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The Landscape of Microinsurance

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The quantitative information presented in this paper does not represent an absolute number of products, clients, or other data. Rather, this paper reports what the team was able to identify as microinsurance. Although the data for this study is not an absolute measure of microinsurance in the three regions studied, the data set is large enough to represent the "landscape" of microinsurance and provide, for the most part, an accurate picture of these markets and their components.

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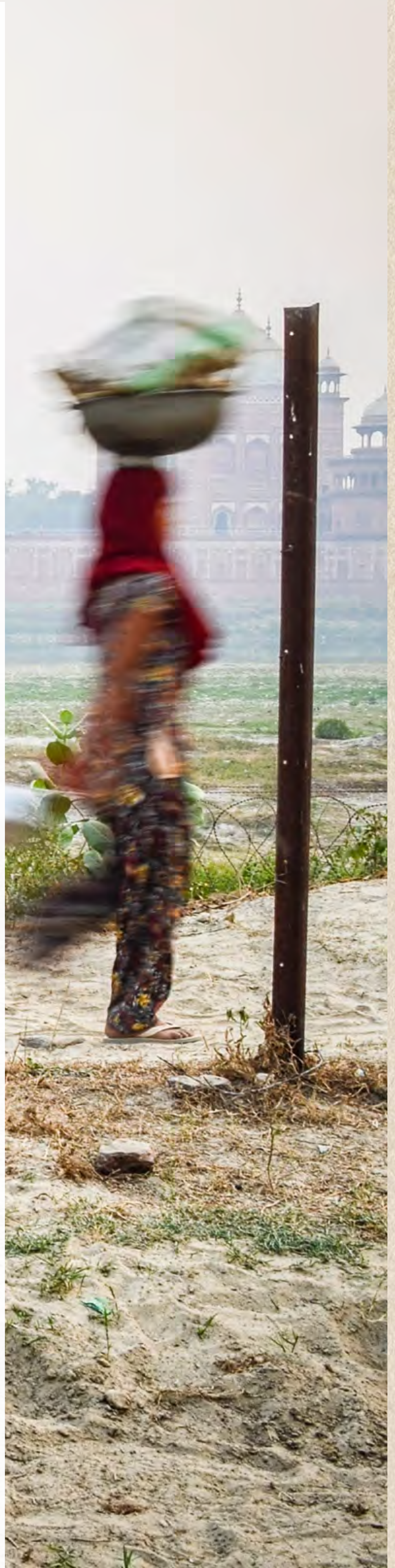

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Glossary

Accident insurance (commonly referred to as Personal accident): Insurance that provides compensation for injury, disability, dismemberment or death caused by an event that is unforeseen, unexpected and unintended.

Actuary: A technical expert in insurance and applied mathematics, who applies theories of probability, economics and finance to the business of insurance and is responsible for the calculation of premiums, reserves and other valuations.

Agent: An insurance company representative who solicits, negotiates or effects contracts of insurance and provides service to the policyholder for the insurer, usually for a commission on the premium payments.

Aggregators: For the purposes of this study, institutions that bring together groups of potential microinsurance customers, such as employee groups, community or professional associations, utility providers, syndicates and so on.

Agriculture insurance: For the purposes of this study, any insurance products covering risks to crops, livestock, fishing or aquaculture.

Agricultural and trade cooperatives: Organisations run on cooperative principles which bring together farmers or other groups involved in a common trade or activity.

Broker: An intermediary between insurers and distribution channels, with functions ranging from those of an agent to designing products and pre-processing claims. Unlike an agent, the broker is licensed in some countries to deal with several insurers and is permitted to take on all or a portion of the administration.

Bundled insurance: A product that is either sold in combination with another insurance product or in combination with any other non-insurance product or service.

Business interruption insurance: Insurance that covers lost income for a business should the business be unable to operate as a result of a covered event.

Claim: A request for compensation by an insured party or beneficiary following a loss due to occurrence of an insured event.

Claims acceptance rate: The proportion of filed claims which are accepted and paid by an insurance provider.

Claim turnaround time (also referred to as turnaround time or TAT): The average number of days between an insured incident occurring and the payout being received by the beneficiary. Note that a common alternative measure is the average days from the submission of an insurance claim to payment of that claim. (See Internal turnaround time and External turnaround time).

Claims ratio: For the purposes of this study, calculated by dividing the total amount of claims paid during the year by gross written premiums in the same period. This does not fully reflect how claims ratios are calculated by providers, but this simplified calculation facilitates comparability across markets and simplifies data collection.

Claims value: The total amount of money paid out by the insurer for accepted claims submitted by the insured.

Coverage: The scope of protection provided under a contract of insurance and any of several risks covered by a policy.

Credit life insurance: Insurance coverage designed to extinguish the outstanding indebtedness of a borrower who dies while indebted.

Crop insurance: An insurance product which insures farmers against the loss of their crop due to natural events such as drought, flooding, hail and others.

Digital platform: A virtual space that allows for direct interactions between consumers and providers of goods and services. Examples include ride-hailing platforms, delivery platforms, e-commerce platforms and freelancer platforms, among others.

Direct debit and standing orders: Payments made automatically on a regular basis from the customer's account to a company.

Distribution channel (also referred to as an Intermediary): A person or company that aids the insurer in distributing the product.

External turnaround time: The time period between the occurrence of a claim event and the customer submitting the claim to the insurance provider.

Financial institutions: Formal, regulated institutions offering financial services, such as banking, loans and insurance, to the public.

Funeral insurance: An insurance product designed to cover the costs associated with the insured's funeral.

Group insurance: A policy offered to people belonging to a certain group, such as employees of a company or members of an organisation. Usually, coverage ceases once the insured is no longer a member of the group.

Health insurance: Coverage that provides benefits as a result of sickness or injury. Policies may include insurance for losses from accidents, medical expenses, disability or accidental death and dismemberment.

Hospital cash insurance: Insurance that provides a pre-defined payment to an insured person who is hospitalised, without regard to the actual cost of hospitalisation.

Inclusive insurance: See Microinsurance below.

Index insurance: An insurance scheme that pays out claims based on a predetermined index (e.g., rainfall level) rather than individual claims assessment.

Individual insurance: A policy purchased directly by the insured person, as distinct from group insurance.

Insurtech: A provider of technology innovations in the insurance industry.

Internal turnaround time: The time taken for an insurance provider to process and pay out a claim once it has been submitted by the customer.

Investment and savings insurance: Life insurance connected to savings or investments. Premiums typically include an insurance component as well as a savings component which is returned to the customer.

Legal insurance: An insurance product designed to cover legal advice and legal expenses under certain circumstances.

Life insurance: Coverage that provides for a payment of a specified amount on the death of the insured person, either to the estate of the deceased or to a designated beneficiary.

Livestock insurance: Insurance that covers losses as a result of the death of livestock.

Low-income population: For the purposes of this study, individuals earning between int. USD 2 and int. USD 20 per day on a purchasing power parity basis (PPP).

Mandatory insurance (also referred to as Compulsory insurance): Insurance that an individual or entity is required to purchase, either because of government mandate (for example, third-party liability auto insurance) or as a condition for accessing another service (for example, credit life insurance required when a loan is taken out). Mandatory cover can reduce adverse selection and significantly reduce administrative costs.

Microfinance institutions: Financial institutions serving individuals and small businesses who lack access to conventional banking and financial services.

Microinsurance (also referred to as Inclusive insurance): Products with modest premium levels based on the risks insured and which are developed specifically to serve the needs of the low-income population. The insurer is the risk carrier and the product must be working towards profitability or at least sustainability and be managed on the basis of insurance principles. For the purposes of this study, the term microinsurance covers all products that fit within this definition and may therefore include products that are not considered as microinsurance by a national insurance supervisor, given that such definitions vary from one country to another.

Mobile money: A service which allows customers to make deposits and withdrawals, to transfer money and to access financial services through a mobile phone.

Mobile network operator (MNO): An organisation offering telecommunications services, including wireless voice and data communication, for mobile users subscribed to their service.

Motor insurance: Insurance protection for a car, motorcycle or other vehicle which may cover theft or damage to the vehicle as well as damage caused to the public or another vehicle in an accident.

Non-governmental organisation (NGO): A non-profit organisation operating independently of any government body, typically to address a social or environmental cause.

Open insurance: The sharing and accessing of insurance-related personal and non-personal data, usually via application processing interfaces (APIs).[1]

Parametric insurance: See Index insurance.

People covered (also referred to as Lives covered): The policyholder as well as others insured under a given policy. For example, a life or health insurance policy may cover family members. In the case of livestock and crop insurance, people covered refers to the number of farmers or livestock owners who have taken out the insurance.

Policy: The specific contractual agreement underlying the terms between the insurer and the insured.

Policyholder: The person or group who enters into an agreement with an insurance provider and is named as the owner of the insurance policy.

Premium: One or more payments required to activate insurance coverage and keep it in force.

Premiums collected: The total amount of money collected from the policyholders by the insurer.

Property insurance: Insurance that provides financial protection against the loss of, or damage to, real and personal property caused by such perils as fire, theft, windstorm, hail, vandalism, etc.

Protection gap: The lack of insurance coverage experienced by certain sectors of the population, such as low-income individuals, women, rural populations and migrants, in comparison to those with higher levels of protection.

Regulation of insurance: Government-defined requirements for an insurer, such as minimum capital requirements and necessary expertise. Regulation also provides consumer protection through the oversight of insurers, including pricing policies, form design and appropriate sales practices.

Regulatory sandbox: A framework that allows companies to conduct live experiments in insurance innovations under the regulator's supervision.

Reinsurance: An agreement by which an insurance company passes on part of its own insurance liability to another insurance company (known as the reinsurer) in order to protect itself from the impact of major claims events and better manage its risks.

Retailer: A relatively small-scale vendor of goods for individual consumption rather than resale.

Risk-based supervision: An approach to supervision whereby certain rules, such as capital requirements, are set based on the level of risk posed by the business. In practice, this generally allows for lower capital requirements for microinsurance businesses, since the level of risk is lower.

Savings and credit cooperative: A cooperative organisation which facilitates savings and loans for members.

Social performance: The ability of an organisation to translate its social mission into practice.

Social performance indicators: Metrics that an organisation or company uses to measure its progress in social performance.

Standing orders: See Direct debit and standing orders.

Subsidy: A sum of money provided by the government or a public body to businesses so that a product or service can be offered at a low or competitive price point or, in some cases, without cost to the end customer.

Sum insured: The maximum sum that an insurer agrees to pay in the event of an insured event occurring.

Sustainable Development Goals (SDGs, also referred to as Global Goals): Seventeen interlinked global goals established in 2015 by the United Nations General Assembly, to be achieved by 2030. They are intended as "a shared blueprint for peace and prosperity for people and the planet, now and into the future".[2]

Telemedicine: Remote delivery of healthcare services through telecommunications infrastructure, such as online or telephone-based doctors' consultations.

Transport insurance: Covers the costs and losses associated with unexpected events during a journey or while travelling, such as medical expenses, trip cancellation or accident. This includes short trips on public transport or commuter travel, as well as longer journeys.

Voluntary cover: Allows consumers to choose the amount, term and type of insurance that they want; contrasted with mandatory insurance.

[1] Adapted from: European Insurance and Occupational Pensions Authority. n.d. Open insurance Available at https://www.eiopa.europa.eu/browse/digitalisation-and-financial-innovation/open-insurance_en.

[2] United Nations. n.d. The 17 goals. Available at https://sdgs.un.org/goals.

Executive summary

Throughout 2024, the world was rocked by climate shocks and multiple crises. Exceptionally high temperatures made 2024 the hottest year on record to date,[3] and around the world, extreme climate events from wildfires to drought caused extensive damage to communities, the environment and economies and displaced significant numbers of people. Conflict, El-Niño-induced drought and high food prices led to worsening food crises in 18 countries, with at least 1 million additional people in each country facing acute food insecurity.[4] Losses from natural catastrophes in the first half of 2024 alone totalled USD 120 billion.[5]

As risks increase and become ever more complex, traditional approaches including government and humanitarian funding are struggling to keep up. More and more, international actors, governments and civil society are looking to the insurance sector to provide alternatives that can transfer risk before an event occurs, increasing countries' financial resilience. Wide-ranging insurance solutions, from sovereign insurance to microinsurance, are needed. Microinsurance plays a vital role in resilience because it provides direct support to vulnerable populations, putting money directly into the hands of low-income families, smallholder farmers and small businesses in moments of crisis, such as an illness, a death, loss of income or a natural disaster.

The Landscape of Microinsurance 2024 sheds light on a microinsurance sector that is growing and evolving to meet the urgent protection needs of these vulnerable populations. In total, 344 million people are covered by microinsurance products across the 37 countries included in the study, up from 331 million in 2023. For insurance providers, these products represent revenues of USD 6.2 billion in written premiums, up from USD 5.8 billion.

As the market grows, it is diversifying to meet customers' needs. Life and funeral insurance continue to dominate microinsurance markets, as in previous years. However, customers benefit from protection against an ever-growing range of risks. Microinsurance is evolving to cover climate risks: climate covers are offered by a total of 112 products reported in the study, jointly reaching more than 42 million people. Property and income products have also seen important growth in recent years, rising to double the number of products registered just three years ago, with almost twice as many people covered. Numerous new personal accident and agriculture products have also been launched in the last year. These recent developments show that providers are innovating to meet pressing resilience needs.

Despite this progress, a large protection gap remains in terms of people covered – which represents an important opportunity for insurers. The estimated market for microinsurance in the countries included in this study is almost 3 billion people, representing a market of approximately USD 41 billion in microinsurance premiums. Those covered through the products reported in this study represent just 12% of that target population, and just 15% of the total estimated value of the market. This leaves a huge market unserved, indicating a pressing need to close the protection gap, as well as a business opportunity for insurers able to capture this market.

All stakeholders have an important role to play in increasing protection and building resilience. The positive news is that there is already important engagement on all sides. As resilience and climate risks move up the global agenda, there are promising signs that donors and multilateral organisations are putting a greater emphasis on the role of insurance – including microinsurance – in promoting development and resilience. At the same time, national and local governments are supporting market development and providing subsidies, and industry regulators are putting in place specific microinsurance regulation.

