ALIDE Promotes an Innovative Proposal with

the Regional Rapid Response Fund for Disasterss

ALIDE proposes the creation of a fast, streamlined fund free from bureaucratic obstacles, aligned with existing initiatives in Latin America and the Caribbean (LAC).

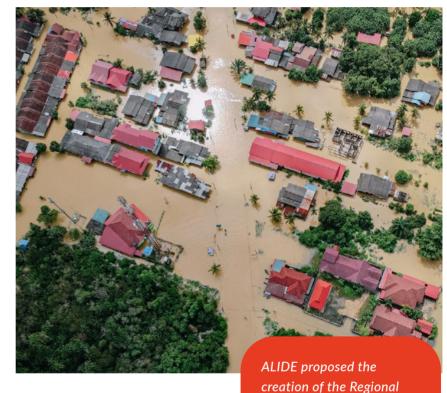
During its 55th General Assembly held in Santo Domingo, Dominican Republic, ALIDE presented an initiative to establish a rapid response mechanism for natural disasters in the region.

The Regional Rapid Response Fund for Natural Disasters aims to create a swift and flexible financial mechanism, free of bureaucratic hurdles, allowing countries in Latin America and the Caribbean to quickly access resources to address emergencies caused by natural events such as hurricanes, earthquakes, floods, and extreme droughts.

A HIGHLY VULNERABLE REGION

The proposal's background document highlights that Latin America and the Caribbean is one of the most disaster-prone regions in the world, with the frequency and intensity of such events having significantly increased in recent years. Between 2000 and 2024 alone, the cumulative economic damage from these events exceeded US\$90 billion, affecting millions of people and causing major social and productive losses.

Although countries in the region have made progress in prevention measures and institutional strengthening, the immediate availability of funding remains a critical challenge. Delays in accessing emergency funds often



worsen the impacts, prolong the suffering of affected populations, and slow down recovery processes.

An Innovative, Agile, and Transparent Fund

In response to this need, ALIDE proposed the creation of the Regional Rapid Response Fund — an instrument designed under the principles of automation, transparency, and sustainability. Its goal is to ensure that countries have financial resources from

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the very beginning to address the initial phase of emergencies and recovery.

The Fund would be activated automatically based on objective data



— such as the magnitude of the disaster, the geographic area affected, and the number of people impacted — enabling disbursements within hours or just a few days. Its structure would combine parametric insurance, contingent credit lines, and public funds, serving as a bridge mechanism until other sources of international financing are mobilized.

BLENDED FINANCING AND RIGOROUS OVERSIGHT

To ensure its sustainability, the Fund would be supported by a blended financing structure composed of:

- Government contributions proportional to each participating country's GDP;
- Non-reimbursable funds from multilateral organizations;
- Voluntary contributions from the private and philanthropic sectors.

The use of resources would be backed by strict oversight mechanisms, including real-time audits, disbursement traceability, and specialized technical supervision. All of these aims to ensure efficient management focused on the most vulnerable populations and the quick reactivation of economic and social activity.

A STRATEGIC STEP TOWARD REGIONAL RESILIENCE

The proposal for the Regional Immediate Response Fund represents a strategic advance in the regional financial architecture for disaster risk management. Its implementation includes a pilot phase and a continuous evaluation system, allowing for adjustments based on the region's real and evolving needs.

Moreover, its alignment with existing initiatives will strengthen the collective resilience of Latin America and the Caribbean, promoting greater



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coordination among governments, development banks, and international organizations.

With this proposal, ALIDE reaffirms its role as a regional platform for financial innovation and sustainable development, responding to the most pressing challenges with concrete, viable, and people-centered solutions.

 ECLAC, CEPALSTAT, Statistical Databases and Publications

https://statistics.cepal.org/portal/cepalstat/dashboard. html?indicator_id=4046&area_id=735&lang=es. For the purposes of ECLAC (CEPALSTAT) statistics, natural disasters are categorized into two groups: Geophysical (earthquakes, volcanic eruptions, and dry mass movements), and Climate-related (storms, floods, wet mass movements, extreme temperatures, droughts, and wildfires).

