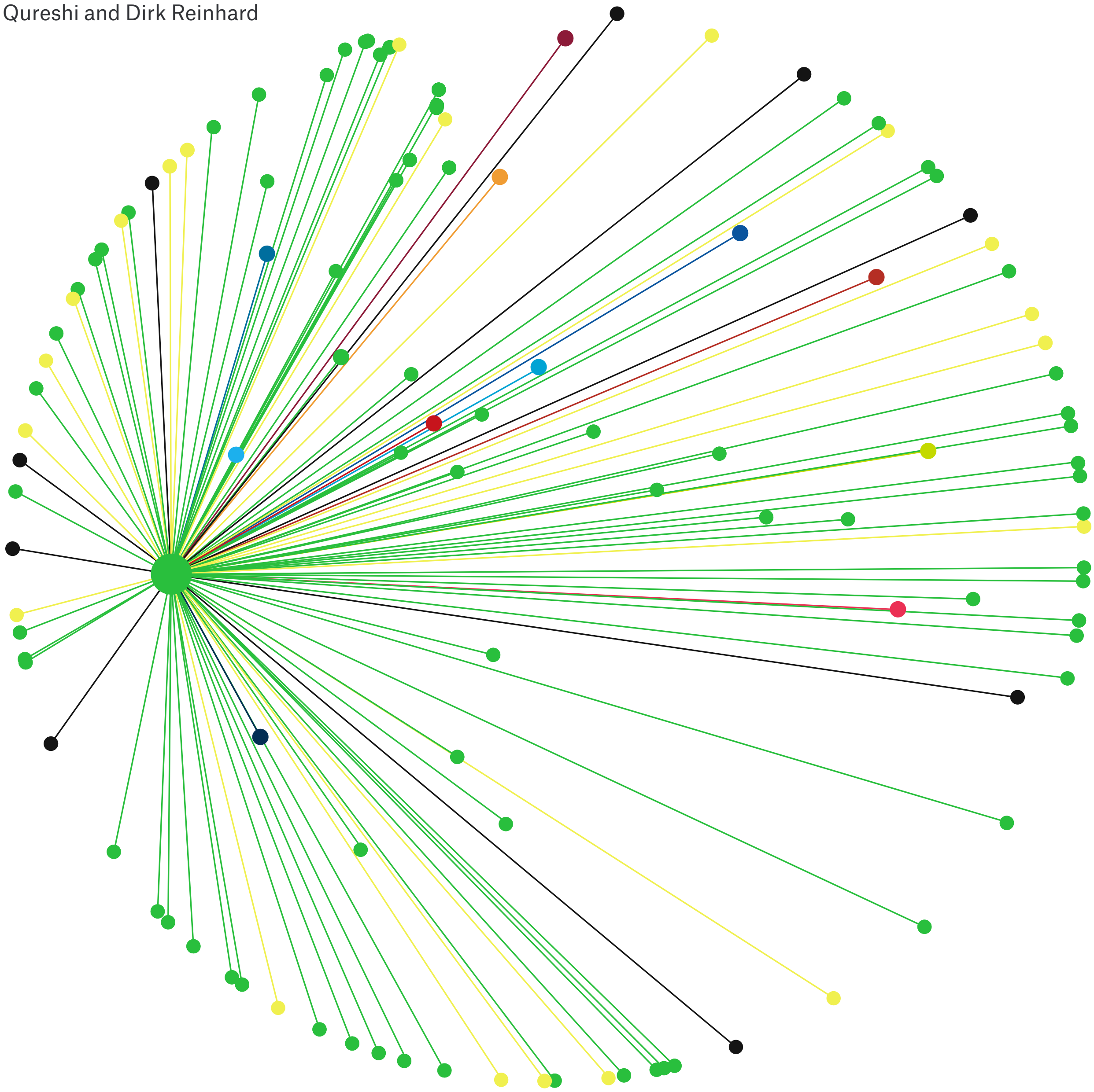
Report
International Conference on Inclusive Insurance 2021 Digital Edition

Edited by
Zahid Qureshi and Dirk Reinhard



Munich Re Foundation
From Knowledge to Action

micro insurance network

Conference documents and presentations are available online:

→ www.inclusiveinsurance.org

All presentations can be downloaded at

→ www.munichre-foundation.org

This report is a summary of the International Conference on Inclusive Insurance — Digital Edition, which took place from 25 to 29 October 2021. Individual summaries in various styles were contributed by a team of international rapporteurs. Readers, authors and organisers may not share all the opinions expressed or agree with the recommendations made. However, these reflect the rich diversity of the discussions.

All recordings of the sessions can be accessed on the YouTube channel of the Munich Re Foundation

→ www.youtube.com

106 speakers shared their experience in 21 sessions.

Contents

Foreword

The continued impact of the COVID-19 pandemic, coupled with the ever-present and ever-growing threat of climate change, presents the world with complex challenges, but the current public health crisis has underscored that if we work together to find solutions, we can achieve results and overcome these challenges. This was the belief expressed by Luxembourg's Minister of Finance, Pierre Gramegna, in his keynote address at the start of the conference.

With four to five billion people excluded from financial services, and economists predicting a return to poverty for millions, it cannot be overstated how urgently accelerated collective efforts and action are needed to build resilience, especially for those who need it most. As natural disasters, civil wars and variants of the coronavirus continue to ravage the planet, it is evident that tackling the three Cs – climate change, conflict and COVID – is paramount, and insurance is a crucial part of the solution.

The findings of the Microinsurance Network's 2021 Landscape report, which was launched at the opening session of the conference, served as a stark reminder that, although progress has been made to scale inclusive insurance in emerging markets, there is still much work to be done. This call to action set the tone for a week filled with over 20 sessions some of which were held in Kingston, Jamaica.

Women have been disproportionately impacted, and ensuring the collection of gender-disaggregated data in insurance remains a concrete challenge. Trust, credibility and accessibility are still barriers that loom large for insurers and while the pandemic has aggravated the need for insurance, it has also shown us that simple, accessible and customer-centric solutions can work, as highlighted by the growth in prominence of health products.

Digitalisation has also been accelerated because of the pandemic, but it must not be regarded as a catch-all panacea. The embracing of digital solutions requires client understanding, and striking the right balance in the 'tech versus touch' tension is key. Enabling innovation must continue as a focus for both industry and regulators, serving as yet another reminder that cooperation and partnerships are needed.

Driving the integration of insurance into the development agenda and the SDGs is becoming increasingly front-of-mind for stakeholders in our space. Through partnerships and coordination, we can provide inclusive insurance solutions that are pro-poor, human-centric, digitally transformative and data-driven, while mainstreaming gender and driving scale.

This strong sense of unity and momentum around the urgency of the complex challenges at hand is vital and the more than 1,500 registrations from 120 countries for the International Conference on Inclusive Insurance 2021 signals a real statement of intent and a commitment from the growing inclusive insurance ecosystem to providing a safety net for the world's most vulnerable households and businesses and ensuring no one is left behind.

Katharine Pulvermacher,
Executive Director,
Microinsurance Network Asbl

Luxembourg, February 2022

Katharine Pulvermacher
Executive Director, Microinsurance Network, Luxembourg

Acknowledgements

This International Conference on Inclusive Insurance (ICII) 2021 was the second conference that took place during the COVID-19 pandemic. It was held as an event with 21 sessions, four of which were in hybrid format, and was hosted by the Insurance Association of Jamaica in Kingston. With around 1,500 registrations from over 120 countries, the ICII is the largest gathering of insurance and development experts in inclusive insurance. The great success of the conference would not have been possible without the hard work of the conference steering committee and I would like to thank all members of the steering committee for their guidance. I would also like to express my sincere gratitude to the over 100 speakers and facilitators who volunteered to present their knowledge and led the sessions.

A special thank you goes to the entire team of the Microinsurance Network led by Katharine Pulvermacher, Executive Director of the Microinsurance Network, and to its chairman, Lorenzo Chan, CEO of Pioneer Insurance, for the long-term cooperation and support during the ICII 2021. Managing such a large number of sessions and speakers from around the world across a broad range of time zones was always going to be a challenge, but it was handled supremely in this instance.

We would additionally like to thank Adrian Stokes, President of the Insurance Association of Jamaica (IAJ), and Orville Johnson, Executive Director of the IAJ, for their ongoing commitment to hosting the ICII 2022, despite the fact that the event had already been postponed twice. The hybrid sessions hosted by the IAJ this year and the statement made by the Hon. Nigel Clarke, Minister of Finance and the Public Service, are clear signs that the Jamaican insurance industry is committed to making its services more inclusive in the near future.

I would further like to thank all the content partners and supporting organisations of the ICII 2021 – Access to Insurance Initiative (A2ii), Centre for Financial Regulation and Inclusion (Cenfri), Center for the Economic Analysis of Risk (CEAR), GIZ, Feed the Future Innovation Lab at UC Davis, ILO's Social Finance Programme/Impact Insurance Facility, InsuResilience Global Partnership, Inter-American Development Bank (IDB), World Bank/IFC, Microinsurance Master, PharmAccess Foundation, Sagicor and the World Food Programme (WFP).

I would make special mention of the team of rapporteurs and authors led by Zahid Qureshi – José Miguel Flores Contró, Maria Victoria Sáenz, Pedro Pinheiro and Venetia Furbert – who volunteered and summarised the key messages and lessons from the various sessions of the 2021 conference. In addition, I would like to extend my thanks to the Munich Re Foundation conference team – Julia Martinez, Bettina Winkler, Nontje Rücker and Christian Barthelt, as well as to the new Chair of the Munich Re Foundation, Renate Bleich.

At the same time, I would like to welcome participants to the International Conference on Inclusive Insurance 2022, which can hopefully take place in Jamaica. Together with the Insurance Association of Jamaica, we are looking forward to the next event, scheduled to take place from 24 to 28 October 2022 in Kingston, Jamaica.

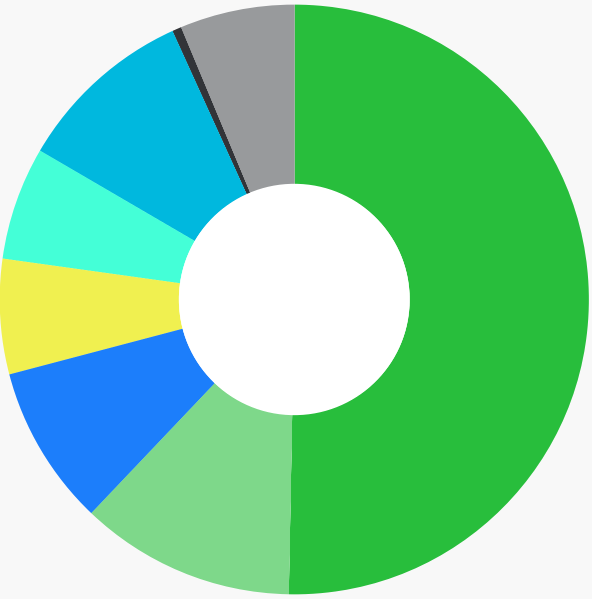
Dirk Reinhard, Vice Chairman
Munich Re Foundation, Germany,
Chairman of the Conference
Steering Committee

Munich, February 2022

Dirk Reinhard
Vice Chair, Munich Re Foundation,
Chair of the Conference Steering Committee,
Germany

Participant overview

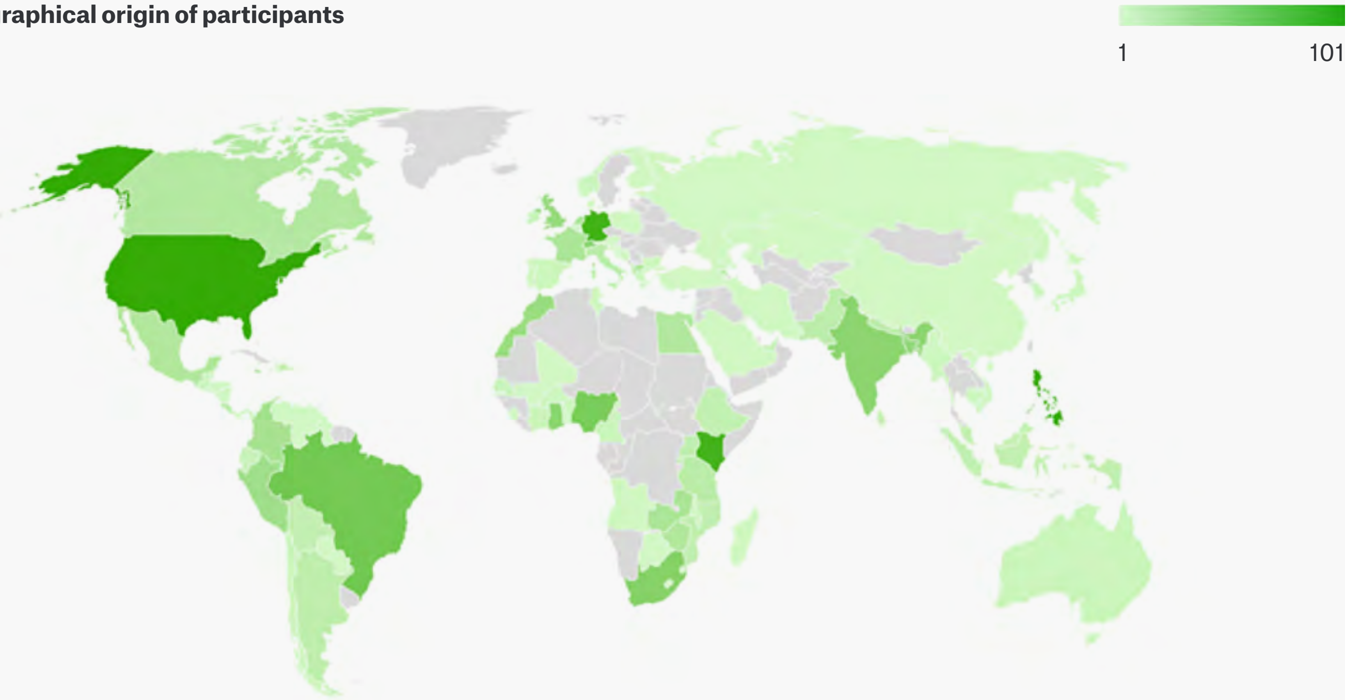
Type of participant by category



● Insurance and finance industry	50.3 %
● Donor agencies, development and international organisations	11.8 %
● Microfinance and microinsurance providers	8.8 %
● Government and regulatory bodies	6.3 %
● Academics	6.2 %
● Consultants	9.8 %
● Media	0.5 %
● Other	6.3 %

Source: Munich Re Foundation

Geographical origin of participants



Source: Munich Re Foundation
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Agenda

Day 1—25 October 2021
Scaping the landscape of inclusive insurance

Opening of the conference

Welcome

Katharine Pulvermacher
Executive Director, Microinsurance Network, Luxembourg

Dirk Reinhard
Vice Chair, Munich Re Foundation, Chair of the Conference Steering Committee, Germany

Keynote

Pierre Gramegna
Minister of Finance, Luxembourg

Session 1
The landscape of inclusive insurance 2021: voices from the field

Speakers

Mark Robertson
Knowledge Manager, Microinsurance Network, Luxembourg
“Presenting the findings”

Ken Mungan
Chairman, Milliman, USA

Laura Rosado
Head of Strategy and Performance Management, AXA Emerging Customers, France

Jan Kellett
Special Advisor UNDP Corporate Lead — Insurance & Risk Finance, UNDP, Switzerland

Facilitator

Katharine Pulvermacher
Executive Director, Microinsurance Network, Luxembourg

Session 2
Turning failure into success

Speakers

Thilanka Kiriporuwa
Chief Corporate Services Officer, Softlogic Life, Sri Lanka

Moin Ahmed
Additional Managing Director & Company Secretary, Green Delta Insurance, Bangladesh

Ovia Tuhairwe
CEO, Radiant Yacu, Rwanda

Geric Laude
Head of Non-Life Retail, Pioneer Insurance, The Philippines

Facilitator

Bert Opdebeeck
Founder, Microinsurance Master, Belgium

Session 3
Designing programmes for enhancing inclusive insurance footprint

Speakers

Paul Omara
Member of Parliament, Uganda

Cynthia Ayero
Inspection Officer — Non Life, Insurance Regulatory Authority, Uganda

Michael Bryan Newball
Programs Officer, Banca de las Oportunidades, Colombia

Nataly Galán Pérez
Leader of financial inclusion and innovation, Fasecolda, Colombia

Priya Kumar
Business Head — Emerging Markets, Rural & Agriculture, SBI General Insurance Company Ltd, India

Malay Kumar Poddar
Chairman-cum-Managing Director, Agriculture Insurance Co., India

Facilitator

Pranav Prashad
Senior Technical Officer, ILO, Switzerland

Session 4
Making insurance work for women

Speakers

Liza Garay-de Vaubernier
Global Head of ESG Business Development and Outreach, AXA Group, France

Gilles Renouil
Global Head of Insurance Solutions, Women’s World Banking, Switzerland

Olajumoke Odunlami
Chief Customer & Marketing Officer, AXA Mansard, Nigeria

Oyinkansola Adewunmi
Lead, Distribution Support, AXA Mansard, Nigeria

Facilitator

Sarah Ebrahimi
Women’s Insurance Program Officer, IFC, United States

Katharine Pulvermacher
Executive Director, Microinsurance Network, Luxembourg

Opening of the conference

By Maria Victoria Sáenz

In some places, life is reopening, and in others, the pandemic still lingers. So, for the second year in a row, the International Conference on Inclusive Insurance (ICII) was held as a digital event – although one afternoon of its five days was devoted to a national in-person gathering in Jamaica to take stock of inclusive insurance there. The conference brought together over 1,000 unique viewers, including panellists from 121 countries. The ICII 2021 was hosted by the Munich Re Foundation in cooperation with the Microinsurance Network and the Insurance Association of Jamaica (IAJ).

Dirk Reinhard, Vice Chair of Munich Re Foundation and chair of the ICII Steering Committee, opened the conference by welcoming all participants and thanking the staff of the co-hosts, who had worked tirelessly to organise the event. Reinhard said the inclusive insurance sector deeply appreciated the Government of Luxembourg's continued support for the Microinsurance Network (MiN). He also thanked the conference's 15 content partners[1] – one of whom is the InsuResilience Global Partnership, which combined its Annual Forum with one of the conference's 21 sessions.

The chair of the ICII's steering committee highlighted the effects the pandemic has had on the global economy and on people's lives, increasing their everyday risks and making everyone more aware of them. It has meant a significant setback for the achievement of the SDGs. The World Bank expects 120 million new poor people. The state of food security report found that, in 2020, 161 million more people suffered from chronic hunger. On top of all this, climate change is happening, and causing disastrous events more and more frequently.

"This conference can help sharpen our focus on this complex picture," he said. "We are part of the solution. Different stakeholders worldwide meet yearly to learn from others and debate how to understand risk and, hence, how to deliver better risk management solutions, which are at the centre of sustainable development. Governments, donors, and insurance providers must partner to increase their efforts towards achieving such solutions, and among other actions, keep investing in market research and financial literacy and implement a conducive regulatory environment."

In between conferences, the Microinsurance Network, convened 19 years ago, serves as a platform where the diverse community of practitioners and other stakeholders exchange experiences and lessons learnt, with the aim of developing insurance markets that work for all.

Dirk Reinhard
Vice Chair, Munich Re Foundation,
Chair of the Conference Steering Committee,
Germany

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[1] Microinsurance Network (MiN), Insurance Association of Jamaica (IAJ), Access to Insurance Initiative (A2ii), Centre for Financial Regulation and Inclusion (Cenfri), Center for the Economic Analysis of Risk (CEAR), Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ), Feed the Future Innovation Lab at UC Davis, ILO's Social Finance Programme, InsuResilience, Inter-American Development Bank (IDB), World Bank/IFC, Microinsurance Master, PharmAccess Foundation, Sagicor, and World Food Programme (WFP).

“The role of inclusive insurance in mitigating the impact of climate change is under the spotlight, along with the pandemic. COVID-19 has raised awareness of the resilience that insurance can build as a risk management tool. It has also accelerated trends such as digitalisation and highlighted the growing need for public-private partnerships. Affordable risk management, including national and multi-national schemes and also individual insurance, is needed to establish a reliable safety net and prevent millions from falling back into poverty following a disaster.”

Dirk Reinhard, Vice Chair, Munich Re Foundation, Chair of the Steering Committee of the ICII 2021

“Health microinsurance continues to gather momentum. The pandemic has accelerated this trend, with insurers adding telemedicine and health information services to help their emerging customers. But in many cases health microinsurance provides financial aid to help pay hospital bills, rather than covering medical expenses, and there is still a huge need for investment in better health outcomes generally, for example by leveraging insurance and associated risk management approaches.”

Katharine Pulvermacher, Executive Director, Microinsurance Network

“COVID-19 has had a significant and disproportionate impact on the poor and vulnerable, especially in emerging economies. The pandemic has increased awareness of sustainability risks and acted as a catalyst for the green transition. However, we need to ensure that this transition is inclusive; green and social are two sides of the same coin. Microinsurance, especially when leveraging digitalisation, is a key tool, not only to increase social inclusion and help the most vulnerable populations adapt to the effects of the climate crisis, but also to support health and livelihoods in a crisis such as this pandemic.”

Pierre Gramegna, Minister of Finance, Luxembourg, Keynote Speaker

In her welcome speech, Katherine Pulvermacher, executive director of the Microinsurance Network, reminded participants that, despite the efforts of many, there are still four to five billion people excluded from financial services, including insurance. On the question whether progress had been made, her answer was a qualified affirmative: “Yes, because more people have gained access, and the MiN is closely tracking the numbers. But we still need to achieve scale. This is all the more important as we have recently been dealing with the terrible 3 Cs: climate change, conflict, and COVID-19.”

In his keynote address, the Honourable Pierre Gramegna, Minister of Finance of Luxembourg, told participants about the challenges he faced as a Minister of Finance and examined the question of how to make decisions that would help achieve the SDGs. “Ultimately, and especially now, they are all linked to the pandemic and climate change. With these two elements as the core, it is possible to foster actions leading to sustainable finance. Through sustainable finance, it is possible to address many of the SDGs and, more importantly, help the world transition to a digital society and economy, while at the same time becoming more green and more climate-aware.”

However, world stakeholders must first agree on what sustainable finance is and how to measure it, Mr Gramegna added. “In particular, there is a ‘tricky triangle’ of actions to remember to avoid when measuring or setting green goals. In the first place, you need to avoid ‘greenwashing’ data, and only report what has been calculated; secondly, always remember that there are some stranded assets in transition that will become green over time; and lastly, greening the economy can generate unwelcome social developments, such as job losses. This is where inclusive insurance can play an influential role to make that greening process socially acceptable. The Luxembourg Stock Exchange has gone the extra mile to support efforts towards greening the economy with socially responsible financial tools, like the first-ever sustainable bond issuance.”

There are other tools to meet this end, such as microfinance and microinsurance, which the Government of Luxembourg will continue to support, with the aim of increasing outreach to the most vulnerable areas, the Minister of Finance declared.

Main takeaways from the keynote address

- The pandemic was a catalyst. It proved climate sceptics wrong, since the quality of air and water improved during the lockdown and biodiversity increased.
- It also proved that, when the whole world acts multilaterally, goals are reached faster, as shown by the development of the COVID vaccines.
- Governments may set the framework for conducive markets, but it’s the players in the field who find the holistic solutions.
- We can see the light at the end of the tunnel, but there is still a lot to do to pick up the pace.

Katharine Pulvermacher
Executive Director, Microinsurance Network, Luxembourg

Pierre Gramegna
Minister of Finance, Luxembourg

Session 1

The landscape of inclusive insurance: voices from the field

By Maria Victoria Sáenz

This session presented findings from the latest annual landscape study conducted by the Microinsurance Network (MiN). A particular focus was the perspective of inclusive insurance from the field, including both the concerns of practitioners, and also the priorities of clients and other stakeholders in the distribution chains.

The study, titled *The Landscape of Microinsurance 2021,* provides a view on the landscape of insurance products that target people earning between US$ 2 and US$ 20 (international dollars on a purchasing power parity basis) per day. A team of 29 researchers gathered information on coverage, type of products, claims and other metrics from 224 insurers in 30 countries. Also contributing to the research were 39 members of MiN's Best Practice Group, 25 industry experts, and insurance supervisors and associations in the participating countries (see Figure 1).

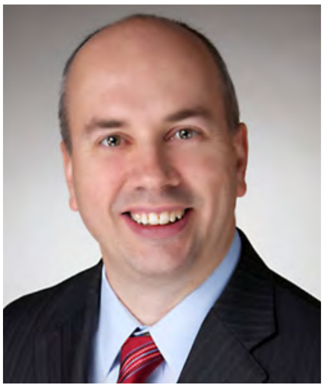
Business volume and uptake

The study is based on information from 704 products covering 179–377 million people (6–14 % of the target population) with about 90 million policies. Microinsurance premiums totalled US$ 1.129 billion, around 6 % of the estimated potential market, indicating that many emerging consumers in the 30 countries covered still lack protection.

Most in demand

The product line covering the most people in this year's data (104.39 million) was health. In previous years' studies the dominant lines were life and credit life, although it must be noted that data was received this year on a number of very large schemes not included in previous years, which contributed to this growth. The product line with the most premiums collected was funeral. Health products are primarily low-premium hospital cash back products, though there is increasing variety in health products, including disease-specific covers such as dengue fever, malaria and cancer screening. There also appears to have been greater inclusion of value-added services like telemedicine and medical advice.

Mark Robertson
Knowledge Manager, Microinsurance Network, Luxembourg



Ken Mungan
Chairman, Milliman, USA

Laura Rosado
Head of Strategy and Performance Management, AXA Emerging Customers, France

Impact of the pandemic

The lockdowns and protection measures against COVID-19 seriously impacted the microinsurance industry. Policies issued by insurers who reported data for both this year's and last year's study decreased by 9 % and the number of people covered fell by 33 %, while premiums collected were down 34 % (see Figure 2).

Prime distribution channels

Notwithstanding the challenges of social distancing, agents, brokers and microfinance institutions (MFIs) remained the most frequently used distribution channels. Agents were used for 49 % of the products, compared with brokers and financial institutions at 39 %, and MFIs at 22 % (see Figure 3). Because of the impact of COVID on these channels, especially on the MFIs, they had to find alternative ways to maintain contact with clients and often invested in the digitalisation of operations across their whole value chain.

Jan Kellett
Special Advisor UNDP Corporate Lead — Insurance & Risk Finance, UNDP, Switzerland

Figure 1
Scope of the 2021 landscape study

		# of insurers identified	# of targeted insurers	# of completed questionnaires
Africa	Côte d'Ivoire	10	10	6
	Egypt	23	23	2
	Ghana	25	18	19
	Kenya	57	22	8
	Morocco	13	9	3
	Nigeria	48	28	18
	Rwanda	14	7	7
	Senegal	14	14	1
	South Africa	59	18	5
	Tanzania	18	18	5
	Uganda	32	32	10
	Zambia	27	11	9
	Zimbabwe	40	40	39
Asia	Bangladesh	64	11	10
	Cambodia	26	4	5
	India	63	29	1
	Indonesia	144	144	8
	Nepal	39	19	0
	Pakistan	48	6	6
	Philippines	104	52	8
	Sri Lanka	27	13	6
	Thailand	78	78	1
	Vietnam	49	17	3
Latin America & The Caribbean	Bolivia	19	7	7
	Brazil	28	22	7
	Colombia	44	15	4
	Costa Rica	6	6	4
	El Salvador	6	6	7
	Jamaica	36	5	4
	Mexico	113	11	2
	Peru	20	10	9
	Total	**1,294**	**705**	**224**

— More than a quarter of target insurers in 71 % of countries

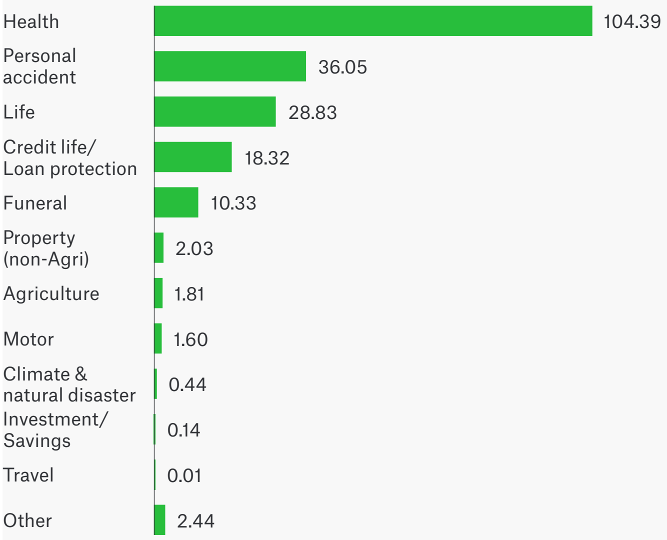
— More than half in 45 %

— Voluntary participation

Source: Robertson, Mark. Presentation: *The Landscape of Microinsurance 2021* International Conference on Inclusive Insurance 2021.

Session 1
The landscape of inclusive insurance: voices from the field

Figure 2
Coverage and Impact of COVID-19


People covered in all regions by product line (millions)

The percentage increase or decrease seen in policies issued, people covered, and premiums received for companies that reported for both 2019 and 2020

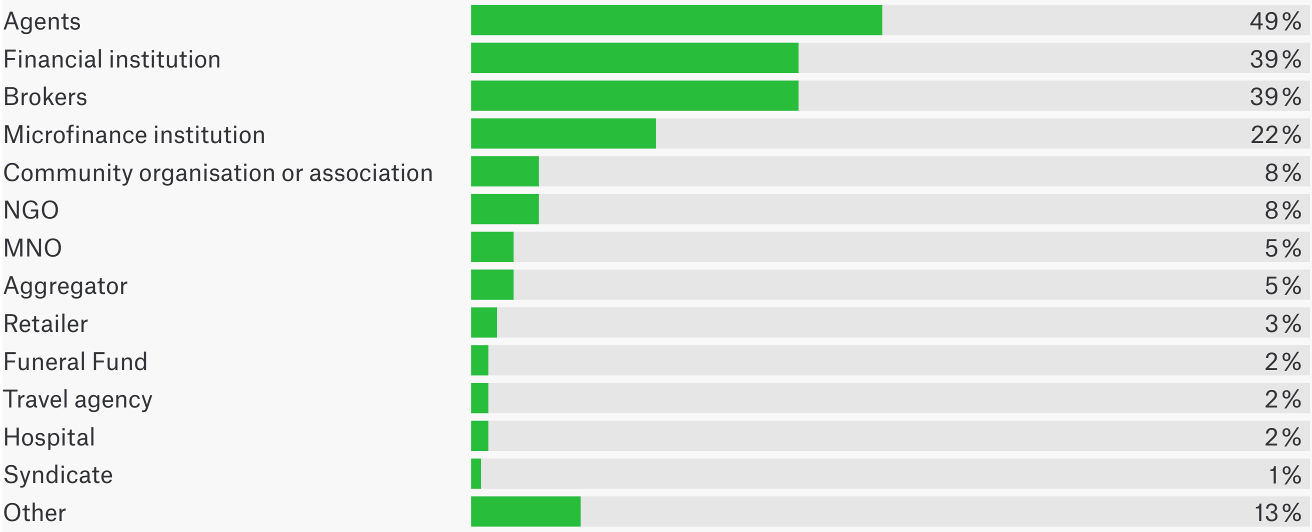
	Africa	Asia	Latin America & the Caribbean	All regions
Number of policies issued	-30 %	-1 %	-7 %	-9 %
Number of people covered	-68 %	-19 %	-19 %	-33 %
Premiums collected	-37 %	-9 %	-43 %	-34 %

— Health products now cover the most people

— COVID-19 impacts coverage, as well as premiums and in-force policies

Source: Robertson, Mark. Presentation: *The Landscape of Microinsurance 2021* International Conference on Inclusive Insurance 2021.

Figure 3
The proportion of products in all three regions which make use of each distribution channel type



Source: Robertson, Mark. Presentation: *The Landscape of Microinsurance 2021* International Conference on Inclusive Insurance 2021.

Low claims ratios

Some 43 % of the products had single-digit claims ratios, and the median claims ratio overall fell from the previous study's figure of 23 % to 15 %. It should be noted that this data includes all products for which data was received and that newer products often have lower claims ratios, as do smaller-scale products. Latin America and the Caribbean remains the region with the lowest claims ratios, highest rejection rates, and the longest claims turnaround time (15 days).

The gender issue

The median percentage of female policyholders was 45 %, down from 50 % in the previous year. (Notably, however, there was no information provided on female policyholders for 47 % of the products, nor on female lives covered for 56 % of the products.)