In order to reflect the instrumental role that government and donor subsidies can play in enabling insurance to reach the most vulnerable households, this 2024 edition of the Landscape study for the first time collected information on subsidies. This data clearly illustrates the central role of subsidies in certain product lines, such as agriculture insurance, where 58% of products receive some level of subsidy. It also illustrates the opportunity for subsidies to accelerate development in other product lines, such as property and income insurance. To be successful, it is important that subsidies are implemented responsibly and transparently, with strategies for long-term funding or for reducing or removing subsidies over time.

Insurance regulators and supervisors are key enablers for increased microinsurance uptake.

[3] World Meteorological Organization. 2024. 2024 is on track to be hottest year on record as warming temporarily hits 1.5°C. Available at https://wmo.int/news/media-centre/2024-track-be-hottest-year-record-warming-temporarily-hits-15degc.

[4] World Meteorological Organization. 2024. State of the Climate 2024 Update for COP29. Geneva. Available at https://library.wmo.int/viewer/69075/download?file=State-Climate-2024-Update-COP29_en.pdf&type=pdf&navigator=1.

[5] Based on data from Munich Re's NatCatSERVICE. See: https://www.munichre.com/en/solutions/for-industry-clients/natcatservice.html.

> "In total, 344 million people are covered by microinsurance products across the 37 countries included in the study, up from 331 million the previous year. For insurance providers, these products represent revenues of USD 6.2 billion in written premiums, up from USD 5.8 billion."

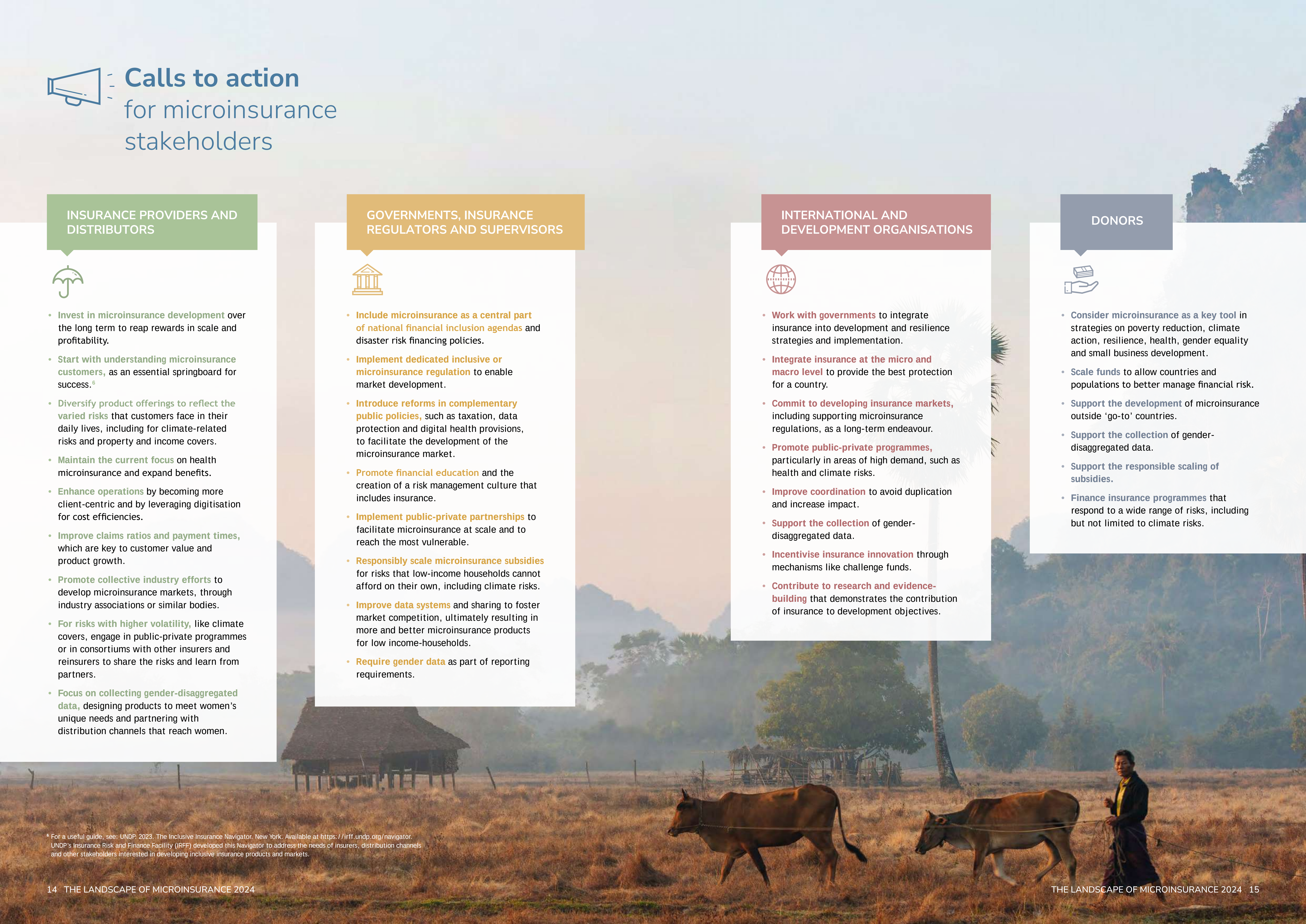
The number of countries with specific microinsurance or inclusive insurance regulation grows each year, with regulation currently implemented in 40 countries and in development in a further 16. These regulations typically define microinsurance, allow for distribution through alternative channels and establish customer protection mechanisms, among other measures. The introduction of microinsurance regulation is an important starting point to create a shared understanding around microinsurance and provide confidence and favourable conditions for insurers to launch new products. Of the five countries with the highest levels of microinsurance penetration recorded in the study, four (Peru, the Philippines, Zambia and Zimbabwe) have implemented dedicated microinsurance regulations. And among the top 10 countries, only one country (Uruguay) lacks either implemented or developing regulations, emphasising the critical role of regulatory frameworks in fostering microinsurance markets.

Distribution and payment channels are also central to expanding access to microinsurance and allowing insurers to reach scale. They not only provide a valuable initial link to customers but can also reduce operational complexity in some processes, including policy issuance and premium collection. Traditional channels, particularly financial institutions and microfinance institutions, as well as agents and brokers, continue to dominate microinsurance distribution, but digital challengers are having an impact. Mobile network operators (MNOs) have an important role in Africa, reaching 2.5 million people, and new partnerships are emerging with a wide variety of aggregators, including schools, government networks, public service companies, mass market distributors and others.

Across all these aspects, developing microinsurance markets requires a long-term approach, which should be embedded in the strategies of insurance providers or other stakeholders. Data from the Landscape study shows that microinsurance products typically reach significant growth beyond an initial three-to-four-year period. This highlights the need for long-term investment and commitment to microinsurance products, but also shows that providers are reaping the rewards, with products typically reaching close to USD 500,000 in premiums as they mature. It is not only scale that improves over time but also, typically, the value provided to customers. Claims ratios tend to improve as products mature, with those launched before 2017 showing a median ratio of 25%, compared to 18% for those launched from 2017 onwards – a pattern which is consistent across all regions. The size of a scheme also plays a significant role in the claim ratios of the products. For products covering more than 500,000 people, the median claim ratio is 28%, compared to 9% for those covering fewer than 500,000.

To further improve the impact of microinsurance, collecting better data on customers, and particularly on gender, represents a vital step. Women microinsurance clients are particularly vulnerable to risks like climate change and health shocks. Therefore, applying a gender lens is essential for analysing microinsurance effectively. As in previous years, limited data regarding gender was provided for this study. Where information on gender was provided, it appears that the choice of distribution channel has a large impact on the proportion of women reached. Greater efforts are urgently needed to collect better gender data and design products and distribution strategies specifically for women, particularly in product lines such as property and income insurance where women are currently underserved.

The Landscape of Microinsurance 2024 brings together the most extensive microinsurance data to date, providing critical market knowledge to enable informed decision-making among insurance providers, policymakers and development actors. Given the sobering fact that only one in 10 people have any insurance in a world of rising risks, it is essential that this knowledge fuels action to close the protection gap. Calls to action for stakeholder groups are summarised in the table below and explored in more detail in the conclusions of this study.



Calls to action
for microinsurance stakeholders

INSURANCE PROVIDERS AND DISTRIBUTORS

- **Invest in microinsurance development** over the long term to reap rewards in scale and profitability.
- **Start with understanding microinsurance customers,** as an essential springboard for success.[6]
- **Diversify product offerings to reflect the varied risks** that customers face in their daily lives, including for climate-related risks and property and income covers.
- **Maintain the current focus** on health microinsurance and expand benefits.
- **Enhance operations** by becoming more client-centric and by leveraging digitisation for cost efficiencies.
- **Improve claims ratios and payment times,** which are key to customer value and product growth.
- **Promote collective industry efforts** to develop microinsurance markets, through industry associations or similar bodies.
- **For risks with higher volatility,** like climate covers, engage in public-private programmes or in consortiums with other insurers and reinsurers to share the risks and learn from partners.
- **Focus on collecting gender-disaggregated data,** designing products to meet women's unique needs and partnering with distribution channels that reach women.

GOVERNMENTS, INSURANCE REGULATORS AND SUPERVISORS

- **Include microinsurance as a central part of national financial inclusion agendas** and disaster risk financing policies.
- **Implement dedicated inclusive or microinsurance regulation** to enable market development.
- **Introduce reforms in complementary public policies,** such as taxation, data protection and digital health provisions, to facilitate the development of the microinsurance market.
- **Promote financial education** and the creation of a risk management culture that includes insurance.
- **Implement public-private partnerships** to facilitate microinsurance at scale and to reach the most vulnerable.
- **Responsibly scale microinsurance subsidies** for risks that low-income households cannot afford on their own, including climate risks.
- **Improve data systems** and sharing to foster market competition, ultimately resulting in more and better microinsurance products for low income-households.
- **Require gender data** as part of reporting requirements.

INTERNATIONAL AND DEVELOPMENT ORGANISATIONS

- **Work with governments** to integrate insurance into development and resilience strategies and implementation.
- **Integrate insurance at the micro and macro level** to provide the best protection for a country.
- **Commit to developing insurance markets,** including supporting microinsurance regulations, as a long-term endeavour.
- **Promote public-private programmes,** particularly in areas of high demand, such as health and climate risks.
- **Improve coordination** to avoid duplication and increase impact.
- **Support the collection** of gender-disaggregated data.
- **Incentivise insurance innovation** through mechanisms like challenge funds.
- **Contribute to research and evidence-building** that demonstrates the contribution of insurance to development objectives.

DONORS

- **Consider microinsurance as a key tool** in strategies on poverty reduction, climate action, resilience, health, gender equality and small business development.
- **Scale funds** to allow countries and populations to better manage financial risk.
- **Support the development** of microinsurance outside 'go-to' countries.
- **Support the collection** of gender-disaggregated data.
- **Support the responsible scaling of subsidies.**
- **Finance insurance programmes** that respond to a wide range of risks, including but not limited to climate risks.

[6] For a useful guide, see: UNDP. 2023. The Inclusive Insurance Navigator. New York. Available at https://irff.undp.org/navigator. UNDP's Insurance Risk and Finance Facility (IRFF) developed this Navigator to address the needs of insurers, distribution channels and other stakeholders interested in developing inclusive insurance products and markets.

BOX 1

METHODOLOGY

The figures in the Landscape study are based on voluntary, self-reported information provided by 294 insurance providers in 37 countries on their microinsurance activity in 2023.[11] These insurance providers reported on 985 microinsurance products.

All products that fit the Landscape's definition of microinsurance (see Glossary) were considered, including national and government-led schemes that met the criteria, but not all insurers or national schemes provided responses. The methodology used is described in Appendix A and more information on response rates can be found in Appendix B and Appendix C.

Overview

MARKET SIZE AND EVOLUTION

The Landscape of Microinsurance 2024 reveals that the microinsurance sector is growing and evolving to meet the urgent protection needs of vulnerable populations

A total of 344 million people[7] are covered by microinsurance[8] products across the 37 countries included in the study (Table 1), up from 331 million in 2023. Collectively, these products cover a sum insured of more than USD 11,237 billion. For insurance providers, the products represent revenues of USD 6.2 billion in written premiums, up from USD 5.8 billion in the previous year.

The estimated market for microinsurance in the countries included in this study, calculated as the low- and middle-income population of these 37 countries, is almost 3 billion people.[9] Those currently covered through products reported in this study represent 11.5% of that target market.

In terms of revenue, the total microinsurance market in countries studied is estimated at USD 40.6 billion.[10] Insurance providers that participated in the study collected microinsurance premiums amounting to USD 6.2 billion – just 15% of the total estimated value of the microinsurance market.

TABLE 1

FOCUS COUNTRIES INCLUDED IN THIS YEAR'S LANDSCAPE STUDY[12]

AFRICA	ASIA AND THE PACIFIC	LATIN AMERICA AND THE CARIBBEAN
Burkina Faso	Bangladesh	Argentina
Egypt	Cambodia	Bolivia
Ghana	Fiji	Brazil
Kenya	India	Colombia
Malawi	Indonesia	Ecuador
Morocco	Nepal	El Salvador
Nigeria	Pakistan	Guatemala
Rwanda	Philippines	Honduras
Senegal	Sri Lanka	Mexico
South Africa	Thailand	Peru
Tanzania	Vietnam	Uruguay
Togo		
Uganda		
Zambia		
Zimbabwe		

[7] Insurers were asked to provide the number of people covered by each insurance product reported. This includes the policyholder as well as others insured under the policy: for example, a life or health insurance policy may cover additional family members. In the case of livestock and crop insurance, people covered refers to the number of farmers or livestock owners who have taken out the insurance. Since an individual may be covered by more than one microinsurance product, it is possible that individuals may be counted more than once in the total number covered. Therefore, the total reported number of people covered is presented as a maximum.

[8] The terms microinsurance and inclusive insurance are used interchangeably for the purposes of this report. Definitions of these and other terms can be found in the Glossary.

[9] For the purposes of this study, the microinsurance target population is calculated as the number of people earning between 2 and 20 international dollars (int. USD) per day on a purchasing power parity basis (PPP). The underlying income distribution data is sourced from Pew Research Center and adjusted for contemporary population estimates. Pew Research Center provides a more detailed breakdown, defining low-income as int. USD 2 to int. USD 10 and middle-income as int. USD 10 to int. USD 20 per day (PPP).

