and at section 3.8 sets out compulsion as ranging from voluntary participation through conditional requirements to mandatory participation.

Development-oriented frameworks conceptualise delivery through service and operational interfaces, emphasising procurement channels, contract management and verification of service outputs prior to payment. In health and infrastructure contexts, delivery architecture centres on the integration of private providers into public systems, continuity of service, and mechanisms to ensure uninterrupted access for end users. WHO Europe distinguishes its models partly by the basis of payment, from availability charge to patient volumes, which determines where demand risk sits.

Across these frameworks, interface design — between government, private partners and beneficiaries — is treated as central to maintaining trust, performance and political legitimacy.

Existing frameworks offer detailed operational guidance within their respective implementation models. Further delivery considerations arise where participation is diverse, where multiple channels operate in parallel, or where beneficiary environments are more complex — conditions under which reach depends substantially on channel choice.

A2.11 Performance, outcomes and learning

Across existing PPP frameworks, the operational phase places strong emphasis on ongoing performance monitoring, financial sustainability, and contractual compliance.

Insurance-led frameworks prioritise financial sustainability and consumer protection, monitoring solvency margins, reserve adequacy, premium sufficiency, reinsurance arrangements and claims performance. Outcome assessment is often framed in terms of coverage uptake, claims speed and financial resilience, with periodic reviews used to trigger corrective action where performance deviates from expectations. The IAIS (2023) treats financial inclusion and market development as a supervisory objective in its own right (section 2), defined as making affordable and appropriate insurance accessible to underserved segments of society, and the G7 (2024) provides at section 3.11 for key design features to be reviewed regularly as risk conditions and market capacity change.

Development-oriented frameworks focus more explicitly on operational and service outcomes, using structured indicator frameworks to monitor service availability, quality and long-term value for money. These frameworks embed continuous monitoring through contract management, independent audit and performance-based payment mechanisms, with penalties or adjustments applied for underperformance. WHO Europe (2023) also emphasises value for money, the capacity to monitor complex partnerships and safeguards for the public interest. It also identifies where that tracking matters most, noting that equity of access and financial protection can be compromised where user fees become a major source of private operator revenue.

Across both paradigms, operational performance monitoring serves not only as a compliance function but as a learning mechanism, enabling PPPs to adjust design parameters, incentives, and operational practices in response to changing risk profiles, demand patterns, or technological conditions over time.

The framework draws on the reviewed monitoring practices, including learning, and requires measurement to be disaggregated across the population the arrangement was established to serve. The GA (2026a) illustrates why these matter: because most market stabilisers rely on voluntary coverage and risk-based pricing, gaps persist where cover is expensive or awareness is low, with only 4% of UK small and medium-sized enterprises carrying terrorism cover and the California Earthquake Authority reaching fewer than 15% of homeowners. Aggregate indicators can improve while the intended protection gap remains.

A2.12 Transition and market development

Existing PPP frameworks recognise that partnerships are not static arrangements and include mechanisms to manage transition beyond the initial implementation phase.

Development-oriented frameworks address transition through contractual provisions, including asset handback procedures, re-tendering protocols, early termination clauses and safeguards to ensure continuity of public services. These frameworks also address the need to manage long-term fiscal exposure and to review continued reliance on partnership structures where public provision or competitive markets can eventually emerge.

Insurance-led frameworks approach transition primarily through market development and risk normalisation. Partnerships are often designed with the intention of gradually reducing public support — guarantees or subsidies — as private market capacity deepens, pricing stabilises and risk becomes more insurable. Both planned sunsets and adaptive transitions are observed in practice. The GA (2026a) records several market stabilisers shifting risk back to private markets by raising insurer retentions, among them the US Terrorism Risk Insurance Program and Pool Re in the United Kingdom, and recommends that transitions be triggered by performance milestones rather than by fixed dates (Principle 5). Its four-step process anticipates a possible winding down once risk reduction and market development measures are fully implemented, framed as a means of preventing fiscal exposure becoming permanent rather than as an assumed endpoint (section 7.1).

The same source is candid about how often transition does not occur. Temporary state guarantees frequently become permanent, and repeated reauthorisation can create uncertainty without resolving the long-term design. The US National Flood Insurance Program, covering around 4.7 million policies, has been reauthorised more than thirty times since 2017, and lapsed for six weeks from 1 October 2025 when its authorisation expired alongside federal appropriations. Authorisation was restored retroactively by the legislation that ended the shutdown.

The framework retains the contractual mechanisms, market-development considerations and preference for performance milestones over fixed dates, and builds on GA principle 5 by making the review of support a standing layer rather than a milestone condition alone. It requires the intended direction of travel to be considered at design and reviewed as conditions change, including where a continuing, transparent and fiscally sustainable role for public or external support is the appropriate long-term structure. That intention should inform funding and governance rather than emerge by default.