Changing the mindset

Despite the massive size and potential of the inclusive insurance market and the increase in coverage, less than half of the insurers operating in emerging markets are active in this sector. This may be due to a lack of understanding of the communities and their needs and of how products must be designed. Or insurers may be concerned by the sector's lower premiums and relatively high administrative costs. Or the cause could be the mindset of mainstream insurers. Whatever the reasons that are holding them back, insurers need to move inclusive insurance to the top of their priorities because the usual markets are saturated and growth potential is precisely in the developing markets. They need to engage new and competent partners, and find new ways of entering the market using technology but without losing the human touch.

The challenge of reaching scale

Many advances provide optimism for the future. However, there is still work to do on several fronts. On the demand side, insurers need to understand the market and invest in educating their staff and customers. There is a need for product innovation on the supply side to enable greater efficiency in all the processes. And on the distribution side, the channels need to understand that this is not about earning a commission. It is a straightforward way to expand their service offerings, thereby providing more service and cross-selling.

The regulatory side

The industry has seen significant advances thanks to the work of the IAIS and A2ii. Regulatory sandboxes have been approved, a proportionate approach to risk established, and cooperation among different types of regulators enabled (financial, communications, digital, etc.). So while there may be challenges ahead, there are also many reasons to be optimistic.

The UNDP support

For the private sector as well as development and UN agencies, MiN's landscape study, as the only private and independent source of information on the inclusive market, is invaluable. The United Nations Development Programme (UNDP) announced that it would provide significant support for studies on the microinsurance landscape. Targeting individual and family vulnerabilities, the main pillars of the UNDP work are: governance and market transformation; working with local partners; building the long-term importance of insurance at all levels, sovereign, meso and micro; and integrating risk financing into the SDGs. The UNDP's short-term goal is to incorporate the landscape study at country level.

→ Microinsurance Network
→ The Landscape of Microinsurance
→ Microinsurance Centre at Milliman
→ Axa Emerging Customers

Lessons learnt

- The landscape can become an impact development tool for use by entities like UNDP.
- Using the landscape, insurers could compare their products, portfolios and operating indicators.
- The landscape could set national and regional benchmarks and compare the industry regionally.
- Much is being done to increase outreach, but the pace must pick up if the SDGs are to be achieved.
- The pandemic was a catalyst for innovation in terms of products, communication and distribution.
- The insurance industry must invest in financial literacy.

Katharine Pulvermacher
Executive Director, Microinsurance Network, Luxembourg

Session 2

Turning failure into success

By José Miguel Flores Contró

“Try, and fail, but never fail to try” – learning from failures leads to breakthroughs and successes in enrolments and renewals for microinsurance products. In this session, panellists (from Bangladesh, Rwanda and Sri Lanka) shared lessons learnt from failing during their inclusive insurance journey

Radiant Yacu, Rwanda

Radiant Yacu, Rwanda’s first dedicated microinsurance company, obtained its licence for composite products (life and general) in 2019. Its aim was to improve clients’ lives by providing innovative and customer-centric microinsurance products.

One failure, which it then managed to use as a stepping stone to success, came early on in its development when it introduced its first product. Named *Turikumwe* (which means “We are together” in Kinyarwanda), the product bundles accidental death, permanent disability, funeral expenses and hospital cash covers.

The product pilot, priced at 1,000 Rwandan francs (RWF) or US$ 1 per month, targeted some 70,000 motorcycle riders in the country, with sales and premium collection arranged through a partnership with the drivers’ cooperatives. During the first quarter of 2020, there was a considerable drop in enrolment and premium. Research and discussions with members and officials at cooperatives revealed that the partnership was not working as intended. Cooperatives were not depositing the premiums they were collecting from motorcycle riders into Radiant Yacu’s bank account.

The company embarked on focus group discussions with riders on its own, which led to it deciding that the best way of collecting premiums from its customers was by making use of USSD[2] technology. This allowed clients to pay their premiums directly to the insurance company from their mobile phones.

Turikumwe microinsurance
Radiant Yacu, Rwanda

Number of people insured:
187,790
Insured risks:
Accidental death, permanent disability, funeral expenses and hospital cash
Premium range:
RWF 250–10,000 (US$ 0.25–10.00) per month

Thilanka Kiriporuwa
Chief Corporate Services Officer,
Softlogic Life, Sri Lanka

Moin Ahmed
Additional Managing Director & Company
Secretary, Green Delta Insurance, Bangladesh

Ovia Tuhairwe
CEO, Radiant Yacu, Rwanda

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[2] USSD (Unstructured Supplementary Service Data) is a global system for mobile (GSM) communication technology for exchanging texts between a mobile phone and an application.

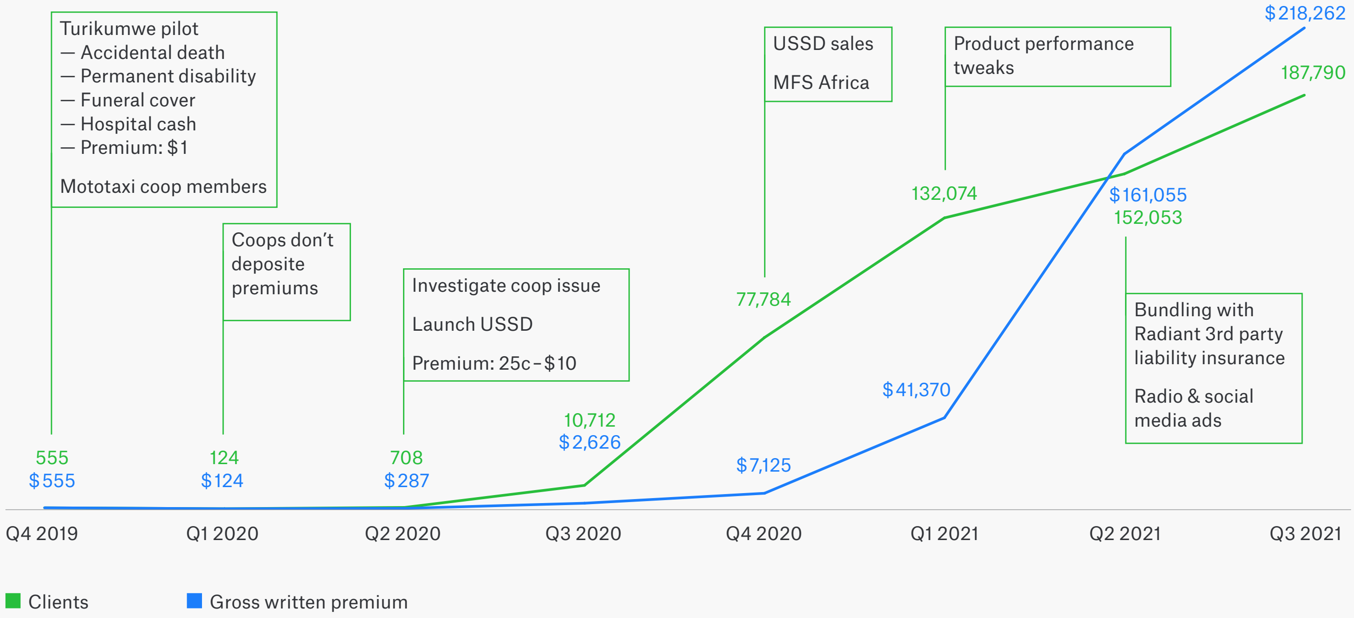
The discussions also helped Radiant Yacu improve the product covers, adjust its premium to a range of RWF 250–10,000 (US$ 0.25–10.00), and market the product to the general public. Furthermore, in a bid to scale up, Radiant Yacu struck a new partnership with MFS Africa, a remittances company with a presence in Kenya, Rwanda, Tanzania, Uganda and Zambia.

The corrective action the company undertook has enabled it to:

- bundle *Turikumwe* with third-party liability;
- use USSD for sales as well, as it advertises on radio and social media (see Figure 4); and
- add credit life, student liability and livestock to its product lines.

Within a year of the company addressing the initial failure, the number of *Turikumwe* policies sold increased from 77,784 to 187,790.

Figure 4
Turikumwe microinsurance



Source: Tuhairwe, Ovia. Presentation *Radiant Yacu* International Conference on Inclusive Insurance 2021.

Green Delta Insurance, Bangladesh

The case of a microinsurer in Bangladesh illustrates that failure, going hand in hand with success, can present an opportunity to test new solutions that can result in improvements and breakthroughs.

Learning from an agricultural insurance product that was on the brink of failure four years ago, Green Delta Insurance (GDI) now has a positive impact on 1,532,539 lives in Bangladesh with its microinsurance offers: health, agriculture, and a specific personal accident insurance product for women, called Nibedita, which covers trauma from harassment, rape or an acid attack, death during childbirth and loss or damage to household goods and personal belongings in disasters.

Green Delta Insurance (GDI)

Number of people insured:
1,532,539
Insured risks:
Health (702,500), agriculture (676,039), women's assets and health (154,000)
Premium range:
BDT 580–5,800 (USD 6.75–67.73) per annum

> "We wanted to introduce an insurance solution that could give women the confidence to move ahead, while also protecting their social and financial independence."
>
> Farzana Chowdhury
> CEO,
> Green Delta Insurance

In 2016, in cooperation with the World Bank's International Finance Corporation (IFC), GDI launched a weather index-based insurance pilot with 215 members. Farmers were approached on a one-to-one basis, but the product failed to reach scale. So GDI initiated a hybrid approach by combining multiple distribution channels to reach the farmers. It also improved the product, which had originally covered weather-resilient crops such as cassava, producing no claims. GDI increased the value for farmers with protection for weather-vulnerable crops like rice too. Another change that made the product more attractive to clients was value-added services like crop advisory and weather forecast messages.

In 2018 the company started working with more partners, such as agriculture input givers, MFIs and donor agencies. Within a year, claims and premiums increased substantially. GDI then added flood cover to index insurance and a year later launched its multi-crop insurance plan, adopting product bundling.

Geric Laude
Head of Non-Life Retail, Pioneer Insurance, The Philippines

Bert Opdebeeck
Founder, Microinsurance Master, Belgium

Softlogic Life, Sri Lanka

Softlogic Life is Sri Lanka's third largest life insurer. Early in 2020, it launched a postal insurance plan leveraging the country's post infrastructure, which includes about 8,000 postal operatives and 4,000 post offices. The product provided, on a month-by-month basis, a US$ 1,000 term life coverage for an average premium of US$ 1 (LKR 200), plus a hospital cash benefit of US$ 5 per day (see Figure 5). The product's main feature was that clients were able to purchase it from a postal operative or post office. With take-up much lower than expected, Softlogic Life decided to add some agents in the four provinces in the second quarter of 2020.

Feedback from the field was that the term life product did not fit the customers' needs. So the company launched a new endowment plan that included an investment element. As well as a defined maturity, it provided a US$ 6,500 life coverage and accidental death, critical illness and optional disability protection for an average premium of US$ 10 (LKR 2,000).

A year later, realising that the motivation, connection and trust of the villagers were much higher at the post office level, the company implemented a reward mechanism for postmasters and postmistresses as sales leads. All these changes to a failing scheme have led to a sharp rise in enrolment and premiums.

→ Green Delta Insurance
→ Microinsurance Master
→ Pioneer Insurance
→ Radiant Yacu
→ Softlogic Life

Lessons learnt

— The first version of a launched product is not final; it usually takes ~3 years for products to reach stability.

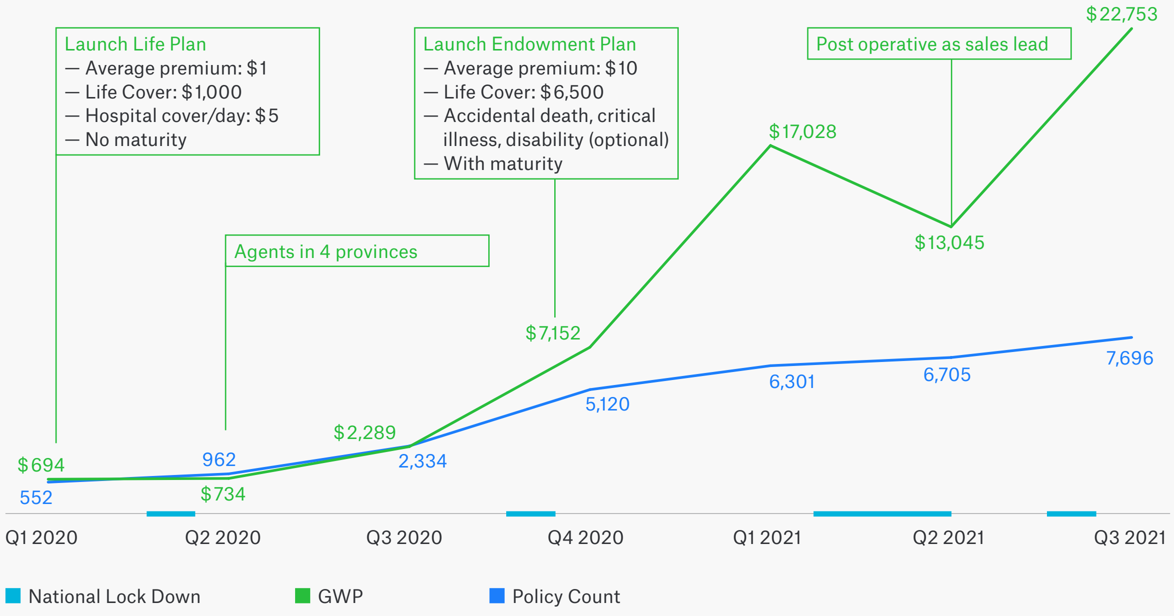
— Aside from benefits and premium, the customer's experience and expectations matter in take-up.

— The sweet spot for pricing is not the cheapest. Find the optimal (affordable) premium for the benefits offered.

— Microinsurers need to get constant feedback from clients and stakeholders.

— Partnerships provide value in reaching scale.

Figure 5
Postal insurance plan



Source: Kiriporuwa, Thilanka. Presentation: *Softlogic Life* International Conference on Inclusive Insurance 2021.

Session 3

Designing programmes for enhancing inclusive insurance footprint

By Venetia Furbert

This session provided an overview of national strategies aimed at developing inclusive insurance markets in Colombia, Uganda and India. The panellists presented regulatory, government and private sector perspectives on the role of public and private stakeholders in developing and deploying inclusive insurance programmes in both nascent and mature markets.

Public-private partnership in Colombia

In 2020, the insurance premiums written in Colombia totalled US$ 8.2 billion. Of this, the microinsurance share was only 2 %. Of some 40 insurers in the market, 19 sold microinsurance, but just three of those accounted for 60 % of the business. The country's insurance penetration stood at 2.8 %, compared to a global average of 6 % (see Figure 6).

Colombia has deployed its financial inclusion strategy, which has been driven by close collaboration between Banca de las Oportunidades (the government arm responsible for promoting financial inclusion) and the Colombian regulator, in partnership with the private sector through the insurance industry association Fasecolda.

This public-private effort has culminated in a four-pillar implementation strategy:

1) Build industry capacities
2) Generate new information for decision-making
3) Introduce new consumer protection measures
4) Incubate innovative projects with funding and technical assistance for the creation of rural-oriented products and new distribution channels.

The key success factor of this cooperation between public and private partners was the advantage of positioning an inclusive insurance agenda within the national policy on financial inclusion. Outcomes included the first survey on the demand for inclusive insurance products. This demonstrated the need for market expansion and provided insights into how consumers prefer to interact with insurance providers. Additionally, stakeholders were able to deliver comprehensive training on inclusive insurance to build market-wide capacities.

Paul Omara
Member of Parliament, Uganda

Cynthia Ayero
Inspection Officer — Non Life, Insurance Regulatory Authority, Uganda

Michael Bryan Newball
Programs Officer, Banca de las Oportunidades, Colombia

Figure 6
Context: Insurance sector and financial inclusion figures in 2020

2.8 %
Insurance penetration in Colombia

USD 8.2 billion
Premiums written

Low and middle socioeconomic level:
76 %
of Colombians

6 %
World average insurance penetration

USD 188
Spending per capita on insurance

USD 3.630
Average per capita insurance expenditure

38.5
Million people

45 %
People with an account in a financial institution

Source: Newball, Michael Bryan and Galán Pérez, Nataly Paola. Presentation: *National Strategy on Insurance Financial Inclusion in Colombia* International Conference on Inclusive Insurance 2021.

Nataly Galán Pérez
Leader of financial inclusion and innovation, Fasecolda, Colombia

Priya Kumar
Business Head — Emerging Markets, Rural & Agriculture, SBI General Insurance Company Ltd, India

Malay Kumar Poddar
Chairman-cum-Managing Director, Agriculture Insurance Co., India

Through collaboration, the partners were able to generate a proximity to demand that had not been previously achieved. It pointed to client-centric approaches. To spread insurance education, for example, it led them to launch a digital contest entitled "Seguro me aseguro" ("I make sure to get insured") aimed at driving financial literacy and reaching specific groups of people in different areas.

Joint efforts also uncovered opportunities to increase inclusive insurance supply by addressing insurers' perceptions of market uncertainties, and promoting product offerings through regulatory innovation. To unlock the demand, the key was dealing with consumers' mistrust of insurance, their lack of understanding of the spoken and written language of insurance, and their lack of awareness of the risks they face.

Pranav Prashad
Senior Technical Officer,
ILO, Switzerland

Lessons from Uganda

Inclusive insurance markets in Uganda face various challenges, such as competing development priorities and a lack of grassroots understanding of the benefits of insurance. However, the government and private sector players have complementary roles and responsibilities to overcome barriers to the growth of inclusive insurance solutions.

Legislation is one mechanism available to facilitate the expansion of inclusive insurance markets. In Uganda, the Insurance Act of 2017 included reduced entry requirements for pure-play micro-insurance carriers. It also provided for an expanded regulatory toolbox to introduce new rules for relationships between mobile network operators and insurers. This encouraged new entrants and innovation in the inclusive insurance market. However, efforts to spur innovation must be coupled with thoughtful regulatory oversight. In the area of consumer protection, the regulatory body in Uganda works with partners to incorporate a "do no harm" principle – with the aim of balancing the push for innovation with a stress on product quality. This work includes developing a tool for the assessment process to certify the quality of new agricultural index products for farmers.

Agricultural insurance in India

National Agricultural Insurance Scheme PMFBY (Pradhan Mantri Fasal Bima Yojana, Prime Minister's Crop Insurance Scheme), India

Number of people insured:
42 million farmers in 2020 Kharif (monsoon) crop season
Insured risks:
All-risk agricultural coverage
Premium range:
Farmers' share of the premium ranges from 1.5 %–5 % of the sum assured, with the rest subsidised by the government

Crop insurance has been available in India for over 50 years. Historically, the government has led efforts through its Agriculture Insurance Company. Private players have been active in the market for some 20 years, but the government continues to play a key role in sustaining the markets through providing grassroots education initiatives for farmers and technical support for insurers.

Demand-side interventions include "Information, Education, and Communication (IEC) activities", such as "Agriculture and crop insurance week" coordinated by the Agriculture and Farmer's Welfare Ministry in 2021. The programme for the week included interactions with 682,000 farmers across 34,000 villages to generate awareness and increase enrolments. On an annual basis, the government, together with the private sector, invests US$ 200,000 toward such IEC activities.

Another initiative is the National Crop Insurance Portal, a unified digital platform which brings together land records and farmer-level information. It has led to efficiencies around farmer enrolment, premium payment and risk analysis. This administrative support is complemented by financial support, with 90 % of the scheme's premiums subsidised by the government.

On the supply side, government interventions are aimed at technically enhancing the scheme's claims management protocols – addressing processes around loss assessment and communicating claims outcomes to farmers.

In the area of loss assessment, government-led pilots are driving private sector innovation through data analytics. The Agriculture Insurance Company and the National Remote Sensing Centre jointly developed a scheme to leverage the agricultural sector's remote sensing capabilities. The aim was to overcome hurdles of the legacy manual loss estimation process, and enhance claims settlement for 6 million farmers. Real-time data insights also facilitate continuous premium rate modification, generating significant premium savings for the government with the knock-on effect of increasing capacity to enrol additional farmers into the scheme.

→ Agriculture Insurance Company of India
→ Banca de las Oportunidades
→ Fasecolda
→ ILO's Impact Insurance Facility
→ Insurance Regulatory Authority
→ SBI General Insurance

Lessons learnt

Recommendations for governments to enhance the inclusive insurance footprint

- Policy and regulatory interventions should have gendered considerations.
- Provide technical support to collect and analyse aggregated data relevant to inclusive insurance on both the supply and demand side.
- Address legal and policy constraints that hinder a vulnerable population's access to insurance products.
- Build stakeholder capacities in the realm of inclusive insurance.
- Encourage market research for product innovation and the development of new distribution channels.
- Employ financial literacy programmes that are more responsive to target communities.
- Establish a good practice coalition among relevant stakeholders.
- Provide thoughtful insurance subsidies.
- Provide tax waivers for mass market providers of inclusive insurance products.
- Provide demand incentives for inclusive insurance products such as premium subsidies wherever possible.
- Assessments need to cover the needs and aspirations of stakeholders at all levels – micro (rural or hitherto excluded individuals and households), meso (implementation organisations and intermediaries) and macro (ministries, central bank, regulator and donors).
- Both demand- and supply-related issues need to be considered in equal measure while defining priorities for government programmes.

Source: Omara, Paul. Presentation: *Designing programmes for enhancing inclusive insurance footprint*
International Conference on Inclusive Insurance 2021.

Session 4

Making insurance work for women

By Pedro Pinheiro

Women's risk awareness and importance in household decisions make them the ideal insurance customers, but over the years they have been underserved by the industry. They are now disproportionately impacted by COVID-19. There is an imbalance in their responsibility for household work and care giving, in their share of work in the informal sector, and the essential help expected of them with planting and harvesting smallholder farms. Often they are the victims of domestic violence triggered by the social isolation measures adopted during the pandemic. This session discussed opportunities in the women's insurance market and reviewed concrete initiatives to improve women's access to insurance globally – including a strong call to action for insurers to begin gender-disaggregating their portfolios.

The business case for targeting women as customers and distributors

There are strong figures making the business case for the women's insurance sector. The 'SheforShield' report[3], published in 2015 by the International Finance Corporation (IFC) in partnership with AXA and Accenture, says that, from a market of nearly US$ 800 billion in 2013, the insurance industry could earn up to US$ 1.7 trillion by 2030 if it targets women, with half of the earnings coming from emerging economies alone. But to target that segment, insurers have to begin disaggregating their portfolios based on gender and analyse the available information to seek opportunities to better serve women customers.

The report presents the results of a survey conducted with various stakeholders across 10 countries that sought to answer the following two questions: *(i) What needs to be done to better target women as decision-makers on insurance purchases; and (ii) How can women be incentivised to become part of the sales force.*

The survey found that women generally have little time to think about protection products regularly. However, there are five to six tipping points during a woman's life at which she makes a significant amount of her insurance-related decisions: marriage, entering the workforce, buying a house/car, having children, divorce/widowhood, and retirement. These are key moments where insurers should step in.

It also found that women tend to have healthier attitudes toward fraud, claims, and loyalty. They perform the role of a trusted source of recommendations among family and groups of friends, as they establish a relational rather than transactional approach to those networks. These are all aspects that make them valuable customers and inexpensive brand ambassadors for insurers.

However, in developing insurance solutions for women, it is important to consider their different needs, depending on their income, location, employment, and status. For women entrepreneurs, for example, who have more difficulty in raising capital than their male counterparts, insurance can not only help them manage the risks of growing their businesses, but also increase their ability to access credit.

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[3] IFC report SheforShield: *Insure Women to Better Protect All*, published in partnership with AXA and Accenture, 2015.

Liza Garay-de Vaubernier
Global Head of ESG Business Development and Outreach, AXA Group, France

Gilles Renouil
Global Head of Insurance Solutions, Women's World Banking, Switzerland

Olajumoke Odunlami
Chief Customer & Marketing Officer, AXA Mansard, Nigeria

Employing women in the sales force can ensure that they have input throughout the insurance value chain. The study affirmed their ability to develop long-term client relationships, thereby improving client retention and possibly influencing the iterative uptake of insurance products by existing clients (see Figure 7).

The survey also found that, in women's opinion, the ideal agent is a knowledgeable adviser who can provide solutions to daily and future protection issues. In choosing their agent, women value clear communication and a personal pre-existing connection or a recommendation from family or close friends.

To build a successful strategy for targeting women as clients and distributors, the report suggests that insurers should: (i) build intelligence on women's insurance needs, especially by collecting and analysing gender-disaggregated data; (ii) develop a targeted value proposition that considers women's specific needs in their lifetime; and (iii) improve distribution and proximity to women customers, especially by engaging more women in their sales force and providing gender-sensitive training to their distributors.

Lessons from the ground: implementing the SheforShield pilots

Following the report launch, SheforShield pilots were kicked off in October 2016 in India (Bharti AXA) and Nigeria (AXA Mansard), with an initial focus on women entrepreneurs. With a strong reliance on research and data analysis, these insurers developed gender-sensitivity training aimed at enhancing insurance agents' skills to become trusted advisors for women customers. They also promoted insurance education activities for women on the importance of insurance as a risk mitigation tool.

For Bharti AXA, gender-disaggregated data proved important in developing a strategy. A closer look at the numbers of women and men customers enabled a detailed review of the product portfolio, more intentional selling to women, and assessment of the impact of the initiatives. AXA Mansard's pilot project increased the share of women clients in the portfolio from 32 % in 2016 to 50 % in 2020. With a year-on-year 65 % average growth in the number of women policyholders, the company registered an increase of 3.4 billion naira (US$ 9.4 million) in gross written premiums for the women's portfolio from 2016 to 2020.

Figure 7

Women as distributors can ensure their input throughout the value chain

Source: IFC report SheforShield: *Insure Women to Better Protect All,* published in partnership with AXA and Accenture, 2015, p.25.

Equal but not the same: the disproportional impact of COVID-19

While there are obvious differences among women as a demographic group, depending on their social and economic condition, geographic location, and other factors, some commonalities have been found in experiences that targeted them as insurance customers. Women, in general, tend to score the priority of the health and well-being of family members higher than their own, but when women entrepreneurs are considered, their health becomes a higher priority since the family subsistence depends on them.

During the pandemic, the predominance of women in sectors that were more critically affected, including the informal sector, had a disproportional impact on their health exposure to the virus as well as to its economic impact. They were also more affected by the conflict between household responsibilities and working from home. Moreover, research from UN Women shows that, since the start of COVID-19, violence against women and girls and domestic violence in particular, have intensified across the world.[4]

→ AXA Emerging Customers
→ AXA Mansard
→ IFC's Women's Insurance Program
→ Microinsurance Network
→ Women's World Banking

Lessons learnt

- Successful insurance schemes targeting women involve: insights from gender-disaggregated data gathering, research and analysis; gender-sensitive training; and sponsorship of like-minded partner organisations.
- Start with a baseline survey of the product portfolio's gender aspects. Before collecting new data, analyse existing data.
- The programmes do not necessarily require new products, but may rely instead on the re-training of sales forces and adjustment of communication towards a more gender-sensitive approach.
- Consider unconscious bias in existing products and processes, as a gender-neutral approach is always going to be biased towards men.
- Switching customer discourse from products to life moments and highlighting insurance solutions for each one has proven to be a successful communication strategy.

Oyinkansola Adewunmi
Lead, Distribution Support,
AXA Mansard, Nigeria

Sarah Ebrahimi
Women's Insurance Program Officer,
IFC, United States

Katharine Pulvermacher
Executive Director, Microinsurance
Network, Luxembourg

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[4] IFC report COVID-19 and the Insurance Industry: Why a Gender-Sensitive Response Matters, published in partnership with the Women's Entrepreneurs Finance Initiative, 2020.

Agenda

Day 2 — 26 October 2021
Climate and pandemic risks

Session 5
Agriculture

Speakers

Matthew Shakhovskoy
Senior Advisor, ISF Advisors, United States

Chenthil Kumar Chellan Leelabai
Monitoring and Evaluation Manager, Post-tsunami Sustainable Livelihoods Programme (PTSLP), Tamil Nadu, India

Eleni Vakaki
Agriculture Index Insurance Specialist, eLEAF, Netherlands

Facilitator

Dirk Reinhard
Vice Chair, Munich Re Foundation, Germany

Session 6
The common stake in index insurance certification: how do quality standards help you?

Speakers

Cynthia Ayero
Inspection Officer — Non Life, Insurance Regulatory Authority, Uganda

Hassan Bashir
Founder of Takaful Insurance of Africa Limited, Kenya

Tom Dienya
Crop Insurance Officer, Area Yield Index Insurance Program, Kenya

Jennifer Cissé
Senior Research Manager, Munich Climate Insurance Initiative, Germany

Facilitator

Tara Chiu
Associate Director, Feed the Future Innovation Lab for Markets, Risk and Resilience, UC Davis, United States

Session 7
Will insurance be more inclusive in a post-pandemic world? Supervisory and policy perspectives

Speakers

Tomás Soley Pérez
Superintendent at Superintendencia General de Seguros, Costa Rica and Chair of the IAIS Financial Inclusion Forum, Costa Rica

Miles Larbey
Head of Financial Consumer Protection, OECD, France

Manuela Zweimueller
Head of Implementation, International Association of Insurance Supervisors, Switzerland

Nilofer Sohail
Head of Channel Strategy and Executive, EFU Life, Pakistan

Facilitator

Pascale Lamb
Advisor, Access to Insurance Initiative, Germany

Session 8
Risk layering approaches to better manage climate and disaster risks in Latin America and the Caribbean (LAC)

Speakers

Lena Schubmann
Programme and Policy Officer, WFP, Guatemala

Isaac Anthony
CEO, CCRIF, Barbados

Mathieu Destrooper
International Delegate, Preparedness, Anticipation and Forecast-based Financing, IFRC, Germany

Kathryn Milliken
Climate Change Policy Advisor for LAC, WFP, Italy

Facilitator

Andrea Camargo
Risk Financing Specialist, WFP, UK

Session 5

Agriculture

By José Miguel Flores Contró

This session gave an overview of agricultural insurance, with a focus on success and failure factors. It discussed the main barriers faced by these insurance products, and took a close look at two cases from India and Uganda.

Agricultural insurance in a post-pandemic era

In September 2018, ISF Advisors (formerly known as ISF or the Initiative for Smallholder Finance)[5] released the report *Protecting growing prosperity*[6], covering the state and future of agriculture insurance for smallholder farmers[7]. Among the study's key findings were that

- 20 % of smallholder farmers had agricultural insurance in 2018;
- ~ 270 million smallholder farmers in developing countries required coverage of US$ 60–80 billion in insured value; the coverage gap was strongly driven by a low demand for and a low supply of agricultural insurance in developing countries; and
- advances in risk modelling techniques and technology breakthroughs had facilitated the emergence of parametric insurance products over the past decade.

The context has changed since the 2018 study. The climate crisis has escalated, with more and more extreme weather events. COVID-19 has further exposed rural communities' vulnerability to shocks, the lack of social protection at scale, and the volatility of global supply chains. These are some of the major changes affecting how agricultural insurance is positioned (see Figure 8), and how the interconnected context is giving rise to new integrated approaches (see Figure 9).

Matthew Shakhovskoy
Senior Advisor, ISF Advisors,
United States

Chenthil Kumar Chellan Leelabai
Monitoring and Evaluation Manager,
Post-tsunami Sustainable Livelihoods
Programme (PTSLP), Tamil Nadu, India

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[5] A USA-based advisory team that combines research strategy advice and financial and investment banking expertise to develop financial solutions for the rural enterprise market.

[6] → Protecting growing prosperity

[7] The ISF defines a smallholder farmer as a farmer with less than 2 hectares (or 4.94 acres) of land.

