

National strategy on insurance financial inclusion in **Colombia**



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Context: Insurance sector and financial inclusion figures in 2020

2.8%

Insurance penetration in Colombia



USD 8.2
Billions

Premiums written



76%
colombians

Low and middle socioeconomic level

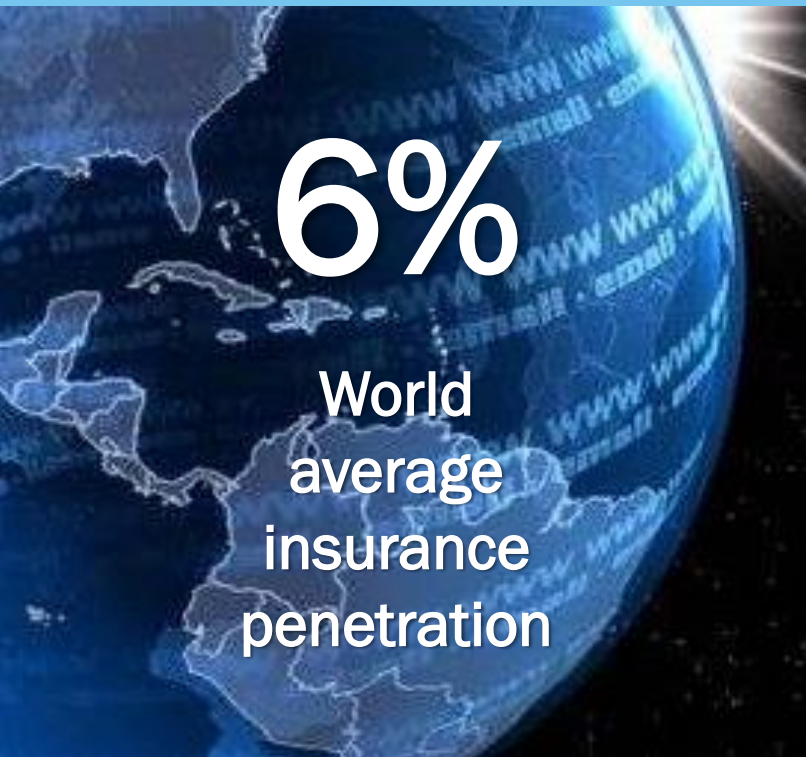
38.5

Million of people



6%

World average insurance penetration



USD 188

Spending per capita on insurance



USD 3.630

Average per capita insurance expenditure



45%

people with an account in a financial institution



Inclusive premiums written in 2020

The **microinsurance market** is a large and untapped potential market. The **mass insurance market** is diversified and widespread.

Microinsurance

2.0% of premiums in 2020

74.8% was massive

***19** of the 40 insurers considered in this report **sold microinsurance**, and three of them accounted for **59.3%** of premiums written in 2020.

Focused on:



Group life



Personal accidents

Mass-marketed insurance

31.3% of premiums in 2020

***27** of the 40 insurers considered in this report **sold mass-market insurance**, and five of them of which accounted for **50%** of premiums written in 2020.

Focused on:



Life group debtors



Personal accidents



Compulsory personal accident insurance



Financial inclusion institutional framework in Colombia



General guidelines are defined by:

1. National Strategy on Financial Inclusion and Literacy.
2. National Policy for the Development of the Financial System.



Governance: Intersectoral Commission on Financial Inclusion and Literacy | Banca de las Oportunidades



Ongoing actions from the policy agenda:

Regulatory Roadmap for the Modernization of the Insurance Industry.

Draft Law 323 of 2020: Inclusive insurance and risk management

Public-private strategy to scale-up the inclusive insurance market

Public-private efforts to develop the inclusive insurance market



Country-level diagnostic

Publication: “Towards an Inclusive and Universal Insurance Sector”



Interinstitutional planning

Workshops cycle: identification of barriers for the development of the insurance market.

Areas of analysis

1

Market efficiency and regulatory barriers

2

Policyholders and industry relationship

3

Supply and distribution of pertinent products

4

Increased demand for insurance products

Public-private efforts to develop the inclusive insurance market



Implementation

Four-pillar strategy aimed at fostering an efficient and sustainable market:



1.

Industry
capacity-
building



2.

Additional
information for
decision-
making



3.