Appendix A3: Philanthropic Participation - Supporting Discussion and Illustrations

Section 2.1 states the working definition and optional status of philanthropic participation. This appendix retains the fuller institutional distinctions, examples and possible functions that inform the separate assessment in Layer 1a. These illustrations are not prescribed models for protection-gap partnerships. The tests that determine whether any of these functions is needed in a particular arrangement are in Layer 1a (Section 4.2.1) and the conditions attaching to philanthropic support in Layer 2c (Section 4.3.3).

PPPs have commonly been designed to mobilise private capital and operational capability in support of clearly specified public objectives. In this traditional framing, public authorities define policy goals, regulate outcomes, and often provide funding or guarantees, while private actors focus on efficiency, service delivery, and scale. This model has been used in areas such as infrastructure, utilities, and well-bounded service provision, where risks, outputs, and incentives can be contractually specified.

Global health security, climate transition, and protection gaps can involve uncertainty, diffuse benefits, and coordination across several institutions. Public and private participants may face different constraints on early experimentation, long-term coordination, and funding shared capabilities. These constraints create a reason to examine additionality of other participants.

Philanthropic participation may include analytical, convening and institutional contributions as well as finance. The examples below illustrate these possibilities and their relevance depends on the particular actor and the needs of the arrangement.

A3.1 Philanthropy as a distinct actor from the public sector

Public authorities hold formal legitimacy, regulatory power and fiscal authority, and operate with electoral accountability and budget cycles that rightly govern the use of public resources. The same discipline can make it harder to fund unproven approaches, or sustain experimentation over long horizons.

Philanthropic actors operate under a different set of constraints: their own mandates, funding cycles, governance requirements and accountability obligations. But they answer to a charitable purpose and a board rather than to an electorate or a budget appropriation, which permits different time horizons and a different tolerance for failure on individual initiatives. This can enable philanthropic actors to support early-stage experimentation,

finance enabling infrastructure (such as data systems or coordination platforms), and maintain strategic continuity across political transitions. Philanthropy does not replace public authority. Instead, it can help governments exercise that authority more effectively by absorbing uncertainty and strengthening system capacity.

Examples from global health illustrate this distinction clearly:

- The Global Alliance for Vaccines and Immunisation (Gavi), for instance, was established with active philanthropic involvement. The Bill & Melinda Gates Foundation's initial five-year commitment provided the seed funding. Gavi also describes the Foundation's contribution to the data that informs its decisions and to innovation across vaccine discovery, development, and delivery. The Foundation holds a permanent seat on the GAVI Board. This example shows how philanthropic participation can contribute funding, technical knowledge, and governance alongside public and other partners.
- Similarly, the Coalition for Epidemic Preparedness Innovations (CEPI) illustrates philanthropic support for early vaccine development. CEPI was co-founded by the Wellcome Trust, the Bill & Melinda Gates Foundation, India, Norway and the World Economic Forum in response to calls for a new system to accelerate vaccine development for epidemic threats. Philanthropic funding enabled early investment in preparedness and vaccine platforms before such risks became politically salient, while also helping convene governments and other funders around a shared response.

In these examples, philanthropic involvement extended beyond an isolated grant to participation in a wider institutional arrangement. The relevant question is which financial, technical or governance contribution adds value, and how it complements rather than replaces public authority and other capabilities.

A3.2 Philanthropy as a distinct actor from the private sector

Private firms contribute scale, innovation, and operational efficiency, but their participation is necessarily bounded by commercial incentives, risk-return expectations, and fiduciary duties. In early-stage or system-level interventions - where benefits are diffuse, long-dated, or non-excludable – the commercial case for any single firm to lead may be weak.

Philanthropy differs in three key respects:

1. **Risk tolerance**: philanthropic capital can absorb political, technical, and coordination risk that private market actors cannot readily justify to shareholders or reconcile with fiduciary duty.
2. **Return expectation**: charitable funding can support public goods, knowledge and institutional capability without requiring the same commercial return as private investment.

3. **Convening position**: a philanthropic actor without a competing commercial interest may be able to convene firms around shared objectives. Its independence, interests and credibility should be assessed rather than assumed.