[10] Calculated as the target market of each country multiplied by the median premium per person covered in that country. The totals for each country included in the study are combined to provide an overall estimate.

[11] Data was collected on a 12-month period: either the calendar year 2023, or a 12-month period of the insurer's choice between 2023 and 2024, where the company's standard reporting periods made it easier for data to be provided in that way. For simplicity, the year 2023 is referred to in the report, since the majority of data was provided for this 12-month period.

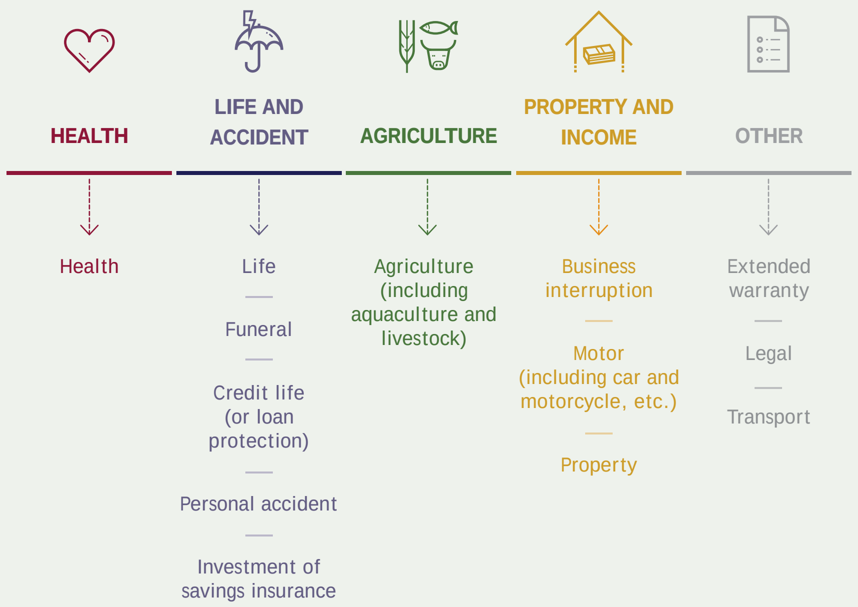
[12] Malawi is included in the study for the first time this year. Data from Vietnam is included again this year after two years in which no data from the country was provided. Côte d'Ivoire was included in past studies but unfortunately could not be included this year, since no data was received from insurance providers in the country.

Inclusive insurance is as expansive and diverse as the risks that households and small businesses face. This study covers the 13 most common product lines: agriculture, business interruption, credit life, extended warranty, funeral, health, investment and savings, legal, life, motor (including cars, motorcycles and so on), personal accident, property and transport.[13] Definitions of these product lines can be found in the glossary.

All but a few of these common product lines can be grouped into four risk categories: health, life and accident, agriculture, and property and income (Figure 1). In the following chapters, products covering these four key risk types are brought together to better assess the contribution of microinsurance to addressing these important areas.

FIGURE 1

PRODUCT LINES COVERED IN THIS STUDY BY RISK CATEGORY



Despite growth, a large protection gap remains – which represents an important opportunity for insurers

In these 37 focus countries, a huge market, both in terms of customer numbers and premiums, remains unserved. This highlights the pressing need to close the protection gap for those excluded from insurance, as well as the enormous business opportunity open to insurers who prove able to capture this market.

Microinsurance providers achieved the highest rates of penetration among low- and middle-income populations in Asia and the Pacific, where 12.7% of the target population benefits from at least one policy, and where 36% of the estimated market value is captured in microinsurance premiums (Table 2).

TABLE 2

ESTIMATED PROPORTION OF THE POPULATION AND MARKET CAPTURED IN THE COUNTRIES STUDIED IN EACH REGION

REGION	Estimated market for microinsurance (number of people)	Number of people reached by microinsurance	Share of the target population covered	Weighted average premium per person covered	Estimated value of the microinsurance market in countries studied (USD)[14]	Proportion of the estimated value of the microinsurance market captured[15]
FOCUS COUNTRIES IN AFRICA	466.9 million	38.1 million	8.2%	32	9.8 billion	4%
FOCUS COUNTRIES IN ASIA AND THE PACIFIC	2,115.7 million	268.2 million	12.7%	7	13.8 billion	36%
FOCUS COUNTRIES IN LATIN AMERICA AND THE CARIBBEAN	406.2 million	37.3 million	9.2%	41	16.9 billion	5%
FOCUS COUNTRIES IN ALL REGIONS	2,988.8 million	343.6 million	11.5%	13	40.6 billion	15%

[13] Where products bundle multiple covers, insurance providers are asked to classify the product under the primary product line and products are primarily analysed under this category. However, other covers are also provided as secondary risks covered, and each chapter also provides information on how many people are covered under secondary covers.

[14] Calculated as the target market of each country multiplied by the median premium per person covered in that country. The totals for each country included in the study are combined to provide overall estimates for regions.

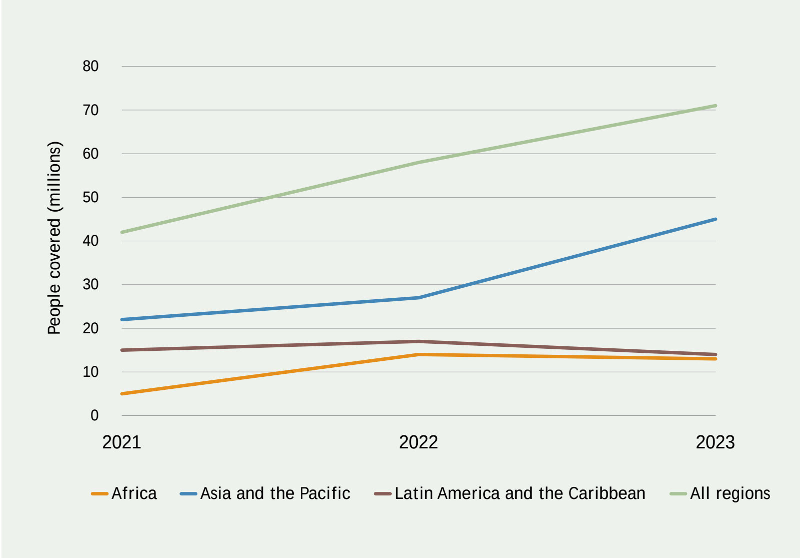
[15] Total premiums collected as a proportion of the estimated value of the microinsurance market (see the previous column).

Products that report consistently to the Landscape show growth over the last three years

For 196 products, information has been provided consistently to the Landscape report over each of the past three years. Using this important sample, growth in the microinsurance market can be tracked, by exploring the development of these 196 products over time (Figure 2).

FIGURE 2

EVOLUTION IN CLIENT NUMBERS FROM 2021 TO 2023 FOR 196 PRODUCTS REPORTING IN ALL THREE YEARS



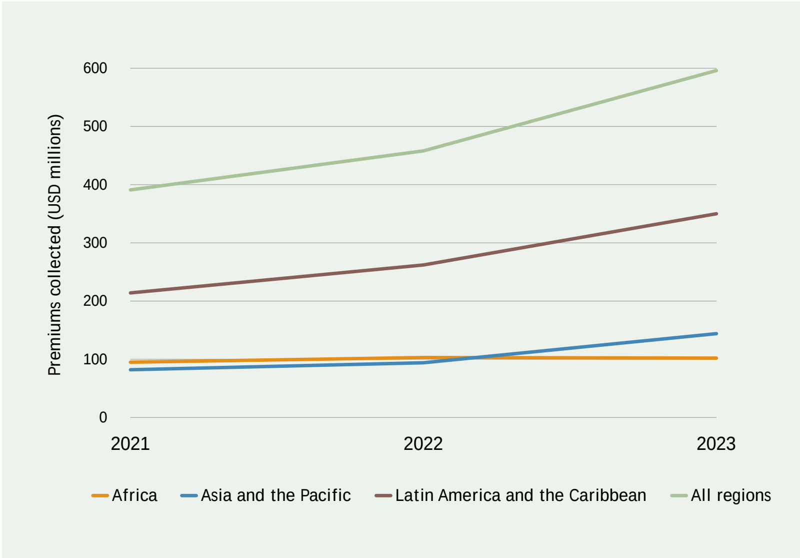
Most growth is seen in Asia and the Pacific, where the combined 87 products in the region reached twice as many people in 2023 that they did in 2021. Almost half of this growth is due to the success of one accident insurance product, which now reaches more than 13 million people, 75% of whom are women. Yet, even without this scheme, important growth is seen among the remaining products.

Products in focus countries in Africa also experienced notable growth, from 4.5 million lives covered to 13.5 million in 2022, dropping slightly in 2023 to around 13 million. Again, one product is responsible for more than half of this growth: in this case, a funeral insurance product which now covers more than 6 million people, the highest number reported in the region. However, even when this product is excluded, the number of people reached more than doubled between 2021 and 2023.

Just as the number of people covered has risen, premiums have also grown for the 196 products consistently reporting: net premiums rose by more than 50% between 2021 and 2023 (Figure 3).[16]

FIGURE 3

EVOLUTION IN PREMIUMS COLLECTED FROM 2021 TO 2023 FOR 196 PRODUCTS REPORTING IN ALL THREE YEARS



[16] Calculated as the target market of each country multiplied by the median premium per person covered in that country. The totals for each country included in the study are combined to provide an overall estimate.

Historical factors, regulatory frameworks and national programmes are key factors for microinsurance penetration

The country with the highest recorded microinsurance penetration is Zimbabwe (Table 3), which reports a 122% microinsurance penetration rate among its low- and middle-income population. This high recorded rate is partly due to the excellent response rate from insurers for the Landscape study in the country: information was collected on the microinsurance products of all the 42 targeted insurance providers.

High penetration is also influenced by historical factors in the development of microinsurance in the country. Funeral insurance products have a longstanding history of popularity in Zimbabwe, as well as in other countries in Southern Africa; in fact, 71% of individuals covered by microinsurance in Zimbabwe are insured through funeral plans. Many people in the region hold one or even multiple funeral covers, which is one reason why the microinsurance penetration rate exceeds 100%: some individuals hold multiple policies, largely for funeral insurance. Similar factors are at play in Zambia, another country with a strong funeral insurance tradition and with high response rates (75%) among microinsurance providers in the country.

However, these high penetration levels can mask important protection gaps. Where microinsurance is concentrated among certain product lines, such as funeral insurance in this case, the population remains vulnerable to multiple other risks, such as health and climate risks. Holistic financial resilience requires protection against a range of risks.

Market penetration has a clear relationship with the presence or absence of regulatory frameworks. Among the top five countries in terms of penetration, four (in order, Zimbabwe, Zambia, Peru and the Philippines) have implemented dedicated microinsurance regulations, which likely contribute to their high levels of coverage. And among the 10 countries with the highest microinsurance penetration, only one country (Uruguay) lacks either implemented or developing regulations. This suggests that regulatory frameworks play a critical role in fostering microinsurance markets by providing the necessary structure for product development and consumer protection.

In the four countries on this list where regulations are still under development (Bangladesh, Colombia, Fiji and Guatemala), the regulations, once implemented, could further enhance market expansion and sustainability.

National, government-supported schemes are present in many of the countries in the top 10, which also increases penetration. These schemes include, for example, large-scale government-supported agriculture insurance schemes for farmers in both Peru and Zambia.

TABLE 3

TOP 10 COUNTRIES BY SHARE OF THE TARGET MARKET COVERED BY AT LEAST ONE MICROINSURANCE PRODUCT

COUNTRY	REACH
Zimbabwe	122%
Zambia	49%
Peru	37%
Colombia	31%
The Philippines	27%
Uruguay	20%
Fiji	18%
South Africa	18%
Guatemala	17%
Bangladesh	16%

Microinsurance is scalable with time

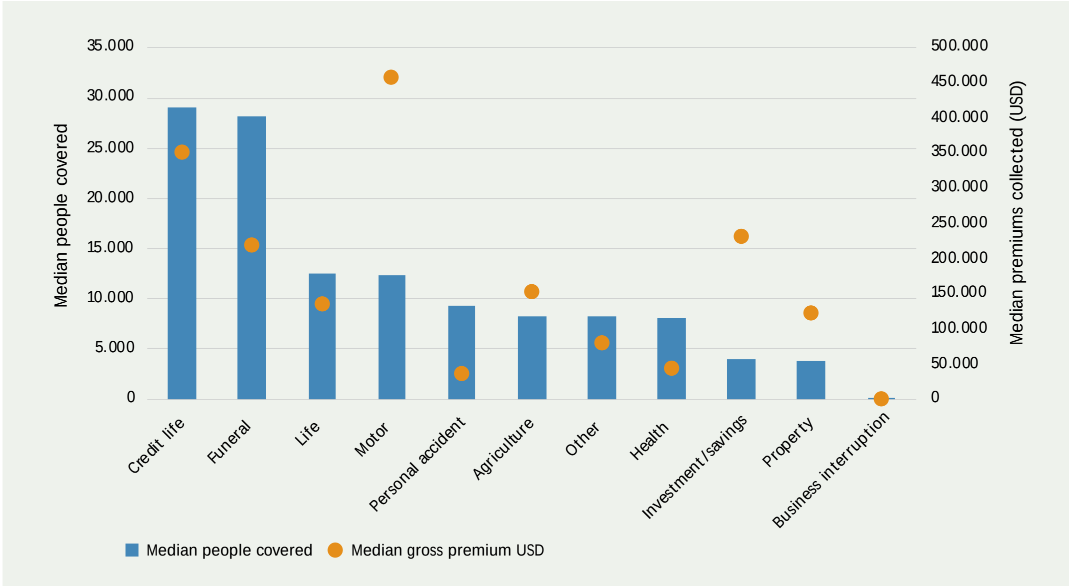
Volumes are key when it comes to making low-ticket business financially sustainable over time. One of the major concerns driving reluctance among insurance providers about entering the microinsurance space is whether microinsurance products can reach scale.

