



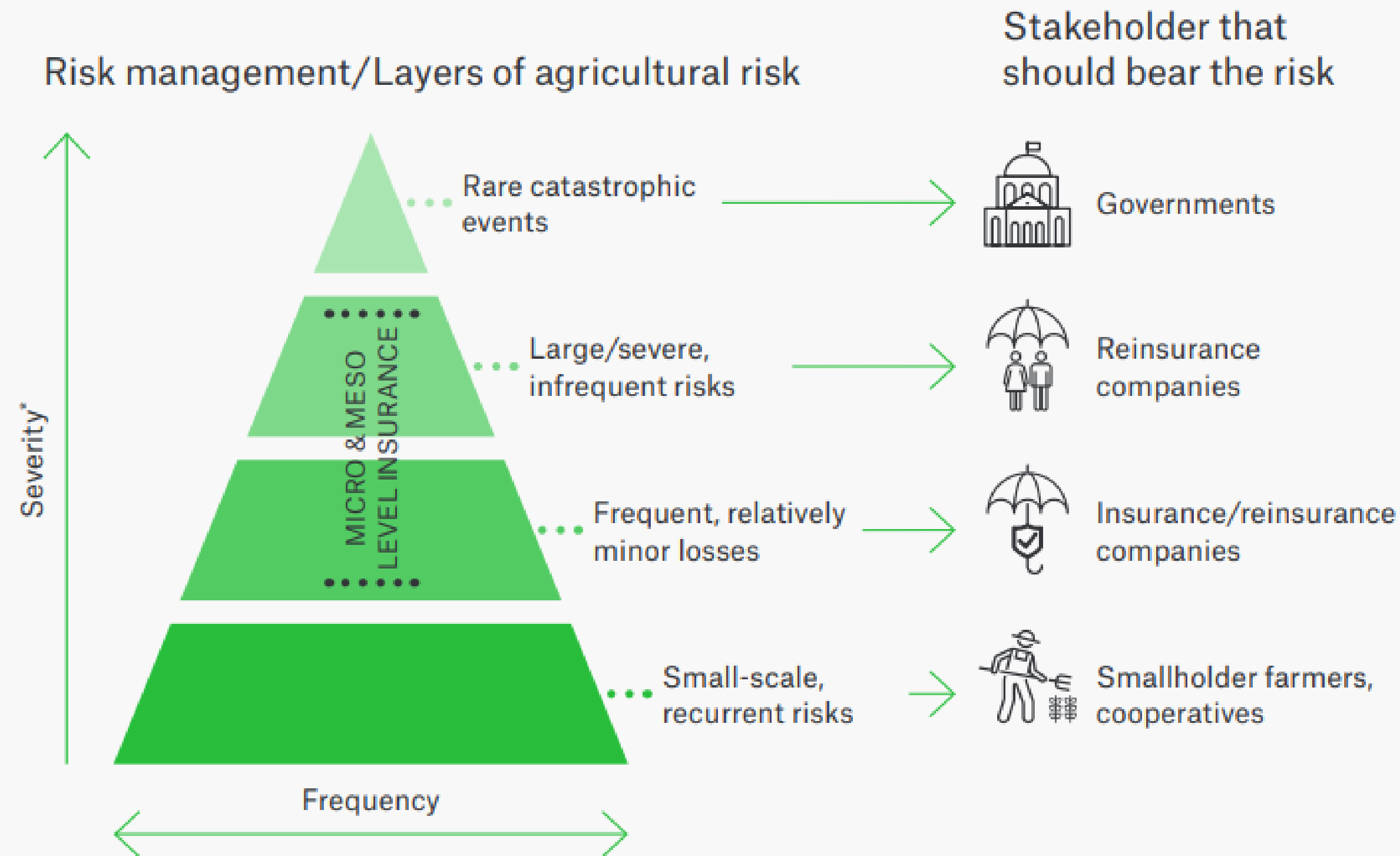
8TH Eastern & Southern Africa Regional Conference on Inclusive Insurance

IDF INCLUSIVE INSURANCE WORKING GROUP

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Figure 9
Emerging integrated approaches