The functional distinction is visible in a number of existing arrangements, although the type of actor performing these functions varies:

- Unitaid, a global health initiative focused on accelerating access to innovations for the prevention, diagnosis and treatment of major diseases in low-and-middle-income countries, was founded by the governments of Brazil, Chile, France, Norway and the United Kingdom, is hosted by the WHO, and funded principally by sovereign donors, alongside philanthropic foundations including the Gates Foundation. The foundations are nonetheless more than contributors. Unitaid's Executive Board, its decision-making body, determines the organisation's objectives, monitors progress and approves budgets; it includes a dedicated foundations constituency seat and decides by consensus, giving philanthropic representation an explicit governance role. Unitaid supports market intelligence and evidence to address barriers to access. Its value lies in this upstream work: reshaping markets, incentives and global norms to enable public funders and private suppliers to scale later — work that may be underfunded by individual suppliers when benefits also accrue to competitors.
- Regenerative Production Landscape Collaboratives (RPLC), a model for sustainable agricultural systems operating at landscape scale, are convened and co-founded by the Laudes Foundation, whose catalytic funding supports multi-stakeholder convening, trust-building and conflict mediation, as well as shared goal-setting and decision-making platforms. These functions are non-commercial but essential. They bring producers, buyers, public authorities and communities together to coordinate management of a landscape. Where participants have competing interests, independent convening and funding shared activities may help them cooperate. These conditions enable public authorities, communities and businesses to engage later in more sustainable and resilient sourcing models that may be difficult for individual firms to establish alone.

Funding collective activities and facilitation can reduce barriers to later public and private participation. Where philanthropy performs these functions, the assessment should establish the additional value of its involvement and any interests or conditions attaching to it.

A3.3 Contributions beyond capital

Philanthropy's contribution need not be primarily financial. Five potential functions are illustrated by the arrangements discussed here. Their relevance depends on the actor's mandate and capabilities, the needs of the partnership, and the alternatives available:

1. **System architecture and institutional design**
   Philanthropic participants can help develop governance, funding and coordination arrangements. The Gates Foundation's permanent seat on Gavi's Board and philanthropies' co-founding role in CEPI illustrate participation in institutional arrangements beyond a donor-recipient relationship.
2. **Risk absorption and support for early experimentation**
   Philanthropic support can share the costs and uncertainty of early experimentation. CEPI illustrates how public and philanthropic support can combine to fund vaccine development before an outbreak. Assess the relevance of such support against the risks and contributions other participants can assume.
3. **Technical and analytical capacity**
   Philanthropic funding is often directed toward shared analytical infrastructure—including evaluation systems, market intelligence, and evidence platforms — that informs collective decision-making. Gavi credits the Gates Foundation with helping to gather the data that informs the Alliance's decision-making, a technical contribution distinct from the capital provided.
4. **Neutral convening and trust brokerage**
   Philanthropic actors may support dialogue among governments, firms, civil society and communities where shared objectives are difficult to translate into coordinated action. The RPLC example illustrates this convening function. Its effectiveness depends on credibility and how interests are managed, not institutional type alone.
5. **Longer-term stewardship**
   Sustained philanthropic involvement may help maintain institutional memory and support coordination as other participants or priorities change. Gavi illustrates continuing philanthropic participation in governance. Such support remains subject to the funder's own mandate, funding horizon and governance; its duration should be agreed rather than presumed permanent.

These functions operate across the partnership lifecycle, from design and early experimentation to long-term institutionalisation, though the scale at which any particular philanthropic actor can perform them will vary.

Philanthropy should not substitute automatically for public funding or private investment. Its role should follow the contribution that the particular actor can make to the partnership's objectives. This may involve:

- Funding a defined gap in resources or capabilities, including shared analytical or institutional work.
- Participating in governance and coordination where this adds value and is supported by clear accountability.

The optional P makes the decision about philanthropic participation explicit. Where its involvement is justified, the partnership's design should carry through its role, conditions, accountability, and intended duration, rather than treating it as an incidental source of funds.

Appendix A4: Stakeholder Capabilities and Contributions Across the Three Phases

Table A4.1 builds on the potential stakeholders and their roles identified in Section 4.2.3 (Table 2), illustrating the capabilities, expertise, resources and perspectives that different stakeholder groups may bring to each phase of the PP(P)P framework. The table is indicative rather than prescriptive and does not presuppose specific roles or responsibilities for individual stakeholders. Actual participation and responsibilities will depend on the partnership's objectives, institutional context and agreed arrangements.

For conciseness, the table groups other private-sector participants and service providers, civil society and community organisations, and end users and beneficiaries under "Other relevant stakeholders". Their potential contributions differ: private-sector participants and service providers may bring financing, technology, distribution and operational expertise; civil society and community organisations may contribute community knowledge, outreach and trust-building capabilities; and end users and beneficiaries may provide perspectives on protection needs, accessibility, affordability and outcomes.