Figure 8
Industry structure

Value chain players

Reinsurers → Insurers → Intermediaries → Aggregators → Farmers

Actively enabling

- Highly engaged reinsurers taking a long-term view and variety of positions

Largely following

- Largely passive participants investing little, retaining little risk and relying on intermediaries to support distribution

Largely driving

- Highly engaged actors supporting the development and rollout of solutions with emerging business
- End to end insurtechs, Backend solution providers and consultants

Growing demand

- Growing demand for insurance options, particularly from input providers, governments, FSPs, development agencies and aggregators

Highly disengaged

- High need with significant and growing concern about climate-related risks but low awareness, understanding and demand for insurance

Ecosystem enablers

Donors

Initiatives

Actively supporting and shaping investments

- InsuResilience established as the largest scale funder for agri insurance with grant-based funders continuing to support innovation
- Basic program, WB GIIF, MCII, MIN, ILO and others focus on distilling high level learnings and policy advocacy, with others focused on catalysing markets

Regulators

Largely reacting

- Some engaged regulators seeking to develop the agri insurance market through regulation and sometimes as a direct distributor

Data and Tech

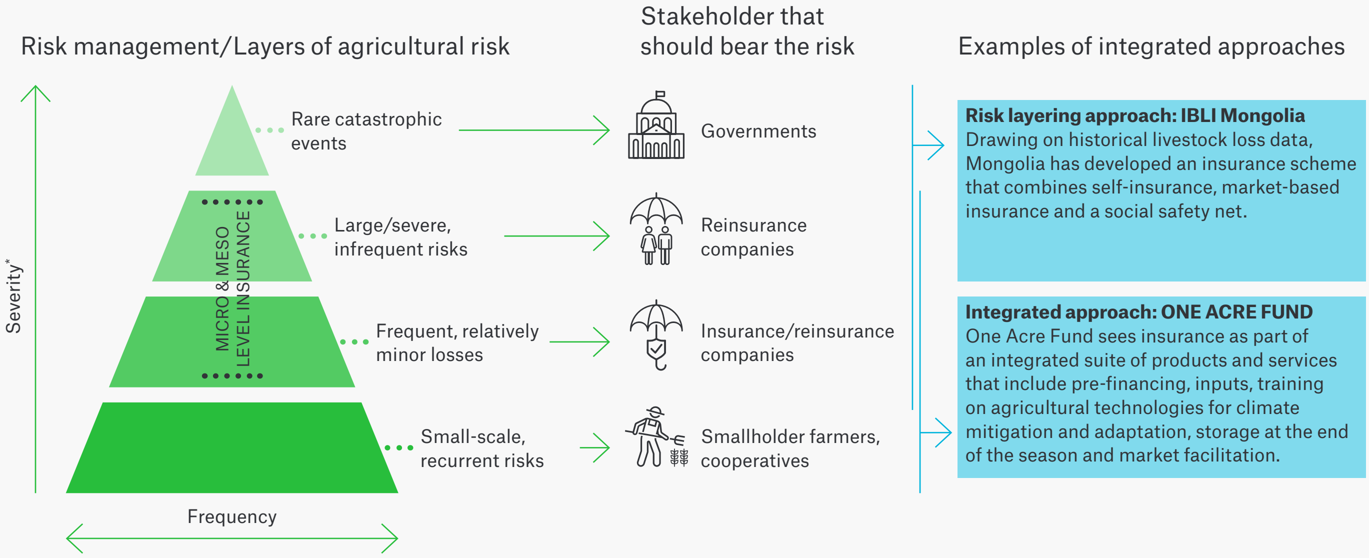
Opportunistically engaging

- Public data sources maturing
- A number of private data companies providing more advanced analytics and data sets

In a traditional insurance market, local insurers (supply) and customers (demand) would be the primary drivers of market activity, but in this market intermediaries are actively driving

Source: Shakhovskoy, Matthew. Presentation: *Agricultural insurance: a global stocktake*
International Conference on Inclusive Insurance 2021.

Figure 9
Emerging integrated approaches



Risk layering approach: IBLI Mongolia
Drawing on historical livestock loss data, Mongolia has developed an insurance scheme that combines self-insurance, market-based insurance and a social safety net.

Integrated approach: ONE ACRE FUND
One Acre Fund sees insurance as part of an integrated suite of products and services that include pre-financing, inputs, training on agricultural technologies for climate mitigation and adaptation, storage at the end of the season and market facilitation.

* NOTE: With climate change, many risks (floods, droughts, typhoons) are becoming more severe and more frequent, compromising the prediction accuracy of historical models and the appetite of insurers to be involved.

Source: Shakhovskoy, Matthew. Presentation: *Agricultural insurance: a global stocktake* International Conference on Inclusive Insurance 2021.

Figure 10
Features of PFARMS fishing asset insurance

— 1 % value of asset is a premium. Very affordable.

— 50 % of premium collected passed on to insurance company for catastrophic loss like cyclone. All claims related to catastrophic events settled by insurance company.

— All claims related to individual losses settled by PFARMS.

— 60 % loss is treated as total loss.

— Boat and engine treated separately.

— Involving community in management of underwriting and claim administration.

Source: Leelabai, Chenthil Kumar Chellan. Presentation: *Design of community managed hybrid insurance programme for small-scale fishers.* PTSLP Fishing Asset Risk Mutual Society (PFARMS) International Conference on Inclusive Insurance 2021.

Fishing asset risk mutual, India

India's southern state of Tamil Nadu, exposed to the Bay of Bengal and the Indian Ocean, is frequently hit by cyclones and tidal waves. The deadliest tsunami in 2004 claimed 8,000 lives in the region and 40,000 boats were damaged. The floods of 2015 claimed another thousand lives, with incalculable damage to fisheries. The Post-Tsunami Sustainable Livelihoods Programme (PTSLP), set up in 2005, found that formal insurers' coverage was priced too high and many claims, if not rejected, were often delayed.

After the 2015 floods, the PTSLP management, after working with the programme's Fishing Asset Risk Mutual Society (PFARMS) and fishers' federations for two years, developed a fishing asset insurance product that protects artisanal marine fishers. They are considered small-scale fishers, as they fish from dinghies, canoes, *kattumarams*[8] and FRP[9] boats. These fishers' assets on water are more valuable than the ones they own on land.

Eleni Vakaki
Agriculture Index Insurance Specialist,
eLEAF, Netherlands

Asset insurance for small-scale fishers: PTSLP Fishing Asset Risk Mutual Society (PFARMS), Tamil Nadu, India

Number of people insured:
32,136
Insured risks:
Loss and damage to fisher's assets, employment of crew.
Premium range:
1 % of assets' value

Since its start in 2017, the plan has insured assets valued at INR 2.3 billion (US$ 31 million) and paid 228 claims of US$ 52,902 (41 for individual losses and 187 that were cyclone-related). Policyholder enrolment ranged from a high of 8,956 for 2019–20 to a low of 2,636 for 2021–22 – the sharp decrease being due to the economic impact of COVID-19.

PFARMS fishing asset insurance is a hybrid product where individual claims are settled by the fishers' mutual (PFARMS) and catastrophic losses covered by an insurance company. The community is involved in underwriting and claims administration (see Figure 10).

Dirk Reinhard
Vice Chair, Munich Re Foundation, Germany

Ugandan Agriculture Insurance Scheme (UAIS)

eLEAF is an organisation based in the Netherlands that is specialised in the use of satellite-based applications and data to optimise crop production and water management. The organisation also acts as an index provider for insurance schemes, identifying appropriate outreach and distribution strategies.

In 2014 eLEAF started assisting a public-private partnership (PPP) between Uganda's Ministry of Finance and Economic Development (MoFED) and an agro consortium of 10 local insurance companies. Supported by the InsuResilience Solutions Fund, Germany, the partnership's aim was to increase farmers' resilience and manage climate risks with subsidised insurance across Uganda. In 2016 the Ugandan Agriculture Insurance Scheme (UAIS) was launched as a five-year pilot. With increasing uptake and the continued success of the scheme, the project has since been extended until 2024.

Ugandan Agriculture Insurance Scheme (UAIS)

Number of people insured:
505,000
Insured risks:
Crop-specific drought and excess rain, animal diseases, fire, flood, hail, etc.
Premium range:
2 % to 5 % of the sum insured, with a government subsidy of 30 % for large-scale farmers, 50 % for smallholders, and 80 % for all farmers in high risk-prone areas

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[8] Tamil word from which "catamaran" is derived, meaning "logs bound together." A kattumaram was originally not a double-hulled craft, but a single-hulled raft made from three to seven tree trunks lashed together.

[9] Fibre-reinforced plastic

UAIS is reaching farmers in every part of the country through a growing network of strong local partners and key distributors: farmer co-ops, agritech and fintech firms, banks, and agri-businesses. UAIS offers multi-peril indemnity coverage too, its major pillar being drought, dry spell and excess rainfall insurance, with a satellite-based index using relative evapotranspiration and precipitation data (see Figure 11).

→ eLEAF
→ ISF Advisors

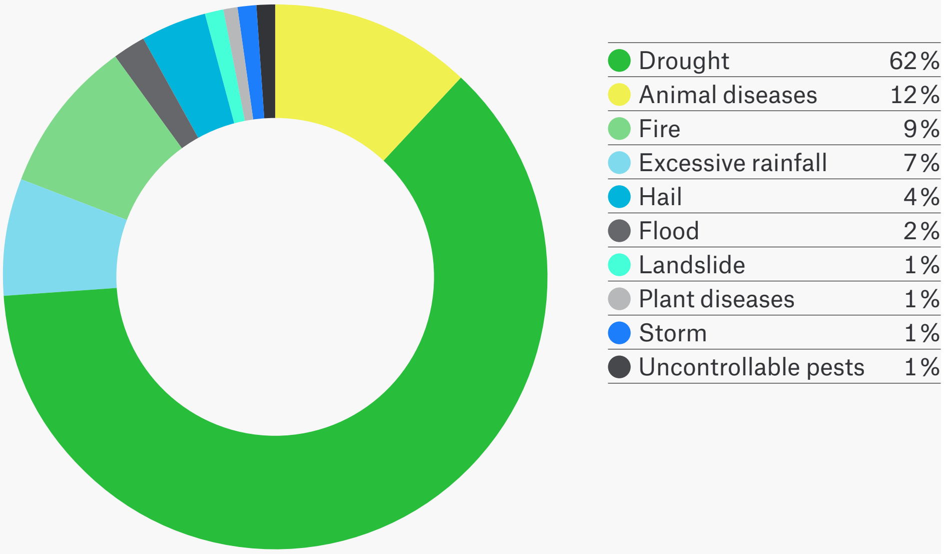
Lessons learnt

- It is important to find appropriate local stakeholders and distribution channels to create sustainable agricultural insurance products.
- Strong community owned institutions in cooperation with insurers can create sustainable mutual insurance models not only for fishers but also for other commodities.
- Government support for insurance development has increased and plays an important role. This can reduce the dependence on grants after catastrophic events.
- Stand-alone insurance does not fully meet farmers' needs. Bundling agriculture insurance with other products, such as financial products, can help to increase uptake.
- Capacity and awareness building is crucial for generating a successful agricultural insurance product.
- Continuous improvement to products is needed in response to farmers' feedback and the reality on the ground.
- New technologies such as drones and the Internet of Things (IoT) are being used to collect more data and develop better agricultural insurance products.

Figure 11
Index Insurance is a major pillar of the UAIS

Drought has been the highest contributor to losses. This has led to the emphasis on promoting the weather/drought index insurance product.

This not only reduces the cost of offering insurance to farmers but also ensures quick and timely compensation without the hassle of field inspections.



Source: Vakaki, Eleni. Presentation: *Scaling up index insurance for smallholders – lessons learnt from Uganda* International Conference on Inclusive Insurance 2021.

Session 6

The common stake in index insurance certification: How do quality standards help you?

By Venetia Furbert

This session brought together representatives from government, insurance regulators, the private sector, and donor agencies to explore the common stake in quality agricultural index products. The panellists explored the features and benefits of the Quality Index Insurance Certification (QUIIC) and how certification can overcome market challenges.

The common stake in quality

Challenges stemming from low levels of financial literacy, mistrust of the insurance industry, and inconsistent product quality have hampered farmers' uptake of agricultural insurance products despite innovations in marketing and distribution. Demand for agricultural index products is also impeded by persistent informational asymmetries between insurers and farmers. These issues can be difficult to overcome through education and experiential learning alone.

When insurance is purchased, the consequences of poorly designed products can compound a farmer's vulnerability. Policy premiums contribute to a farmer's post-loss financial hardship in the case of a false negative. On the other hand, false positives can make a product less affordable due to premium increases to cover unjustified payouts.

Like farmers, insurers also have a stake in ensuring the quality of agricultural index products. Issues of affordability can limit product uptake and thus limit an insurer's profitability. Poorly designed products can lead to reputational damage and harm an insurer's relationship with distributors and other partners.

For insurance supervisors, the responsibility to ensure product quality falls under two pillars of the regulatory mandate. Firstly, the regulator role to ensure consumer protection. Secondly, fostering market development includes a responsibility to limit unfair competition from poor products.

Governments and donor organisations also have a stake in the quality of agricultural insurance products. Donors have an interest in improving the resilience of communities through responsible investment of taxpayer funds. For governments that subsidise insurance premiums for farmers, there is an expectation that farmers and communities are able to realise the intended risk management benefits.

The QUIIC process

The Feed the Future Innovation Lab at UC Davis in partnership with the Regional Center for Mapping of Resources for Development (RCMRD) has developed QUIIC to overcome the challenge of assessing the quality of agricultural index products. QUIIC is being piloted in Ethiopia, Tanzania, Uganda, and Kenya to independently certify whether agricultural index insurance products meet the "no harm" standard.

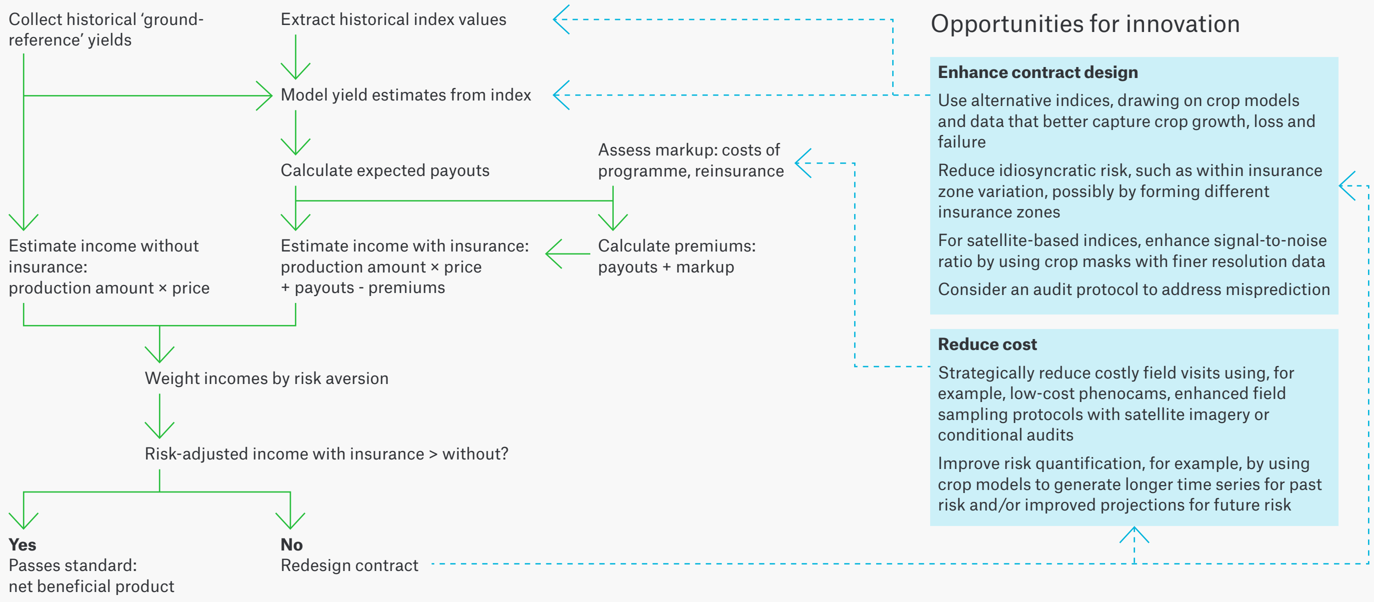
Cynthia Ayero
Inspection Officer — Non Life, Insurance Regulatory Authority, Uganda

Hassan Bashir
Founder of Takaful Insurance of Africa Limited, Kenya

Tom Dienya
Crop Insurance Officer, Area Yield Index Insurance Program, Kenya

Session 6
The common stake in index insurance certification: How do quality standards help you?

Figure 12
The QUIIC process



Enhance contract design

Use alternative indices, drawing on crop models and data that better capture crop growth, loss and failure

Reduce idiosyncratic risk, such as within insurance zone variation, possibly by forming different insurance zones

For satellite-based indices, enhance signal-to-noise ratio by using crop masks with finer resolution data

Consider an audit protocol to address misprediction

Reduce cost

Strategically reduce costly field visits using, for example, low-cost phenocams, enhanced field sampling protocols with satellite imagery or conditional audits

Improve risk quantification, for example, by using crop models to generate longer time series for past risk and/or improved projections for future risk

Source: Chiu, Tara. Presentation: *The common stake in index insurance quality* International Conference on Inclusive Insurance 2021.

Jennifer Cissé
Senior Research Manager, Munich Climate Insurance Initiative, Germany

Tara Chiu
Associate Director, Feed the Future Innovation Lab for Markets, Risk and Resilience, UC Davis, United States

The QUIIC process involves an assessment of the historical index yield, historical yield data, programme costs (including reinsurance), expected premiums and expected payouts. Using these inputs, QUIIC assesses whether farmers will at least be no worse off after purchasing an agricultural index product. The process also identifies opportunities to improve the cost structure and product design.

The QUIIC process does not consider implementation issues such as timeliness or methods of payments, agent training, or whether proof of insurance is provided. The scope of the QUIIC process is detailed on the left in Figure 12.

Benefits

QUIIC provides a systematic approach to quality assessment that can be useful for a wide range of stakeholders. Each stakeholder is free to choose the method of adoption and marketing of certification that best suits its context and aims. The tool is well suited to help farmers overcome their mistrust of insurance products by providing an independent and credible indicator of quality. This is supported by lessons learnt from the introduction of other agricultural inputs such as fertiliser. When farmers were presented with credible and independent evidence of quality, they were more likely to trust and use the product.

In the purchasing process, certification can help farmers overcome the challenge of assessing technically complex contract language. Using QUIIC as a signal of quality, farmers can be empowered to effectively manage agricultural risks through insurance, which can result in increased insurance uptake. In addition, the QUIIC process can provide feedback to help insurers avoid outsize losses associated with poorly designed products and also reduce unfair competition from inferior products.

A certification framework can support consumer protection and market development efforts. QUIIC can supplement a regulator's product review process to ensure that a product meets the "no harm" standard. As an additional layer of oversight, QUIIC can give confidence to regulate new market innovations. Certification can enable donor agencies to establish an international standard for solutions in the disaster risk finance space. As a standard, QUIIC can guide donor investments towards high-quality products that improve food security and protect wider development gains. Similarly, governments who subsidise premiums for agricultural index products can leverage QUIIC to ensure that the benefits of subsidies are captured by farmers, rather than being absorbed by the private sector with low quality products.

Challenges

Challenges to the implementation of QUIIC include the complexity and cost of certification. The complexity of the process could increase the regulator's product approval timelines. However, this downside can be managed by streamlining the integration of certification to ensure the tool does not increase the regulatory burden on innovation.

→ Feed the Future Innovation Lab for Markets, Risk and Resilience
→ Takaful Insurance of Africa Limited
→ Insurance Regulatory Authority
→ Munich Climate Insurance Initiative

Lessons learnt

- Certification with QUIIC can serve the interests of multiple stakeholders in agricultural index insurance to increase the uptake of quality insurance products.
- As more than just a signal of quality for farmers, QUIIC can be used to identify opportunities to reduce costs and improve product design.
- QUIIC indicates that an index product meets a "no harm" standard, but does not consider wider implementation issues.
- Consideration should be given to ensuring that the QUIIC cost structure does not limit a product's affordability or compromise a government's ability to subsidise premiums.

Session 7

Will insurance be more inclusive in a post-pandemic world? Supervisory and policy perspectives

By Pedro Pinheiro

Among the many ways the lockdowns and social distancing measures in the pandemic affected insurers and their staff was the pause it brought in efforts to expand protection to the low-income market. With it came a reminder of the role insurance plays as a risk management tool for those who are most vulnerable and hardest hit. To continue operations during the pandemic, insurers accelerated digitalisation, while realising that the low-income sector was best served through public-private partnerships. This session explored policy priorities to build financial inclusion and resilience, as the pandemic is expected to wind down.

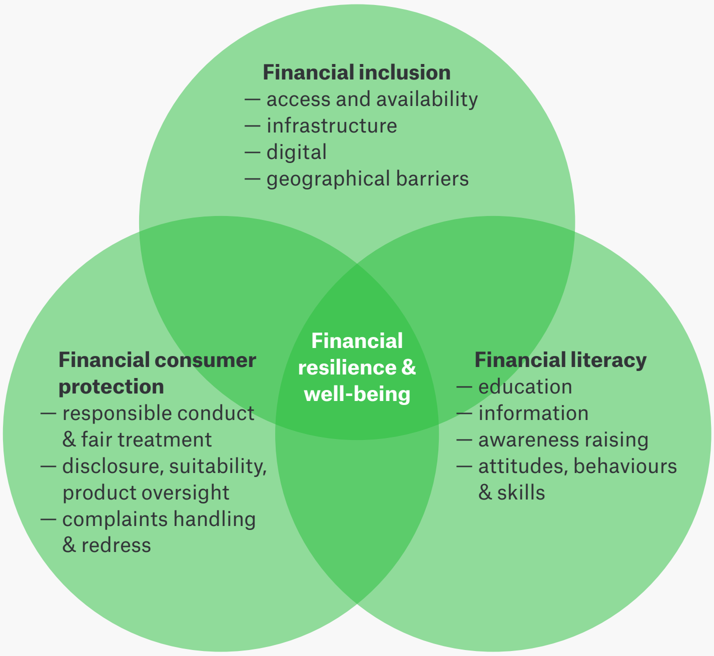
The OECD and G-20 mapping of global strategies

What was the impact of the pandemic on financial consumers and what measures were put in place by governments, regulators, and supervisors? A survey by the OECD Task Force on Financial Consumer Protection and the G-20 Global Partnership on Financial Inclusion elicited 126 individual responses, representing the views of 164 organisations from 81 jurisdictions.

The task force report concluded that inclusion and consumer protection, together with education, are essential ingredients of support for financial resilience and the well-being of individuals, families, and communities. These should complement broader social policies that promote access to opportunities and protection from risk. People then have access to financial products and services, are equipped to use them to their benefit, are treated fairly and are adequately protected from harm when doing so (see Figure 13).

The survey showed that respondents, when ranking the various risks from the pandemic, were most concerned about *reduced financial resilience* for consumers due to a reduction in income, followed by *vulnerability to financial scams and frauds.*

Figure 13
Inter-relationship of financial consumer protection and financial inclusion and financial literacy



Source: Larbey, Miles. Presentation: *Protecting financial consumers and supporting financial inclusion in the context of COVID-19: focus on insurance* International Conference on Inclusive Insurance 2021.

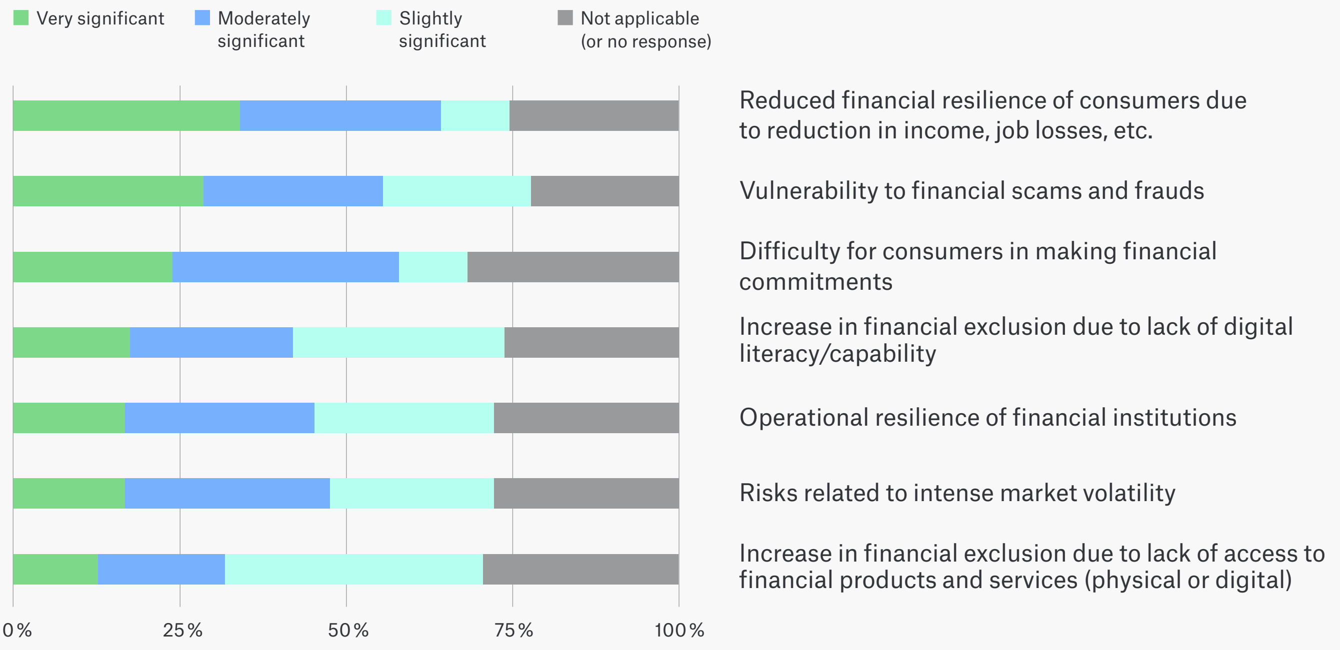
Interestingly, respondents from low- or middle-income jurisdictions were more likely to rate risks as “very significant” across the board. The risk of *reduced financial resilience* was rated highest by this group, whereas respondents from high-income jurisdictions rated *vulnerability to financial scams and frauds* as the most significant risk (see Figure 14).

In insurance, according to data from 55 OECD and non-OECD jurisdictions, gross written premiums fell in 2020, particularly for life insurance. At the same time, claims payments increased for life insurance but declined in the non-life sector. Coverage for business interruption became a particularly pertinent policy question, especially for MSMEs. Insurance companies and their associations warned that the majority of policyholders would not be covered for these types of losses when they occurred as the result of a pandemic. However, insurers in a few jurisdictions provided additional coverage or made voluntary payments to businesses that suffered losses from COVID-19.

On the impact of COVID-19 on insurance, the survey showed that common challenges included lower rates of policy and renewal sales, concerns about information not being conveyed to consumers, and problems related to paying premiums at a distance.

Figure 14

Overall, reduced resilience and scams/frauds ranked as top risks faced by financial consumers

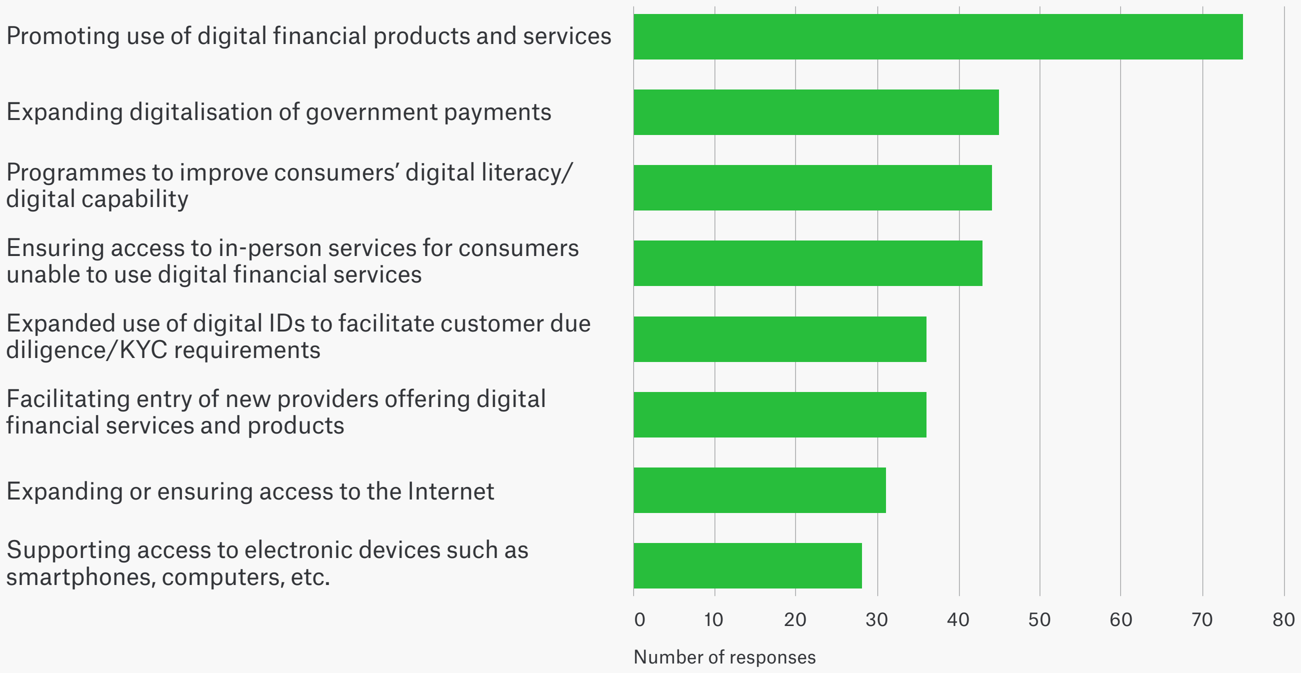


NOTE: N=126, Question text “Please indicate how significant you consider each of the following risks to financial consumers arising from the COVID-19 pandemic in your jurisdiction.”

Source: Larbey, Miles. Presentation: *Protecting financial consumers and supporting financial inclusion in the context of COVID-19: focus on insurance* International Conference on Inclusive Insurance 2021.

Figure 15

More than half of respondents adopted measures to support financial inclusion



Source: Larbey, Miles. Presentation: *Protecting financial consumers and supporting financial inclusion in the context of COVID-19: focus on insurance* International Conference on Inclusive Insurance 2021.

Tomás Soley Pérez
Superintendent at Superintendencia General de Seguros, Costa Rica and Chair of the IAIS Financial Inclusion Forum, Costa Rica

Miles Larbey
Head of Financial Consumer Protection, OECD, France

The survey found that more than half of respondents had introduced policy initiatives or measures to support financial inclusion in response to COVID-19. The most common initiative was promoting the use of digital financial products and services through a range of measures, most notably waiving or capping transaction and transfer fees, increasing limits for contactless payments and digital transfers, and encouraging digital on-boarding, e-signatures, and digital communication with customers (see Figure 15).

The most frequent way that jurisdictions supported consumers of insurance products was through enhanced disclosure and by providing extra information to policyholders, changes which, in most cases, became permanent. Other measures included discounts on or refunds of premiums, deferred premium payments, suspended cancellations of insurance contracts, and automatic renewals.

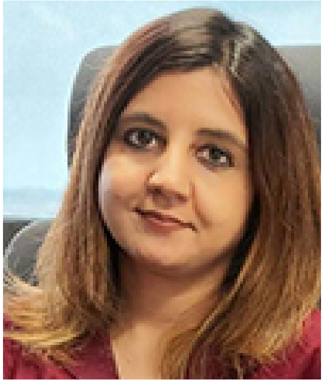
From local to global: regulatory perspective from Costa Rica and the IAIS

For Costa Rica's insurance supervisor, the pandemic stressed the urgency of closing the protection gap, especially in developing countries, where insurance penetration is still low. The crisis has put the digitalisation of insurance services to the test. Insurers raced to update their technology to catch up with the needs imposed during the pandemic. This generated risks and opportunities for financial inclusion that need to be properly addressed by the supervisor.

The pandemic also uncovered the lack of consumer knowledge of insurance, and the need to develop simpler and more understandable products, especially for MSMEs, who battled the pandemic without any kind of protection.

On the global level, the tangible benefits of supervisory cooperation and interchange of best regulatory practices became clearer. Regulators resorted to obtaining help from one another – in meetings like the Financial Inclusion Forum (FIF) of the IAIS – to design strategies to cope with the challenges thrown up by the pandemic. To support this exchange, the IAIS has established a COVID dashboard and collected supervisory practices adopted during the pandemic, with a special focus on developing markets.

Manuela Zweimueller
Head of Implementation, International Association of Insurance Supervisors, Switzerland



Nilofer Sohail
Head of Channel Strategy and Executive, EFU Life, Pakistan

Pascale Lamb
Advisor, Access to Insurance Initiative, Germany

The private sector perspective from Pakistan

In Pakistan, as EFU Life reported, the insurance industry was lagging behind other industries in the area of digitalisation, and had to sprint to catch up during the pandemic. The coverage provided to consumers also proved insufficient in many cases, and in addition to creating new products, it was important to revisit existing ones to embed COVID-19 response elements. To foster financial inclusion, both during and after the pandemic, EFU Life's recipe has four ingredients (see Figure 16).

