

MICROINSURANCE PREMIUM REACHES OVER 800 MILLION USD IN LATIN AMERICA AND THE CARIBBEAN

Nearly 50 million people are benefiting in the region

At the **10th International Microinsurance Conference** in **Mexico City** from **November 11 to 13, 2014**, insurance experts will discuss the potential for insurance for emerging customer segments in Latin America and the Caribbean.

The conference coincides with the release of the latest **Landscape Study of Microinsurance in Latin America and the Caribbean**, published by the Microinsurance Network together with the Munich Re Foundation. The study indicates progress towards financial inclusion with 7.9% of the region's population now having access to microinsurance.

Over the past three years, microinsurance has grown steadily by 2% across the region and the dominance of life and accident products continues. Michael J. McCord from the MicroInsurance Centre, which conducted the study, explains that “this ‘levelling off’ could reflect a normal industry life cycle moving to a more mature market, and the trend toward mass market insurance. Ultimately, we see more new microinsurance products launched than discontinued over the last 2 years.”

Insurers are, today, leveraging a wide variety of alternate distribution channels, with distribution and commissions costs needing to be optimised. There is also initial evidence of higher premiums and lower claims ratios as compared to the 2011 data, all of which have an impact on growth.

These and other outcomes will be discussed next week, at the world's largest event on inclusive insurance, by around 400 insurance and development experts from over 50 countries. For Recaredo Arias, CEO of the Asociación Mexicana de Instituciones de Seguros (AMIS)—co-organiser of the conference— “It is a privilege that this year the conference takes place in Mexico. For us, insurers, this reunion is of great relevance because we are certain that microinsurance is the best financial tool to help the less favored improve their life quality. The conference provides the international insurance community with valuable insight into how to face risks and improve standards of living”.

2014 also marks the 10th anniversary of this conference, a good opportunity to pause and reflect on its impact. Dirk Reinhard, vice-chairman of Munich Re Foundation and founder of the International Microinsurance Conference says, “When we started the conference ten years ago, the Munich Re Foundation aimed at providing the world's leading platform for insurance and development experts to exchange knowledge and experience. Looking back, I think we can tell that we have fulfilled that target. But the challenges remain numerous: increasing outreach and improving quality of products are just two of them. We will continue our role as a leading facilitator to accelerate the development of microinsurance and contribute to sustainable economic development of those who need it most.”

A lot has been already achieved but still more need to be done. “Today more than 2.5 billion people have no access to bank accounts or insurance¹”, says Véronique Faber, executive director of the Microinsurance Network— co-host of the conference. “This translates into leaving people without appropriate responses to shocks, disasters and unexpected events. Evidence over the past years demonstrates that insurance, and especially microinsurance, makes a difference by enhancing resilience towards risk—on the household and on the larger economic level—and thus creates an important contribution to financial inclusion.”

¹ <https://www.gov.uk/government/policies/helping-developing-countries-economies-to-grow/supporting-pages/helping-people-in-developing-countries-access-financial-services>

About the International Microinsurance Conference

www.microinsuranceconference.org

Initiated and organised by the Munich Re Foundation in collaboration with the Microinsurance Network, the conference is the world's largest international platform where experts share information, knowledge and experience in microinsurance in order to overcome existing challenges.

About the Munich Re Foundation

www.munichre-foundation.org

The Munich Re Foundation seeks to provide answers to overarching questions from a variety of perspectives in order to find sustainable solutions in the area of risk prevention. Questions concerning development are linked to risk management and poverty reduction.

About the Microinsurance Network

www.microinsurancenet.org

The Microinsurance Network is the international multi-stakeholder platform for microinsurance experts to work together and focus on key areas of development in the sector. Its mission is to promote the development and delivery of effective insurance services for low-income people by encouraging shared learning and facilitating knowledge generation and dissemination.

About the Asociación Mexicana de Instituciones de Seguros

www.amis.org.mx

AMI's principal aim is to promote the development of the insurance industry, to represent its interest before authorities in the public, private and social sectors, and provide technical support to its members. Thanks to its Financial Education Programme in Insurance, AMIS promotes the culture of risk prevention as a protection mechanism for the population.

About the World Map of Microinsurance

www.microinsurancenet.org/world-map-microinsurance

The World Map of Microinsurance is a programme that will create a platform for knowledge generation and sharing on the topic of microinsurance. It will host data and analysis from previous, current and forthcoming landscape studies through an interactive map and resources.

The full report of the 2014 Landscape of Microinsurance in Latin America and the Caribbean will be published in the first quarter of 2015.

Press conference:

A press conference will be held on the first day of the **10th International Microinsurance Conference, November 11**, at **11am**, in the Clasico room of the Sheraton Maria Isabel Hotel & Towers, Paseo de la Reforma No. 325, Distrito Federal, Mexico City, **Mexico**.

To attend, journalists need to be registered to the conference to receive press accreditation at:

www.microinsuranceconference.org/2014

Registration is free of charge for journalists with Press ID.

For any further information contact Catherine Van Ouytsel at cvanouytsel@microinsurancenet.org