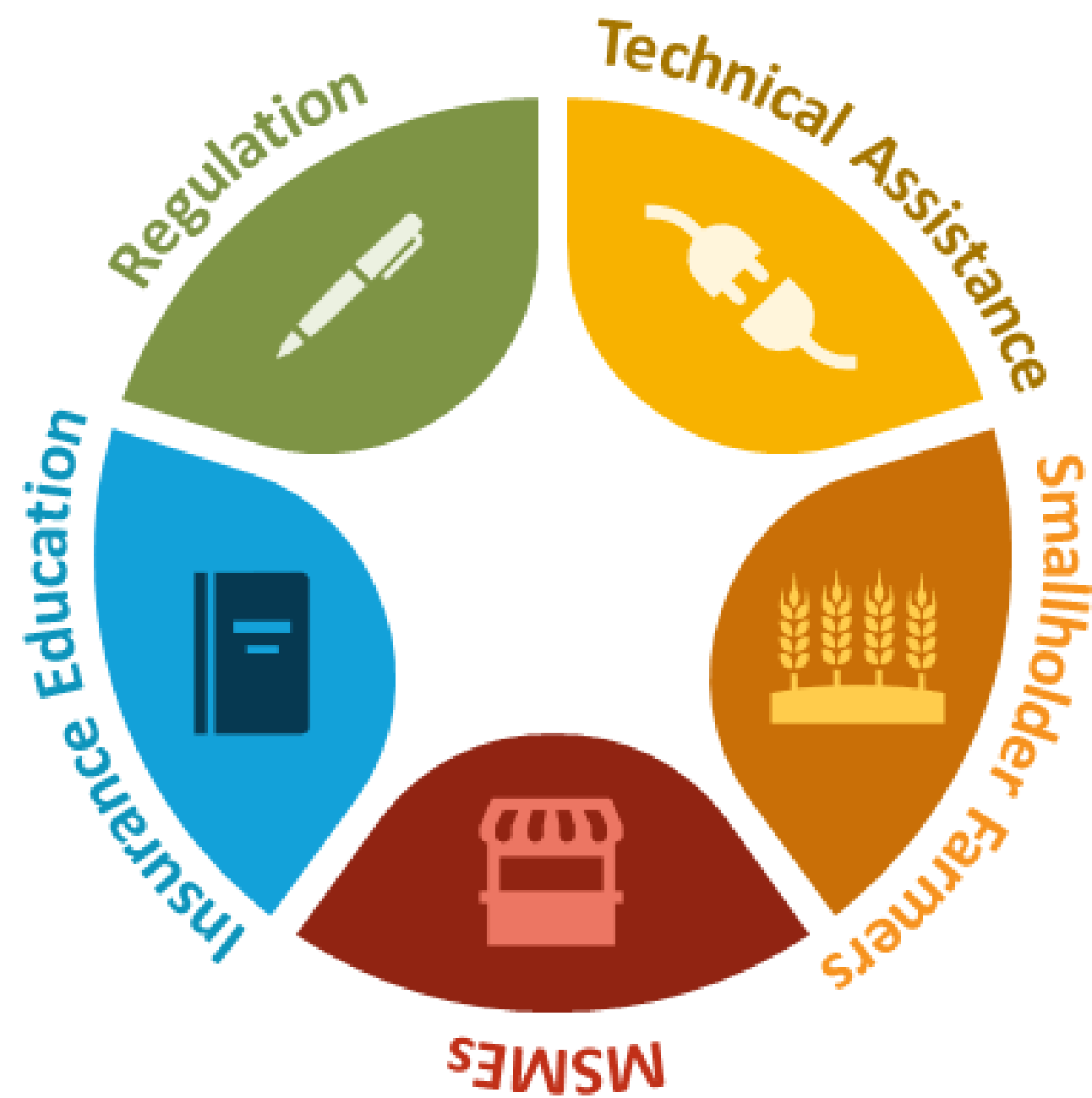


* NOTE: With climate change, many risks (floods, droughts, typhoons) are becoming more severe and more frequent, compromising the prediction accuracy of historical models and the appetite of insurers to be involved.