Microinsurance products reporting to this study reached a median value of more than 10,000 people, collecting more than USD 117,000 in premiums. Credit life and funeral products reported the highest median number of people covered per product, at 29,000 and 28,200 respectively (Figure 4). These represent two well-established and widespread products that have grown steadily over time, and that are typically distributed through channels such as microfinance organisations that reach high scale. On the other hand, although they reach a median of only 12,400 people per product, motor products reported the highest premiums per product, at a median of over USD 790,000. This example underlines the delicate relationship between the price of a product, the number of people who can afford it and the speed at which scale can be reached in terms of revenues.

Furthermore, scale varies enormously between products. Figure 5 shows the interquartile range (the range excluding the top and bottom quarter of results) for the number of people for each product line. There is a great deal of variation, particularly in life and funeral products, which show the widest interquartile ranges.

FIGURE 4

MEDIAN NUMBER OF PEOPLE COVERED AND MEDIAN PREMIUM COLLECTED PER PRODUCT



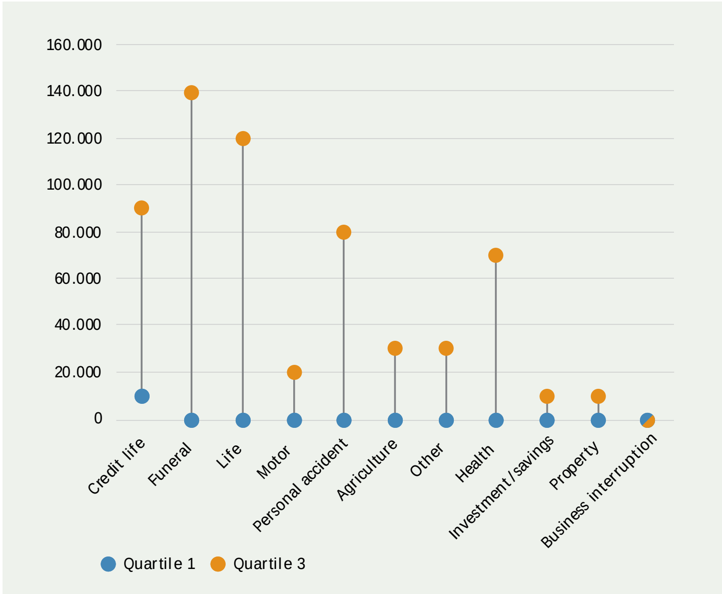


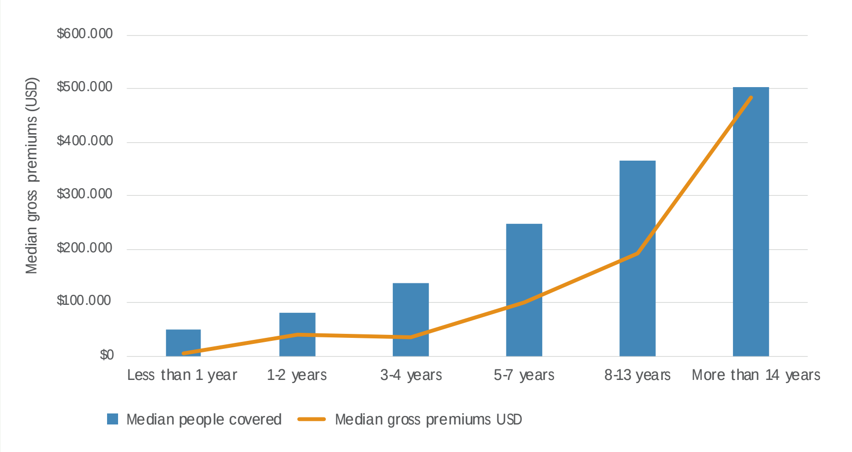
FIGURE 5

INTERQUARTILE RANGE OF PEOPLE COVERED BY PRODUCT TYPE

But scale is also a matter of time. On average, products reach greater scale, both in terms of customers reached and premiums collected, as they mature (Figure 6). According to the results of the study, the initial period, in which patience is required in order to gradually reach scale, is three to four years, and significant growth is reached beyond this period. With long-term investment and commitment to microinsurance products beyond these initial years, significant long-term success is possible: data from this study shows that products typically reach close to USD 500,000 in premiums as they mature.

FIGURE 6

MEDIAN NUMBER OF PEOPLE COVERED AND PREMIUM COLLECTED BY PRODUCT MATURITY



Life and funeral insurance continue to dominate microinsurance markets, but customers benefit from protection from an ever-growing range of risks

As in previous years, life insurance reached the highest number of people in 2023, followed by agriculture and personal accident insurance (Figure 7). This overall picture is heavily influenced by India, where life and agriculture products reach client numbers that far surpass any other country. When India is excluded, agriculture insurance is much less dominant, covering fewer people than property insurance.

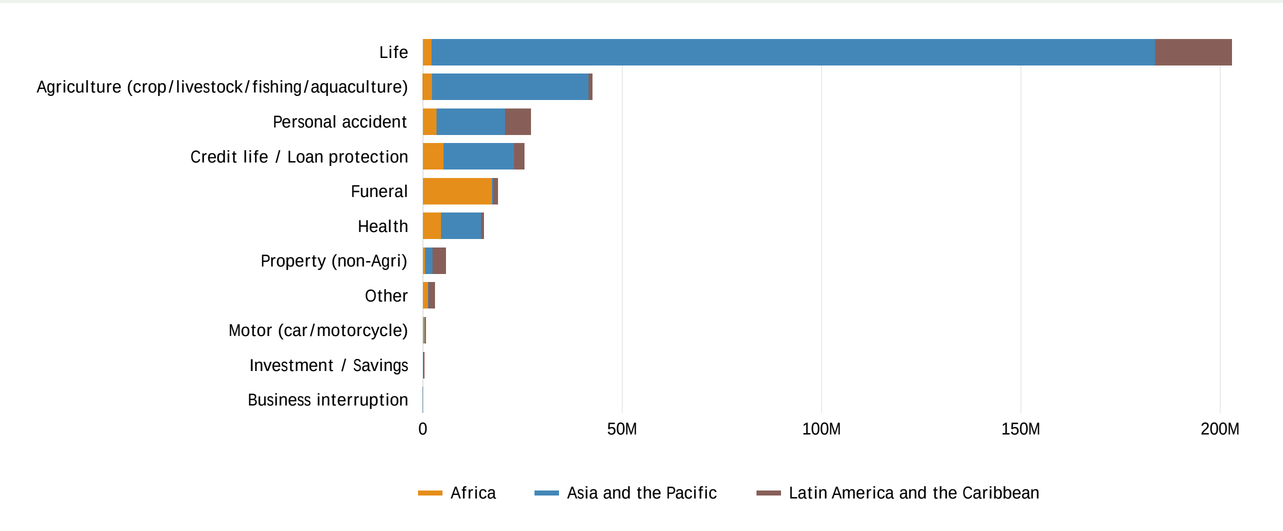
In the focus countries studied in both Asia and the Pacific and Latin America and the Caribbean, life insurance dominates. Of the 200 million individuals covered by life insurance in these regions in 2023, 12% of the insured population were covered by voluntary microinsurance products, accounting for 24.8 million people, while 6% were covered under mandatory or compulsory products, representing nearly 12 million people. For the remaining 82%, or 163.9 million people, there was no available data specifying whether their life insurance coverage was provided through voluntary or compulsory products.

Personal accident insurance is widespread in Latin America and the Caribbean, where it is the second most important product type in terms of both people covered and premium incomes, in contrast to other regions where it plays a relatively smaller role.

In Africa, funeral insurance is the most important product line, reflecting Southern Africa's longstanding history of popular funeral insurance products. Less than 1% of the people covered by these funeral products were under mandatory schemes, 75% were under voluntary schemes and for 24% this information was not reported. Almost all the 17.3 million people covered by funeral insurance in the focus countries in the region were recorded either in Zimbabwe (with 9.6 million people covered) or South Africa (7.2 million people covered).

FIGURE 7

PEOPLE COVERED BY PRODUCT LINE (MILLIONS)



In terms of net premiums, again, Indian agriculture and life insurance schemes bring in premium volumes far exceeding that of other countries, making agriculture the product line with the highest net premiums (Figure 8). This is partly a result of the enormous scale achieved by microinsurance in India, but it is also because the country's state-sponsored agriculture scheme (Pradhan Mantri Fasal Bima Yojana, PMFBY) is highly subsidised. PMFBY alone is responsible for the vast majority of recorded premiums for all agriculture products in the study, at more than USD 3.6 billion in premiums, or 58% of all recorded premiums in the study. Excluding India, agriculture insurance moves far down the list in terms of premium volume (Figure 9) and life insurance instead tops the list.

FIGURE 8

TOTAL PREMIUMS COLLECTED BY PRODUCT LINE (USD MILLIONS)[17][18]

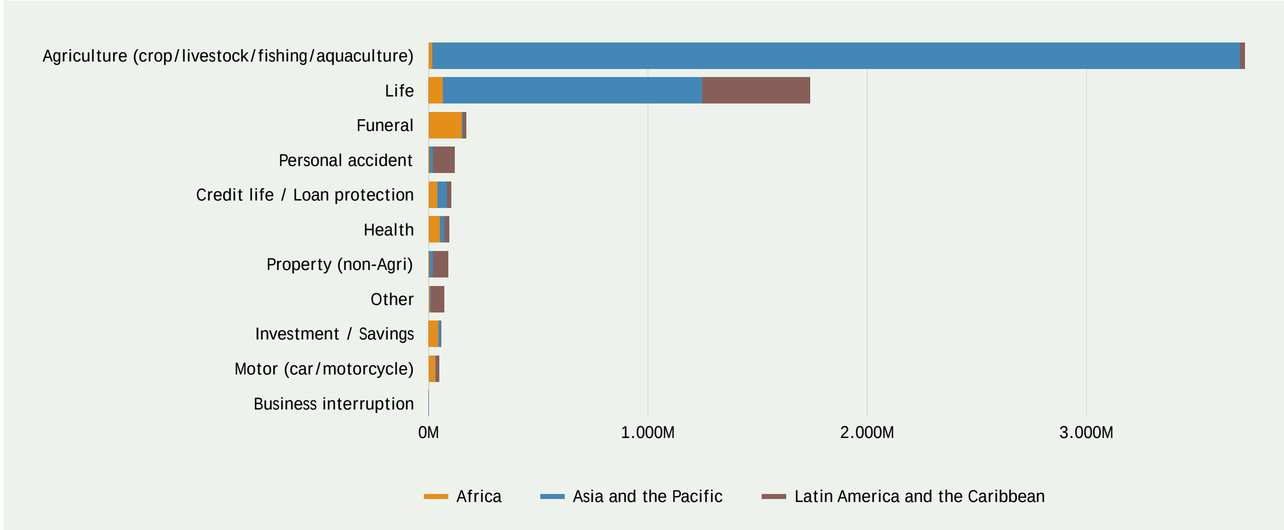
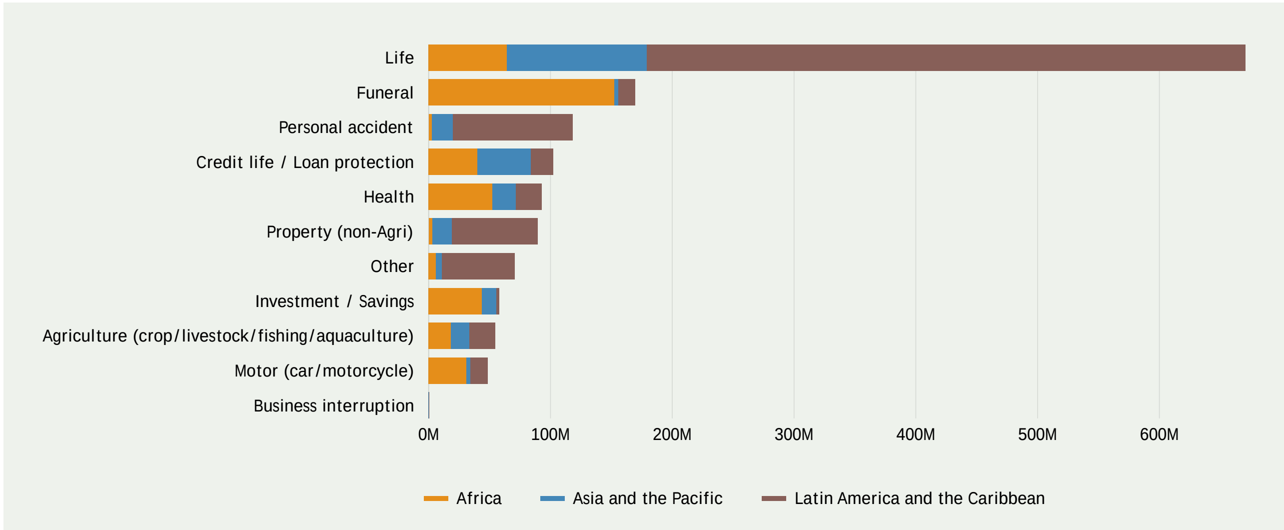


FIGURE 9

TOTAL PREMIUMS COLLECTED BY PRODUCT LINE, EXCLUDING INDIA (USD MILLIONS)



[17] Some schemes are funded through premium subsidies or other subsidy types in addition to direct premium income from customers.

[18] Premiums collected for investment and savings products are not directly comparable to other product lines as providers do not always separate savings contributions and premiums.

