MICROINSURANCE IN THE CARIBBEAN

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Discussion Points

Natural Disasters
  Impact
  Costs
2. Mitigation
3. Microinsurance in the Caribbean
  Products
  Development
4. Future
THE CARIBBEAN
Caribbean Culture
Natural Disasters

Hurricanes

- Flooding
- Landslides

Earthquakes

Drought

Bush Fires
Financial Impact

Category Five – Hurricane Maria – Estimated costs between US$27 billion and $43 billion

Hurricane Dorian – Estimated costs US$1.5 billion and US$3.0 billion

Example: Tourism: In 2018, loss of income estimated US$741 million following the passing of hurricanes Irma and Maria
Government Initiative
Ministry of Finance
World Bank
Caribbean Catastrophe Risk Insurance Facility (CCRIF)
(19 countries, Payouts since 2007)

Types of Product
Livelihood Protection Policy

Insurance Companies
Farmers
Fisher folk
Agriculture

Types of Products
Parametric Insurance
Microinsurance
In the Caribbean

Legislation
No formal legislation to supervise the soliciting of this form of insurance business

Insurance Regulators have partnered with overseas organizations to start the process to develop legislation.

Accessibility
Easy access to insurance

Financial Literacy
Recognize the need for education

Partnerships with regulators for development of financial literacy
Challenges

- Infrastructure
- Reinsurance
- Research Studies
  - Experience studies
  - Loss ratios
  - Pricing
- Public Misunderstanding
The Way Forward

Partnerships

Regulators
Insurance Companies
World Bank