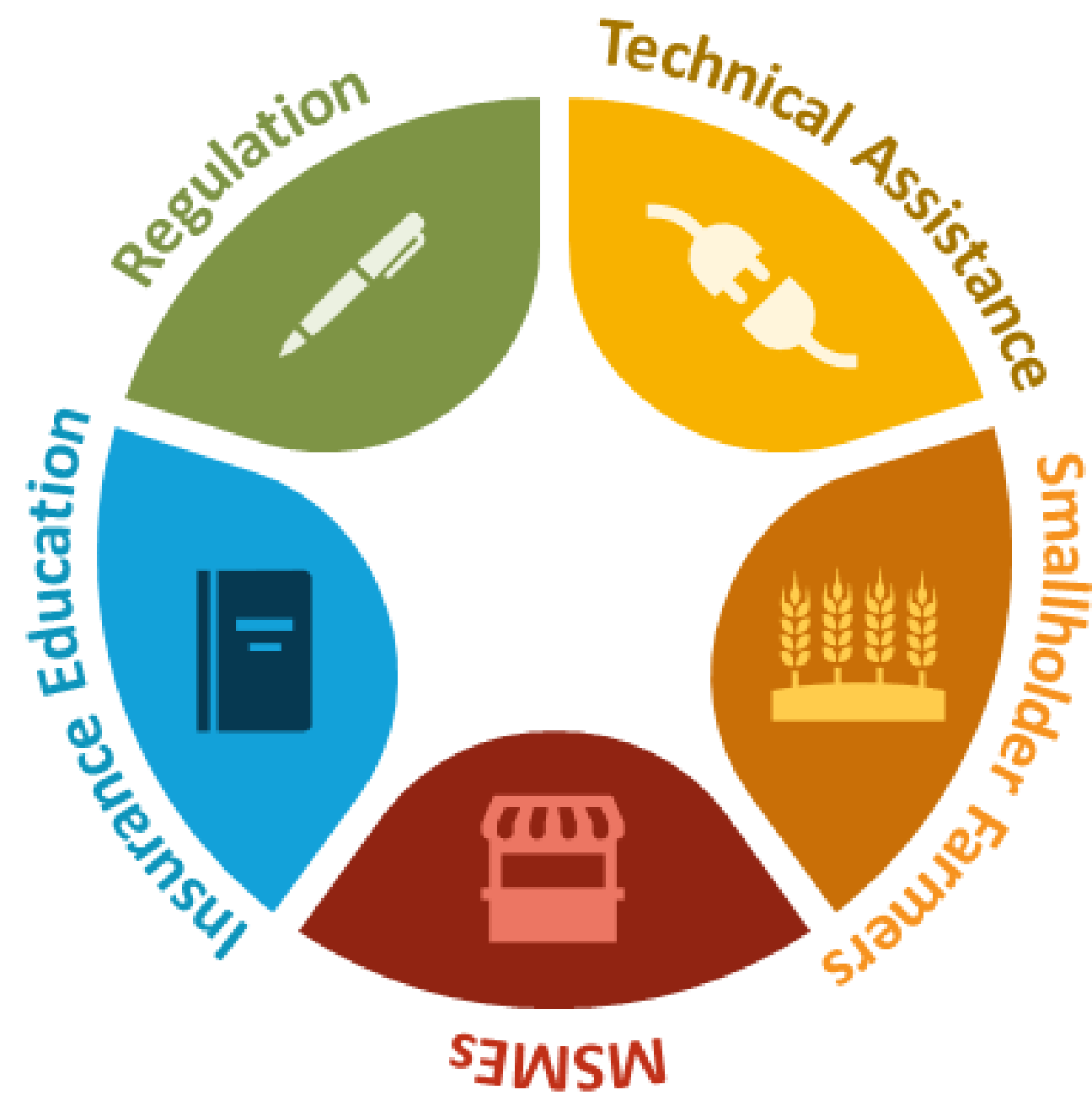
Source: Shakhovskoy, Matthew. Presentation: *Agricultural insurance: a global stocktake* International Conference on Inclusive Insurance 2021.

Main Challenges





Thematic Area	Action	Objective
Technical Assistance	Mapping of projects for submission to the ISF and other donor facilities	Secure technical assistance, including funding and smart-subsidies, for piloting and scaling up solutions across all risk segments, including a common platform for microinsurance distribution, enrolment and claims processing (potentially through the implementation of an Open Finance framework – discussed below).
Smallholder Farmers	Multi-disciplinary squad with insurers, distribution platforms and innovators focused on smallholder farmers	<p>Develop additional coverages for Smallholder Farmers (health, life, pension) to be bundled with and distributed through the same channels as the existing agricultural schemes, including the National Consortiums (Kenya Agricultural Insurance Program and Kenya Livestock Insurance Programme) and the Hunger Safety Net Program (HSNP) systems, as well as through additional digital and alternative channels, leveraging established points of contact for the rural population, such as agro-dealers, shopkeepers, cooperatives, lending institutions among others.</p> <p>A multi-disciplinary squad with insurers, distribution platforms and innovators (independent actuaries) will work on product development, distribution channels and partnerships.</p>
MSMEs	Multi-disciplinary squad with insurers, distribution platforms and innovators focused on MSMEs	<p>Expand the focus of products aimed at MSMEs to offer more comprehensive insurance coverages, including for climate-related events, and the use of new distribution channels.</p> <p>A multi-disciplinary squad with insurers, distribution platforms and innovators (independent actuaries) will work on product development, distribution channels and partnerships.</p>



Thematic Area	Action	Objective
Regulation	Regulatory Review and Open Finance	<p>Review the regulatory framework for inclusive insurance in Kenya and propose amendments to unlock market potential in all risk segments, based on the previous assessments of the regulatory environment already conducted, and with the support of the A2ii and FSD Africa.</p> <p>Kenya's long-term national development plan Vision 2030 and National Payments Systems Strategy 2022-2025 contemplates the creation of an open financial system with shared infrastructure based on a strong Data Protection Act (DPA) that underpins the principle that people and businesses should own their own data and regulators should facilitate the creation of practical mechanisms to allow data sharing within the financial system. Taking steps towards this environment, allowing the necessary time for adjustment of incumbent institutions and carefully considering the trade-offs involved in the process, could be a way of stimulating a new wave of fintech innovation offering new financial solutions and expanding access to inclusive insurance by the underserved populations.</p>
Insurance Education	Insurance Education Programme	<p>Financial education and insurance comprehension is a constraint for uptake across all risk segments and customer demographics. An Insurance Education Programme designed by the private industry under the leadership of the Association of Kenyan Insurers (AKI), with the collaboration of the Insurance Regulatory Authority and other representative bodies, including of distributors, would produce and disseminate insurance and risk awareness contents to be used in marketing, training and formal financial education programmes.</p>

Current focus countries



Thank you!