→ Access to Insurance Initiative
→ EFU Life
→ International Association of Insurance Supervisors
→ OECD

Lessons learnt

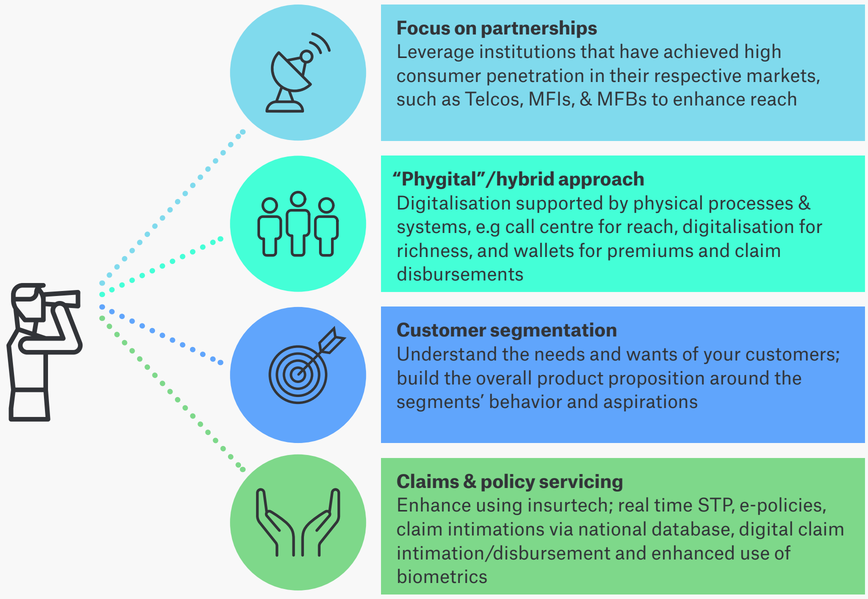
— The pandemic has accelerated digitalisation of the sector, challenging regulators to strike a fine balance between strengthening consumer protection policy measures while retaining sufficient regulatory flexibility to allow for rapid industry innovation.

— While digitalisation can promote insurance penetration, it poses certain risks, such as a surge in online financial scams and fraud, as well as the exclusion of those sections of the population who are not yet digital savvy.

— Even digital natives are not automatically financially literate; it therefore remains critical to leverage the inter-relationship between financial consumer protection, financial inclusion, and financial education.

— After the pandemic, insurers need to harness digitalisation to expand product offerings, strengthen partnerships, and embed inclusion in innovation strategies.

Figure 16
Recipe to foster financial inclusion



Focus on partnerships
Leverage institutions that have achieved high consumer penetration in their respective markets, such as Telcos, MFIs, & MFBs to enhance reach

"Phygital"/hybrid approach
Digitalisation supported by physical processes & systems, e.g call centre for reach, digitalisation for richness, and wallets for premiums and claim disbursements

Customer segmentation
Understand the needs and wants of your customers; build the overall product proposition around the segments' behavior and aspirations

Claims & policy servicing
Enhance using insurtech; real time STP, e-policies, claim intimations via national database, digital claim intimation/disbursement and enhanced use of biometrics

Source: Sohail, Nilofer, Presentation: *EFU Life*
International Conference on Inclusive Insurance 2021.

Session 8

Risk layering approaches to better manage climate and disaster risks in Latin America and the Caribbean (LAC)

By Pedro Pinheiro

This session looked into risk layering and how it complements the risk management and financing strategies of various stakeholders in Latin America and the Caribbean (LAC). Their aim is to protect, directly or indirectly, the most vulnerable populations against extreme weather events and disasters. Three organisations presented different approaches to promote climate resilience in the region: the World Food Programme (WFP), the Caribbean Catastrophe Risk Insurance Facility (CCRIF SPC[10]) and the International Federation of Red Cross and Red Crescent Societies (IFRC).

Impact of climate change and how risk layering helps

Climate disasters wreak havoc on economies. Developing countries are significantly more vulnerable because of weaker building codes, denser cities, less insurance coverage and other factors.[11] Disasters place a heavy fiscal burden on internal resources. Most governments reallocate budgets to finance disaster response and recovery efforts, or depend on help from friendly foreign governments and other donors.

The LAC region is historically a hotbed for natural disasters, especially hurricanes, excess rainfall, and flooding. Damage from climate change could cost the region up to one hundred billion dollars a year over the next 30 years. By 2050, seventy million people in the region could be displaced, and 2.6% of the region's GDP could be lost due to climate events.

Small Island Developing States (SIDS) are particularly vulnerable. Of the 500+ disasters that hit SIDS over the past 70 years, 63% were in the Caribbean. SIDS face annual losses from climate disasters that are equivalent to almost 20% of their total social spending. This compares to a figure of just 1.2% in North America and less than 1% in Europe.

Risk layering in the region could enhance the capacity – of governments, the private sector and even households – to prepare, mitigate and recover from the impact of climate change. A risk layering approach involves combining a wide range of financial tools to address multiple risk layers – from high-frequency/low-severity hazards to low-frequency/high-severity ones – across all population subsets. It aims to mitigate risks as well as integrate risk financing tools such as insurance, catastrophe bonds and derivatives, national and international contingent credit lines, and others.

Lena Schubmann
Programme and Policy Officer, WFP, Guatemala

Isaac Anthony
CEO, CCRIF, Barbados

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[10] Segregated portfolio company

[11] → The World Bank. IBRD Financial Projects

Parametric insurance for sovereign climate risk

Parametric insurance is a key component of any disaster risk management strategy. It helps countries address the most pressing needs immediately following a disaster, and its main advantage is quick payouts with lower associated claims handling costs, compared to traditional insurance policies.

CCRIF SPC, the world's first sovereign risk pool provider of parametric climate insurance for governments, has 23 members. It covers earthquakes, tropical cyclones, and excess rainfall, with additional policies for weather damage to the fisheries and electric utility sectors. CCRIF SPC's greatest proof of concept came in the 2017 Atlantic hurricane season, when it was able to pay over US$ 55 million within 14 days of super storms Irma and Maria. Since it was set up, CCRIF SPC has made 54 payouts totalling US$ 245 million to 16 members, benefiting over 3.5 million persons in the LAC region.

Microinsurance for food security

With natural disasters causing hunger across the globe, climate risk management is now a priority for the WFP.
In Guatemala, the WFP follows a multilayered approach integrating financial education, promotion of savings to offset minor shocks, access to affordable credit, and a microinsurance product for smallholder producers.

Insurance payouts enable households to absorb the effects of failed agricultural seasons – by purchasing food and investing in agricultural or livestock inputs, while avoiding negative coping strategies such as taking children out of school.[12]

WFP microinsurance for smallholder farmers Seguro Productivo PMA-ASRURAL Guatemala

Number of people insured:
1,292
Insured risks:
Climate shocks triggered by drought and excess rain
Premium range:
GTQ (Guatemalan quetzal)
7.81 (US$ 1.00) to GTQ 200.25
(US$ 25.64) per annum

Parametric microinsurance products, together with sovereign insurance products in conjunction with social protection systems at the meso level, are parts of the WFP's risk-layered approach to enhance the shock-responsiveness of local communities. Climate change is a key driver of hunger, WFP believes, and a much-needed solution is inclusive risk financing (see Figure 17) to deliver sustainable and scalable financial services to the most vulnerable and food-insecure people in LAC.

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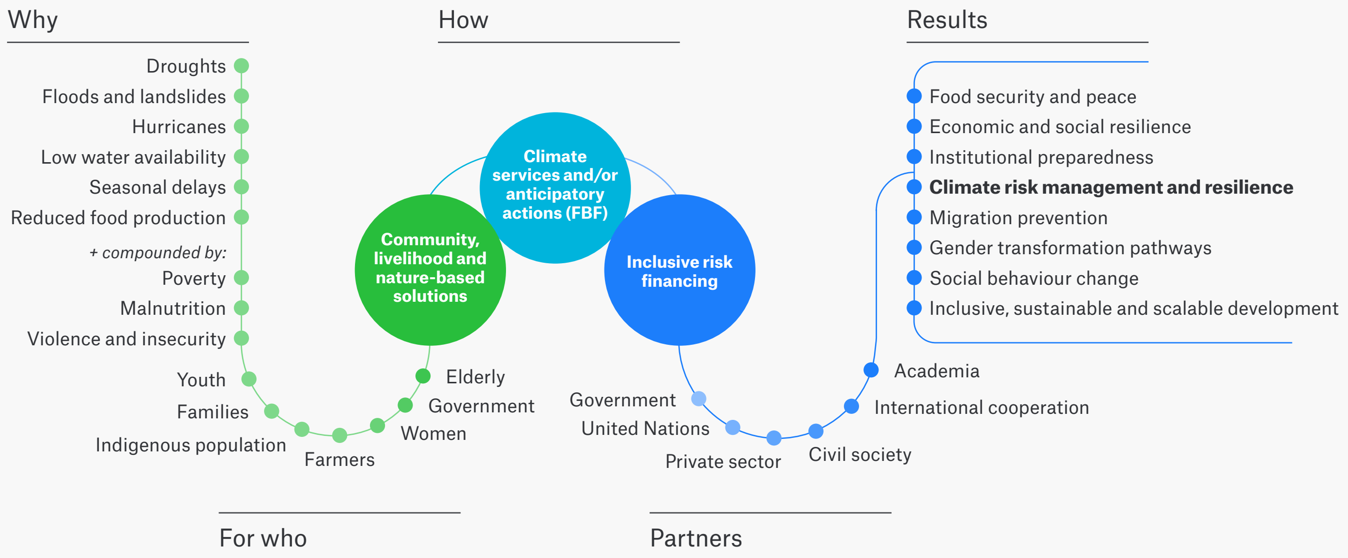
[12] → World Food Programme. Does Climate Insurance Work? Evidence from WFP-supported microinsurance programmes.

[13] → Building Climate Resilience in Latin America and the Caribbean: The World Food Programme's Experience

Figure 17
The WFP approach to climate resilience



Source: *Building Climate Resilience in Latin America and the Caribbean: The World Food Programme's Experience*[13].

Mathieu Destrooper
International Delegate, Preparedness, Anticipation and Forecast-based Financing, IFRC, Germany

Kathryn Milliken
Climate Change Policy Advisor for LAC, WFP, Italy

Andrea Camargo
Risk Financing Specialist, WFP, UK

Forecast-based financing for early humanitarian action

Early action (aka anticipatory or forecast-based action) is a way of leveraging risk financing mechanisms by employing them more efficiently at lower costs ahead of extreme weather events or disasters. Warning communities at risk to be prepared, and reaching impacted communities quickly when a disaster does strike, are the crucial humanitarian missions of the IFRC in relation to climate risk.

To provide humanitarian aid to communities before an event, the IFRC relies on weather forecasts and risk analysis to activate emergency funding for national societies. Using pre-defined forecast thresholds or triggers, the early action is aimed at preventing natural hazards from becoming disasters and reducing human suffering.

The forecast-based action by the Disaster Relief Emergency Fund (DREF[14]) provides aid in two ways. First, as a loan facility for the IFRC and national societies to respond to large-scale disasters, money that will later be reimbursed by donor contributions to an emergency appeal. Second, as a grant facility for national society responses to small- and medium-sized disasters. This is used when an emergency appeal or support from donors is not envisaged.

→ CCRIF
→ IFRC
→ WFP

Lessons learnt

- Risk layering involves macro and meso as well as micro-level strategies. It can be used not only by governments but also by businesses and households.
- Risk layering is multifunctional and multi-purpose. As a parametric pool for governments, it helps their people in the post-disaster recovery stage. By integrating education, credit and insurance, it helps victims of disasters avoid hunger and negative coping mechanisms. And, as an anticipatory measure, it can leverage climate and disaster forecasts to trigger focus-based financing and enhance a humanitarian response to disasters.
- The examples presented may not provide a complete solution for managing climate and disaster risks. A broader risk financing strategy could include other instruments, such as a contingent line of credit from the World Bank and the International Development Bank, catastrophe bonds, etc. Collaboration between the public and private sectors is key to addressing climate and disaster risk, by combining sovereign, regional and local approaches.
- The inclusivity of the strategies should be taken into consideration to attract private sector innovation in addition to sovereign government strategies.

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[14] → The DREF is open to all 192 national societies that submit funding applications and plans of action reflecting locally identified priorities and needs. On average, the DREF supports over 100 responses to small and medium-sized disasters every year.

Agenda

Day 3 — 27 October 2021
The challenge of reaching the client

Session 9
Lessons from successful insurance education programmes

Speakers

Isaac Agyapong
Safety Insurance Brokers, Ghana

Israel Muchena
Director, Hollard Seguros Mozambique

Yegna Priya Bharat
Chief General Manager (Non-Life Department & Communications Department), IRDA, India

Laura Enriquez
Financial Education and Consumer Protection Coordinator, Fasecolda, Colombia

Facilitator

Camyla Fonseca
Knowledge and Capacity Building Coordinator, ILO Social Finance Programme, Switzerland

Session 10
Distribution and technology

Speakers

Kate Rinehart-Smit
Engagement Manager, Cenfri, South Africa

Maximiliano Selva
Partner, Insurtech Estacubierto, Argentina

Ghay Lyne Mapano
Operations Manager, Cebuana Lhuillier Insurance Brokers, The Philippines

Balachandran M K
Head — Rural and Micro Insurance, SBI General Insurance, India

Facilitator

Richard Leftley
Executive Vice President International, Micro Insurance Company, UK

Session 9

Lessons from successful insurance education programmes

By Venetia Furbert

Beyond simply building risk management knowledge within target groups, insurance education programmes aim to empower individuals to adopt insurance as a personal risk management tool. However, many programmes have fallen short of prompting this real-world behavioural shift among participants. In this session, panellists shared insights from implementing innovative approaches to insurance education.

Why does insurance education matter?

Insurance education is defined as systematic efforts to raise awareness of potential risks and the role of insurance as a risk management tool. Insurance education programmes aim to develop the knowledge, capacity and confidence that a consumer needs to proactively manage personal risks with insurance products. Through insurance education, stakeholders can improve risk management decision-making by individuals and businesses, support consumer protection, and ultimately close the protection gap through increased insurance uptake.

Developing insurance programmes

Educational content should be adapted to the needs and understanding of appropriately segmented audiences, and delivered through communication channels preferred by the target population. Challenges associated with the successful deployment of insurance education programmes include high costs, difficulty translating increased awareness into behavioural change, and problems in measuring the impact of education programmes.

In Colombia, digital tools were developed for groups of children, young people, adults and vulnerable populations. By segmenting audiences, stakeholders were able to deliver relevant content tailored to the particular risk profiles and learning style of each discrete group.

Market segmentation was also a key part of the sensitisation activities in Ghana. Giving due consideration to local customs, interventions included outreach tailored for educational and religious institutions. At schools, insurers held trade shows and formed insurance clubs. Outreach also included roadshows, which were the preferred format for engagement with the informal sector.

For mass-scale outreach, Colombian industry association Fasecolda was able to reach 15 million individuals with their educational content via Facebook. Additionally, 1,250 individuals engaged in virtual financial education workshops and 46,200 others used the initiative's website. Aside from the scale achieved by leveraging the communication channels preferred by the target communities, these channels were prioritised for their cost-effectiveness.

Consumer preferences supported the selection of radio as a channel for mass communication campaigns in India and Ghana. In both countries, radio broadcasts allowed for two-way engagement with the public. Through these engagements, stakeholders in both countries also recognised the importance of communicating in local languages. Accordingly, novelty radio jingles were aired in 36 indigenous languages as part of the insurance education campaign in Ghana.

In *India,* information provided by the regulator's Consumer Education Website was supplemented by diverse outreach initiatives including research grants, student competitions, and the establishment of an Insurance Awareness Day.

Measuring the impact

In Ghana, comparative assessments were carried out to gauge shifts in attitude towards insurance, insurance awareness, and product uptake before and after the launch of insurance sensitisation work. In addition, interviews were used to uncover detailed accounts of how educational efforts were received. A Power Business Intelligence Dashboard[15] used in Colombia has proved useful for monitoring engagement metrics to track the reach and impact of each outreach strategy. These metrics are fed back into educational strategy, allowing the most successful information channels to be prioritised.

In India, educational programmes address topics of concern that frequently arise in consumer complaints submitted to the regulator's Integrated Grievance Management System.
To establish a baseline of insurance awareness in India, the Consumer Affairs department of the insurance regulator conducted a Consumer Awareness Survey prior to the launch of its insurance education programmes. With a budget of US$ 200,000, over 30,000 respondents across 29 states/union territories were surveyed over a period of six months. A second survey following the same methodology was conducted five years later to assess the impact of the educational strategies deployed in the intervening years.
A comparison of the pre-launch and post-launch survey results showed how changes in consumer perceptions shifted over the period and gave insight into the impact of the educational activities and market development.

Figure 18 shows how factors influencing a household's decision to buy insurance changed over time.

Interestingly, the surveys showed that rural and urban attitudes towards insurance were closely aligned, justifying the regulator's decision to take a unified approach to insurance education across the country.

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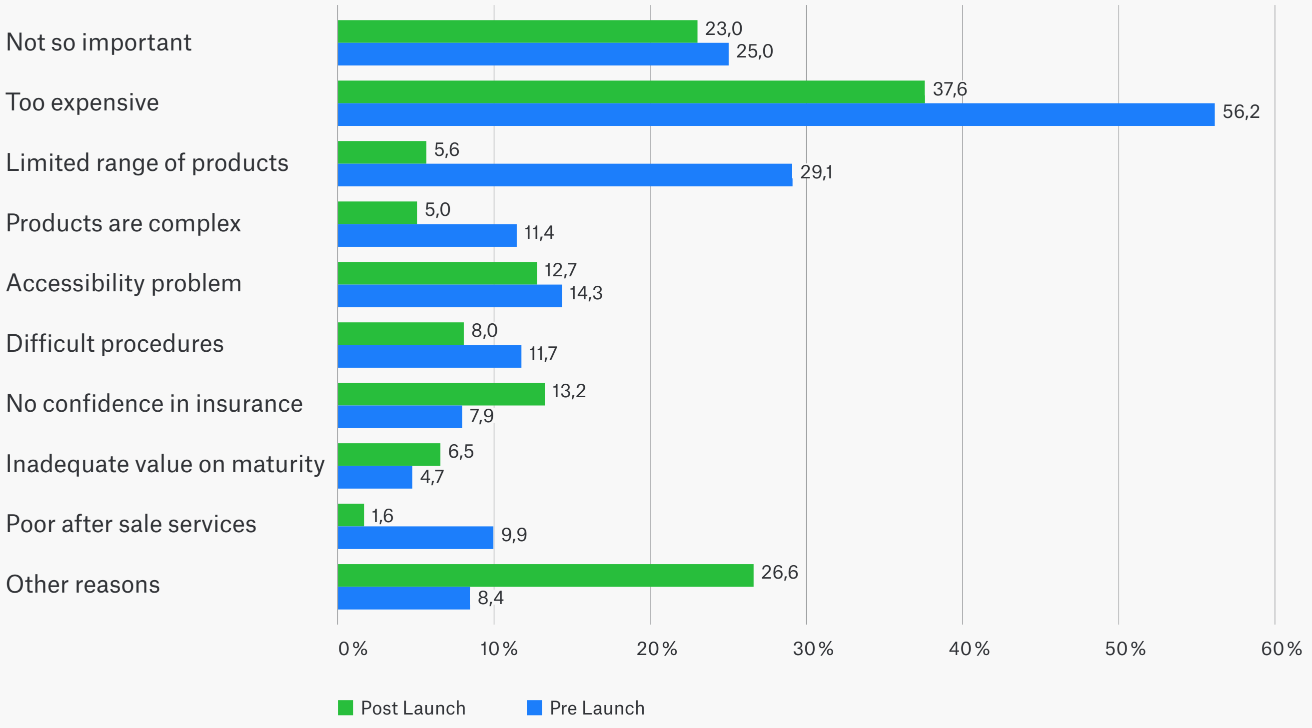
[15] A dashboard is an information management tool that uses data visualisation to track KPIs and other relevant metrics. It simplifies complex data sets, allowing you to view current performance at a glance.

Figure 18
Why households do not insure



Source: Bharath, Yegnapriya. Presentation: *Role of regulatory authorities in insurance education – India's journey* International Conference on Inclusive Insurance 2021.

Using indigenous knowledge systems

In Africa, Bantu languages are spoken by more than 350 million people. Historically, however, insurance education programmes across the continent have adopted official languages such as English, French and Portuguese to deliver content to potential policyholders.

This disconnect between the language of the education programmes and the language commonly spoken by target audiences has hampered outcomes. To overcome this hurdle, Hollard insurance in Mozambique turned to ancient traditions by leveraging local Bantu stories to educate farmers on the benefits of insurance products. One ancient African oral story (ngano) that proved useful for insurance education tells the tale of a drought and how farmers then dealt with it, learning risk management lessons. Hollard used this folklore to explore loss prevention themes and the importance of taking active steps to protect against risks (see Figure 19).

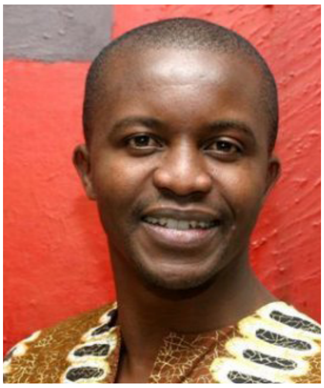
This folklore approach to insurance education proved very successful. It helped increase enrolments in the company's weather index insurance plan from 11,426 for the 2019/2020 fiscal year to 34,873 one year later.

→ Fasecolda
→ Hollard Seguros Mozambique
→ ILO's Social Finance Programme
→ IRDA
→ Safety Insurance Brokers

Lessons learnt

- Collaboration across private and public sector players can generate significant cost savings for joint insurance education initiatives.
- Educational content should be tailored to the specific risk exposures and understanding of segmented audiences.
- Insurance education programmes should adopt the language of target communities and link insurance to their folklore.
- The preferred communication channels of the target audience should be used to disseminate educational content.

Isaac Agyapong
Safety Insurance Brokers, Ghana



Israel Muchena
Director, Hollard Seguros Mozambique

Figure 19
Moral of the story

1. Learn from Past Experiences of Natural Disasters
   But be aware that **“quem não arrisca não petisca”, “Nothing ventured, nothing gained”**
2. Plan for the Future
   “Safety is born of caution”
3. Take Steps to Protect Yourself
   “O seguro morreu de velho”, “It is better to be safe than sorry”
4. Joining Forces is Crucial to Combat the Threat of Natural Disasters
   “A safe friend reveals himself in adversity”
5. The Importance of Monitoring

Source: Muchena, Israel. Presentation:
Give people what they want: inclusive risk awareness education informed by indigenous knowledge resources
International Conference on Inclusive Insurance 2021.

Yegna Priya Bharat
Chief General Manager (Non-Life Department & Communications Department), IRDA, India

Laura Enriquez
Financial Education and Consumer Protection Coordinator, Fasecolda, Colombia

Camyla Fonseca
Knowledge and Capacity Building Coordinator, ILO Social Finance Programme, Switzerland

Session 10

Distribution and Technology

By José Miguel Flores Contró

Finding the correct distribution channel is key to reaching scale in microinsurance products, as is using the right technology. In this session, citing trends in the market, panellists explained why and presented three examples – from Argentina, India and the Philippines.

Distribution and technology in microinsurance

The success of an inclusive insurance plan depends not only on a good product, but also on choosing the right distribution channel. There are cases of good insurance products with the wrong distribution channels failing to reach scale, and of good distribution channels driving the success of unsuitable products.

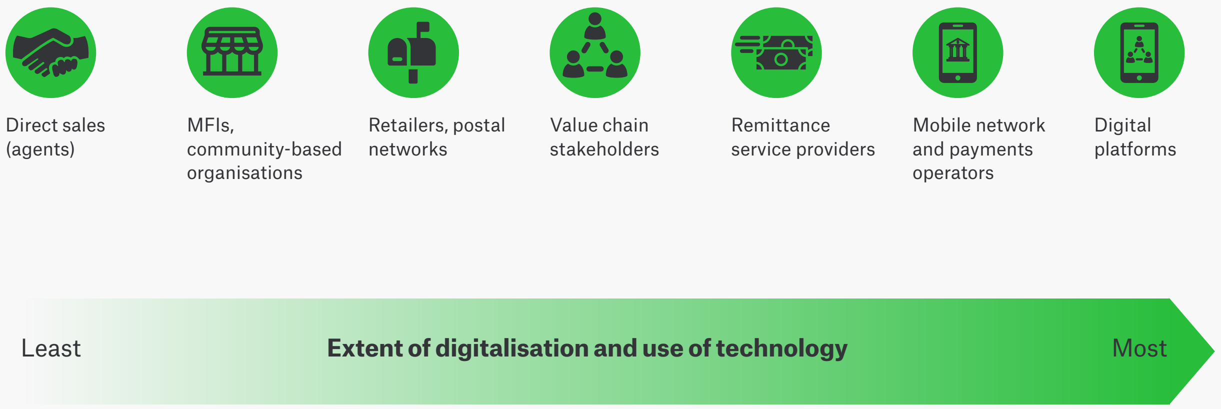
There is a significant protection gap and a huge unmet demand for inclusive insurance. What is needed are more mainstream insurers entering the market and existing players doing more. Cenfri has identified four challenges for the growth of the sector:

1) Limited reach
2) Lack of access to customers
3) Limited knowledge about customers
4) High cost structures

All four involve some aspect of distribution. One way of overcoming these difficulties is to use an appropriate distribution model and to leverage the potential of technology. Many programmes are shifting from traditional channels like direct sales (agents) to more tech-enabled ones. Figure 20 shows various distribution models and the extent of digitalisation involved with each.

The benefits from partnering with tech-enabled distribution channels (see Figure 21) included increased efficiency and economies of scale, the creation of new markets and new products, and improved customer experience, to mention just a few.

Figure 20
Types of inclusive insurance distribution models



Source: Rinehart-Smit, Kate. Presentation: *Technology and distribution in inclusive insurance* International Conference on Inclusive Insurance 2021.

Figure 21
Benefits of partnering with tech-enabled distribution partners

Integrated payments and communication channels

Consumer data

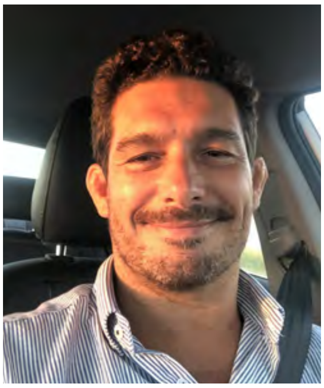
Digital financial services use cases

all leading to...

- Increased collaboration among players and across sectors
- Access to an established customer base
- Increased efficiency and economies of scale
- Creation of new markets and new products
- Improved customer experience

Source: Rinehart-Smit, Kate. Presentation: *Technology and distribution in inclusive insurance*
International Conference on Inclusive Insurance 2021.

Kate Rinehart-Smit
Engagement Manager, Cenfri, South Africa



Maximiliano Selva
Partner, Insurtech Estacubierto, Argentina

Ghay Lyne Mapano
Operations Manager, Cebuana Lhuillier Insurance Brokers, The Philippines

Making health insurance accessible in India

India's regulatory body, the IRDA, has been making insurance straightforward for people by standardising policy benefits. The standard health insurance policy it developed for use by insurers is called Arogya Sanjeevani (Illness-free Cure-all). One company offering the policy, SBI General Insurance, is using WhatsApp to make it easily accessible and affordable. With this innovative distribution mechanism, the company enables customers to issue a policy themselves through a simple WhatsApp chat (see Figure 22).

SBI also uses a direct assisted distribution channel allowing customers to go to physical touch points that are connected to the internet and cover thousands of villages. They include more than 200,000 common service centres (CSCs) set up by the government and some 50,000 business correspondents (BCs) or retail agents engaged by banks to provide services.

There are many advantages from using WhatsApp, which has 340 million users in India. It serves as a user-friendly business platform with an integrated digital payment system. It supports regional languages, facilitating reach and adaptability. And a chat function for policy issuance makes an insurance product available in an instant. SBI says this project is "the first of its kind to use WhatsApp to issue policies".

Simplifying bicycle insurance in Argentina

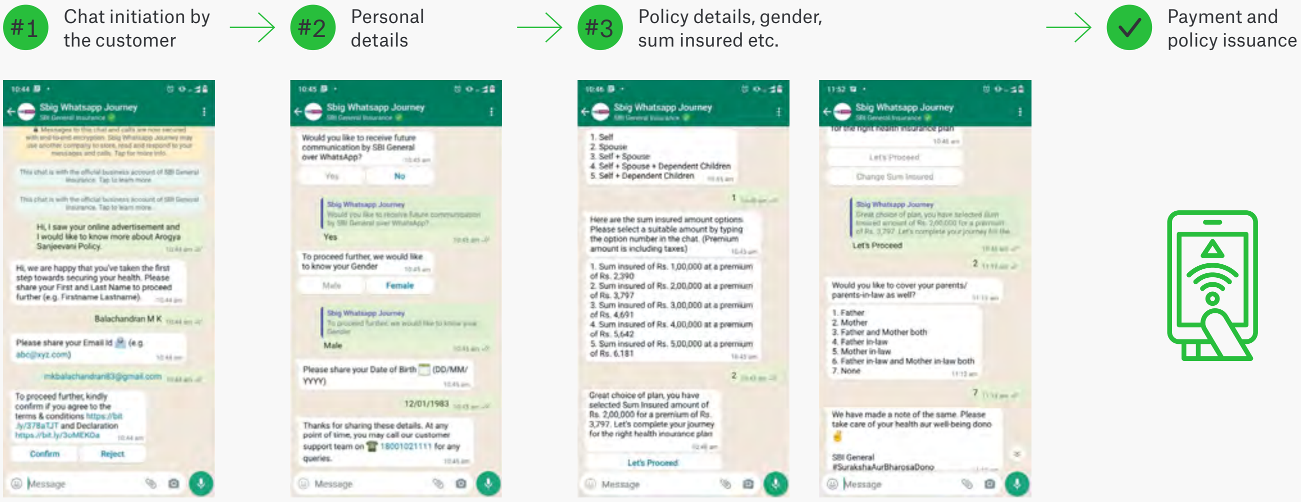
The main goal of estácubierto.com, one of the first insurtechs in Argentina, is to democratise insurance with a focus on those who need it most. The venture's starting point was the macroeconomic context: 43 % of Argentines live in poverty, with 10.5 % most vulnerable, of whom 70 % are women and 57.7 % children respectively. Choosing the logo *Estás bien cuando estás seguro* (You are fine when you are insured), it targeted low-income neighbourhoods and developed a platform with simple, efficient and reliable processes for people to use.

Even though the company requires its customers to have access to a mobile phone, it opted to augment the "tech" approach with a "touch" presence. In partnership with insurer Rio Uruguay Seguros, it has opened five small stores or customer service spaces. These are managed by residents of the community since "having familiar faces attending to their needs" builds trust. Digital interactions grew exponentially after the stores opened. An additional 15 stores are set to open in 2022.

The partners identify their customers' needs by conducting surveys and interviews, and holding focus group discussions. One result of that process was an insurance for bicycles – the means of transport for most of the people in the neighbourhoods. The digital platform, designed for end customers, along with the face-to-face sales force, facilitates buying bicycle insurance and other products with a 24/7 access to the service. Besides helping meet their customers' real needs, the "tech/touch" distribution approach has created jobs in low-income communities and led to alliances with stakeholders in the popular economy like mutuals and cooperatives.

Figure 22

Arogya Sanjeevani Process



#1 Chat initiation by the customer

Sbig Whatsapp Journey
SBI General Insurance

Messages to this chat and calls are now secured with end-to-end encryption. Sbig Whatsapp Journey may use another company to store, read and respond to your messages and calls. Tap for more info.

This chat is with the official business account of SBI General Insurance. Tap to learn more.

This chat is with the official business account of SBI General Insurance. Tap to learn more.

Hi, I saw your online advertisement and I would like to know more about Arogya Sanjeevani Policy.

Hi, we are happy that you've taken the first step towards securing your health. Please share your First and Last Name to proceed further (e.g. Firstname Lastname).

Balachandran M K

Please share your Email Id (e.g abc@xyz.com)

mkbalachandran83@gmail.com

To proceed further, kindly confirm if you agree to the terms & conditions https://bit.ly/378aTJT and Declaration https://bit.ly/3oMEKDa

#2 Personal details

Sbig Whatsapp Journey
SBI General Insurance

Would you like to receive future communication by SBI General over WhatsApp?