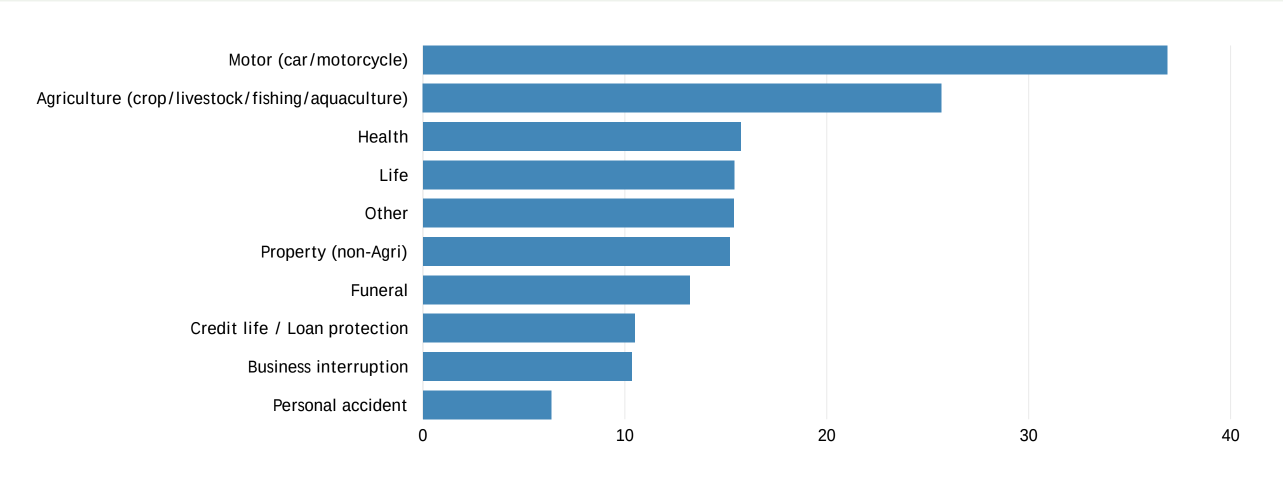
Alongside the number of people covered, premium volumes are dependent on the premium price per person. Figure 10 provides an overview of the median amount a customer would need to pay to buy a product from each product line, giving an idea of how affordable each insurance line is for low-income and mass-market customers.

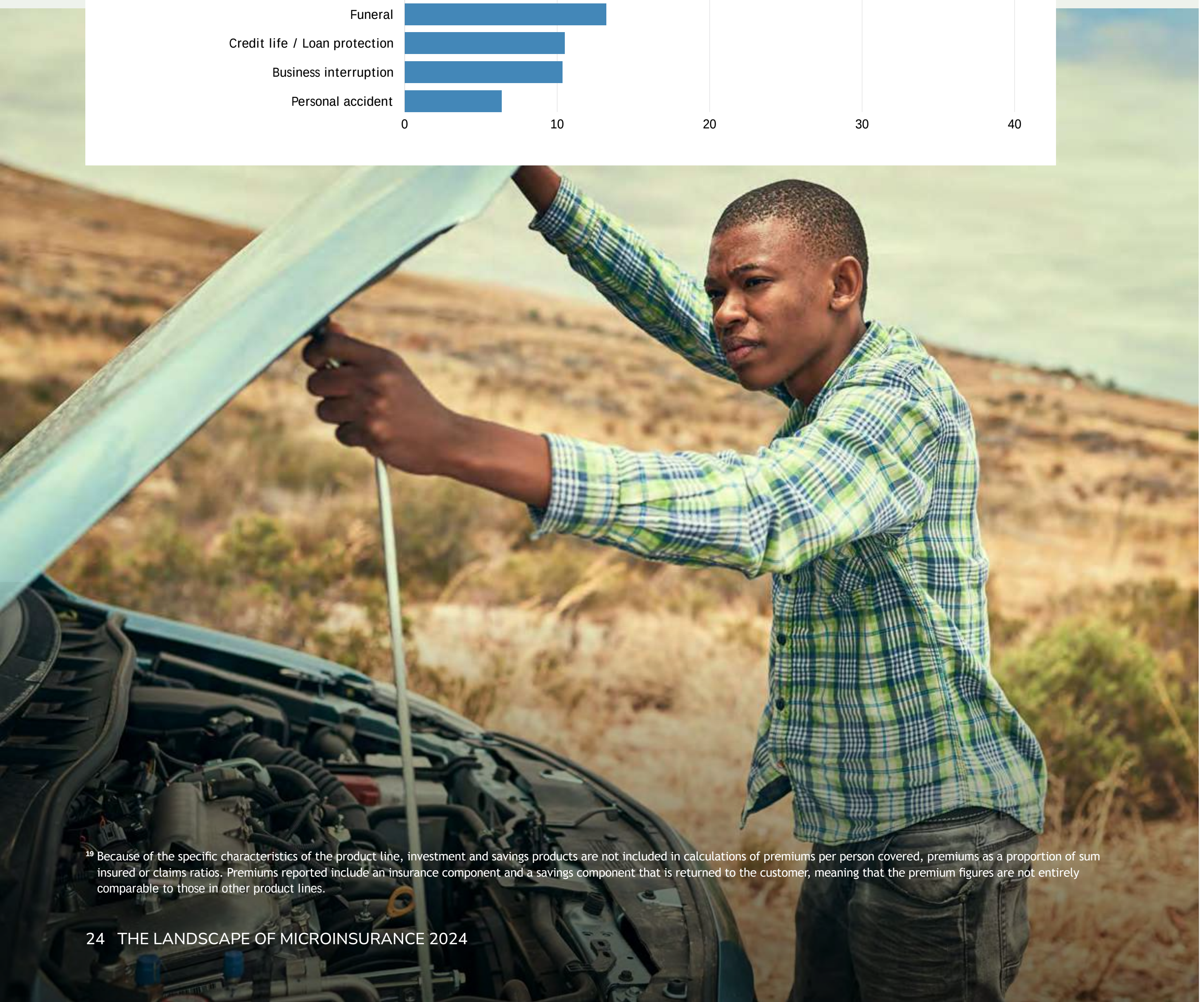
In line with results from previous years, this year's study shows that motor and agriculture insurance have a much higher median premium price per person than the rest of the product lines studied. However, it is important to note that the customer does not always pay the full premium cost, since premiums are sometimes subsidised by governments or donors.

In agriculture insurance, in particular, 58% of products receive some level of subsidy, and these subsidised products are jointly responsible for the vast majority (97%) of all people covered through agriculture microinsurance. This support for customers makes it possible for agriculture insurance to be offered at a higher price than other microinsurance products.

FIGURE 10

MEDIAN PREMIUM PER PERSON COVERED (USD) BY PRODUCT LINE[19]





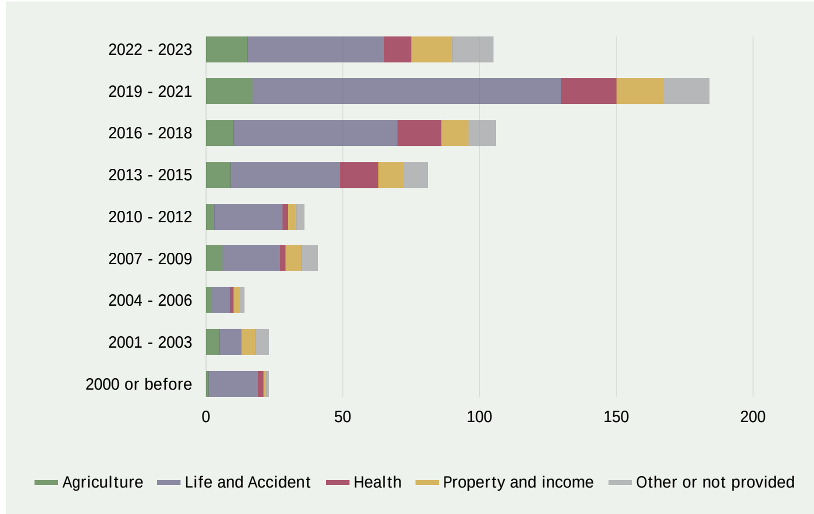
[19] Because of the specific characteristics of the product line, investment and savings products are not included in calculations of premiums per person covered, premiums as a proportion of sum insured or claims ratios. Premiums reported include an insurance component and a savings component that is returned to the customer, meaning that the premium figures are not entirely comparable to those in other product lines.

New products are being launched to meet evolving needs

As the microinsurance market grows, it becomes more diverse and responsive to customers' needs. Of all 985 products reported in this study, 55 were launched in 2023, with a majority concentrated in personal accident, agriculture and property product lines (Figure 11). This emphasis on the development of new agriculture and property products, in particular, represents a diversification in the products available. It also shows how providers are innovating to meet pressing resilience needs as climate risks to agriculture and property accelerate.

FIGURE 11

LAUNCH DATE OF MICROINSURANCE PRODUCTS BY PRODUCT CATEGORY



Economic and corporate factors make innovation more challenging

As seen above, simple personal microinsurance products, such as life, personal accident and hospital cash products, still dominate the market in most countries. While there are important pockets of innovation, insurers face challenges in innovation in inclusive insurance. Interviews conducted for this study found that innovative insurers and insurtechs are facing reduced investment, since investors prefer to invest in more established players and more stable markets. African insurance and insurtech players were most likely to be affected, according to respondents. At the same time, although multinational insurers can often see the potential of inclusive insurance, they are frequently restrained by the need to provide annual returns to global shareholders, making it difficult to invest in long-term projects to develop new customer segments.

In addition to investment constraints, interviews suggest that insurers are held back by limited customer research and data. Even companies that already provide microinsurance do not systematically collect and analyse data on their current or potential customers. The lack of gender data provided to this study reflects a broader shortage of customer and market information collected by insurers. Such data could provide a rich source of information to support the design of new products.

> *"While there are important pockets of innovation, insurers face challenges in innovation in inclusive insurance."*

International organisations are increasingly focusing on insurance for development

As resilience and climate risks move up the agenda of international and development organisations, there are promising signs that these organisations are putting a greater emphasis on the role of insurance – including microinsurance – in promoting development and resilience.

The 2021/2022 Human Development Report by the United Nations Development Programme (UNDP) lays out the importance of insurance in development to "protect everyone from the contingencies of an uncertain world".[20] A shift towards leveraging insurance can be seen in a number of initiatives launched in recent years to support climate insurance, including the decision of the Bill & Melinda Gates Foundation to begin working on insurance again, partnering with UNDP's Insurance and Risk Finance Facility to support smallholder farmers' adaptation and resilience to climate change. This Financial Resilience in Agriculture insurance programme takes a multi-faceted approach to building value chain financial resilience.[21] UNDP is also delivering insurance innovation challenges across 25 countries to support the development of accessible and affordable insurance solutions for vulnerable segments. The winning solutions are already being developed in Colombia, Ecuador, Kenya, Malawi, Malaysia, Mexico, the Philippines and Sri Lanka, and more challenges are set to be launched in 2025.

The Global Shield against Climate Risks is another key example. Launched by the Vulnerable Twenty Group (V20) together with the Group of Seven (G7) and other supporting countries, it facilitates pre-arranged protection, including insurance, against climate- and disaster-related risks for vulnerable people and countries. In 2024, the Global Shield Board expanded its work beyond its original set of eight countries and one region[22] to also include the Gambia, Madagascar, Peru, Rwanda and Somalia.[23]

Multilateral organisations also play a part in organising private insurers in support of development objectives. The United Nations Environment Programme Finance Initiative launched the Bogota Declaration on Sustainable Insurance in 2024, in which insurers in Latin America and the Caribbean, as well as industry bodies including the Microinsurance Network, committed to supporting the achievement of the Sustainable Development Goals (SDGs) by implementing an adapted and localised version of the Principles for Sustainable Insurance in the region.[24]

A similar shift is taking place within initiatives focused on financial inclusion, where the increased attention on climate perils has led to a greater focus on microinsurance as a key tool to better address this risk. This is seen, for example, in the decision of CGAP – a think tank focused on financial inclusion housed at the World Bank – to re-incorporate insurance into its strategy in 2023.

Even so, expert interviews for this study suggest that most development organisations have so far placed greater emphasis on government insurance programmes and sovereign schemes than they have on microinsurance.

[20] UNDP. 2022. Human Development Report 2021/2022. New York. Available at https://hdr.undp.org/system/files/documents/global-report-document/hdr2021-22overviewen.pdf, p. 5.

[21] UNDP. 2022. UNDP and the Bill and Melinda Gates Foundation partner to build up climate resilience for smallholder farmers in Africa and Asia. Available at https://irff.undp.org/news/undp-and-bill-and-melinda-gates-foundation-partner-build-climate-resilience-smallholder.

[22] Bangladesh, Costa Rica, Ghana, Jamaica, Malawi, Pakistan, the Philippines, Senegal and the Pacific region.

[23] Global Shield Against Climate Risks. n.d. Activities in Global Shield Countries. Available at https://www.globalshield.org/activities/country-level-activities/.

[24] United Nations Environment Programme Finance Initiative. 2024. The Bogota Declaration on Sustainable Insurance. Available at https://www.unepfi.org/insurance/insurance/projects/the-bogota-declaration-on-sustainable-insurance/.

Despite increased interest, donor funding for microinsurance remains relatively limited

A relatively small number of donors have a good understanding of microinsurance as well as the willingness to make the long-term investments required to develop insurance markets. This is exacerbated by the lack of evidence available to donors to demonstrate the ways in which insurance can unlock long-term development gains and financial resilience and contribute to climate adaptation priorities.

Furthermore, donor focus has been concentrated on climate insurance, with less attention paid to other risks or overarching topics, such as microinsurance and insurance education. To truly increase resilience for populations most at risk, an emphasis on developing markets for all types of microinsurance, not just climate insurance, is needed.

Where donors are funding microinsurance development, interviews for this study suggested opportunities to distribute funding to a more diverse set of countries. Smaller countries and those with higher poverty rates and more limited insurance market development receive little funding. Yet, investment there can lead to important gains in resilience and poverty reduction.

This kind of ongoing support in building microinsurance markets and supporting innovative products is particularly important since, as noted above, microinsurance products take time to establish themselves. Donor support can play a vital role in the early stages of microinsurance development as products reach commercial success.

Information collected on government and donor subsidies for the first time this year reveals their important role, particularly in agriculture microinsurance

In order to reflect the instrumental role that government and donor subsidies can play in ensuring that insurance reaches the most vulnerable households, the 2024 edition of the Landscape study has for the first time collected information on subsidies. Previous editions used information provided on payment methods to partially infer the reported microinsurance products that had some kind of premium subsidy, but this year, a much clearer picture of subsidy levels can be seen.

Out of the 985 products reported, 112 were declared as having some degree of premium subsidy, jointly covering 54.5 million people and responsible for almost USD 3.8 billion in total premiums.[25] The majority of those people (37.5 million) are covered through the PMFBY agriculture insurance scheme in India. If PMFBY is put aside, the highest number of people (more than 15 million people) are covered through subsidised products in Africa.

The largest proportion of subsidised products are agriculture products (representing 42% of subsidised products). These products represent USD 3.7 billion in written premiums. Agriculture is followed by funeral products, which make up 14% of subsidised products and represent USD 37.8 million in written premiums.