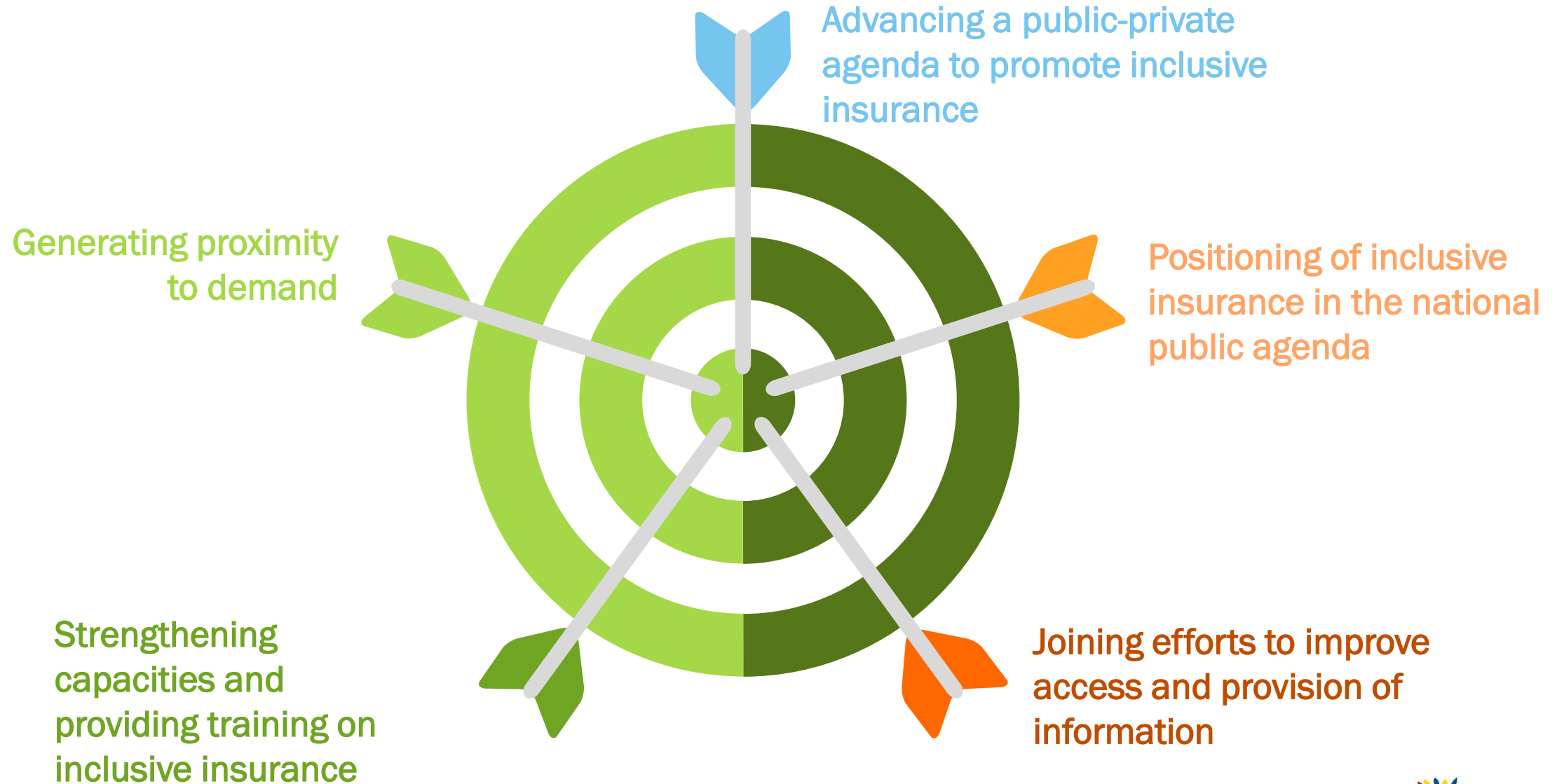
Consumer
protection



4.

Incubation of
innovative
projects

Lessons learned: success factors



Lessons learned: challenges and opportunities



Reduced supply of products in underserved segments because of the perceived uncertainty by insurers



Continue fostering an innovative regulatory framework to promote inclusive insurance



Unfamiliarity with the oral and written language used



Limited demand due to population distrust about the insurance sector and its products

Many thanks!

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