> Sbig Whatsapp Journey
> Would you like to receive future communication by SBI General over WhatsApp?

Yes

To proceed further, we would like to know your Gender

> Sbig Whatsapp Journey
> To proceed further, we would like to know your Gender

Male

Please share your Date of Birth (DD/MM/YYYY)

12/01/1983

Thanks for sharing these details. At any point of time, you may call our customer support team on ☎ 18001021111 for any queries.

#3 Policy details, gender, sum insured etc.

Sbig Whatsapp Journey
SBI General Insurance

1. Self
2. Spouse
3. Self + Spouse
4. Self + Spouse + Dependent Children
5. Self + Dependent Children

1

Here are the sum insured amount options. Please select a suitable amount by typing the option number in the chat. (Premium amount is including taxes)

1. Sum insured of Rs. 1,00,000 at a premium of Rs. 2,390
2. Sum insured of Rs. 2,00,000 at a premium of Rs. 3,797
3. Sum insured of Rs. 3,00,000 at a premium of Rs. 4,691
4. Sum insured of Rs. 4,00,000 at a premium of Rs. 5,642
5. Sum insured of Rs. 5,00,000 at a premium of Rs. 6,181

2

Great choice of plan, you have selected Sum Insured amount of Rs. 2,00,000 for a premium of Rs. 3,797. Let's complete your journey for the right health insurance plan

Sbig Whatsapp Journey
SBI General Insurance

for the right health insurance plan

> Sbig Whatsapp Journey
> Great choice of plan, you have selected Sum Insured amount of Rs. 2,00,000 for a premium of Rs. 3,797. Let's complete your journey fill the

Let's Proceed

2

Would you like to cover your parents/parents-in-law as well?

1. Father
2. Mother
3. Father and Mother both
4. Father in-law
5. Mother in-law
6. Father in-law and Mother in-law both
7. None

7

We have made a note of the same. Please take care of your health aur well-being dono ✌

SBI General
#SurakshaAurBharosaDono

Payment and policy issuance

Source: Balachandran M K. Presentation: *Affordable health insurance via WhatsApp chat* International Conference on Inclusive Insurance 2021.

Balachandran M K
Head — Rural and Micro Insurance,
SBI General Insurance, India

Richard Leftley
Executive Vice President International,
Micro Insurance Company, UK

Expanding access through digital platforms in the Philippines

Cebuana Lhuillier, the Philippines' largest micro financial services provider, specialises in pawning and remittances, as well as micro savings and insurance. It started out as a pawnshop, then expanded its financial services offer to include remittances, bill payments and insurance, among other products. It targets the low-income sector, which has traditionally preferred face-to-face transactions. As of November 2021, the organisation had 31 million clients, 11 million insureds and 4.5 million micro-savers – served through 2,500 branches nationwide and 25,000 partner outlets.

Though selling insurance as a secondary product through the branch network has paid off over the past decade, Cebuana Lhuillier wanted to supplement its mature channel with digital distribution. Some 76 % of people in the Philippines already use the internet and 64 % have mobile phones. And they are increasingly choosing digital channels for online shopping, banking and money transfers, along with apps and platforms for booking and other transactions. So Cebuana Lhuillier now has its own digital insurance marketplace (protectnow.com), with an e-money/banking app, and has built a number of tech-enabling partnerships with e-commerce companies, online shopping stores and payment aggregators (see Figure 23). Its guiding principle for going digital is to ensure the ability to make payments in an easy way and the capacity to generate immediate proof of insurance transactions.

→ Cebuana Lhuillier Insurance Brokers
→ Cenfri
→ Insurtech Estacubierto
→ Microinsurance Company
→ SBI General Insurance

Lessons learnt

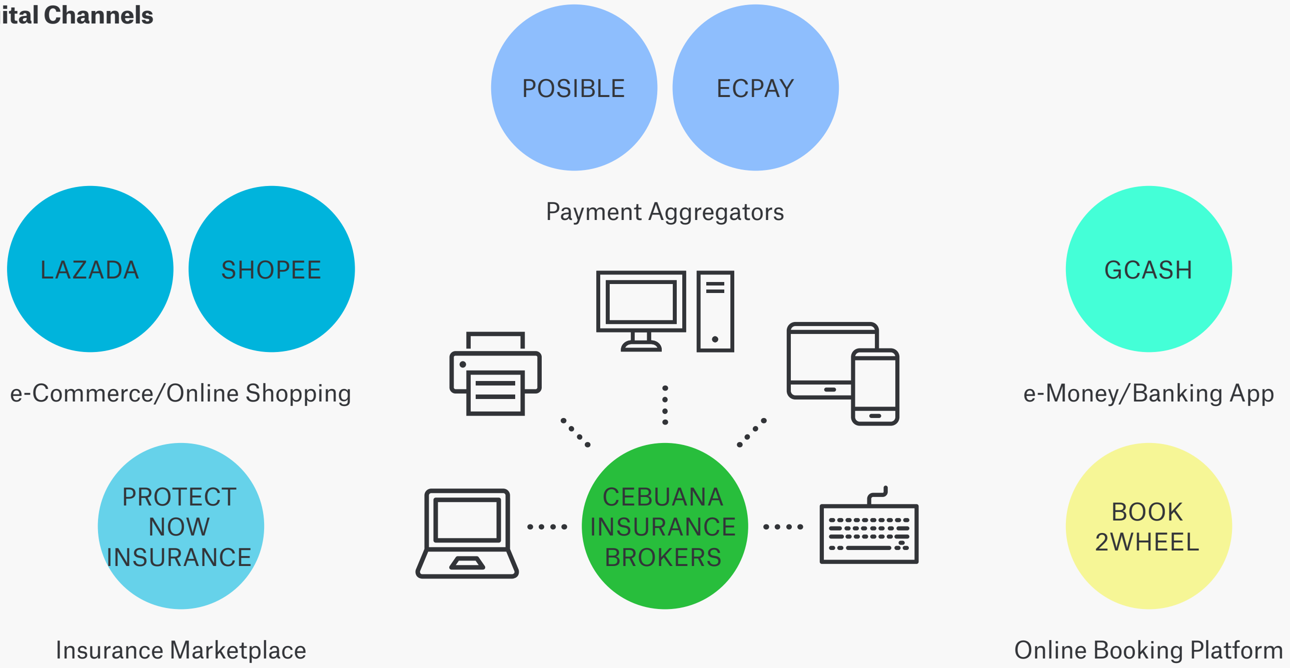
— Diversify business partnerships. Do not put all your insurance eggs in one distribution basket. Find the optimal mix of face-to-face and digital channels.

— Tech-enabled partners increase efficiency and productivity, helping create new products and markets while improving customer experience.

— Partnering with organisations who have not yet reached scale, but have huge potential for doing so, might be a good starting point, since these organisations are more prone to accepting the lowest premium percentages.

— Overcoming the barrier of lack of trust from customers is still one of the most important challenges. It helps to have partner distribution channels that cater to the customers' own market niche.

Figure 23
Digital Channels



Source: Mapano, Ghay Lyne. Presentation: *Expanding access to insurance through digital platforms* International Conference on Inclusive Insurance 2021.

Agenda

Day 3 — 27 October 2021 cont.
Microinsurance — The Jamaican Perspective

Opening

Welcome

Adrian Stokes
President, IAJ, Jamaica

Greeting

Dirk Reinhard
Vice Chair, Munich Re Foundation, Germany

Opening Address

The Hon. Nigel Clarke
Minister, Finance and the Public Service, Jamaica

Session 11
Regulatory Framework for Inclusive Insurance

Speakers

Everton McFarlane
Executive Director, FSC, Jamaica

Leon Anderson
Special Advisor, FSC, Jamaica

Elizabeth Smith
Senior Insurance Analyst, FSC, Jamaica

Rodolfo Wehrhahn
International Microinsurance Consultant, United States

Session 12
Financial Inclusion through GK One Parametric Insurance

Speakers

Steven Whittingham
Chief Operating Officer, GraceKennedy Financial Group, Jamaica

Jordon Tait
Assistant General Manager, GK General Insurance, Jamaica

Peter Whyte
Marketing Manager, National PC Bank, Jamaica

Jason Moses
Financial Inclusion Manager, GraceKennedy Financial Group, Jamaica

Facilitator

Chaluk Richards
General Manager, GK General Insurance, Jamaica

Session 13
Financial Inclusion & Microinsurance — The Credit Union Way

Speakers

Robin Levy
CEO, Jamaica Cooperative Credit Union League, Jamaica

Andre Goindoo
Managing Director/CEO, CUNA Caribbean Insurance, Jamaica

Session 14
Digitalisation, Financial Inclusion & Microinsurance — Closing

Speakers

Christabelle Brown
Operations Liaison (WiPay) and General Manager of WiShops, Jamaica

Melanie Williams
Project Coordinator — National Financial Inclusion Strategy, Bank of Jamaica, Jamaica

Kayon Walker-Heslop
Manager Direct Marketing Programme — Employee Benefits, Jamaica

Opening Address

The Hon. Nigel Clarke — Minister, Finance and the Public Service, Jamaica[16]

The Hon. Nigel Clarke
Minister, Finance and the Public Service, Jamaica

Good morning everyone!

It's a pleasure to be here with you this morning at the International Conference for Inclusive Insurance and it is a particular pleasure to be here in person, even though I know a number of the participants are online. This is only my second presentation in person in the last 18 months and it feels good actually to be in a ballroom with other members of Jamaican society.

The good news is that, notwithstanding the challenges we have had with vaccine hesitancy and other challenges with vaccine supply, economic recovery in Jamaica is on the way. And it is on the way in an unmistakable fashion.

You are all in the financial sector and I believe you would have been pleased to see that Standard and Poor's (S&P), the leading international credit rating agency, has upgraded the outlook for Jamaica. Even though we are still in the midst of the pandemic, and still with a low vaccination rate, S&P upgraded our outlook from negative to stable. And today Jamaica has a credit rating, even in the middle of the pandemic, that is effectively unchanged from our pre-pandemic credit rating. That says a lot. You will all have heard by now that the economic expansion in the first quarter came in way above what anybody would have forecasted, thought or expected. And it came in at just over 14 %, which of course does not compensate for all the lost output, but substantially advances the likelihood of that happening. And with 14 % growth in the first quarter, Jamaica is among the leaders in the Caribbean region as far as the strength, pace and momentum of our economic recovery are concerned. But the best part of Jamaica's economic recovery story, which is just getting going, and there is no need to be over-effusive in our celebrations just yet, the best part of that story is that the jobs are returning. The STATIN (Statistical Institute of Jamaica) labour market survey that came out last week showed that there were 93,400 more Jamaicans in a job in July 2021 compared to July 2020. That is a big deal.

We lost approximately one hundred thousand jobs over four years in the global financial crisis and it took ten years to get those jobs back. We lost approximately 150,000 jobs in the pandemic over four months in 2020 – and in twelve months we have gotten just under one hundred thousand of those back, which is surely a sign that the economic recovery is gathering pace. It is here, and that V-shape economic recovery which has been elusive in the past is likely to be our experience this time around, and while we are not there yet, there is reason for cautious optimism as we go forward.

But the reason why I start with this in the context of today's conference is that the best part of the economic recovery that we are seeing so far is that it is inclusive. So it is not economic recovery that is simply showing up in the GDP numbers. And for those who don't want to believe the GDP numbers, all you have to look at are the government revenue numbers and you will see them. The huge increase in government revenues year over year. But it is not just showing up in those variables. The recovery is showing up where it matters most and that is with people having an income in their pockets once again in exchange for the work that they put in. And it is this concept of inclusiveness that we want to continue to emphasise, and that we want to characterise our economic recovery, not just in the short term but across the medium term. We want an inclusive economic recovery and as a result of that, we will be prioritising policies that make for a more inclusive economy.

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[16] We have transcribed the speech by the Minister of Finance from the recording of the session as best we could.

You would have seen earlier this year that we announced that the pilot for a digital currency is on the way right now in 2021. A central bank digital currency will be a reality in Jamaica next year. Now, central bank digital currency offers the opportunity to bring large numbers of the unbanked and those outside of financial services under the umbrella of financial services. It will make financial services more accessible and more inclusive. Earlier you would have seen that we passed the legislation on the Microcredit Act, where we dramatically improved the requirements, the regulations, and the oversight of the microcredit industry in order to fulfil certain AML CFT[17] requirements, but also to upgrade the level of service that persons who access the microcredit sector receive. This is making the availability of credit in Jamaica more accessible and more inclusive, and we propose to do the same thing with insurance. Under this government, we will be pursuing a broadening of the base of the Jamaican economy. A deepening of the inclusiveness of the economy by making insurance accessible to all Jamaicans through a microinsurance policy framework.

We tend to think that it is only when you get to a certain level of income and formality that insurance is a product that you want or desire. At the end of the day, what is insurance? Insurance just allows you to provide for known and unknown risks. And so if those risks materialise, there are financial resources that flow at just the right time. Well, that need is not one that is based on your level of income, nor is it one that is based on your level of formality. All Jamaicans could do with some amount of insurance. Whether it be on their property and the casualty side, or on the life side or with other forms of insurance. But the way in which the legislative framework has been developed thus far does not allow, or easily allow, for microinsurance products to be developed and marketed and sold. And so we are going to do something about that. And this pandemic provides an opportunity for us to double down on our focus on inclusiveness and to ensure that the economic recovery that is on the way, and that is on the way with great momentum, is one that is inclusive and meets everyone at their point of need.

So, in a poor country with a per capita GDP of US$ 5,500, the vast majority of Jamaicans are outside of the formal financial sector where formal insurance is available, and for them to be included, for their needs to be accounted for, we are going to have to create the legislative framework, which forms part of the broader national financial inclusion strategy of the Government of Jamaica. This strategy includes making insurance coverage available to informal commercial importers, to small enterprises and small firms, and to persons at the lower end of the income scale. It will be necessary for the risks to be pooled so that the insurance product can be affordable, but the Insurance Act today doesn't allow, or doesn't easily allow, for the pooling of risks because of the requirement that one has to have an equitable interest in what is being insured. And I am just using layman's language to indicate that we are going to have to take a surgical knife to the Insurance Act and put in place the provisions that will allow for microinsurance products to be developed and for microinsurance products to be sold in a wholesome way to the segment I identified earlier. The Micro Insurance Act, which is being drafted as we speak, will obviously define microinsurance, and define a microinsurance product. We will deal with the registration of microinsurance managers to ensure that you have to be registered to provide a microinsurance service. It will also deal with fit and proper requirements for those engaged in providing microinsurance services. It will require that microinsurance products have certain minimum terms and minimum contract requirements.

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[17] Anti-Money Laundering/Combating the Financing of Terrorism

Very importantly, it will require that microinsurance products are, well it will define the term of microinsurance products, and the term will be a maximum of one year, though obviously it can be renewed. So you can't lock somebody in, you know, indefinitely paying premium. They will have the opportunity to renew on an annual basis and that is key. This will be a key development to service this market properly, where you know incomes are low and there are a lot of demands on income. But, in my view, what is most important for the microinsurance industry to thrive in Jamaica, and not just for the tens of thousands, but the hundreds of thousands of persons who fall outside of the financial services window, is for those persons to be brought in. The microinsurance product has to serve them and serve their needs. The legislation will therefore require that microinsurance claims are resolved and paid out within five days, so that the experience of the insured is such that the microinsurance industry is seen as one that adds value. Now it has taken a substantial amount of work to make these amendments and the Ministry of Finance and the Public Service has been working with the Chief Parliamentary Counsel, or the office of the Chief Parliamentary Counsel, and with the Attorney General's Chambers to bring this legislation to life. And I am proud to be able to say at your conference, the International Conference on Inclusive Insurance, that long before the end of this fiscal year, we will table the microinsurance amendments or the microinsurance bill in the House of Parliament.

Now while it is not customary to speak about what the Parliament will do, because the Parliament is obviously independent and independent of the Ministry of Finance, I can talk about it in terms of expectation. It is therefore my expectation that microinsurance will be a reality in Jamaica in the next fiscal year. The government is serious about economic recovery, but more importantly, the government is serious about inclusive economic recovery. And therefore we are taking deliberate, conscious, premeditated steps to enhance the policy environment and the legislative framework to bring hundreds of thousands of the unbanked, of the uninsured, into the formal financial services space, where they too can have access to bank accounts, to insurance products and to financial services in general. This is part of a comprehensive framework and you can join the dots and see that we are not taking a scattershot approach to the business. This is deliberately thought out and it is a suite of initiatives: digital money, microcredit, microinsurance, changes that we would have brought to the Houses of Parliament and made a reality within a very short period of time. Now it is going to be up to you members of the insurance sector to ensure that a seamless quality service is delivered to the target population. Having the law and the legislation policy is one thing, but operationalising it, having it, you know, in the private sector, is another thing altogether. You are going to have to make sure that people are comfortable about coming into your offices. Your locations are going to have to be such that they are accessible. And being able to interact digitally is going to have to be a requirement. I am responding to the challenges with an upgrade to the legislative and the policy environment. I want to issue a challenge to you to ensure this happens, and I have given you ample notice that we are going to table legislation in this fiscal year, long before the end of the fiscal year. And I anticipate that it will pass in the next fiscal year. And the fiscal year begins on 1 April 2022. By the time it is passed, it is important that you are ready, and that your customer service, your call centres, your locations and your offices are such that members of the low-income community, informal commercial importers, small and micro enterprises all feel comfortable accessing your service and feel confident in purchasing your product. The government will do its part and if you do your part, I am confident that not only will we have a vibrant V-shaped recovery, but we will also have an inclusive broad-based economic recovery.

Thank you, Ladies and Gentlemen.

Microinsurance — The Jamaican Perspective

By Maria Victoria Sáenz

The banking and insurance sector in Jamaica contributes to almost 10% of the GDP, but the country still has a large unbanked population that is the potential market for microinsurance. Since 2015, an Inclusive Insurance Committee has overseen the development of microinsurance. The committee was set up by the Financial Services Commission (FSC), the entity in charge of insurance regulation and supervision, to develop a thorough and cohesive regulatory framework for microinsurance. The following summarises the discussions around inclusive insurance in Jamaica in the four hybrid sessions that took place in Kingston during the ICII 2021. The main event had to be held online because of the pandemic and is scheduled to return to Jamaica in 2022.

The opening ceremony of the four sessions held in Jamaica set the stage for some fascinating debates around the meaning of inclusive economic growth, the regulatory challenges, and descriptions of some innovative schemes and novel ideas for increasing outreach in Jamaica and the Caribbean. Dr Adrian Stokes, President of the Insurance Association of Jamaica (IAJ), analysed these topics, followed by a welcome greeting from Dirk Reinhard, Vice Chair of the Munich Re Foundation, and the keynote address by the Honourable Dr Nigel Clarke, Minister of Finance and Public Service.

Setting the scene

It is common knowledge that the death of a breadwinner, the loss of assets and the increased frequency of natural disasters, especially in the Caribbean, have a significant impact on everyone, regardless of their level of income. People with a higher level of income recover faster, with the help of the financial systems, friends, and family. People with lower incomes are not so lucky. In Jamaica, a sizeable portion of the population lives in poverty, which is why microinsurance is highly relevant. Neither the level of income nor the level of formality determines the need for insurance. As the Government of Jamaica is preparing some important tools to boost financial inclusion and table the Microinsurance Regulations (framed within the National Financial Inclusion Strategy) in the Houses of Parliament, the Insurance Association of Jamaica and its members are getting ready for the challenge these regulations will bring by building innovative solutions based on the traditional informal risk-pooling alternatives of fraternal societies and churches, and playing their critical role in sustainable development. It is important to highlight that many of the new and proposed regulations have a private sector request as a background, such as the amendments to ease the KYC/AML/CFT[18] requirements and enable the use of technology to expedite the sale, purchase and payment of microinsurance.

The Caribbean region

The Caribbean region comprises several islands. Most countries in the region rely on fisheries, arts and crafts, and above all, tourism. The Caribbean is also known for the devastating effects of the hurricane season each year, which spans from 1 June to 30 November. In some cases, there can be 24 or more named storms, or an average of 2 named storms per month, many of which become major hurricanes, leading to landslides and flooding. And there is more: earthquakes are also common disasters, along with drought and bushfires. During the hurricane season, many industries and people are directly affected.

One example is the tourism industry. The resorts and their supply chains are impacted, which in many cases comprise low-income people supplying different services or goods. Each year the disasters cause an immense amount in damages.

Figure 24
Microinsurance in the Caribbean

Source: Smith, Elizabeth. Presentation: *Microinsurance in the Caribbean* International Conference on Inclusive Insurance 2021.

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[18] Know Your Customer/Anti-Money Laundering/Countering of Financial Terrorism

The islands have established specific mitigation protocols. These include awareness campaigns in social media, radio and TV recommending basic actions like stocking up on products, water, and medicine; instructing people on how to improve the construction of their dwellings and general infrastructure, take care of their animals, protect their (fishing) boats, etc.

The road to regulation

In terms of regulation, Jamaica is a leading country in the region. In 2009, prompted by the experience in Brazil, the Financial Services Commission (FSC) became interested in microinsurance. With the help of the IADB and A2ii, the FSC began the journey towards regulation. After a thorough diagnostic process, and following consultation with all stakeholders (cooperatives, insurance entities, utility companies, telecommunications service providers and potential customers), the FSC created the Inclusive Insurance Committee (IIC) to oversee development of inclusive insurance and the microinsurance framework in Jamaica. As stated by the Minister of Finance in the keynote address, regulations and guidelines are ready to be approved during the next fiscal year.

Everton McFarlane
Executive Director, FSC, Jamaica

The rationale for embarking on this journey is twofold: the inability of the FSC to supervise distinct risks that cannot be easily analysed through the eyes of the Insurance Act; and the need to protect the almost 2 million persons identified by A2ii as a potential market.

Given that microinsurance is not a special system or class of insurance, but simply insurance dedicated to the more vulnerable segment of society, the FSC decided that there was no need for a “Microinsurance Act” and that amendments to the umbrella of the Insurance Act would do. The main provisions of the proposed legislation are summarised in Figure 25.

After the expected approval (in or around April 2022), steps to implement the regulations will include: the completion of guidelines, internal regulatory and supervisory training, uninterrupted financial education at all levels of society, and continued collaboration with all stakeholders.

Figure 25
Microinsurance legislation

Some of the Provisions

Application is open to current insurers as well as new entrants.

Distribution through a microinsurance institution that will not need to be registered.

Bundled products will be allowed.

Composite insurance products – only for microinsurance policies.

Annual premium should not exceed the amount equivalent to five weeks’ wages pursuant to the current National Minimum Wage Act.

Source: Anderson, Leon. Presentation: *The path to developing a microinsurance framework in Jamaica* International Conference on Inclusive Insurance 2021

Microinsurance and financial inclusion

As mentioned before, the microinsurance framework and regulation form part of the National Financial Inclusion Strategy (NFIS) launched in 2017. Some of the challenges the national strategy addresses are: a strong reliance on cash, very low use of financial products, a rural population (around half the country’s population) with limited access to finance and a very low level of trust in any financial institution. One of the pillars of the NFIS is financial resilience, a critical project component of which is the development of the legal and regulatory framework for microinsurance, to encourage expanded microinsurance products for underserved segments of the population.

A good example is GraceKennedy’s network of financial “shops” and partnerships for parametric agri insurance. The GraceKennedy Group is a global consumer group with two lines of business: food (manufacturing, distribution and retail) and financial services. The financial services are money services (remittances, bill payment and foreign exchange), banking, investment and insurance. In 1981, GK entered the insurance business to insure vehicles and homes. Despite not having the name microinsurance, the products were tailor-made for their customers, who are, for the main part, underserved populations. In 1990, in response to the needs of the growing diaspora and the increasing participation of remittances in the GDP generation (16 to 17 %), the company started offering remittance services.

In its 99 years of operation through the work of its not-for-profit activities, the company has developed a good knowledge of its clients and their needs. With more than 300 outlets between its points of sales, partners, pharmacies, and supermarkets, GK is today the leading organisation offering financial services to the unbanked and underbanked population, and the most significant remittance space in the English Caribbean, being the exclusive partner of Western Union in Jamaica. At GK, staff considered that, even before the term “financial inclusion” was coined worldwide, that was exactly what GK was doing. According to testimonials from clients, this network is built on the trust of their customers.

The GK One is a one-stop shop for financial services. At this one venue, customers can pay their bills with Bill Express, make foreign transactions using Fx Trader Cambio, receive and send remittances directly to and from their bank accounts, pay for and buy insurance, and use their Bill Express accounts to pay and receive loans (up to a maximum equivalent of US$ 1,283) from GK Proxim. In other words, the GK Group has been facilitating financial inclusion by cross-selling products that are oriented to underserved low- to medium-income populations. GK One also has a digital platform designed to make the financial experience a cost-effective experience by lowering its transaction costs and making it very easy to use and access.

Insurance is the largest generator of revenues in the financial services line of business. In deciding to penetrate the inclusive insurance market, GK benefited from its financial footprint, partnerships and customer databases from both lines of business, and last but not least, from Hollard’s experience in Africa.

In 2014, GK partnered with the Munich Climate Insurance Initiative and its partners within the Climate Risk Adaptation and Insurance in the Caribbean to launch an LPP (Livelihood Protection Policy) in Jamaica and St Lucia. The National People's Co-operative Bank of Jamaica (National PC Bank) sells the policies, and GK Insurance underwrites them.

The majority of the National PC Bank members are farmers. An affordable, parametric policy covering high winds and excess rainfall is therefore a welcome risk management solution to protect their livelihoods. The LPP protects farmers and vulnerable populations like tourism workers, market vendors, fisherfolk, construction workers, and MSMEs. It provides quick cash-outs that allow its customers to get back on their feet. The experience gained with this LPP made it possible for GK Insurance to partner with the Ministry of Agriculture and Fisheries to re-brand the product as GK Weather Protect. This new product added drought to the main risks of excess rainfall and high winds (see Box 1 on the next page).

GK Insurance is making the product more accessible, less expensive, and available through digital means. To achieve this, GK has acquired several insurance companies from the region, for example Scotia Life Insurance. GK has a pipeline of innovative solutions ready to launch as soon as the microinsurance framework is approved.

Some challenges remain: trying to have a deeper digital imprint with the advantage of high mobile penetration is not easy, since remote areas do not have a good internet service or the appropriate technology. GK maintains physical locations and has implemented a mobile unit equipped with all the digital services. This goes out to the communities and assists the local population with basic financial education and helps people sign up.

The Sagicor experience in digitalisation

Sagicor has a long history as a market leader, specifically in life insurance. It has tried to adapt its products to meet the Jamaican population's needs in terms of coverage and affordability, and attempted to include as many uninsured and underinsured persons as possible. To this end, Sagicor began looking for market opportunities beyond the employer groups and direct marketing.

Leon Anderson
Special Advisor, FSC, Jamaica

Elizabeth Smith
Senior Insurance Analyst, FSC, Jamaica

Box 1
GK Weather Protect

Rain	**Region**	**Total Season 1**	**Total Season 2**
If **extreme rain** falls for a 3-day period or there is sustained rainfall over a 12-day period, the policy pays for the damage incurred.	center	5.7%	5.7%
	north	5.7%	5.7%
	northeast	5.7%	5.7%
	southeast	5.7%	5.7%
	southwest	5.7%	5.7%
	west	5.7%	5.7%

Hurricane winds	**Region**	**Total Season 1**	**Total Season 2**
Wind: Payouts will be made for defined assets within 25 miles of hurricane winds	center	4.1%	4.1%
	north	4.1%	4.1%
	northeast	4.1%	4.1%
	southeast	4.1%	4.1%
	southwest	4.1%	4.1%
	west	4.1%	4.1%

Drought	
Drought: When rain does not fall and the home region has been experiencing drought for 2 weeks, the policy makes a payout	Pricing and structure for Drought available upon request.

Source: https://www.gkweatherprotect.com/

Box 2
Rate sheet: health products

Product	Hospital Care 1	Comprehensive Care 3
	Member only	
Quarterly	US$ 27.00	US$ 84.00
Annually	US$ 108.45	US$ 336.00
	Member and Spouse	
Quarterly	US$ 54.00	US$ 235.00
Annually	US$ 217.00	US$ 940.00
	Member and Family	
Quarterly	US$ 76.00	US$ 235.00
Annually	US$ 304.00	US$ 940.00

Source: Sáenz, Maria Victoria, from https://www.sagicor.com/en-jm/personal-solution/insurance/agri-care%20plan, with a conversion rate of 1 US$ equal to 155.24 Jamaican dollars.

The process it followed is a well-known path: engaging with customers, educating them, creating access points to facilitate enrolment and payment of premiums, developing partnerships and finding reliable distribution agents.

In partnership with the Ministry of Agriculture and Fisheries, the Rural Agriculture Development Authority (RADA), the National Fisheries Authority (NFA) and Paymaster, the first multi-payment agency in Jamaica with over 180 physical locations, Sagicor developed the AGRI-CARE Plan for Farmers and Fisherfolk.

This plan provides hospital care, primary healthcare, comprehensive healthcare, life insurance, critical illness, and accidental death and dismemberment (AD&D). Customers can buy separate coverages or buy multiple plans based on their needs. The premium varies depending on the extent of the coverage and the number of dependants the policyholder has. The coverage and specifics of each part of the plan can be found on Sagicor's website. A summary of the different plans and prices is given in Box 2.

Sagicor's process of enrolment and management, in general, is fully digitalised. People can enrol digitally through the RADA, the NFA agencies, and digitally through the Sagicor portal. This portal can be used to enrol, make payments, renew plans, and file claims. However, the company maintains person-to-person contact with its customers, as 85 % of them prefer manual enrolment. In this sense, Sagicor has been educating its customer base on digital access and expects that all engagement will become digital in the short term.

The potential market is 220,000 farmers. To reach significant participation, Sagicor knows that the main challenge is the lack of financial education.

Last but not least, Sagicor offers health insurance for children through a programme called School Companion Health Plan, which is available to students up to a maximum of 21 years of age who are enrolled at an educational institution. It also has different levels of coverage to fit all pockets. The lowest coverage has a premium equivalent to US$ 44 per year, while the most comprehensive coverage costs US$ 84 per year. The enrolment performed by the parents on behalf of their children is entirely online.

Distribution via credit unions

As in almost all of the Caribbean, the credit union (CU) sector is the main venue to access financial services for the traditionally underserved members of Jamaican society. There are 25 CUs which are members of the Jamaica Cooperative Credit Union League (JCCUL), with more than one million individual members, 57 % of whom are women. Over 50 % of Jamaica's working-age population are members of CUs, and the average age of the members is 50. With more than 100 branches across the country, their depth and capillarity make them interesting distribution channels.

The JCCUL helps the CUs obtain technology, adapt to the times, and go digital. It also assists the sector's marketing efforts and financial literacy programmes. JCCUL has developed a reality series with young people as actors, making the learning process fun. In this way, the youngsters learn (and appreciate) how to become financially responsible adults: how to save, pay bills, obtain loans, make a budget and live within it. This effort includes outreach through online access, real-time and engaging messages.

The credit union movement in Jamaica is supported by CUNA Caribbean Insurance Jamaica, whose ultimate parent company is a mutual insurance company that is part of the CUNA Mutual Group based in the USA. It is the insurance provider par excellence for CUs and their members. The CUs offer some products, such as loan protection, free of charge to their members.

Of the six main categories of products offered by CUNA to the credit unions and hence to their members, the product with the widest acceptance is the Family Indemnity Plan (see Box 3).

Rodolfo Wehrhahn
International Microinsurance Consultant,
United States

Steven Whittingham
Chief Operating Officer,
GraceKennedy Financial Group,
Jamaica

Box 3
Family Indemnity Plan

Coverage
Amount: Up to US$ 6,434 (J$ 1,000,000) in one lump payment on death

Policyholders
Main covered person plus 5 eligible family members

Premiums
Determined by coverage amount. People must enrol before they are 76 years old. Premium remains the same for the lifetime of the plan.

Special conditions
a. People can select coverage
b. No medical exam required

Coverage for children up to age 26 whilst enrolled at an educational institute; for life if child is disabled

Source: Sáenz, Maria Victoria, from http://cunacaribbean.com/jamaica-the-family-critical-illness-plan/

Digital payments: the example of WiPay

WiPay was created in 2016. It allows the banked and unbanked people of the region to use a sophisticated payments platform simply and easily. The platform is compatible with world payment systems and can even work without a smartphone.

The company also allows governments to go digital. Examples of this include an entire city in Trinidad and Tobago that has gone cashless; in Grenada, WiPay set up the basis for payment of conditional cash transfers. In Guyana, it helped digitalise the Guyana Civil Aviation Authority. It has allowed farmers' markets, fairs, supermarkets and many other businesses to pay and receive payments cashlessly. It has even created a digital payment platform, Caribshopper, for the diaspora to access regional goods.