Subsidies need to be implemented responsibly, with strategies for long-term funding or for reducing or removing subsidies over time. Otherwise, rapid removal of subsidies as a result of a change in government or in donor strategy can quickly undermine the progress of a microinsurance product.

> "The largest proportion of subsidised products are agriculture products (representing 42% of subsidised products)."

[25] Due to the way the data is collected, it is not possible to identify the proportion of the total premium amount that is subsidised.

REGULATION

Insurance supervisors are key enablers for increased microinsurance uptake

The introduction of microinsurance regulation promotes microinsurance development by creating a shared understanding around microinsurance in the market and by providing confidence for insurers in launching new products, as well as incentives or favourable conditions for microinsurance (such as the ability to use certain alternative distribution channels). In addition, microinsurance regulation provides customer protection for consumers who have little or no experience with insurance. Without specific regulatory measures in place for microinsurance, standard regulatory frameworks may be too onerous or poorly suited to the practicalities of microinsurance provision and distribution.

The number of countries with specific microinsurance or inclusive insurance regulation grows each year, with regulation implemented in 40 countries and in development in a further 16 (Figure 12). For example, in 2024, microinsurance regulation was introduced through a collaborative process in Ecuador. The process has served as a springboard for inclusive insurance market development in the country (Case study 1).

FIGURE 12

WORLD MAP OF INCLUSIVE INSURANCE REGULATION IN 2023 FROM THE A2II[26]

40

IMPLEMENTED

ASIA-PACIFIC
Cambodia
China
Chinese Taipei
India
Indonesia
Malaysia
Mongolia
Nepal
Pakistan
Philippines
Thailand
Vietnam

LATIN AMERICA & CARIBBEAN
Argentina
Belize
Bolivia
Brazil
Costa Rica
Ecuador
Mexico
Nicaragua
Paraguay
Peru
Venezuela

MIDDLE EAST & NORTH AFRICA
Egypt

SUB-SAHARAN AFRICA
CIMA*
Eswatini
Ethiopia
Ghana
Kenya
Lesotho
Madagascar
Malawi
Mozambique
Nigeria
Rwanda
South Africa
Tanzania
Uganda
Zambia
Zimbabwe

16

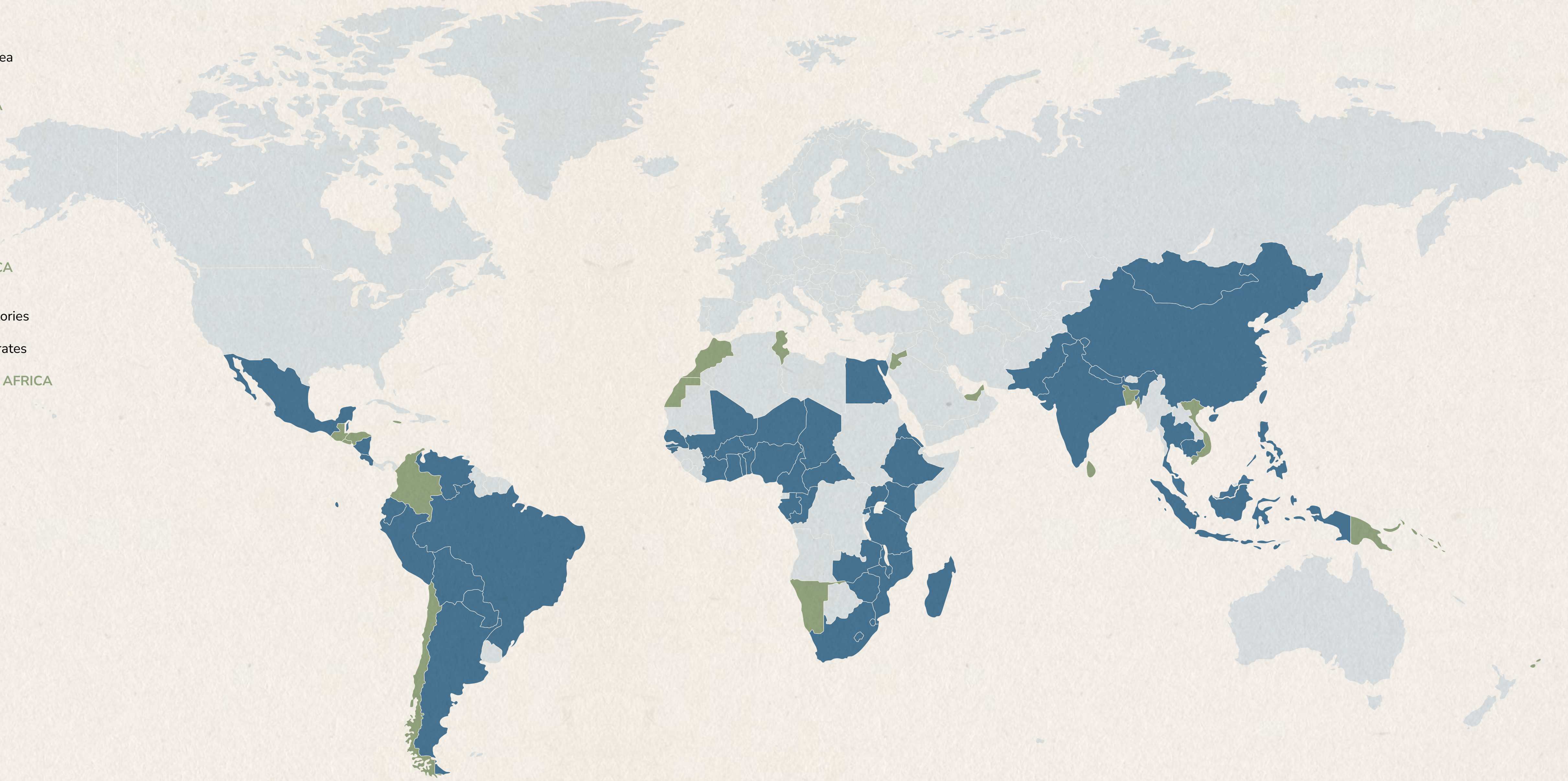
UNDER DEVELOPMENT

ASIA-PACIFIC
Bangladesh
Fiji
Papua New Guinea
Sri Lanka

LATIN AMERICA & CARIBBEAN
Chile
Colombia
El Salvador
Guatemala
Honduras
Jamaica

MIDDLE EAST & NORTH AFRICA
Jordan
Morocco
Palestinian Territories
Tunisia
United Arab Emirates

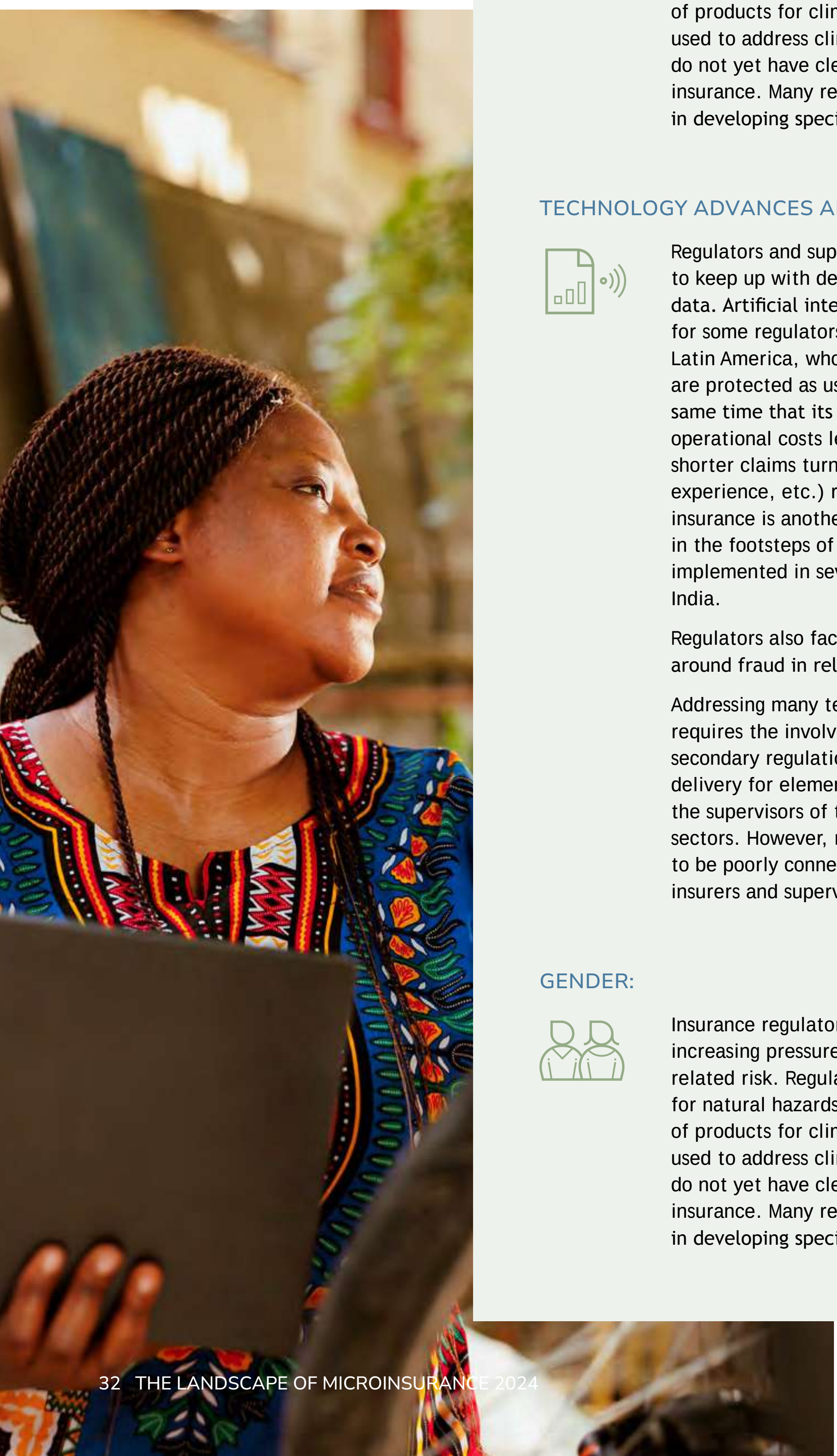
SUB-SAHARAN AFRICA
Namibia



*CIMA is counted as one jurisdiction (Benin, Burkina Faso, Cameroon, Central African Republic, Chad, Congo, Equatorial Guinea, Gabon, Guinea Bissau, Côte d'Ivoire, Mali, Niger, Senegal, and Togo)

[26] An interactive and searchable version of the map can be found on the A2ii website: https://a2ii.org/en/map. While the A2ii uses reasonable efforts to include accurate and up-to-date information in this map, it makes no warranties as to the completeness of content, errors or omissions. In mapping the inclusive insurance developments worldwide, the A2ii welcomes insurance supervisors' inputs.

According to interviews conducted for this study as well as inputs from the Access to Insurance Initiative (A2ii), several topics relevant to microinsurance are currently top-of-mind for regulators:



CLIMATE RELATED RISK:

Insurance regulators and supervisors are experiencing increasing pressure to act in relation to climate-related risk. Regulators are carrying out stress tests for natural hazards and promoting the development of products for climate risk. Index insurance is often used to address climate risks, but most countries do not yet have clear regulation in place for index insurance. Many regulators, therefore, are interested in developing specific regulation for index insurance.

TECHNOLOGY ADVANCES AND DATA:

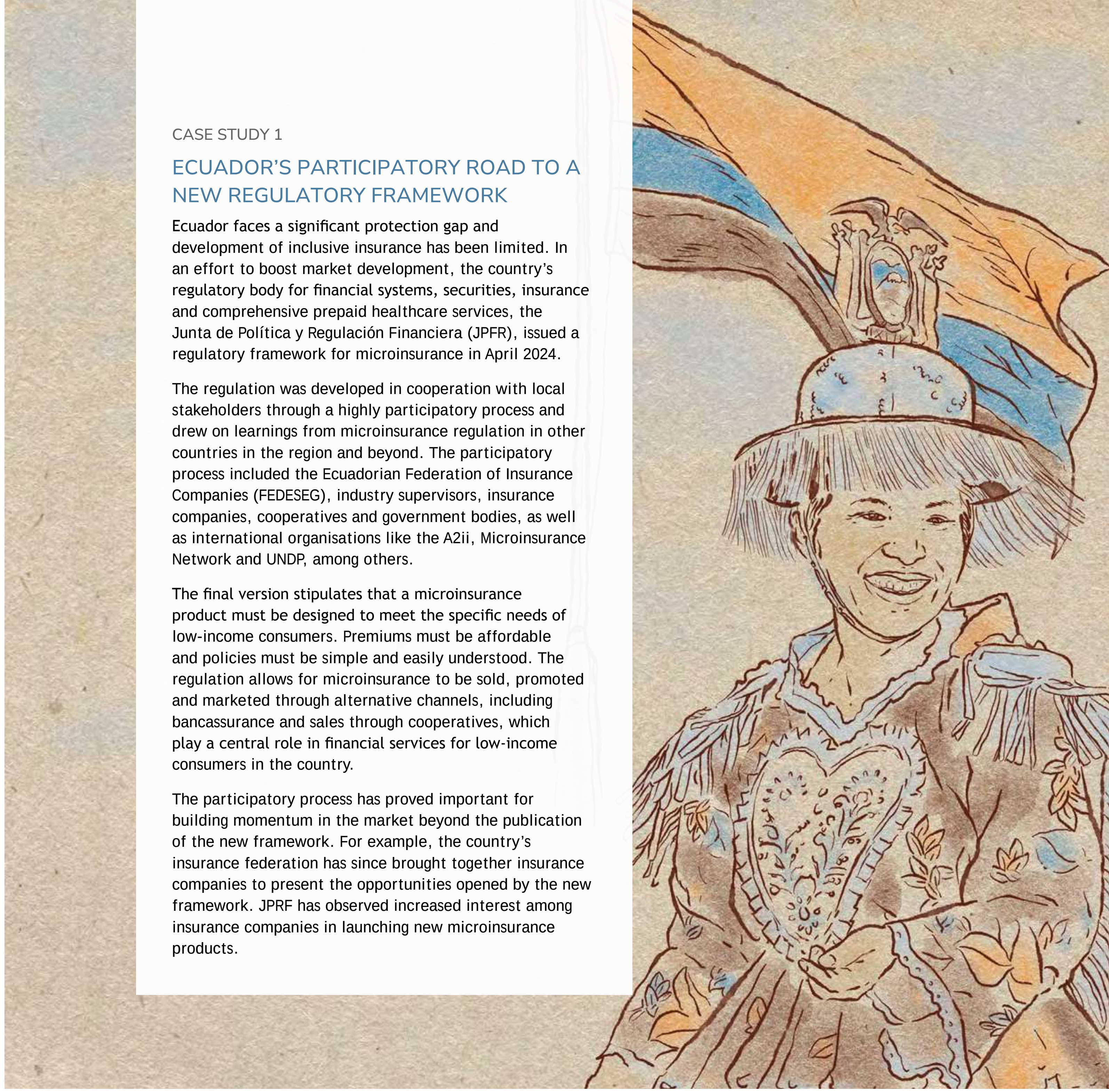
Regulators and supervisors are facing pressure to keep up with developments in technology and data. Artificial intelligence (AI) is a priority topic for some regulators and supervisors, particularly in Latin America, who want to make sure consumers are protected as use of AI develops, and at the same time that its potential benefits (e.g., lower operational costs leading to more affordable products, shorter claims turnaround time improving clients experience, etc.) reach the most vulnerable. Open insurance is another issue on the horizon, following in the footsteps of open banking, which has been implemented in several countries, including Brazil and India.