Table A4.1: Potential Stakeholder Capabilities and Contributions Across the Three Phases of the PP(P)P Framework

Stakeholder group	Phase 1: Pre-Design	Phase 2: Design and Delivery	Phase 3: Ongoing Operation
Governments and public agencies	**Public-policy mandates, institutional knowledge and fiscal perspectives** relevant to assessing the rationale for partnership, intended protection and resilience outcomes, feasible alternatives, fiscal constraints and inter-agency coordination needs.	**Policy authority, public resources and inter-agency coordination capabilities** that may support governance, public funding commitments, subsidies, contingent liability arrangements, risk allocation and delivery, taking account of affordability, public interest and fiscal sustainability.	**Public-policy oversight, fiscal information and institutional perspectives** relevant to assessing protection outcomes, equity, fiscal exposure and continued value relative to alternatives, and informing decisions on the continuation, adaptation or transition of public support.
Regulators and supervisors	**Regulatory and supervisory expertise** relevant to legal and regulatory requirements, market capacity constraints, potential supervisory concerns and the feasibility of proposed arrangements. Regulators and	**Regulatory and supervisory perspectives on safeguards and accountability,** including prudential and conduct requirements, consumer protection, governance and risk allocation, within applicable statutory mandates and without	**Supervisory information and market oversight capabilities** relevant to financial soundness, market conduct, consumer outcomes, potential market distortions and changing market conditions, within existing statutory mandates.

Stakeholder group	Phase 1: Pre-Design	Phase 2: Design and Delivery	Phase 3: Ongoing Operation
	supervisors may also convene the parties before an arrangement is formally constituted. In both roles, they must act within their mandates and preserve their independence.	compromising supervisory independence.	
Insurers, reinsurers and other risk-bearing institutions	**Underwriting, pricing, risk assessment and risk-transfer expertise** that may help identify protection needs, market capacity constraints and opportunities for insurance or other risk-bearing solutions beyond existing market arrangements.	**Risk-bearing capacity, technical expertise and operational capabilities** relevant to solution design, pricing, funding and risk allocation, claims arrangements and delivery, including the alignment of commercial incentives with partnership objectives. These institutions may also provide data and analysis, subject to independent validation proportionate to the decisions and obligations involved. They may help authorities and scheme operators build capacity in design, technical practice and research.	**Claims experience, underwriting information and market expertise** relevant to assessing coverage, risk experience, commercial sustainability and opportunities to adjust pricing, capacity or products, including greater private-sector participation where feasible.
Brokers and other insurance intermediaries	**Specialist market knowledge, client perspectives and coordination capabilities** relevant to protection needs, available coverage, market capacity and potential risk-transfer solutions, particularly where complex placements involve multiple parties.	**Structuring, placement and market engagement expertise** that may support the development of coverage terms, coordination between clients, insurers, reinsurers and other relevant parties, and appropriate placement and distribution arrangements.	**Market intelligence, placement experience and intermediary relationships** that may provide insights into coverage adequacy, market capacity, renewal conditions, emerging protection needs and potential adjustments to risk-transfer arrangements.
Development institutions and concessional finance providers	**Development financing expertise, institutional knowledge and technical capabilities** relevant to identifying financing, technical, institutional and	**Financing resources, technical assistance, capacity-building and convening capabilities** that may support partnership establishment, implementation,	**Development experience, institutional capacity assessments and monitoring capabilities** relevant to evaluating market development, protection outcomes and the continuing need for

Stakeholder group	Phase 1: Pre-Design	Phase 2: Design and Delivery	Phase 3: Ongoing Operation
	coordination constraints that may warrant development support. These institutions may also bring prospective partners together and finance analytical work before an arrangement is established.	institutional development and appropriate financing, accountability and safeguard arrangements.	development support, including potential adaptation, transfer or reduction of support.
Philanthropies	**Flexible funding, technical expertise, convening capabilities and longer-term perspectives** that may address specific constraints not adequately met by public and private participants, where the additional value of philanthropic involvement can be demonstrated.	**Philanthropic resources, institutional expertise and support for innovation, experimentation and capacity building** that may complement public and private contributions, subject to clearly defined purposes, conditions, intended duration, influence and accountability arrangements.	**Experience, evidence and longer-term perspectives on philanthropic contributions** relevant to assessing whether the intended additional value is being achieved and whether support should continue, adapt, be replaced or be withdrawn without undermining protection outcomes.
Other relevant stakeholders	**Complementary technical, operational and community-based knowledge,** including capabilities from technology and service providers, civil society and community organisations, and perspectives from end users and beneficiaries on protection needs, access, trust and affordability.	**Technology, distribution, operational and community engagement capabilities,** together with beneficiary perspectives that may inform practical delivery arrangements, accessibility, information sharing, feedback and redress mechanisms.	**Operational experience, community feedback and beneficiary perspectives** relevant to service quality, accessibility, user experience, delivery challenges and whether the protection meets intended users' needs. This feedback can help partners improve delivery and maintain access for intended beneficiaries.

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