WiPay believes that the microinsurance industry can take advantage of this technology in several ways. Some services could be used to distribute insurance and to receive premium payments. The EPOS (electronic point of sale) is a system by which the business (for example, an insurer) can accept contactless payments at its point of sale by allowing the customers to scan the QR code and pay with the payment options they have stored on their mobile device. Another option is the WiPay Me, an app with which the client can pay the premium using a personalised payment link from the microinsurance business utilising the client's favourite social media.

A key factor to enable microinsurance: financial literacy

For the private sector to kick-start a real microinsurance revolution in Jamaica, it will be necessary to implement financial education programmes. Any financial literacy programmes on microinsurance products should be consistent with the National Financial Literacy Action Plan developed under the National Financial Inclusion Strategy (NFIS).

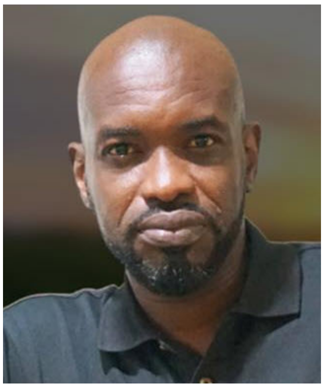
The National Financial Literacy Action Plan includes training for teachers, women, microentrepreneurs, and financial regulators in the development and dissemination of financial literacy content.

The Bank of Jamaica (BoJ), in collaboration with other regulators, such as the FSC, has developed its financial literacy content, which targets the financially excluded and the financially underserved. Through financial education, the target market gets to know and understand the products, consumers are empowered and know their rights, and this minimises the risk of them acquiring unsuitable products.

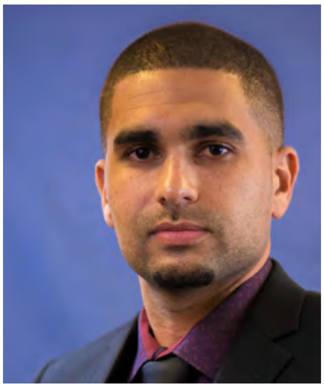
The NFIS contemplates financial literacy activities that are targeted to specific demographic groups, particularly the youth. These activities are coordinated by the Consumer Protection and Financial Capability working group led by the FSC. The financial literacy initiatives from the BoJ are meant to focus on financial services offered by its regulated entities (banking, payments, money services) in order to educate the public. These initiatives utilise all traditional and digital channels and employ simple language (patois and English) to explain financial concepts.

As such, the National Financial Literacy programme is embedded into the NFIS with the specific goals:

Jordon Tait
Assistant General Manager,
GK General Insurance, Jamaica



Peter Whyte
Marketing Manager, National PC Bank,
Jamaica



Jason Moses
Financial Inclusion Manager,
GraceKennedy Financial Group, Jamaica

Figure 26
Goals of the National Financial Literacy Action Plan

- Behavioural change among youth and parents
- Life-cycle planning
- Understanding financial concepts
- Targeted messages using new communication channels
- Motivators of change
- Empowerment of youth as economic citizens
- "What's in it for me?" – The perspective of the consumer

Source: Williams, Melanie. *Bank of Jamaica: Promoting Financial Literacy, Building an Inclusive Economy* International Conference on Inclusive Insurance 2021.

> "Insurance is like a parachute: if it doesn't work the first time, it is worthless."
>
> Robin Levy, JCCUL

Furthermore, the Bank of Jamaica is conducting a National Financial Literacy Survey of Youth, which will inform the design of financial literacy content by regulators and the Ministry of Education, Youth and Information. Through this survey, the Bank of Jamaica is conducting market research targeting the youth population, primarily because of their role as change-makers in society, measuring their financial knowledge, and assessing their behaviour with money, and use of financial services, including insurance. The results, plus the lessons learnt from other ongoing financial education programmes, will form the basis for developing a curriculum on financial education in high schools that is relevant to Jamaica, and presented in simple language (patois and English). The financial literacy programme's action plan includes training for teachers, women, microentrepreneurs, and financial institutions.

→ Ministry of Finance and the Public Service
→ IAJ
→ FSC
→ GK General Insurance
→ GraceKennedy Financial Group
→ National PC Bank
→ CUNA Caribbean
→ Jamaica Cooperative Credit Union League
→ WiPay

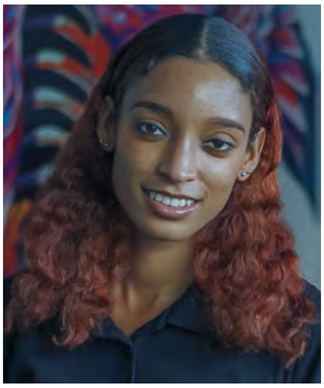
Robin Levy
CEO, Jamaica Cooperative Credit Union League, Jamaica

Chaluk Richards
General Manager, GK General Insurance, Jamaica

Andre Goindoo
Managing Director/CEO, CUNA Caribbean Insurance, Jamaica

Main takeaways from the Jamaican Perspective

- A regulatory process takes a long time to get it right, and should be based on a consultative process with all stakeholders.
- Regulations should include technical requirements for microinsurance agents and distributors to demonstrate that the product was designed for the target market.
- From the perspective of the regulator, financial literacy is a win-win-win strategy. It enables the financial consumer to better understand the role of the regulator, understand and navigate the products being offered, which therefore means that take-up ratios can improve. Also, with the help of financial education, consumers will be able to upscale their risk management tools through insurance.
- From the perspective of the private sector players and stakeholders, implementing a comprehensive financial literacy strategy is key to empowering customers and increasing take-up.
- From the perspective of both regulators and the private sector, youth are the change-maker bracket of the population. The principles of becoming an entrepreneur and managing risks can be made part of youth education early in life, and they are critical to digital forwarding capacities.
- The main roadblocks in defining a framework and the regulation are the regulators, the distributors and the lack of financial education. The regulators because they have a very thorough process for approving products; the distributors because they don't know how these new products could undermine their normal operations; and the lack of financial literacy because it generates a lack of trust. This is a barrier that must be overcome by all the stakeholders and by investing heavily in education programmes.
- Lessons from other countries are fundamental in every aspect of developing a microinsurance market: regulation experiences, financial education programmes, etc.
- The industry has realised that it needs to shift from selling insurance to offering protection.
- Many institutions have fully digitalised processes. However, what is lacking is trust in the systems. Therefore, financial literacy plans must include training on digital usage.
- Experience shows the importance of partnerships.
- Caribbean countries are small economies, making it difficult to reach the required volume for more affordable products. Therefore, experts noted that aligning their regulations to allow the same product distribution in different countries and jurisdictions could support an increased outreach and, in the long-term, sustainability.



Christabelle Brown
Operations Liaison (WiPay) and General Manager of WiShops, Jamaica

Melanie Williams
Project Coordinator — National Financial Inclusion Strategy, Bank of Jamaica, Jamaica

Kayon Walker-Heslop
Manager Direct Marketing Programme — Employee Benefits, Jamaica

Agenda

Day 4 — 28 October 2021
Digitalisation facilitating inclusive insurance

Session 15
Leveraging mobile and digital solutions for inclusive health insurance in low- and middle-income countries

Speakers

Lydia Dsane-Selby
Chief Executive Officer, National Health Insurance Authority, Ghana

Olumide Okunola
Senior Health Specialist, World Bank in Nigeria

Ties Kroezen
Venture Leader, Connected Primary Care Solutions, Philips, Netherlands

Olubunmi Jetawo-Winter
Executive Secretary, Kwara State Health Insurance Agency, Nigeria

Kelvin Massingham
Director, Risk and Resilience, FSD Africa, Kenya

Facilitator

Kwasi Boahene
Director Advocacy and Partnerships, The PharmAccess Group, Ghana

Session 16
Digital health

Speakers

Saurabh Sharma
Director, Emerging Consumers, Britam, Kenya

Michal Matul
Head of VAS, consumer insights and training, AXA Emerging Customers, France

Dante Portula
Senior Finance Adviser, GIZ, The Philippines

Facilitator

Denis Garand
President, DGA, Canada

Session 17
The value of human touch in the wake of digital distribution — Insights from Brazil, Indonesia and Ghana

Speakers

Linnea Kreibohm
Senior Policy Officer, German Federal Ministry for Economic Cooperation and Development (BMZ), Germany

Desmond Mall
Customer Experience Product Manager, BIMA, UK

Edson Calheiros
CEO, Oxxy Seguradora, Brazil

Marco Japutra
Head of Health Business Development, Allianz Life, Indonesia

Felicia Kawilarang
VP of Marketing, Halodoc, Indonesia

Facilitator

Matthias Range
Head of Unit Risk Finance & Insurance, GIZ, Germany

Session 18
Insurtech for inclusive insurance

Speakers

Nhi Huynh
Manager (Platforms & Acquisitions), Allianz X GmbH, Germany

Asher Hasan
Founder, doctHERs, Pakistan

Michiel Berende
Chief Inclusive Officer, Etherisc, Netherlands

Dimitrios Velmachos
Venture Partner/Advisor, Equintis, UK

Facilitator

Lisa Morgan
Technical Specialist, ILO, Switzerland

Session 15

Leveraging mobile and digital solutions for inclusive health insurance in low- and middle-income countries

By Venetia Furbert

Inclusive approaches to health insurance can be a viable way toward universal healthcare in low- and middle-income countries (LMICs). This session explored how mobile technology and digital solutions help broaden access to quality healthcare – by improving coverage, streamlining services and reducing costs.

Financing challenges

A number of countries in Africa have aspired to provide universal healthcare (UHC). Public financing is essential but most countries have *limited budgets,* which are now being further constrained by the pandemic. The World Bank's human capital development work in sub-Saharan Africa encourages governments to coordinate healthcare funding and prioritise UHC in the policy agenda. COVID-19 has shone a light on the health sector and there is now a resurgence toward pro-health taxes to finance it.

One development agency that has taken stock of the impact of the pandemic is FSD[19] Africa, set up in 2012 and supported by UK Aid. Its primary focus in the health sector is not on insurance but finance. Sustainable financial markets require *resilience to health shocks* and *quality outcomes for patients*. After discussions with some 80 insurers, associations and regulators in 27 countries across the continent, FSD Africa found a *fragmented health finance landscape* and other "intractable challenges", such as spent money not translating into better outcomes. Key challenges include both financing public schemes or making them more efficient, and *creating an enabling environment for public-private partnerships* to improve access.

Assistance for financing can come from the private sector too. Philips, the Netherlands-based multinational provider of healthcare technology, has pledged to improve 2.5 billion people's lives annually by 2030, 400 million of whom live in underserved communities. Health insurance shields individuals from catastrophic healthcare expenses. Funding healthcare through insurance can also lead from an input-based cost structure to one that is aligned with outcomes. For policyholders, this transition translates into better quality care at reduced costs. The biggest barrier is that there is simply not enough money in the system in many countries to establish affordable health insurance.

So Philips, which itself invests in impact schemes, is testing healthcare models that are financially sustainable and bankable. This is one way it can assure other impact investors that they are going to get a return for their money.

Lydia Dsane-Selby
Chief Executive Officer, National Health Insurance Authority, Ghana

Olumide Okunola
Senior Health Specialist, World Bank in Nigeria

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[19] Financial sector development

Increasing access to the national scheme in Ghana

Ghana's National Health Insurance Scheme (NHIS) is a partially tax-funded hybrid health insurance programme. There is a special health insurance levy of 2.5 % on the country's goods and services, a 2.5 % contribution from formal sector pensions, and a $4 per annum contribution from informal sector workers. Public funds account for 60 to 70 % of the scheme's financing. The Ministry of Gender and Social Protection has defined the groups exempted from mandatory contributions as individuals under 18, over 70, and pregnant women.

Under the scheme, healthcare coverage is available to all legal residents of Ghana. The benefit package provides curative care for 90–95 % of the country's disease burden. Expanding the benefits package to cover preventive care and mental health services remains a goal. The challenge is to find the right mix of provider incentives.

Developing a national biometric database was a key technological milestone in NHIS's digital journey. The database allowed the scheme to be portable across the country and enables participants to re-enrol using mobile phones. Removing the burden of taking a day off work to physically re-enrol at a district centre led to almost 1.8 million informal sector workers returning to active membership.

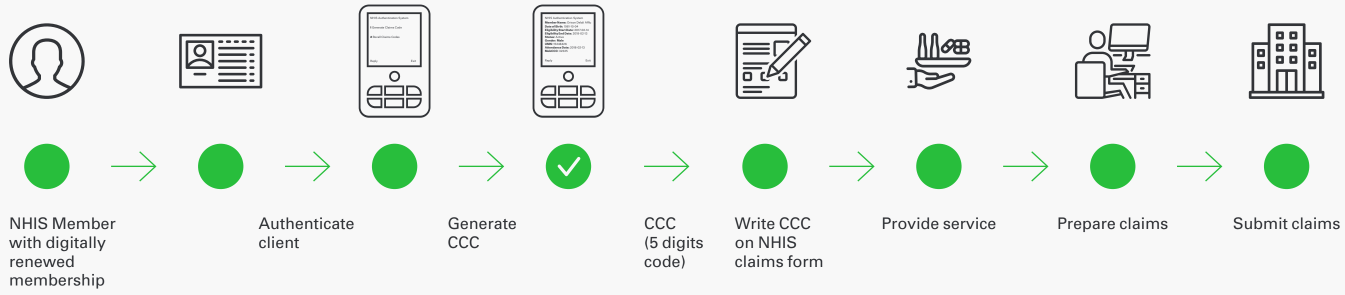
The scheme has realised efficiencies thanks to digital management of relationships with healthcare providers. They are now able to demonstrate compliance with quality standards by submitting credentials online. Healthcare providers are also required to use mobile technology to authenticate patient visits (see Figure 27).

The usage data provides useful insights for claims management and resource allocation. For example, non-communicable diseases (NCDs) such as diabetes and hypertension are an issue for the scheme, and the feedback data could change the way NCDs are handled. To enhance the customer journey, the scheme is investing in a mobile data app to provide details on the location and the services available at the nearest healthcare facility.

The healthcare system is preparing to use technology to link insurance membership to the National ID. The demographic data from this mapping exercise may enable the design and financing of preventive care.

Figure 27

Authentication and claims submission process for providers in Ghana



Source: NHIS Guide to Mobile Renewal, Ghana.

Public healthcare at sub-national level in Nigeria

In 2018, a state in Nigeria scaled up a community-based insurance scheme to launch public healthcare, but the plan was not fully implemented until 2020 when the state government changed and the new First Lady became an ambassador to promote the plan. The Kwara State Health Insurance Agency is funded by a legally mandated contribution of 1% of consolidated state revenues, supplemented by federal and donor funding. The remaining budget is covered by premium contributions from formal and informal sector workers. The scheme has collaborated with MFIs to provide low-interest loans to help informal sector workers to cover upfront premium payments.

Kwara State Health Insurance Agency

Number of people insured:
36, 868 individuals (BHCPF-20,938, KWHIS-15930)

Insured risks:
- Registration and consultation
- Deliveries and maternal care
- Common ailments
- Eye care
- Laboratory investigations
- Specialist consultation
- Obstetrics/Gynaecology
- Surgery services
- Chronic condition
- Annual medical check-up
- Inpatient care
- Neonatal care
- Childhood illnesses and more

Premium range:
- Informal sector: N6,000 per individual/annum (US$ 14.5)
- Formal sector: N9,000 per individual/annum (US$ 21.7)

Insights from state healthcare data were considered to design a benefit package that covers most of the state's disease burden. Health insurance is mandated for each resident of Kwara State. The health insurance network is administrated on an entirely digital platform. Patients and providers are connected with the scheme through the central digital platform, facilitating the capture and analysis of patient use data.

Digitalisation provides transparency between the scheme, healthcare providers, policyholders, and third-party service providers. With digital tools, the agency can track key performance indicators (KPIs) to promptly identify and address any issues in the network. Digital capabilities are complemented by grass roots interventions to support individuals who lack access to the necessary technology. At ward level, teams are employed to support the digital onboarding of members. Point-of-service agents are located across the state to register people who do not have a phone, or to facilitate payments in areas that lack formal banking. Social media has been a useful channel for sensitisation of and engagement with the agency's membership base. Digital channels are supported by a toll-free call centre providing real-time customer support.

Ties Kroezen
Venture Leader, Connected Primary Care Solutions, Philips, Netherlands

Olubunmi Jetawo-Winter
Executive Secretary, Kwara State Health Insurance Agency, Nigeria

→ FSD Africa
→ National Health Insurance Authority
→ Philips Healthcare
→ The PharmAccess Group

Lessons learnt

- Mobile and digital technologies, including telemedicine, have been transforming health insurance in Africa. Besides making care accessible to members in any location, they can also enable community-based schemes to pave the way toward a public scheme.
- Healthcare data can be leveraged to identify problematic clinical pathways, design effective provider incentives, and monitor network utilisation.
- Effective healthcare information systems and data analytics capabilities are required to unlock the full value of healthcare data.
- Beyond administrative systems, digital solutions can be a useful clinical resource for primary care providers by making a diagnosis and ensuring adherence to healthcare protocols.
- Well-equipped primary healthcare facilities increase trust in primary healthcare. In countries with limited resources, health financing remains a huge challenge. Public-private partnerships could help overcome the lack of funding.

Kelvin Massingham
Director, Risk and Resilience,
FSD Africa, Kenya

Kwasi Boahene
Director Advocacy and Partnerships,
The PharmAccess Group, Ghana

Session 16

Digital health

By Pedro Pinheiro

How did the digitalisation of health coverage improve access, efficiency, and outcomes for clients, especially during the pandemic? This session discussed the current digital health models being implemented in several countries, the challenges involved, results and learnings.

Saurabh Sharma
Director, Emerging Consumers,
Britam, Kenya

A digital window to healthcare

AXA Emerging Customers has worked extensively in nine countries providing healthcare services specially designed for low-income populations. After looking at how these clients deal with health issues, the company has arrived at nine key findings (see Box 4).

AXA Emerging Customers[20] is tackling clients' behavioural traits by providing a digital window to their healthcare. It promotes well-being engagement by sending out targeted health and prevention tips on social media, apps, and SMS messages. It also provides access to remote healthcare, based on phone or chat consultations, leading to fast-track appointments with a network of specialists and diagnostic service providers. The "mass health proposition" (see Figure 28) is backed by insurance coverage for eventual surgery or a hospital stay. The company's 15 protection schemes have reached 1.8 million people, 320,000 of whom enrolled and were offered 76,000 consultations in the 9 countries.

Michal Matul
Head of VAS, consumer insights and training,
AXA Emerging Customers, France

Box 4

How emerging customers deal with health issues

- Emerging customers often forgo check-ups and treatment, leading to poor outcomes.
- They are affected by both infectious diseases (which they know), and a rising tide of non-communicable diseases.
- They know only basic facts about healthy living and want to learn more.
- They resort to self-medication as a first call, often by using traditional medicine or paracetamol.
- They will often go to a pharmacy to get advice or buy drugs directly.
- They avoid getting tested, as diagnostic exams are perceived as doubling the price of medical consultation.
- Poorer and rural segments will use public healthcare, while others access private care more often.
- Regular check-ups are rare, and they seek outpatient care at overcrowded public hospitals, often through emergency services.
- They find it hard to fund healthcare, as they deprioritise small health expenses and cannot put together a lump sum for major expenses.

Source: Matul, Michal. Presentation: *Digital health for Emerging Customers – Lessons learnt in 2020 from the COVID-19 response and beyond* International Conference on Inclusive Insurance 2021

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[20] AXA defines emerging customers in the mass market as low-income earners in informal or formal jobs who are un(der)served by financial services – e.g. microentrepreneurs, farmers, shop owners, teachers, nurses, drivers, factory workers, builders, and migrant workers.

On average, the company's schemes provide value at a cost of EUR 0.30 (US$ 0.44) per month. Looking at access, sign-up and usage of three schemes (in Egypt, Indonesia and Thailand), AXA Emerging Customers has found that sign-up and usage rates are much higher when the scheme is offered on healthcare-related platforms, such as telemedicine providers, compared to partners that provide unrelated types of services (such as telecommunications companies). However, the customer journey must be carefully designed; just offering a digital health app for a separate download will not yield significant results. Promoting welcome calls and ongoing engagement on health has proven to be a winning strategy to drive utilisation.

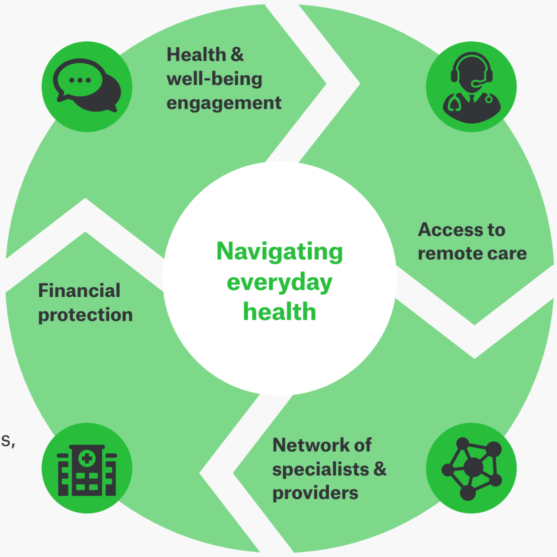
Challenges for telemedicine

In the Philippines, a public-private partnership (PPP) led by the German development agency GIZ started promoting telemedicine during the COVID-19 pandemic as a means of ensuring access to preventive healthcare for people who are afraid to use hospitals and clinics. So far, the scheme has 15,000 sign-ups, and 500 people have used the platform, for online consultations in particular.

The project encountered three kinds of challenge:

1) Acceptance challenges (lack of technical literacy, data privacy concerns, (low) application usage)
2) Technical challenges (shortage of app development skills, poor internet access, smartphone dependency)
3) Cultural challenges (reluctance to change).

Figure 28
AXA EC mass health proposition as digital window to healthcare
Building blocks to offer affordable, standardised quality healthcare in a convenient way



1 **"I make informed decisions about my health and that of my family"**
Targeted health tips and prevention advice by social media, app, sms

2 **"I need advice from a trusted expert 24/7"**
Phone/chat consultations with doctors/nurses
Medical record and family doctor

3 **"I need access to affordable quality healthcare"**
Fast track appointments with doctors
Labs at your doorsteps
Pharmacy prescriptions at preferred price

4 **"I need economic support to cover my surgery and/or hospital stay"**
Insurance: Hospital cash, critical illness, maternity, pharmacy prescriptions at preferred price

Source: Matul, Michal. Presentation: *Digital health for Emerging Customers – Lessons learnt in 2020 from the COVID-19 response and beyond* International Conference on Inclusive Insurance 2021.

Box 5
Britam & M-TIBA health insurance

Target group:
2.4 million savers on the M-TIBA Platform, 64 % of whom are 20 to 40 years old
Takeup rate:
14–16 % of health wallet savers
Insured risks:
Inpatient and maternity (at empanelled hospitals) and funeral cover (lump sum)
Coverage limit:
US$ 1,000 or 2,000
Premium range:
US$ 32 to 42 per annum
Distribution:
Digital and telesales, with a save-to-insure option
Eligibility:
Principal members of the family between 18 and 65 years old. Exit age at 70 years old.
Waiting periods:

- One month for all illnesses except accidental causes.
- Ten months for maternity and pregnancy-related treatment
- One year for planned surgery
- Ten months for chronic or pre-existing related conditions

Exclusions:
Standard medical exclusions apply

Savings-linked digital health

A partnership between insurer Britam Kenya and mobile health technology start-up M-TIBA links savings with digital health insurance. It promises to make insurance more tangible, enabling clients to transfer funds into a digital wallet that can be used to access more than 2,000 healthcare providers. Though sales can be self-service on digital media or field-agent-assisted, a hybrid approach mixing low touch (SMS) with high touch (call centre) is proving more successful.

The data generated by the health tech platform is providing useful insights to the insurer for product alignment to changing customer needs and for market segmentation.

→ AXA Emerging Customers
→ Britam
→ DGA
→ GIZ

Lessons learnt

- COVID-19 has accelerated the digitalisation of healthcare services and increased the use of telemedicine. The changes necessitate provider staff training and client education. They are also raising new concerns about data privacy and the exclusion of those who are digitally incapable.
- People are facing more health risks than before, yet chronic disease coverage is still low, especially for the low-income population. Telemedicine is a cost-effective way of promoting preventive healthcare and ongoing engagement with clients.
- Insurance uptake and usage are higher when offered in already established online healthcare schemes. Engagement strategies such as welcome calls will improve signup and utilisation. Trying to establish a telemedicine service in a traditional scheme is the hardest sell, especially if it requires signing up to a new platform or downloading a separate app.
- Data generated by digital schemes can be used by insurers to improve products and services, including the design of targeted approaches, for example for women.

Dante Portula
Senior Finance Adviser, GIZ, The Philippines

Denis Garand
President, DGA, Canada

Session 17

The value of human touch in the wake of digital distribution — Insights from Brazil, Indonesia and Ghana

By José Miguel Flores Contró

As technology advances and internet access continues to increase, digital channels like platforms and mobile phones are delivering insurance to more and more low-income, rural and hard-to-reach clients. This session discussed the question "Under what circumstances and to what extent do digital channels need a human touch?" It reviewed examples of such engagement from Brazil, Indonesia and Ghana.

The value of human touch in the wake of digital distribution

Digital distribution helps overcome geographic or societal constraints, reduce operational costs and enable affordable premiums. However, limiting human interaction might lead to low awareness and a lack of understanding and trust among customers. Striking the right balance between digitalisation and human engagement would generate sustainable inclusive insurance plans.

High-touch high-tech in Ghana

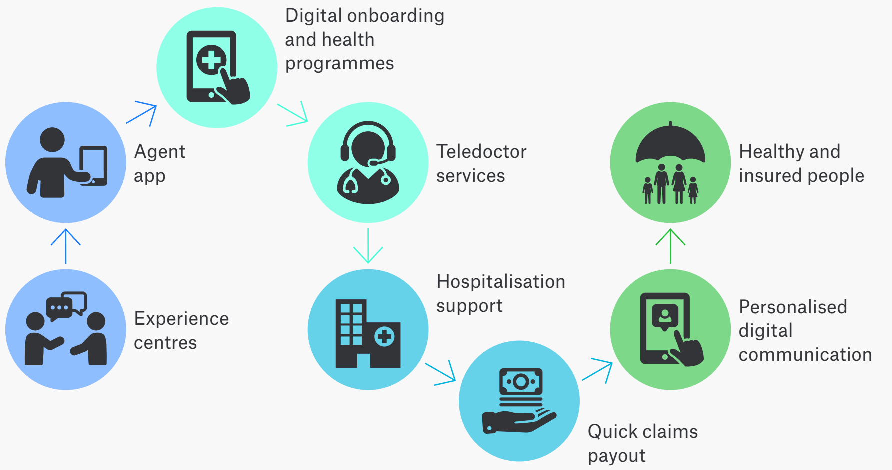
BIMA, the leading mobile-delivered health and insurance provider in emerging markets, offers all-in-one family health services, including insurance, health screening and telemedicine using what it calls "frictionless mobile payments". The company has more than 25 million users in 9 countries in Africa and Asia.

BIMA launched its venture in 2010 in partnership with the telcom Tigo, with a family care insurance product in Ghana targeting the underserved. It now offers two new products there, B-Health (a one-stop health solution) and B-Life (funeral and loss of income).

B-Health policyholders can receive e-prescriptions via SMS, and enjoy discounts when referred to BIMA's partnered network of over sixty labs and hospitals. BIMA entered into a public-private partnership in Ghana named SAGABI[21] (Strategic Alliance GIZ, Allianz, BIMA), whereby Germany's development agency GIZ looks after innovations, Allianz is the underwriter and BIMA the health fintech. In June 2020, SAGABI launched a customer journey in Ghana, designed to increase trust, understanding and perception of value through the use of physical and digital touchpoints.

The human touch, which BIMA has always regarded as a competitive advantage of its business model, is front and centre in the "New Customer Journey of Mobile-delivered Insurance" developed under the SAGABI project (see Figure 29). Supplementing the reach of technology, in-person agents not only operate in the field but also in local "experience centres" – along with health professionals taking calls.

Figure 29
The SAGABI customer journey



Source: Mall, Desmond. Presentation: *Humanising insurance and healthcare through digital communication* International Conference on Inclusive Insurance 2021.

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[21] For more information on SAGABI please use the following links:

→ Link 1
→ Link 2

Box 6

Learnings from BIMA's approach

Two hypotheses underpinned the BIMA model combining digital innovation with a human touch:

1. Digital communication drives greater retention after a human touch sale.
2. Personalisation and rich media content increase customer engagement.

In practice, the approach led to the conclusion that digital communication, when well executed, can add another level of humanisation to the customer experience.

Combining digital and human engagement throughout the value chain or customer journey, SAGABI developed an app for BIMA agents and a set of digital channels (WhatsApp, SMS and IVR) for product onboarding and health programmes that help customers understand and see value in insurance subscription, while enabling sales and field agents to serve them in an interactive and responsible manner. The digital tools were mainly created to educate, engage and create greater value for the customer.

Virtual assistant Roboerta in Brazil

In October 2018, O DIA, a major daily newspaper in Rio de Janeiro, published an article claiming that people in Brazil did not know what microinsurance was. There are some 213 million low-income people in Brazil. The article prompted insurer Oxxy Seguradora to consider whether this segment could be brought closer to understanding microinsurance if products were delivered in simple language and in a way they could identify with. The company's first microinsurance products were not long in coming: funeral and personal accident assistance, which were promoted using drawings. Oxxy Seguradora also targeted other neglected niches, such as people over 75 years old, and introduced a special product for taxi drivers, Proteção Família Taxista.

Since most people in Brazil use mobile phones not only to communicate but also to acquire services or products, Oxxy Seguradora focused on digital channels for these devices. To humanise and simplify the technical service, the company explored chatbot technology and introduced virtual assistant Roboerta, on a site accessible 24/7 using a mobile phone, desktop or tablet.

High-tech low-touch in Indonesia

Gojek[22], Indonesia's fastest growing start-up, is a motorcycle taxi hailing service. In partnership with leading insurer Allianz Life and Halodoc, a digital healthcare platform with a mobile app, Gojek is delivering health insurance to its 1.5 million drivers and their families for IDR (Indonesian rupiah) 2,500 (US$ 0.17) a day.

The group medical indemnity insurance covers inpatient stays, consultation with family doctors and specialists, surgery and other hospitalisation benefits, as well as outpatient expenses such as doctor's bills, medication, diagnostic tests, physiotherapy and basic immunisation.

Linnea Kreibohm
Senior Policy Officer, German Federal Ministry for Economic Cooperation and Development (BMZ), Germany

Desmond Mall
Customer Experience Product Manager, BIMA, UK

Edson Calheiros
CEO, Oxxy Seguradora, Brazil

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[22] A two-wheeler taxi is called an ojek, a means of transport that is in high demand as it can wend its way through gridlocked traffic.

Gojek drivers are freelancers, with a volatile daily wage (averaging US$ 13) and, understandably, high mobility. They were typically excluded from insurance plans for formally employed taxi drivers. Digital distribution (registration, premium deduction from e-wallet, and claims submission) matches their mobile lifestyle, and is helping increase their insurance and financial literacy. In contrast to the conventional healthcare patient journey, where a visit to the doctor would take at least four hours, Gojek drivers can reach the doctor via chat, voice call or even video call with one simple application on the smartphone.

Yet the partnership has not forgotten the value of human touch. When the insurance was made available, in-person marketing proved at least twice as effective as digital campaigns. Now Gojek and Allianz offices provide a dedicated space where drivers can take breaks, sign up to the insurance scheme in person and get information about post-sales services. In addition, the platform maintains personalised SMS communication with customers, for example reminding them of premium deductions to help reduce lapses.

→ Allianz, Indonesia
→ BIMA
→ German Federal Ministry for Economic Cooperation and Development (BMZ)
→ GIZ
→ Oxxy Seguradora

Lessons learnt

- A human touch to initiate contact with customers later helps digital communication retain them.
- Personalise digital communication to keep customers engaged.
- Digital channels used well can humanise the customer experience.
- Creating products for specific niches is very important.
- Value-added services give customers the feeling that they have access to benefits they would not have without insurance.
- It is important to find the right balance between human touch and digital approaches.