Regulators also face challenges managing concerns around fraud in relation to digital financial services.

Addressing many technology and data advances requires the involvement of multiple regulators and secondary regulation. For example, advances in mobile delivery for elements of health microinsurance involve the supervisors of the health, insurance and digital sectors. However, regulators for different sectors tend to be poorly connected, creating serious challenges for insurers and supervisors.

GENDER:

Insurance regulators and supervisors are experiencing increasing pressure to act in relation to climate-related risk. Regulators are carrying out stress tests for natural hazards and promoting the development of products for climate risk. Index insurance is often used to address climate risks, but most countries do not yet have clear regulation in place for index insurance. Many regulators, therefore, are interested in developing specific regulation for index insurance.



CASE STUDY 1

ECUADOR'S PARTICIPATORY ROAD TO A NEW REGULATORY FRAMEWORK

Ecuador faces a significant protection gap and development of inclusive insurance has been limited. In an effort to boost market development, the country's regulatory body for financial systems, securities, insurance and comprehensive prepaid healthcare services, the Junta de Política y Regulación Financiera (JPFR), issued a regulatory framework for microinsurance in April 2024.

The regulation was developed in cooperation with local stakeholders through a highly participatory process and drew on learnings from microinsurance regulation in other countries in the region and beyond. The participatory process included the Ecuadorian Federation of Insurance Companies (FEDESEG), industry supervisors, insurance companies, cooperatives and government bodies, as well as international organisations like the A2ii, Microinsurance Network and UNDP, among others.

The final version stipulates that a microinsurance product must be designed to meet the specific needs of low-income consumers. Premiums must be affordable and policies must be simple and easily understood. The regulation allows for microinsurance to be sold, promoted and marketed through alternative channels, including bancassurance and sales through cooperatives, which play a central role in financial services for low-income consumers in the country.

The participatory process has proved important for building momentum in the market beyond the publication of the new framework. For example, the country's insurance federation has since brought together insurance companies to present the opportunities opened by the new framework. JPRF has observed increased interest among insurance companies in launching new microinsurance products.

Interviews with experts suggest that, as well as dealing with emerging issues, regulators around the world continue to face challenges around fundamental issues like the implementation of risk-based solvency regulation. Maintaining capacity to manage these issues, while also keeping up with rapidly evolving climate and technology issues, among others, can prove difficult. Regulators and supervisors find themselves faced with growing expectations, but often without the increased capacity required to meet them. In particular, regulators and supervisors struggle to hire the staff they need to address topics like technology, where personnel with the skillsets needed can easily find higher salaries elsewhere.

At the same time, macroeconomic difficulties are being felt across the world. Where insurance regulators sit within larger regulatory authorities or a country's central bank, these pressures can push market development down the country's list of priorities in comparison to macroeconomic stability.

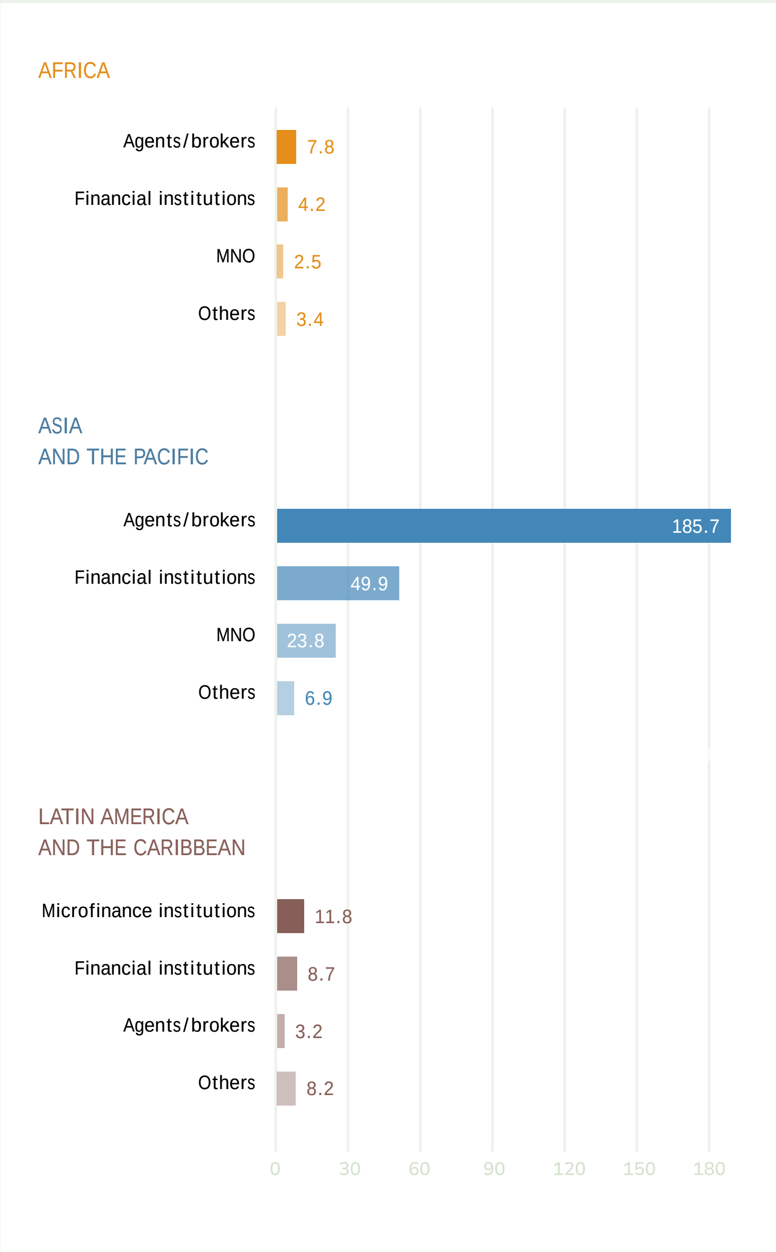
DISTRIBUTION AND PAYMENTS

Physical networks remain instrumental, even as digital challengers are on the rise

Traditional channels, particularly financial and microfinance institutions, as well as agents and brokers, continue to dominate microinsurance distribution in all three regions studied (Figure 13). Mobile networks operators (MNOs) have an important role in Africa, reaching 2.5 million people, predominantly with life and health insurance.

FIGURE 13

TOP THREE DISTRIBUTION CHANNELS BY REGION (MILLIONS OF PEOPLE REACHED)



Agents and brokers are particularly dominant in India, where they are the primary distribution channel for products reaching almost 163 million people. Outside of India, microfinance institutions and brokers each reach similar numbers of customers.

Despite the continued prevalence of traditional channels, experts interviewed for this study highlighted that new partnerships are emerging with a wide variety of aggregators, including schools, government networks, public service companies, mass market distributors and others.

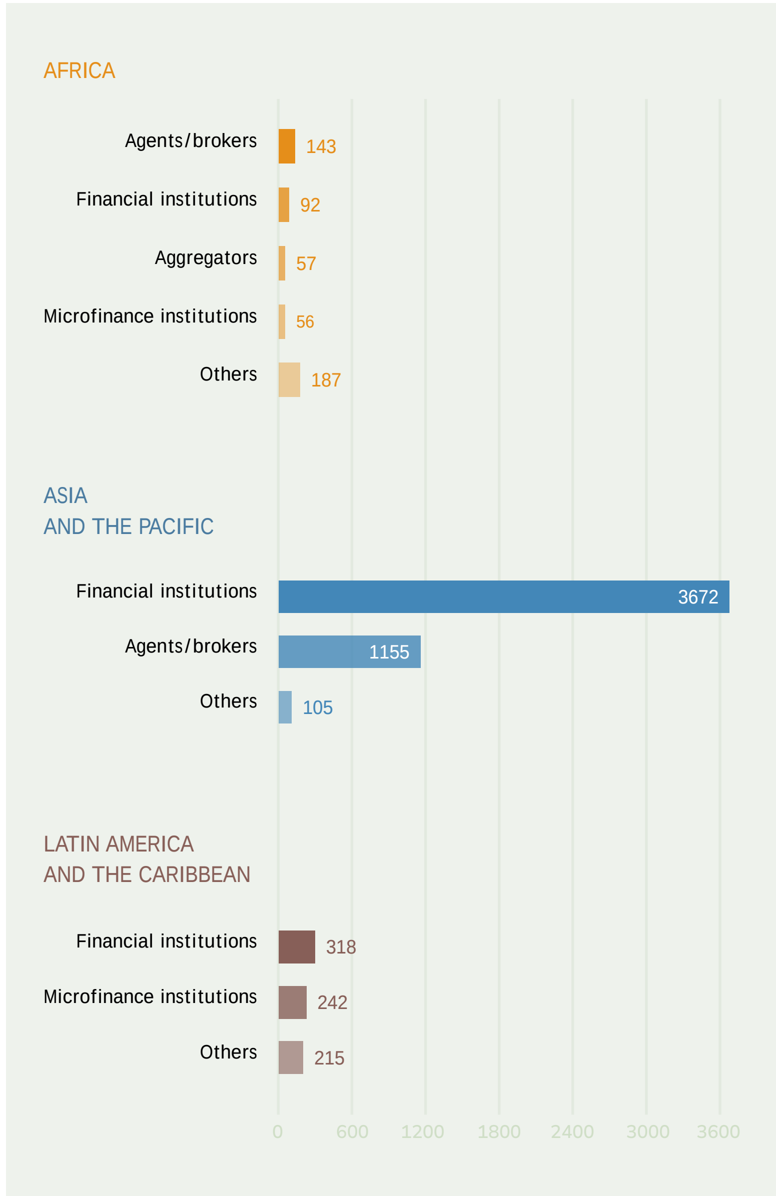
Fintech and insurtech companies are becoming much more established: in most countries studied, fintech associations have been set up and insurtech associations are also now being established. The Pan-American Insurtech Alliance (Alianza Insurtech Panamericana), for example, was established in 2024.[27] However, the role of insurtech remains relatively limited in most lines of inclusive insurance, with the majority of insurtech companies focused on roles such as product comparison rather than on expanding access to insurance. Nonetheless, insurtechs are emerging around remote sensing technologies for index insurance, as well as AI applications for claims payments.

Physical networks also continue to surpass other distribution channels in terms of gross premiums collected, but the channels that cover the most people are not always those that collect the most revenue (Figure 14). In Africa, agents and brokers account for the largest share of premiums (34%) and reach 7.8 million people. MNOs, on the other hand, cover 2.5 million people in the region, but drive only 2% of premiums. In Asia and the Pacific, financial institutions bring in 74% of gross premiums, significantly surpassing agents and brokers, which, despite covering the largest number of lives in the region, are responsible for 23% of gross premiums. In Latin America and the Caribbean, financial institutions are the primary channel for premium collection (38%), followed by microfinance institutions at 29%.

> “...new partnerships are emerging with a wide variety of aggregators, including schools, government networks, public service companies, mass market distributors and others.”

FIGURE 14

GROSS PREMIUMS BY DISTRIBUTION CHANNEL AND REGION (USD MILLIONS)



[27] AIP. n.d. Un viaje hacia la unión: Historia de la Alianza Insurtech Panamericana [A journey towards unity: The history of the Pan-American Insurtech Alliance]. Available at https://insurtechpanamericana.com/nosotros/.