Marco Japutra
Head of Health Business Development, Allianz Life, Indonesia

Felicia Kawilarang
VP of Marketing, Halodoc, Indonesia

Matthias Range
Head of Unit Risk Finance & Insurance, GIZ, Germany

Session 18

Insurtech for Inclusive Insurance

By Pedro Pinheiro

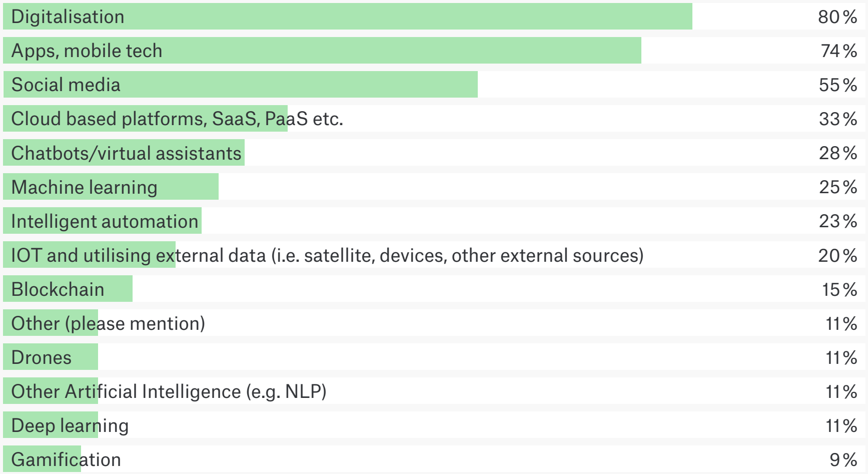
Technology has the potential to improve key aspects that make an inclusive insurance product successful: accessibility, affordability, and quality. But it can also widen the protection gap for marginalised segments of the population who are digitally excluded. This panel brought together a diverse set of insurtech providers – ranging from the innovation arm of traditional insurers to distributors and technology providers. They discussed how they have applied technology across the insurance value chain to enhance products aimed at the emerging customer, how they improved the overall customer experience, and how they addressed various challenges.

Results from the ILO Insurtech Survey 2020

The ILO Insurtech Survey 2020, conducted by its Social Finance and Impact Insurance arms, elicited responses from 93 companies. It showed that digitalisation, apps & mobile tech, and social media are the three most used types of technology in inclusive insurance (see Figure 30).

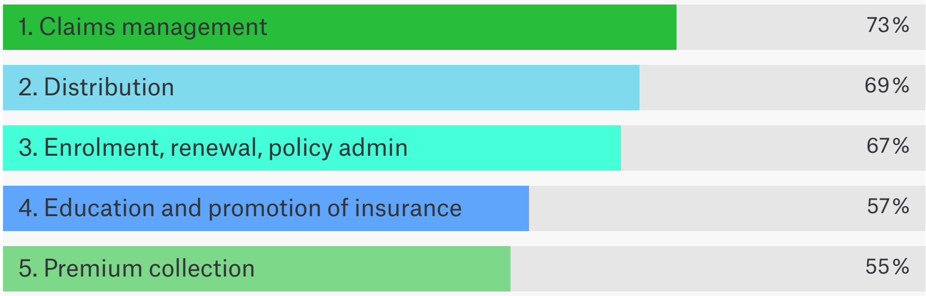
The survey also found that claims management led the top 5 applications of insurtech by inclusive insurers (see Figure 31).

Figure 30
ILO Insurtech Survey 2020 — the insurtech being used by inclusive insurers in our survey



Source: Morgan, Lisa. Presentation: *Insurtech for inclusive insurers* International Conference on Inclusive Insurance 2021.

Figure 31
ILO Insurtech Survey 2020 — the top 5 uses of insurtech by inclusive insurers in our survey



Source: Morgan, Lisa. Presentation: *Insurtech for inclusive insurers* International Conference on Inclusive Insurance 2021

Trends in insurtech

COVID-19 accelerated the digitalisation of financial services, and the use of relatively new technologies such as artificial intelligence (AI), machine learning, and blockchain, thereby giving rise to new business models and profitable companies.

What insurtechs have in common is their ability to disrupt the insurance value chain. They act on niches and propose solving a particular problem, usually focusing on the customer experience. They employ technology to leverage the data ecosystem and differentiate themselves by using proprietary data and creating margins in the price composition that no other player would be able to deliver.

These innovative ways of reaching customers and offering insurance are game changers for developing economies, where there is still a large protection gap to be filled. They assertively address the challenges of the accessibility, affordability, and quality of inclusive products, as they are based on digital assets (like computer codes) that are instant, perfect, and free – once they are designed they do not generate any further costs. However, technology is not a silver bullet, and competition by itself cannot make all the difference.

Blockchain technology for weather index insurance

Etherisc is a platform that offers decentralised insurance protocols to collectively build insurance products. It offers an open marketplace for capitalisation of risks and insurance-related services, one that relies on blockchain to help overcome the four principal challenges of traditional insurance: (i) coordination (“managerial”) costs; (ii) conflict of interest between customers and company; (iii) information asymmetry between customers and company; and (iv) access to risk pools.

The managerial costs are reduced by substituting corporate managers with “smart contracts”. The conflict of interest is addressed by transferring the ownership of processes (such as claims management and product design) from the insurance company to experts, whose work is independent, transparent and can be audited by the whole community. The information asymmetry gives place to the objective application of the “smart contract” rules in a blockchain environment. And access to risk pools is democratised by tokenising risks with “Risk Pool Tokens”.[23]

One of the automation solutions on the Etherisc platform is a weather index insurance product that issues policies automatically upon the payment of premium, and provides claims payments in real time based on a set of pre-defined data-based triggers. The absence of human interaction ensures less friction for clients, more speed in processes – including a reduction in claims processing times of 6 months for mid-season claims pay-outs – as well as a reduction in costs of up to 30%.

To offer weather index insurance on the blockchain, Etherisc formed a partnership with Acre Africa – one of the largest agricultural microinsurance providers on the sub-Saharan continent. The product is distributed through farm and food suppliers and experienced farmers called ‘village champions’. A scratch card that comes inside a bag of seeds, with an embedded USSD card, provides the geolocation of the crop and the insurance smart contract is activated when the seeds are planted in the soil. The basic insurance premium is pre-paid and included in the price of the bag of seeds, with top-up payments to increase the cover available through a partner digital wallet. Payouts are automatically triggered to the digital wallet when the weather conditions, collected by the insurer via satellite, are met.

Nhi Huynh
Manager (Platforms & Acquisitions), Allianz X GmbH, Germany

Asher Hasan
Founder, doctHERs, Pakistan

Etherisc & Acre Africa Weather Index Insurance, Kenya

Number of people insured:
17,000
Insured risks:
Crop risks of drought and excessive rainfall
Premium:
Included in the price of the bag of seeds, with top-up payments to increase coverage available through a partner digital wallet

[23] → Etherisc White Paper

Impact investment for inclusive insurance

Allianz X invests in digital front-runners in areas relevant to insurance and asset management, acting as a primary interface between Allianz and the innovation ecosystem. Over the years, it has enabled partnerships with companies that are front-runners in the inclusive insurance space, such as with BIMA in Ghana, Tanzania, and Sri Lanka, and SafeBoda in Africa. Allianz, GIZ and BIMA have formed a strategic alliance to develop the next generation of mobile insurance.

In Indonesia, Allianz X enabled a partnership between Allianz Life and the health tech platform Halodoc. Together, they provide health insurance to 1.5 million drivers of Gojek motorbike taxis (see Session 17). During the pandemic, they have also offered free online doctor consultations and on-the-go testing for the group's funeral insurance clients. The benefits come with COVID-19 workshops and financial literacy training. Another partnership in Indonesia has boosted the benefits of a funeral insurance group policy sold to a local community, with local waste banks converting the value of household waste into monthly premiums for personal accident insurance. These impact investments promote access to inclusive insurance.

Gender-wise approach

DoctHERs is a digital health platform linking the underutilised capacity of female doctors to the healthcare needs of consumers, especially women. Its aim is to recruit, equip, and train female frontline workers and to deploy them in factories, corporate offices, clinics, and ambulances.

The trusted intermediaries can perform sophisticated diagnostic and interventional procedures through AI-enabled telemedicine in real-time, and under the clinical supervision of remotely located female doctors. Immediate primary care by female health intermediaries saves female patients the time and trouble of visiting a female doctor in a public hospital. The programme also delivers on-site pharmaceuticals and integrates digital financial services such as payroll-linked loans.

→ Allianz X GmbH
→ docTHERs
→ Etherisc
→ Equintis
→ ILO's Social Finance Programme

Lessons learnt

- Insurtechs are looking to disrupt every link in the insurance value chain, especially underwriting, distribution and claims handling, They are developing proprietary data to create margins in the cost structure that no competitor is able to deliver.
- Parametric insurance makes the best case for the use of blockchain in the industry, as automation of the platform reduces costs, expedites transactions and increases transparency.
- "Smart contracts" created by blockchain technology can automatically execute functions performed by an insurer's staff – including handling assets and capital investment.
- Backed by impact investment, an insurer can seek partnerships to address the needs of emerging consumers where it matters – in local communities and on digital platforms.

Michiel Berende
Chief Inclusive Officer, Etherisc, Netherlands

Dimitrios Velmachos
Venture Partner/Advisor, Equintis, UK

Lisa Morgan
Technical Specialist, ILO, Switzerland

Agenda

Day 5 — 29 October 2021
Solutions for the future

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In conversation with our leaders — Inclusive Insurance for Climate Risk Protection

Speakers

Lorenzo Chan
Chairman of the Board of the Microinsurance Network/CEO, Pioneer, The Philippines

Olga Speckhardt
Head of Global Insurance Solutions, Sygenta Foundation, Switzerland

Maria Theresia Zappia
Deputy CEO, Blue Orchard, Switzerland

Ingrid-Gabriela Hoven
Managing Director, GIZ, Germany

Facilitator

Katharine Pulvermacher
Executive Director, Microinsurance Network, Luxembourg

Session 20
How can insurance supervisors adapt to drive innovation?

Speakers

Hui Lin Chiew
Key Performance Indicator (KPI) Reporting Project Lead, A2ii, Germany

Nigel Bowman
IAA Inclusive Insurance Virtual Forum, co-developer of the IAA-IAIS product risk assessment tool and independent actuarial consultant, South Africa

Protazio Sande
Director Planning, Research & Market Development, IRA, Uganda

Elias Omondi
Senior Manager — Risk Regulations, FSD Africa, Kenya

Facilitator

Nichola Beyers
Research Associate, Cenfri, South Africa

Session 21
What's next in inclusive insurance? Closing and outlook

Speakers

Lorenzo Chan
Chairman of the Board of the Microinsurance Network/CEO, Pioneer, The Philippines

Tarek Seif
FCII, CDIF, Secretary General, Insurance Federation of Egypt, Egypt

Miguel Solana
Insurance Specialist, UNDP, Turkey

Facilitator

Dirk Reinhard
Vice Chair, Munich Re Foundation, Germany

Session 19

In conversation with our leaders — Inclusive Insurance for Climate Risk Protection

By José Miguel Flores Contró

This session, part of the InsuResilience Global Partnership Annual Forum, brought together leaders of GIZ, Sygenta Foundation, Blue Orchard and MiN to share their views of how climate change is impacting the lives and livelihoods of smallholder farmers. They focused on actions needed to scale up insurance and other risk management solutions at micro and meso levels.

Smallholder farmers play a very important role in people's lives. The food they grow sustains the vast majority of the population, with 84 % of the world's farms producing one third of the world's food. Climate change is exacerbating the threats they face from the COVID crisis. Finding ways to reduce the negative impact of weather extremes on smallholders is thus a means of ensuring food security in much of the world.

To begin with, insurance can be one of the more suitable risk-coping mechanisms for them – but only if it is simple, easy to access and, most importantly, affordable.

Lorenzo Chan
Chairman of the Board of the Microinsurance Network/CEO, Pioneer, The Philippines

Challenges faced by smallholder farmers

Smallholder farmers are hit harder by adverse events because of their limited resources and lack of technical and financial support. A study by GIZ in Zambia found that around one million smallholder farmers there rely on crops for 80 % of their income. A widespread crop loss from a weather shock in the region leaves them with little to invest in crops for the next season. A drop in production drives them further into poverty. The resilience of smallholder farmers, GIZ believes, needs to be a priority on the climate change agenda, and governments should provide the enabling conditions to reach scale in securing their livelihoods.

Smarter, integrated approaches, technology, and partnerships are key. Governments need to invest much more in insurance literacy, data infrastructures and comprehensive risk management tools.

Box 7

Protection gap widening as climate extremes intensify

- Climate change and conflicts have driven humanitarian needs to their highest levels ever, with one in every 33 people globally in need of assistance and protection. Every year, those needs exceed the support given by the international community.
- Human-induced climate change is intensifying weather extremes globally. The average temperature of the world could rise by 1.5 degrees above the pre-industrial level by the early 2030s – much earlier than predicted.
- The pandemic is worsening the health and economic impact of devastating floods, droughts and other hazards interacting with vulnerabilities. Today, some 30 % of the world copes with deadly temperatures for at least 20 days a year, and this number is expected to rise to nearly 50 % even if emissions are reduced. COVID-19 is estimated to have pushed 97 million more people into poverty in 2020,
- Despite the need to invest more in resilience building, the financing gap for adaptation and disaster risk reduction remains wide. According to the United Nations Office for Disaster Risk Reduction (UNDRR), every dollar invested in risk reduction and prevention can save up to 15 dollars in post-disaster recovery. And insurance, to manage exposure and vulnerability, is essential for sustainability.

Mami Mizutori, Special Representative of the UN Secretary-General for Disaster Risk Reduction, speaking at the InsuResilience Forum (which included ICII Session 19).

In the Philippines, smallholder farmers struggle against poor and declining soil fertility, low technical efficiency, lack of infrastructure and inappropriate trade agreements. Unlimited imported volumes of rice from foreign countries have made competition more difficult for local farmers. The agriculture and fishing sectors are dealing with more and more risks. Public-private partnerships (PPPs) are crucial – no long-term solution can be developed without the involvement of the public sector. One example is a project to develop a parametric typhoon insurance scheme for the low-income sector in the Philippines. Its feasibility was studied by CelsiusPro, a Swiss insurtech specialising in index insurance, in partnership with MAA General Assurance Philippines. A grant was provided by the InsuResilience Solutions Fund (ISF), set up by the German state-owned investment and development bank KfW on behalf of the Federal Ministry for Economic Cooperation and Development (BMZ), with the Frankfurt School of Finance and Management commissioned to support research.

Addressing challenges at a micro and meso level

Micro- and meso-level insurance solutions go hand in hand. The two main areas to be addressed are technical and operational. On the technical side, events that are moderate in severity and have low frequency at a localised level can be well covered by micro- and meso-level solutions. For more severe events such as typhoons and catastrophic droughts, government macro-level solutions are required. On the operational side, meso-level solutions are closer to the farmers and typically have provided adequate protection in times of weather hazards.

The macro-level solutions can complement and leverage the pay-out mechanisms of meso-level programmes to enable the quick recovery of smallholder farmers. In such PPPs, institutional investors are crucial to reach scale. For example, since the InsuResilience Investment Fund (IIF) was set up seven years ago, it has attracted 25 investors and has benefited around 25 million climate-vulnerable smallholder farmers and small businesses.

Institutional investors can prove the lifeblood of PPPs in terms of improving smallholders' lives. . At the micro and meso levels, appropriate distribution channels and access to data are vital.

Olga Speckhardt
Head of Global Insurance Solutions,
Sygenta Foundation, Switzerland

Maria Theresia Zappia
Deputy CEO, Blue Orchard, Switzerland

Success factors for climate change insurance solutions

Microinsurance programmes that find adequate distribution channels at the meso level have proved to be more successful. Insurance products that use technology to provide access to data and claims service have also attained sustainability. New technologies such as apps, e-banking, censoring data and blockchain are insurance enablers. They help improve products, speed up claim payments, and keep premiums affordable. In addition, these technologies could be adapted to give farmers ready access to forecasts and provide them with tips to increase productivity.

Most agriculture insurance products are government supported, with premium subsidies of up to 80 %. Nevertheless, as a complement to financial support, there is a need to design smarter and integrated climate risk management solutions. Insurance by itself is not enough to offset the wide-ranging threat of climate change.

Successful coping solutions will be characterised by strong coordination and partnerships between governments, private insurers, donor agencies, NGOs and other external stakeholders from the private sector. In framing such partnerships two main questions need to be asked: who is going to take the initiative in the partnership? And how can the solutions be put into a single package?

→ Blue Orchard
→ GIZ
→ Microinsurance Network
→ Pioneer
→ Sygenta Foundation

Lessons learnt

- The resilience of smallholder farmers should be a priority on the climate change agenda.
- Insurance should be combined with other coping approaches to face the threat from climate change.
- Public-private partnerships are necessary to create sustainable products, but they require an initiator and leader.
- Governments play a very important role in reaching scale. They need to provide enabling conditions, for example by investing more in insurance literacy and efficient data infrastructures.
- No long-term solutions can be developed without the involvement of the public sector.

Ingrid-Gabriela Hoven
Managing Director, GIZ, Germany

Katharine Pulvermacher
Executive Director, Microinsurance Network, Luxembourg

Session 20

How can insurance supervisors adapt to drive innovation?

By Venetia Furbert

Innovation can drive economic growth and spur sustainable development as new financial solutions are introduced for consumers. Insurance regulators have a responsibility to enable market development within a robust regulatory framework and to address the emerging risks related to innovative solutions. This session presented practical strategies that they can use to regulate responsible innovation.

Shifting regulatory landscape

For regulators of financial services, the 2008 crisis put the spotlight on consumer protection and market stability. Insurance regulators set new guidelines for the end-to-end customer journey, including how insurance is explained, sold, serviced, how claims are paid, and how complaints are handled.

Concurrently, in emerging markets insurance supervisors expanded mandates to include market development in support of national economic development and financial resilience. This shift has prompted new regulatory approaches and tools to facilitate innovation from both traditional and non-traditional insurance players (see Figure 32).

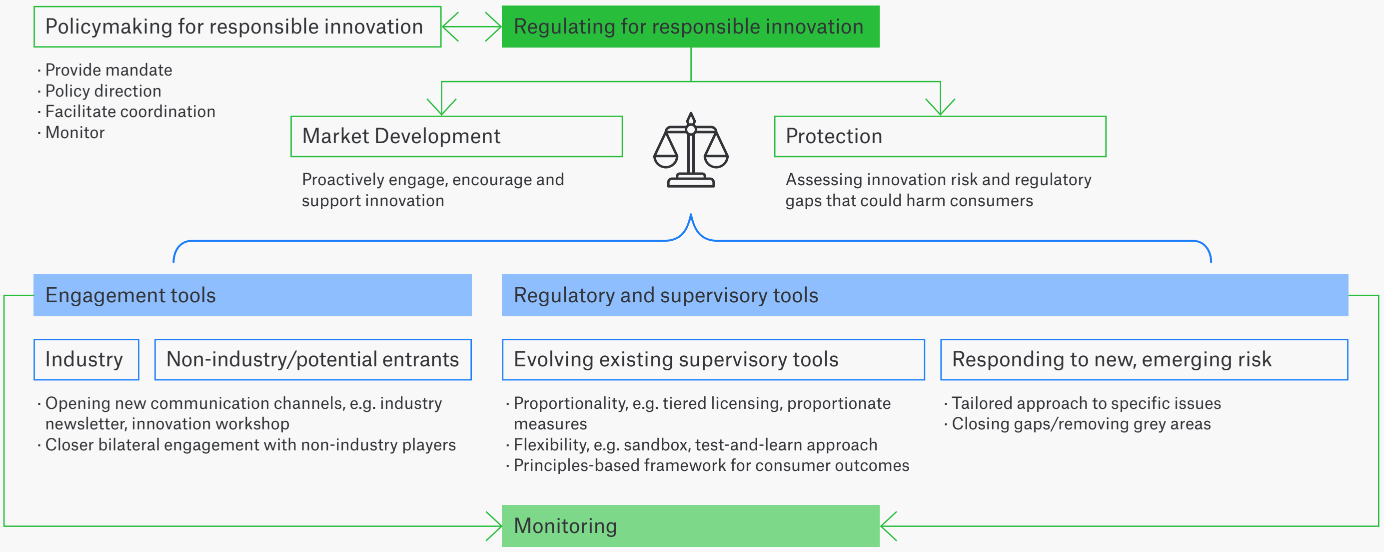
In the market, innovation can not only create greater opportunities and access, but also generate risk – such as the risk of its failure and the impact that may have on the traditional supervisory measures to ensure consumer protection and market stability. So the expected benefits of innovation and development need to be weighed against the risk of upsetting existing regulatory requirements.

Engagement tools for innovation

Engagement with market players is one way that insurance supervisors can foster market development. In Uganda, the Insurance Regulatory Authority (IRA) is supplementing traditional press briefs with new communication channels to fill the information gap for non-industry players. A quarterly newsletter now targets innovators who are working on new and practical solutions to real challenges.

To date, six editions have reached 2,000 individuals via e-mail and a further 10,000 on social media channels. This outreach has resulted in a two-way dialogue with the market, with 200 requests for information on opportunities, partners and events. In addition, a new regulatory sandbox is enabling players to test new ideas within a controlled environment. So far, two firms have taken advantage of this framework.

Figure 32
The supervisor's toolkit



Source: Beyers, Nicola. Presentation: *The supervisor's toolkit*
International Conference on Inclusive Insurance 2021.

The IRA's plans for more market engagement include the launch of an innovation centre to help new players overcome barriers to innovation, such as the high cost of internet and other resources.

Enhancing the toolkit with proportionate risk assessment

Market development can also be supported through collaboration with regional and international regulatory authorities to share knowledge and expertise and monitor common risks and opportunities. Key risks need to be identified before a supervision approach can help manage them. The Inclusive Insurance (previously Microinsurance) Working Group of the International Actuarial Association (IAA) has developed a practical risk assessment process and tool[24]. Its framework can assess risks and aggregate their cumulative or portfolio impact, while outcomes from the process provide input and insight for supervisory decision making.

New products are sometimes not launched because of a regulator's aversion to risk. The proportionate risk assessment tool is designed to give regulators the confidence to make groundbreaking decisions. It is an adaptive measure, allowing regulatory authorities to remain agile when evaluating innovative solutions within the existing regulatory framework.

First, a structured approach identifies the individual risks associated with a new product. Then the severity of each risk is assessed and translated into a ranking, followed by an aggregation of risks to establish a portfolio view. Second, the framework assesses how mitigation actions could reduce any associated risks, followed by a new calculation and management of aggregated risks. The final pillar of the tool includes an ongoing reassessment of risks to monitor whether risk mitigation measures have the desired impact and whether new risks have emerged.

The tool's implementation can be coupled with a streamlined innovation review and approval process, thus enabling a consistent approach. The tool can be shared with insurers and other innovators in the market, to allow them to self-assess whether a proposed product will meet regulatory standards. Supervisors can also use it to conditionally approve an innovation, with timelines for managing and reporting on the key risks identified in advance of full approval.

Monitoring development with key performance indicators (KPIs)

Insurance supervisors' efforts to measure the impact of market development strategies is often hampered by a lack of data on insurers' performance – for example whether the products they offer are high quality, accessible and valuable as well as financially sustainable. KPIs, showing progress toward intended results, provide a focus for operational and strategic improvement.

Supervisors can use KPIs to regularly evaluate the conduct and condition of the inclusive insurance sector and determine what needs to change.
To help them, there is an interactive, searchable directory of KPIs for insurance supervisors. Named Supervisory KPIs Lexicon, it is one part of an ongoing project by the Access to Insurance Initiative (A2ii), FSD Africa and Cenfri that was initiated to help supervisors in sub-Saharan Africa evaluate their insurance markets. The directory is described as spanning four pillars: prudential soundness, market conduct, insurance market development, and the link between insurance and the Sustainable Development Goals (SDGs). Each pillar comprises a list of KPIs relevant to the particular pillar, and a KPI Handbook to help implement, analyse and use the KPIs in context.

Hui Lin Chiew
Key Performance Indicator (KPI) Reporting Project Lead, A2ii, Germany

Nigel Bowman
IAA Inclusive Insurance Virtual Forum, co-developer of the IAA-IAIS product risk assessment tool and independent actuarial consultant, South Africa

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[24] → Assessing Risk and Proportionate Actuarial Services in Inclusive Insurance Markets – An Educational Paper and Toolkit

Using the handbook, regulators can set relevant market development goals, then select appropriate indicators to measure progress and incorporate these metrics into in-house tracking and reporting. Innovation and inclusivity are among various elements of market development noted in the handbook.

🌐

→ A2ii
→ Cenfri
→ FSD Africa
→ IAA Inclusive Insurance Virtual Forum
→ IRA, Uganda

Lessons learnt

- Prudential soundness and consumer protection should be balanced with market development including innovation.
- There is no blanket approach to facilitating innovation. Each regulator must adapt the approach to the nuances of the market.
- Regulatory budgets should reflect a priority for innovation as a public utility.
- Maintaining an open line of communication with diverse stakeholders is a key element in fostering market innovation.
- Regulatory frameworks should be consistent in approach and generate predictable outcomes.
- Regulators should make clear what types of innovation they expect to see from the market.
- Market development efforts should be complemented with metrics to monitor impact.
- Regulatory frameworks should enable innovation by non-traditional insurance players such as telecommunication services providers.

Protazio Sande
Director Planning, Research & Market Development, IRA, Uganda

Elias Omondi
Senior Manager — Risk Regulations, FSD Africa, Kenya

Nichola Beyers
Research Associate, Cenfri, South Africa

Session 21

What’s next in inclusive insurance? Closing and Outlook

By Maria Victoria Sáenz

The pandemic has dominated the past two years. Millions of people have fallen back into poverty because they were not economically secure. At the same time, the pandemic has accelerated digitalisation, which opens up new opportunities. Yet billions of people and micro, small, and medium enterprises (MSMEs) remain without adequate risk management. The session explored what the future looks like from the perspective of important stakeholders from the private sector, the multilateral sector and the Islamic world.

View from the Philippines

The pandemic was a wake-up call – for both people in general and for the insurance sector. It made people more conscious of healthcare, and it heightened their awareness of risk overall and whether they could trust and count on their insurance company for protection against that risk. The insurance sector accelerated digitalisation and used innovative ways of reaching out to the potential market, but the lack of face-to-face contact made it difficult to tackle the trust issue.

Insurers also had to adjust their customers’ risk profiles and exposures. As people worked from home, they did not need to use their motorcycles and other vehicles. But the new emerging businesses of food and services distribution called for increasing use of a bike or car.

Affordability resurfaced as a major issue as the impact of the pandemic on small businesses had shrunk the wallets of low-income people. To keep costs down, insurance companies will *continue using simple processes for enrolment and renewal.* These processes to improve accessibility must reflect the lessons learnt during the pandemic in the sense that not everything can be digital. The lack of connectivity in certain locations and lack of understanding of the digital world imply that *accessibility must be hybrid;* face-to-face will still be necessary, but the back-office and the new norm will be renewals and claims being managed digitally. The inclusive insurance sector will also be adapting its systems to receive *more mobile payments.* E-wallets are increasingly popular, and there will be more “cash-in, cash-out” agents or mobile agents, which also implies other kinds of risks, like money handling and fidelity risks.

SMEs are the backbone of many economies; according to the OECD, they account for 90 % of businesses, employing 45 % of the total workforce, and contributing up to 33 % of GDP in emerging markets. In a post-pandemic world, *SMEs need products that cater to their specific needs,* like business interruption due to COVID. Most importantly, the insurance sector will have to offer better value through more significant coverage amounts or more affordable prices. Figure 33 summarises the changes and approaches to inclusive insurance.

In addition, this future world should include the *active participation of the private insurance sector.* The sector still doubts the business case, as it foresees lots of claims and low income, hence hard work with more management costs. Yet some insurance companies have already demonstrated a business case. Even more importantly, there is an excellent motivation to move down the income ladder. Indeed, insurers are competing in a mainstream market that is becoming saturated. This new market represents a “blue ocean” of opportunities waiting to be tapped.

Figure 33
Inclusive Insurance in a Post-pandemic Future

Post-pandemic: What’s next?
Reinforce/build on the improvements that emerged/applied during the pandemic:

- Simplified enrolment & renewal process
- Initial purchase face-to-face, renewal using digital platforms
- Quick payments with e-wallet
- New products in response to heightened awareness
- Better value — coverage amount and/or price

More changes

- Risk elements and exposure have changed e.g. blended WFO and WIO
- Digital/infrastructure upgrade
- New ways to engage customers
- Cash-in, cash-out agents

Source: Chan, Lorenzo. Presentation: *Inclusive Insurance in a Post-pandemic Future* International Conference on Inclusive Insurance 2021.

Vision of the Islamic world

To better understand the role of takaful and microtakaful in the future of inclusive insurance, it is important to understand one or two concepts (see Box 8).

Mutuality can be considered the basis of takaful or Islamic insurance. It has several operational models that differ in terms of the relationship between the participants or policyholders and the takaful operator (the operator is not a risk carrier). Arguably, the most prevalent is the *wakalah-mudarabah* or hybrid model. In this model, two contracts manage the participants' fund. There is one contract (wakalah) whereby the participants authorise the takaful operator to manage the administrative expenses of the risk fund. The second contract, the mudarabah, is used to explain the takaful operator's role as investment manager of the fund and their ability to participate in the profits, if any. In this way, if claims exceed premiums, the policyholders are responsible for covering them. If there is a surplus, it is shared among the policyholders[25]. This process is illustrated in Figure 34 (where PSR is the Pre-agreed Sharing Ratio).

The future of takaful and microtakaful seems bright. The expected growth rate for the period 2021 to 2026 is 11%. There is a vast untapped market in terms of statistics as 25% of the world's population is Muslim. Besides, if the takaful agent succeeds in positioning their product, not as a religious product, but as insurance, it can become a serious competitor to conventional insurance.

Box 8

Takaful concepts

Within Islamic finance, *takaful* is the insurance product that is Shari'ah-compliant, and designed to meet the requirements of Islamic law. It tends to mimic conventional insurance, but with a Shari'ah-compliant process. Takaful is not a religious product. It can be also bought by non-Muslims.

To be considered *"halal"* or allowed, the product must avoid what Islamic scholars have raised as significant objections relating to conventional insurance contracts: the presence of *riba* (usury), *gharar* (ambiguity), and *maisir* (gambling).

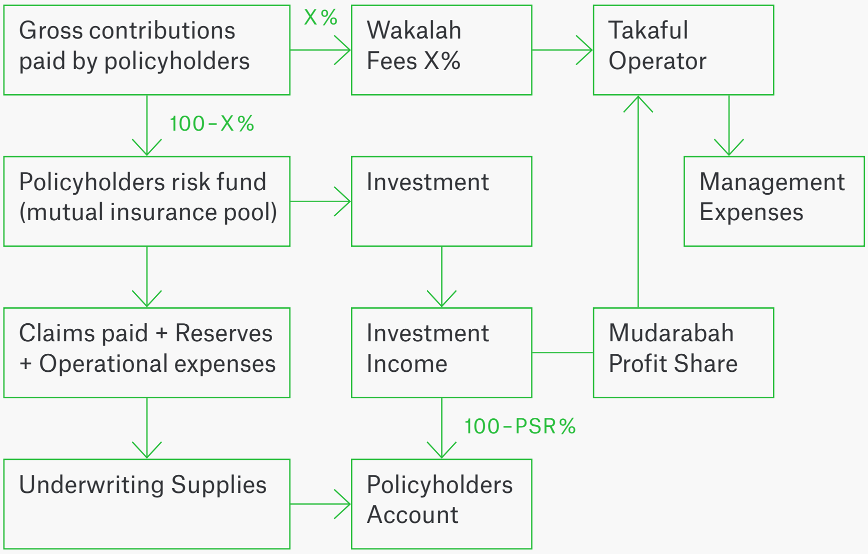
A traditional insurance contract may include *riba* because it involves the exchanging of two inequal amounts of money (premiums and claims).

In addition – implicitly and in simple terms – the profits the insurance company makes are invested in funds earning interest for the benefit of some, but not for all. It may contain *gharar* or ambiguity because of the uncertainty of claims, and also when there are no claims, one party may get the profit (the insurance company), while the other will get nothing. It may contain *maisir* or gambling elements because, whether the risk occurs or not, there will be one party that gains and another that loses.

In other words, in the conventional insurance world, adverse selection and information asymmetry are present and assumed, while under Shari'ah law, these elements are considered gambling.

Figure 34

Right Modus Operandi



Source: Seif, Tarek. Presentation: *Challenges of Inclusive Insurance in the Arabic/Islamic World* International Conference on Inclusive Insurance 2021.

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[25] In a number of countries where the *wakalah* model is commonly followed, operators also collect a share of the surplus in the form of a *mudarabah* or other means. Malaysia limits this to 50% of the surplus. In a number of countries where the wakalah model is commonly followed, operators also collect a share of the surplus in the form of a mudarabah or other means. Malaysia limits this to 50% of the surplus.

However, to tap this market, the takaful sector requires good management and an understanding of the takaful models. Hence it is necessary to train consultants in this type of insurance, as most have a conventional background and are unfamiliar with the takaful system. It also requires the standardisation of internal accounting and processes; more campaigns to raise awareness of risks and the need for insurance to improve access by promoting affordable Shari'ah-compliant products, positioning the product adequately, and developing reliable distribution channels. In this sense, linking to Islamic banking is both necessary and useful. Partnering with the postal services, which are well positioned, specifically in rural areas, as trusty intermediaries for financial services can help further the sector's development. There are some lessons learnt from experience in Kenya, Zambia and India with this type of partnership in conventional insurance that can be copied to a takaful operation.

Although the main product is funeral, the future could also include climate risk products, and any other products that are Shari'ah-compliant. In fact, the Islamic market represents a "blue ocean" with uncontested zones in many countries.

Lorenzo Chan
Chairman of the Board of the Microinsurance Network/CEO, Pioneer, The Philippines

Perspective of the United Nations Development Programme (UNDP)

The UNDP is the UN's development agency. It operates mainly on the ground through its offices in 170 countries and territories, working with national governments to set the national development agenda. It recently launched the Insurance & Risk Finance Facility (IRFF) to provide innovative insurance and risk finance products and services to vulnerable people and communities. It also aims to help with the long-term transformation of insurance markets and contribute to the results of the InsuResilience Global Partnership. It is the first time the UNDP has directly engaged in insurance and risk financing; this is the result of UNDP's involvement with the Insurance Development Forum.

The IRFF is kicking off the necessary activities to work on the five workstreams described in Box 9, starting with a diagnostic on all of them, capturing the work done by players and partners, locally and regionally, in order to build capacity on the know-how of the local organisations and best experience.

The goal is to help develop insurance and risk financing solutions in several countries by partnering and integrating key players, aligning their interests, and creating conditions and incentives to get the industry interested and actively participating (see Figure 35). These solutions will receive technical assistance for the design of the solution and monetary resources to finance it.

Closing remarks

Wrapping up the proceedings, Dirk Reinhard expressed his heartfelt thanks to the many people and organisations that had made the conference possible. He invited participants to the next conference, which will be in Kingston, Jamaica, from 24 to 28 October 2022.

Lessons learnt

- Insurance companies must continue to invest in their digital upgrade, even if they partner with a tech company.
- Although the digital way is overcoming the face-to-face mode of approaching and interacting with clients, a hybrid model must be found to get the right approach.
- The pandemic showed that the need for insurance is ever present.
- With the appropriate awareness and the more active participation of the insurance sector, the future could well be a world in which insurance is bought, not sold
- Partnerships are a crucial tool for developing market transformation strategies and designing inclusive insurance products.
- To get the private sector more involved, the understanding and commitment of the boards of directors are needed.
- The insurance industry has a clear opportunity, and the challenge is to reach out to people who have so far not been included.

→ Insurance Federation of Egypt
→ Pioneer
→ UNDP Insurance & Risk Finance Facility
→ Microinsurance Network
→ Munich Re Foundation

Box 9
IRFF Workstreams

Integrating Insurance into Development: transform the way countries finance risk management.

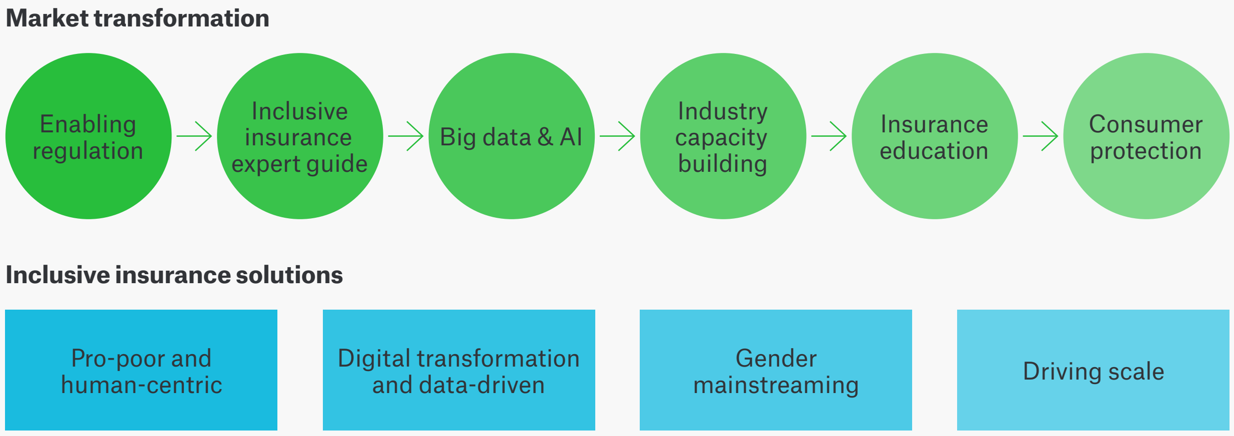
Inclusive Insurance: to expand the supply of inclusive insurance to people, families, and businesses.

Sovereign Risk Financing: to build the capacity of governments to finance shocks caused by disasters while minimising threats to development progress

Natural Capital: to develop natural capital insurance

Insurance and Investment: to scale investment in SDG-aligned projects

Figure 35
Driving the national inclusive insurance agenda



Source: Solana, Miguel. Presentation: *What's next in inclusive insurance; how to strengthen national inclusive insurance agendas at the country level* International Conference on Inclusive Insurance 2021.

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FCII, CDIF, Secretary General, Insurance Federation of Egypt, Egypt

Miguel Solana
Insurance Specialist, UNDP, Turkey

Dirk Reinhard
Vice Chair, Munich Re Foundation, Germany

Registered organisations

Albania
Albanian Financial Supervisory Authority
Albanian Insurance Association
Ansig Insurance
Central Bank of the Republic of Kosovo
Insig Insurance
Intersig VIG
S.H.E.P.D.S.A.
SiCRED
Tirana Business University College

Angola
Alinaça Seguros
Banco Angolan de Investimentos (BAI)

Antigua and Barbuda
Antigua and Barbuda Financial Services Regulatory Commission

Argentina
Dow
Estacubierto.com
Nacion Seguros
Previnca Seguros
Quick Seguro
Rio Uruguay Seguros
Sancor Seguros
Superintendence of Insurance of Argentina

Armenia
Central Bank of Armenia
Insurance Foundation of Servicemen
RGS
Ulunts Varpetner

Australia
Agroinsurance International
Good Shepherd Australia New Zealand
Microinsurance Center at Milliman Consulting
SURA
University of Newcastle

Austria
World Food Programme

Bahrain
BIBF

Bangladesh
Bangladesh Institute for Professional Development
Bangladesh Institute of Capital Market
BRAC
Development Organisation of the Rural Poor (DORP)
Green Delta
Guardian Life Insurance
Integrated Development Foundation (IDF)
Leading University
Nitol Insurance Company.
OXFAM
Pragati Insurance
Provati Insurance Company
Sadharan Bima Corporation
Syngenta Foundation
W4M
Waadaa.Insure
World Food Programme

Barbados
Eckler
IFAD
MiCRO
World Food Programme

Belgium
Ashoka
BRS
Microinsurance Master

Belize
Office of the Supervisor of Insurance & Private Pensions

Benin
Cabinet de Conseil en Relations Bancaires des PME
GIZ/GBE
L'Africaine Vie
Sanlam Assurance

Bermuda
Marsh

Bolivia
Autoridad de Fiscalización y Control de Pensiones y Seguros
CONSEGSA
Fundación PROFIN
La Boliviana Ciacruz de Seguros y Reaseguros S.A. (LBC)
SEGBO
WBC Abogados

Bosnia and Herzegovina
UNDP
University of Tuzla

Botswana
Afritec

Brazil
77Seg
Access to Insurance Initiative
ALM Seguradora
amktdirect
Assembleia Legislativa do Paraná
Bradesco Seguros
Callis Consultoria
CNseg - Brazilian Insurance Confederation
Degase
Domani Consulting
Educa Seguros
epHealth
EQ Seguros SA
Family Insurance Corretora
Generali Brasil Seguros
IRB Brasil RE
Lawyer
Live Consultoria em Seguros
Live Corretora de Seguros
MAG Seguros
MAPFRE
MC Assessoria e Consultoria em Seguros
MCamilo Consultoria
MegaForte Corretora De Seguros
MT ATUARIAL
Munich Re
OXXY Seguradora
Prudential do Brasil
RCM corretora
Santa Casa Copacabana
Seguradora Lider Seguros
StoneCo
SudaSeg
Susep
Swiss Re Corporate Solutions
Tokio Marine Insurance
Trace Centro de Idiomas
University of Campinas
University of Sao Paulo
Uunio Meio de Pagamentos
Voa Hotéis
Wolter & Prada Corretora de Seguros

Bulgaria
Generali
ZD BUL INS AD

Burkina Faso
Bopinc
Inclusive Guarantee
United Nations University

Cambodia
AmCham

Cameroon
BeNew Insurance
Chanas Assurances
Inclusive Help
Ministry of Finance
NSIA Assurances

Canada
AMF
Canada Life
Caribbean Actuarial Association
Denis Garand and Associates
iD&Cs
IFC
International Actuarial Association
LJM CONSULTING
Munich Re
RGA
SOCODEVI
Toronto Centre
UNCDF

Cape Verde
Impar Seguros

Cayman Islands
CCRIF SPC
Mangrove Securities

Chile
ControlExpert
FIDES
Thingstek SPA
Usach

China
Munich Re

Colombia
Ada School
Altima Seguros
Banca de las Oportunidades
Camacho & Forero Abogados
CHEMONICS Internacional
Colmena Seguros
Correcol
Creamos Marketing
Fasecolda
Federación de Aseguradores Colombianos Fasecolda
FINAGRO
HDI Seguros
Mapfre Re
MBM Consulting
MiCRO
Microinsurance Catastrophe Risk Organisation
Microinsurance Network
ParaLife Colombia
SALIX
Seguros Mundial
SURA
URF

Congo (Democratic Republic of the)
Autorité de Régulation et de Contrôle des Assurances
freelance consultant
RAWSUR
University of Kinshasa

Costa Rica
Aseguradora del Istmo (Adisa)
Asociación Aseguradoras Privadas
Coopenae Correduría de Seguros
Coopenae Seguros S.A.
Davivienda Seguros
ELS Estudio Legal
Seguros Lafise
SM Seguros
Sociedad de Seguros de Vida
SUGESE
Superintendencia General de Seguros
Vida Plena Opc

Cote d'Ivoire
AfDB
Allianz Africa Holding
Diversity Pub
Orassu Assurances
Sunu Services

Croatia
Faculty of Economics & Business, University of Zagreb

Denmark
Maj Invest

Dominica
DCSLL

Dominican Republic
Seguros Ademi
Seguros Crecer
Seguros Reservas

Ecuador
Inmedical S.A.
Latino Insurance
Seguros Condor

Egypt
Cairo University
Comin Insurance Brokerage
Estafsar
Fawry Insurance Brokerage
Insurance Federation of Egypt (IFE)
Lead Foundation
Misr Insurance Company
Orient Insurance
Scope Insurance Brokerage

El Salvador
ASES
SISA

Estonia
Finantsinspektsioon (Estonian FSA)

Ethiopia
Bunna Insurance
Ethswitch S.C.
Kifiya Financial Technology PLC
Nib Insurance Company S.Co.
Nyala Insurance S.C.
Oromia Insurance Company S.C.
The United Insurance Company S.C.
Wasasa MFI
Wollo University

Finland
Finnfund

France
Actuaires du Monde (Association Loi 1901)
Aides & Conseils
AIG
AXA Emerging Customers
Chubb
Grameen Crédit Agricole Microfinance Foundation
International Association of Insurance Supervisors
MF Strategy
OECD
SCOR
UNDP
VisionFund International
Women's World Banking

Gambia
Youth For Sustainable Development Foundation

Georgia
AgroInsurance International
Emphasibs
LEPL Insurance State Supervision Service of Georgia

Germany
Access to Insurance Initiative (A2ii)
actuview
Allianz
Allianz Re
Allianz X
Curiosity
DEG
GIZ
Deutsche Investitions- und Entwicklungsgesellschaft
Deutsche Sparkassenstiftung für internationale Kooperation e.V.
ERGO
Frankfurt School of Finance & Management
German Federal Ministry for Economic Cooperation and Development
GFA Consulting Group
Hannover Re
IFAD
Indep
Insha Ventures
InsuResilience Global Partnership
InsuResilience Solutions Fund
KfW Development Bank
Leibniz Institute of Agricultural Development in Transition Economies (IAMO)
Leibniz University Hannover
msg global solutions
mTOMADY gGmbH
Munich Climate Insurance Initiative (MCII)
Munich Re
Munich Re/Great Lakes
Munich Re Foundation
RMW&C
RWU University of Applied Sciences
Technical University of Munich
University of Göttingen
University of Bayreuth
United Nations University
University of Erlangen-Nürnberg
yabeo

Ghana
Allianz
aYo
Best Assurance Company
Chiron Health Consult
Donewell Life Company
Edward Mensah, Wood & Associates
Enterprise Life
Enterprise Life Assurance Company
Farmer Welfare Africa
Ghana Insurance Association
GIZ
Glico Life Insurance
Global Inclusion
GN Life
iRisk Reinsurance Brokers
KEK Insurance Brokers
Loyalty Insurance Company
National Health Insurance Authority
National Insurance Commission
PharmAccess
Prudential Life
RegencyNem Insurance
Safety Insurance Brokers
Saham Life Insurance Ghana
Serene Insurance Company
StarMicro Insurance
StarLife Assurance
UESD

Greece
NEUROPUBLIC S.A.

Grenada
Guardian General Insurance (OECS)

Guatemala
EcoAgriculture Partners
Oikocredit
Superintendencia de Bancos
World Food Programme

Haiti
FADA Haiti
KOFIP/Collectif du Financement Populaire

Honduras
Davivienda Seguros Honduras
Red Cross

Hong Kong
Manulife

India
Agriculture Insurance Company of India
Asia Insurance Review
AXA
Bharti Axa GIC
Bima Next
DHAN Foundation
Dvara Kshetriya Gramin Financials Pvt.
Eolas Solutions
GIZ
HDFC ERGO General Insurance Company
INAFI India
Independent Consultant
India First Life Insurance Company
IRDAI
J B Boda Insurance and Reinsurance Brokers
K M Dastur Reinsurance Brokers
Lovely Professional University
Maj Invest
Medi Assist Insurance TPA Private
Micro Insurance Company
MicroNsure Consultancy
M-INSURE
MSC (MicroSave Consulting)
Munich Re
National Insurance Vimo SEWA
Opportunity Microinsurance Development Centre
People Education & Development Organisation
Periyar University
Pune Institute of Business Management
Royal London
Salasar Services
SBI General Insurance Co.
Svojas Insurance Broking and Risk Management Services
Syngenta Foundation
Tamil Nadu Coastal Sustainable Livelihoods Society
Tata Trusts
Toffee Insurance
UNDP
VB Health Solutions Private
Viridis RS

Indonesia
Allianz Life
AXA Mandiri
Equity Life Indonesia
Halodoc
PT Asuransi Central Asia
PT Sienco Aktuarindo Utama Actuaries and Consultants
World Bank

Iran
ECO College of Insurance

Ireland
Central Bank of Ireland
The Consilient Consultancy
University College Dublin
Wachsman

Israel
Agritask
Insuretech Israel
OKO

Italy
Allianz
EA Consultants
IBC
IFAD
SDA Bocconi School of Management
Unisalute
World Food Programme

Jamaica
Canopy Insurance
Caribbean Actuarial Association
Cedric Stephens & Associates
CUNA Caribbean Insurance
Financial Services Commission
Gallagher Insurance Brokers
GK General Insurance
Insurance Association of
Jamaica Cooperative Credit Union League
Jamaica Information Service
JN Life Insurance
Marathon Insurance Brokers
Ministry of Industry, Investment and Commerce
Sagicor Group
Sagicor Life
University of the West Indies

Japan
Aoyama Gakuin University
Marsh & McLennan Companies

Kazakhstan
AFSA

Kenya
AB Consultants
Advertise Me
African Reinsurance Corporation
Agent for Inclusive Insurance Development (AIID)
Agritask
Alfluence
AIID
Allianz Kenya
APA Insurance Company
Apollo Insurance
Bluewave
Britam Holdings
CarePay
CIC Insurance Group
DDFinance Kenya
FAO
Frankfurt School of Finance & Management
FSD Africa
Get To Basics Consultants
Green Clover
IFC
ILO Impact Insurance Facility
Inclusivity Solutions
International Fund for Agricultural Development
Jubilee Health Insurance
Lamu County
Metropolitan Cannon Insurance
Minet Kenya Insurance Brokers
Ministry of Agriculture
Ministry of Health
NCC
NSCL
Pacis Insurance Company
Peer Publishers and Consultants
PharmaAccess
Prosperity Insurance Agency
Pula Advisors
Resolution Insurance
Sanlam General Insurance
Savannah Informatics
Syngenta Foundation
Turaco
Underwriting Africa
UNDP
WAICA Reinsurance Kenya
World Food Programme
ZEP-RE (PTA Re)

Kuwait
Boubyan Takaful

Lebanon
ALIG
AROPE Insurance

Lesotho
Lesoto National General Insurance

Luxembourg
ADA
European Investment Bank (EIB)
IBISA SàRL
LuxDev
Microinsurance Network
Ministry of Finance
Schweizer PM

Madagascar
NY HAVANA Insurance Company

Malawi
MyBucks Banking Corporation
myELEN
Reserve Bank of Malawi

Malaysia
Actuarial Partners Consulting
Bank Negara Malaysia
Hannover Re
University Malaya
University Sultan Zainal Abidi

Mali
World Food Programme

Malta
Etherisc.com

Mauritius
Financial Services Commission
Swan General

Mexico
Aarón Silva y Asociados
Allianz
BBVA Seguros
Chubb
EKA
Insignia Life S.A. de C.V.
Lindenbrock Dev
Luxelare
MAPFRE
MiCRO
Odontoprev
PRYBE
Reaseguradora Patria
Riesgos Compartidos
Seguros SURA
Seguros Ve por Más
Sofia
Universidad Anáhuac

Morocco
ACAPS
Alpha Assurances
ARRAWAJ Microfinance
AtlantaSanad Assurance
DSH
Elite Partners
Fédération Marocaine des Sociétés d'Assurances et de Réassurance
La Marocaine Vie
MAMDA-MCMA
M-Insure Africa Holdings
Moroccan Federation of Insurance and Reinsurance Companies (FMSAR)
Mustapha Attaaminat sarl
Objectif Finance Maroc
RMA ASSURANCE
Société Centrale de Réassurance (SCR)
Supervisory Authority of Insurance and Social Welfare
Wafa IMA Assistance
Wafa Assurance

Mozambique
Fidelidade
Hollard Seguros
Imperial Insurance Moçambique
NBC Mozambique - Microinsurance Company, SA
Safeline Companhia De Micro Seguros S.A.
Seguradora Internacional de Moçambique S.A.
Seguradora Internacional Moçambique IMPAR
World Food Programme

Myanmar
KBZ MS General Insurance
Manulife
Syngenta Foundation

Nepal
Actuarial Society of Nepal
Beema Samiti (Insurance Regulatory Authority of Nepal)
ebeema
FinMantra
Government of Nepal
IME Life Insurance
Insurance Regulator of Nepal
Prabhu Life Insurance
Reliance Life Insurance

Netherlands
AIGHD
Aon
AXA
Bopinc
Brady Advisory Services
eLEAF
Etherisc
FIRM
ID – the Sustainable Trade Initiative
Invest International
PharmAccess
Philips
Utrecht University
VanderSat

Nicaragua
World Food Programme

Nigeria
ABACUS Business Solutions
AIICO Insurance
AXA Mansard
Bus54
College of Insurance and Financial Management
Community Health Impact Coalition
Curacel
DGFL
FBS Reinsurance
Global Fleet
IFC
Kwara State Health Insurance Agency
Kwara State Ministry of Health
KWHIA
Lagos State University
LASU
LMFB
National Insurance Commission (NAICOM)
PaddyCover Insuretech
PharmAccess
PI
Royal Exchange General Insurance Company (REGIC)
Salient Advisory
University of Ibadan
University of Ilorin
University of Nigeria
WellaHealth
World Bank
World Food Programme
Zenith General Insurance Company

North Macedonia
AD Osiguritelna Polisa
Croatia Osiguruvanje – Life AD, Skopje
Euroins Insurance
Grawe Osigurvanje AD Skopje
Halk Insurance
Insurance Supervision Agency
Kroacija Osiguruvanje
Ministry of Finance
Sava Penzisko Drustvo
Triglav
Uniqa Macedonia
University St Kliment Ohridski
VEGA Insurance Broker JSC
Winner – Vienna Insurance Group, Skopje

Norway
Chr. Michelsens Institute
Nordic Microfinance Initiative
Plan International

Pakistan
Adamjeelife
AlHuda CIBE
Allied Bank
Asia Insurance Company
DataQ Health
doctHERs
easyinsurance.com.pk
EFU General Insurance
EFU Life
FWU AG – PAKISTAN BRANCH
Jubilee General Insurance
Naya Jeevan
National Disaster & Risk Management Fund (NDRMF)

Panama
ASSA
Panamerican Network

Peru
APESEG
Banco Pichincha
BISAC
Caja Arequipa
Cosas de Seguros
Crecer Seguros
Efitec
ENERGIA PARA EMPRENDER
Financial Inclusion Consultant
Freelance
IFAD
ILO
La Positiva
Maj Invest
Mapfre Perú
Municipalidad de Villa El Salvador
Pacifico Seguros
Protecta Security
Rímac Seguros
SBS
Seguroparatodos

The Philippines
Asian Actuaries
Asian Development Bank
ASKI MUTUAL BENEFIT ASSOCIATION
BPI MS Insurance Corporation
CARD Pioneer Microinsurance
Cebuana Lhuillier Insurance Brokers
Cooperative Insurance System of the Philippines (CISP)
Country Bankers Insurance Group
Department of Finance
Generali Life
GIZ
Group & Microinsurance Consultant
HUBLAG
ICRAF/CIM
Igloo Insure
Leapfrog Investments
Malayan Insurance
Microinsurance MBA Association of the Philippines (MiMAP) – RIMANSI
MPioneer Insurance
Paglaum MBA
Pioneer Insurance
Rafael B. Buenaventura Micro Finance Foundation

Portugal
One Planet Ventures
University of Coimbra

Puerto Rico
Climas

Russia
Central Bank of Russian Federation – Insurance Surveillance Division

Rwanda
Access to Finance Rwanda
Falcon Insurance Services
Fana Adviso
FinProbity Solutions
Inclusivity Solutions
KM Dastur
Radiant Insurance Company
Radiant Yacu Microinsurance Company

Saudi Arabia
ICIEC, Islamic Development Bank

Senegal
Actuaires du Monde
GIZ
Inclusive Guarantee

Sierra Leone
Ministry of Health and Sanitation
UNCDF

Singapore
Allianz
DLI Asia Pacific Pte.
Global Asia Insurance Partnership
Global Business Counselling Pte.
Inclusivity Solutions
Munich Re

Slovenia
ACTURUS
Insurance Supervision Agency

Solomon Islands
Central Bank of Solomon Islands

South Africa
AYO
Cenfri
Deloitte
Diakemo
DIRCO
Everest Corporate Life
Financial Sector Conduct Authority
Hollard
IFC
Inclusivity Solutions
Institute for Global Health Diplomacy
Integrity Health and Housing
Khanyisa Insurance Group
KPMG
Landscape of Microinsurance
Leapfrog Investments
Micro Insurance Company
Microinsurance Network
Munich Reinsurance of Africa
New Breed Consulting
NMS Insurance Services
Pear Advisory
Prudential Authority (SARB)
RCS Cards
Sensible Risk Solutions
Simply Financial Services
South African Reserve Bank
The South African Insurance Association
TRAFICC
True South Actuaries & Consultants
Vodacom/M-Pesa Africa
Wellth-AI

South Korea
d.Lemon Inc.

Spain
GMV
MAPFRE
Pula Advisors

Sri Lanka
Agriculture and Agrarian Insurance Board
Allianz Life
S G Actuarial Consultancy
Sabaragamuwa University
SlycanTrust
Softlogic Life Insurance
Wayamba University

Switzerland
A2ii
Allianz Re
CelsiusPro
ClimateRe
elipslife
EMRU
Enveve SA
HEC Lausanne, Lausanne University
IAIS
iGravity
ILO
IP Stance
MF Strategy
NewRe
ParaLife
Private
SCBF
SCOR
SDC
Swiss Capacity Building Facility
Swiss Microfinance Holding
Swiss Re
Syngenta Foundation
UNDP
Women's World Banking

Tanzania
Assemble Insurance Tanzania
ETAL
GA Insurance Tanzania
German Sparkassenstiftung Eastern Africa
Pan Oceanic Insurance Brokers
PharmAccess
Sanlam Life Insurance
Strategis Insurance
The Chartered Insurance Institute (CII)
The Institute of Finance Managemen

Thailand
SEI

Togo
Lorica
ONG Santé et Action Globale

Trinidad and Tobago
Analytics
Guardian General Insurance
Guardian Life of the Caribbean

Tunisia
Comité Général des Assurances
Insurance General Committee

Turkey
UNDP

Uganda
Agro Consortium
APA Insurance Uganda
Cavva Africa Insurance Consultant
Finance Trust Bank
Grand Micro Insurance
Insurance Regulatory Authority of Uganda
Ngetta Tropical Holdings
Save for Health Uganda

United Arab Emirates
BCG
Democrance
MedNet
Munich Re
National Health Insurance Company — Daman
Reem Re

United Kingdom
ALO Consulting Services
AWHA Consulting
AXA
Bank of England
BIMA,
Blocksure
Brit Insurance
CARE Africa
Durham University
Eco Sustenance
Equintis
Funnelweb Media
GCU
Glasgow Caledonian University
Great Lakes Insurance SE
GSMA,
ICMIF
Leapfrog Investments
Michael Carr Consulting
Micro Insurance Company
Millestone Financial Engagement
Milvik BIMA
Ninety Consulting
R&Q
Rural Inclusion CIC
Ryan Specialty Group
Sioma
Standard Chartered Bank
The Actuary magazine
UCL
University of Liverpool
VISIONFUND
Willis Re
World Food Programme

United States
Aides et Conseils
AIG
AM Best
American Council of Life Insurers
American Modern Insurance Group
AmTrust Financial Services
Arch Insurance
Argo Group
AXA
Barents Re
BdO
BMGF
Center for Economic Justice
Cigna
Consillarios Re
Coveo
DevSolutions Consulting
EA Consultants
EnsoAg LLC
Federal Insurance Office
Feed the Future Innovation Lab for Markets, Risk & Resilience
FINCA Ventures
FIV Holdings
Future Fintech Group
Genworth Financial
Georgia State University
Global Insurance Consulting
Grupo In Motion
Helmsley Trust
Hippo
Homesite Insurance
IFC
Illinois State University
International Association of Black Actuaries
International Food Policy Research Institute – IFPRI
ISF Advisors
JPMC
Life Insurance
Mercer
Metis International, LLC
MiCRO
Micro Insurance Company
MicroInsurance Centre at Milliman
Milliman
Munich Re America
NASA SERVIR Science Coordination Office
National Association of Insurance Commissioners (NAIC)
New York Life
Preferred Employers Group
Resilient
Shereen Sayre
St. John's University
Suyana
The Hartford
The Helmsley Charitable Trust
The World Bank
Travelers
UIUC
Umby
University of Connecticut
University of Florida
University of Minnesota
University of New Orleans
University of Oregon
USAID
Women's World Banking
World Bank
WWB Asset Management
Xisius Group

Vanuatu
UNCDF

Venezuela
ONRM

Vietnam
Insurance Supervisory Authority

Zambia
ABBANK
Agora Microfinance
Analytix Risk Consultants
A-Plus General Insurance
Association of Microfinance Institutions
aYo Insurance Brokers
BlackGold Insurance Brokers
Comlink
FSD Zambia
General Alliance Insurance
Hollard Insurance
Madison Life Insurance Company
Mayfair Insurance Company
Microinsurance Technical Advisory Group (TAG)
Microloan Foundation
Pensions and Insurance Authority
Risk Shield Consultants
ZSIC

Zimbabwe
Coverlink Microinsurance
First Mutual
IPEC
Premier Service Medical Aid Society
Rise Capital Microinsurance
VisionFund International
ZB Life Assurance

Acronyms

AD&D
Accidental death and dismemberment

AI
Artificial intelligence

A2II
Access to Insurance Initiative

BoJ
Bank of Jamaica

BDT
Bangladeshi taka

BMZ
(Bundesministerium für wirtschaftliche Zusammenarbeit und Entwicklung) The Federal Ministry for Economic Cooperation and Development, Germany

CCRIF SPC
The Caribbean Catastrophe Risk Insurance Facility Segregated Portfolio Company

CEAR
Center for the Economic Analysis of Risk at Georgia State University, USA

Cenfri
Centre for Financial Regulation and Inclusion

COVID-19
Corona virus disease-2019

CSC
Customer service centre

CU
Credit union

CUNA
Credit Union National Association

DREF
Disaster Relief Emergency Fund

EPOS
Electronic point of sale

ESG
Environmental, social and governance

FIF
Financial Inclusion Forum

FSC
Financial Services Commission

FSD
Financial sector development

GDI
Green Delta Inssurance

GDP
Gross domestic product

GIZ
Deutsche Gesellschaft für Internationale Zusammenarbeit German Society for International Cooperation

GK
Grace Kennedy Group

GWP
Gross written premium

IAA
International Actuarial Association

IAIS
International Association of Insurance Supervisors

IAJ
Insurance Association of Jamaica

IDB
Inter-American Development Bank

IDR
Indonesian rupiah

IEC
Information, education and communication

IFC
International Finance Corporation

IFRC
International Federation of Red Cross and Red Crescent Societies

IIC
Inclusive Insurance Commission

IIF
InsuResilience Investment Fund

ILO
International Labour Organisation

INR
Indian rupee

IRA
Insurance Regulatory Authority

IRDA
Insurance Regulatory and Development Authority, India

IRFF
Insurance & Risk Finance Facility

ISF
Initiative for Smallholder Finance Also, InsuResilience Solutions Fund

IVR
Interactive voice response

JCCUL
Jamaica Cooperative Credit Union League

KfW
(Kreditanstalt für Wiederaufbau) State-owned investment and development bank, Germany

KPIs
Key performance indicators

KYC/AML/CFT
Know Your Customer/ Anti-Money Laundering/ Countering of Financial Terrorism

LAC
Latin America and the Caribbean

LKR
Sri Lankan rupee

LMICs
Low- and Middle-Income Countries

LPP
Livelihood protection policy

MFI
Microfinance institution

MiN
The Microinsurance Network

MoFED
Ministry of Finance and Economic Development, Uganda

MSMEs
Micro, Small and Medium Enterprises

NFA
National Fisheries Authority

NFIS
National Financial Inclusion Strategy

NHIS
National Health Insurance Scheme

OECD
Organisation for Economic Co-operation and Development

PFARMS
PTSLP Fishing Asset Risk Mutual Society

PMFBY
Pradhan Mantri Fasal Bima Yojana, crop insurance scheme, India

PPP
Public-private partnership

PSR
Pre-agreed sharing ratio

PTSLP
Post-Tsunami Sustainable Livelihoods Programme

QR
Quick response

QUIIC
Quality Index Insurance Certification

RADA
Rural Agriculture Development Authority

RSPs
Remittance service providers

RWF
Rwandan francs

SAGABI
Strategic Alliance GIZ, Allianz, BIMA

SBI
State Bank of India

SDGs
Sustainable development goals

SMS
Short message service

S&NP
Standard and Poor’s

STATIN
Statistical Institute of Jamaica

UC
University of California

UHC
Universal healthcare

UNDP
The United Nations Development Programme

USD
United States dollar

USSD
Unstructured Supplementary Service Data

WFP
World Food Programme

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> “Insurers compete in a mainstream market that is becoming saturated. This new market of inclusive insurance represents a ‘blue ocean’ of opportunities waiting to be tapped.”

Lorenzo Chan
Chairman of the Board
of the Microinsurance
Network/CEO, Pioneer,
The Philippines

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