Microinsurance uptake is dependent on the broader financial inclusion ecosystem

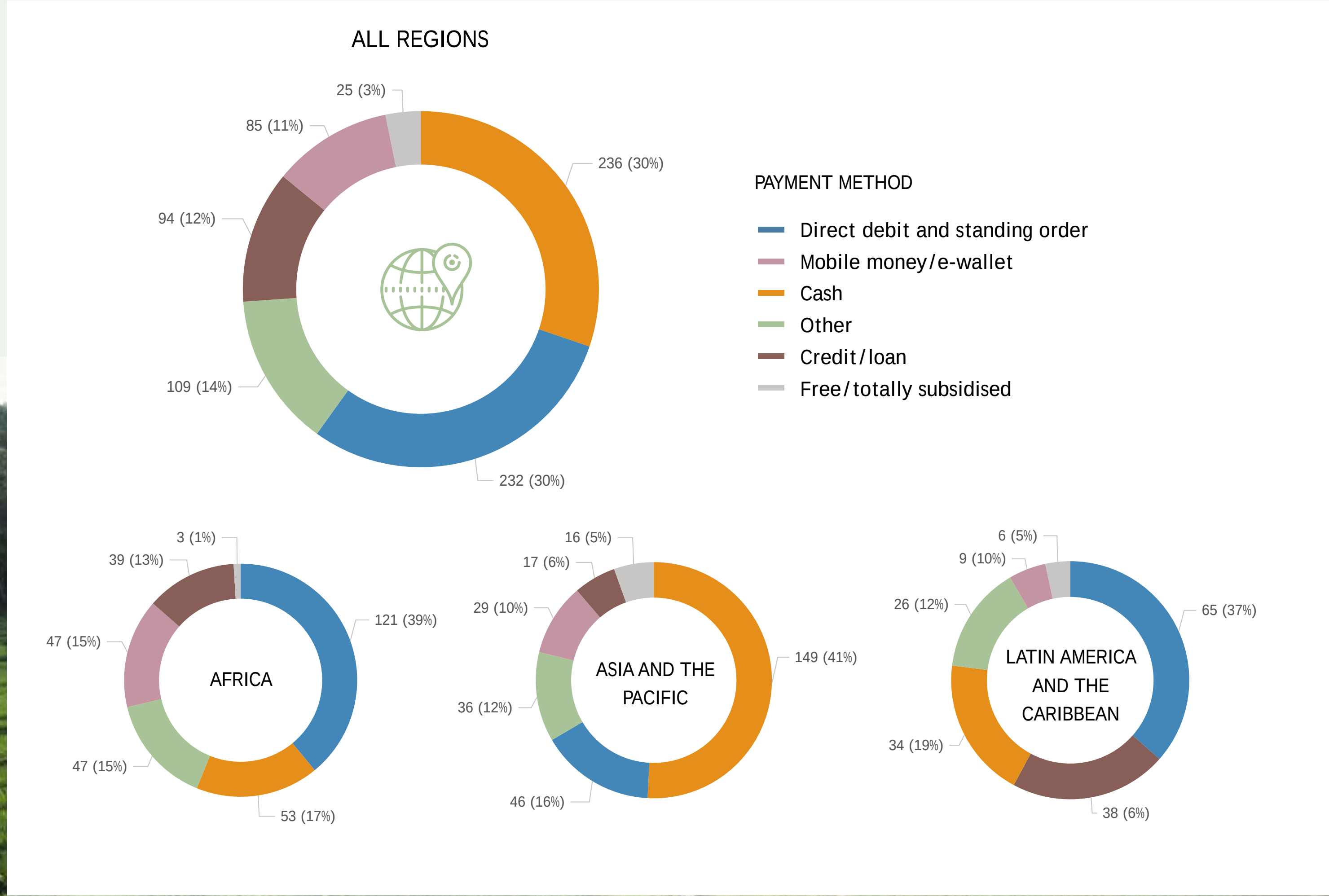
Payment methods have remained relatively consistent during the last three years. At a global level, cash remains key for payment of microinsurance products, closely followed by debits and standing orders from financial accounts (Figure 15). However, there are important regional differences, driven by factors including the level of banking penetration and mobile money availability and adoption, as well as the channels used for microinsurance distribution.

For example, in Asia and the Pacific, nearly 50% of products use cash as a primary payment method, while in Latin America and the Caribbean, payments through credit or loans are the second most common payment method (21% of products). In Africa, mobile money remains a stable third most common method of payment (for 15% of products), but in Latin America and the Caribbean, this payment method is very rarely used (5% of products).

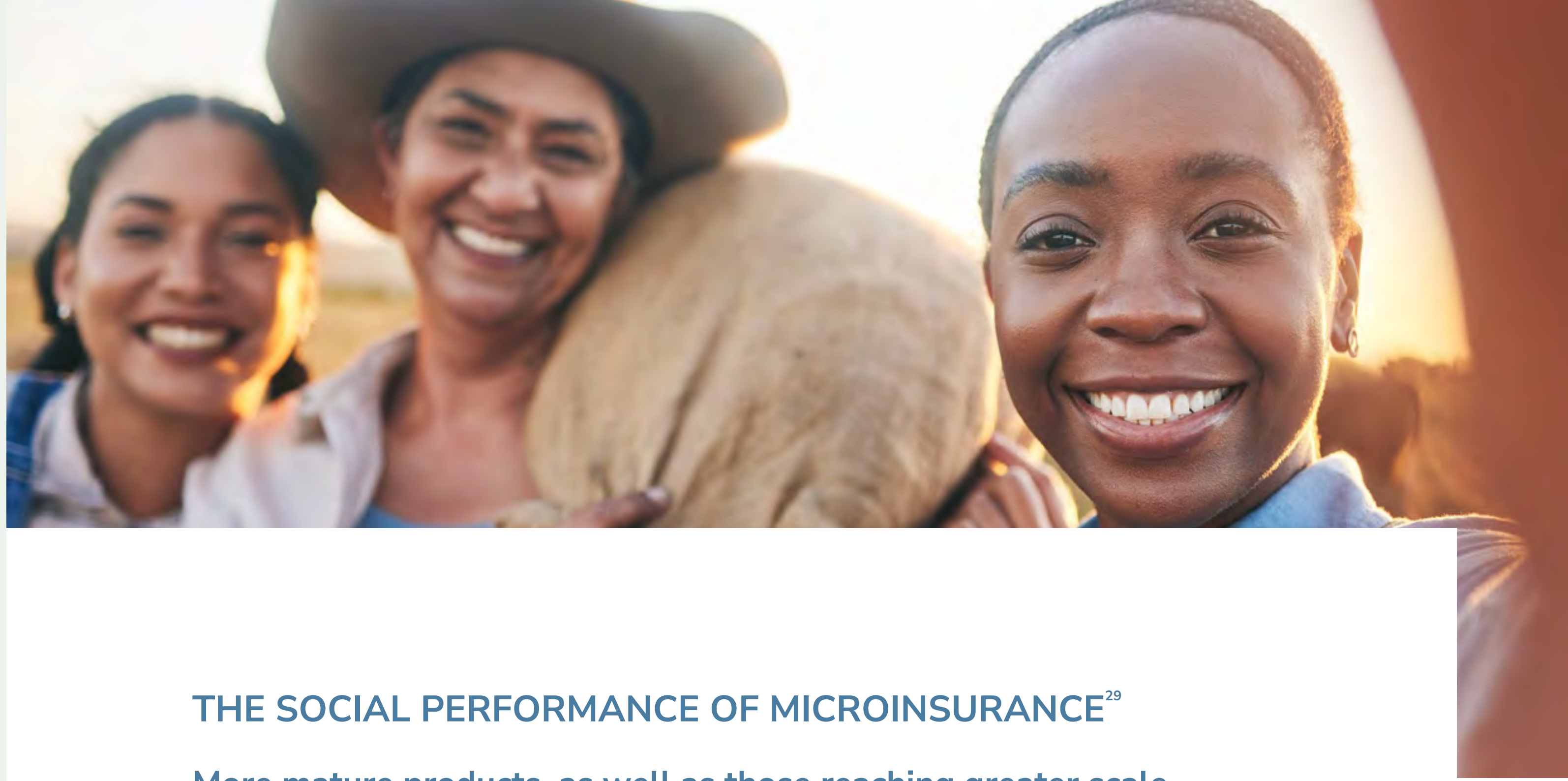
Payment channels are key for microinsurance expansion, since the ability to collect premiums and pay claims through channels that are convenient for customers and viable for providers is indispensable. Expansion of access to financial institutions and digital financial services, therefore, provides the rails for increased microinsurance expansion.

FIGURE 15

PROPORTION OF PRODUCTS WHICH MAKE USE OF EACH PAYMENT CHANNEL[28]



[28] Percentages may not add up to 100% due to rounding.



THE SOCIAL PERFORMANCE OF MICROINSURANCE[29]

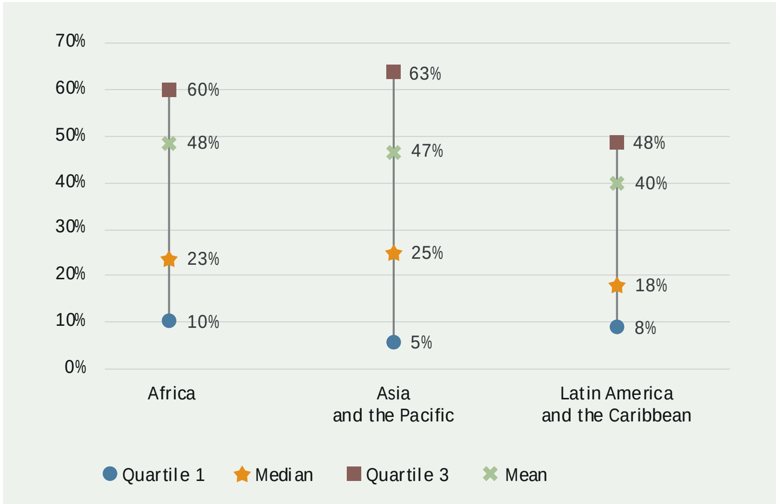
More mature products, as well as those reaching greater scale, have higher claims ratios

The claims ratio is an important indicator of the value that an insurance product provides to customers.[30] It shows the proportion of insurance premiums that go back to customers who experience a claim over the year. It is an incomplete measure of a product's value, since the value also includes additional services that customers might use throughout the year (e.g., telemedicine, discounts in pharmacies), the overall customer experience when buying or claiming, as well as the unquantified potential alternative coping mechanisms that customers would need to incur in the absence of insurance. However, it provides a useful and comparable indicator.

The median claims ratio across all regions and product lines is 23%. Claims ratios vary a great deal, however. Figure 16 shows the median, mean and quartile values for microinsurance products registered in each region. The interquartile range (which excludes the highest and lowest 25% of results) spans from claims ratios in the single digits to ratios as high as 63% in Asia and the Pacific.

FIGURE 16

CLAIMS RATIOS BY REGION



[29] Social performance is the ability of an organisation to translate its social mission into practice. Social performance indicators are metrics that an organisation or company uses to measure its progress in doing so. For insurance, the claims ratio is one key metric which provides an insight into the value provided by insurance to customers.

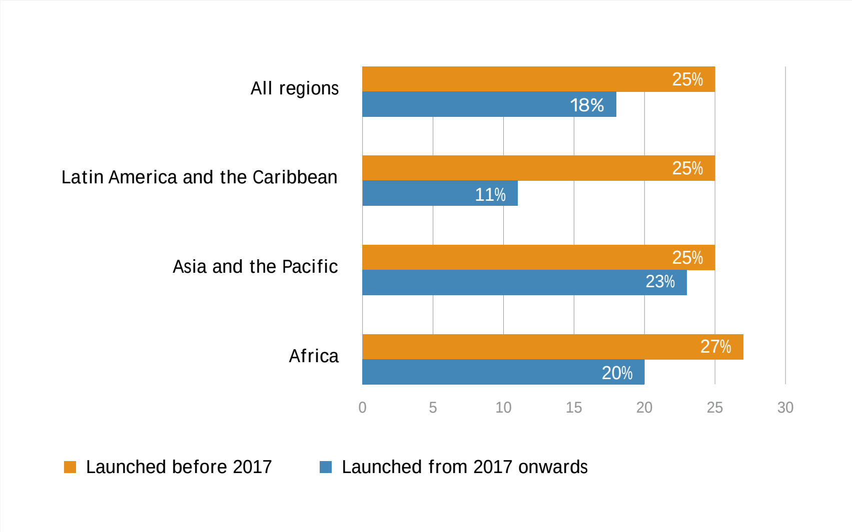
[30] Claims ratios are calculated by dividing the total amount of claims paid during the year by gross written premiums in the same period. This does not fully reflect how claims ratios are calculated by providers, but this simplified calculation facilitates comparability across markets and simplifies data collection.

A clear difference in claims ratios can be seen between more and less mature products: those launched before 2017 show a median ratio of 25%, compared to 18% for those launched from 2017 onwards. This pattern is consistent across all regions (Figure 17). This may reflect issues around product awareness, or a need to adjust elements of product design for recently launched products. It may also suggest that products with higher claims ratios outlast those with low claims ratios, as they provide better value and become more trusted by customers.

The size of the scheme plays a significant role in the claim ratios of products. For products covering more than 500,000 people, the median claims ratio is 30%, whereas for those covering fewer than 500,000, the median claims ratio is 21%.

FIGURE 17

MEDIAN CLAIMS RATIOS BY PRODUCT MATURITY

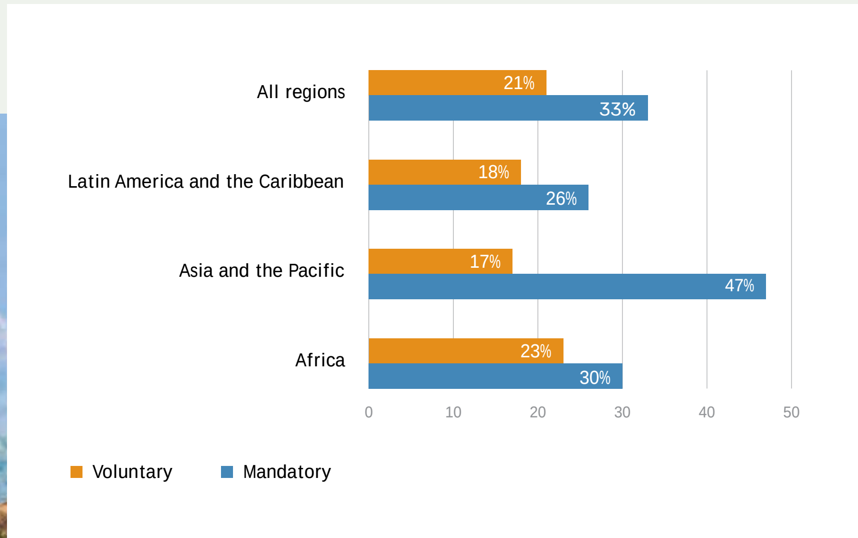


Another relevant factor to consider is whether a product is mandatory or voluntary. It might be expected that voluntary products would have a higher claims ratio, based on the assumption that insured customers would have a higher awareness of their insurance. However, the data collected for this report suggests the opposite: mandatory microinsurance products have higher claims ratios than voluntary products across all regions (Figure 18). This may relate to the product lines in which mandatory products are most common, particularly motor and credit life insurance. Both of these categories of insurance are well established, with high competition among insurers.

There is also an incentive on the part of financial institutions to ensure that credit life claims are made so that loans are paid off. It is important to bear in mind that insurers may not always classify embedded products as mandatory, even though in practice the product may be required to access another service. Further research is needed to better understand this point, but this finding shows that the customer value of mandatory versus voluntary products requires a nuanced analysis.

FIGURE 18

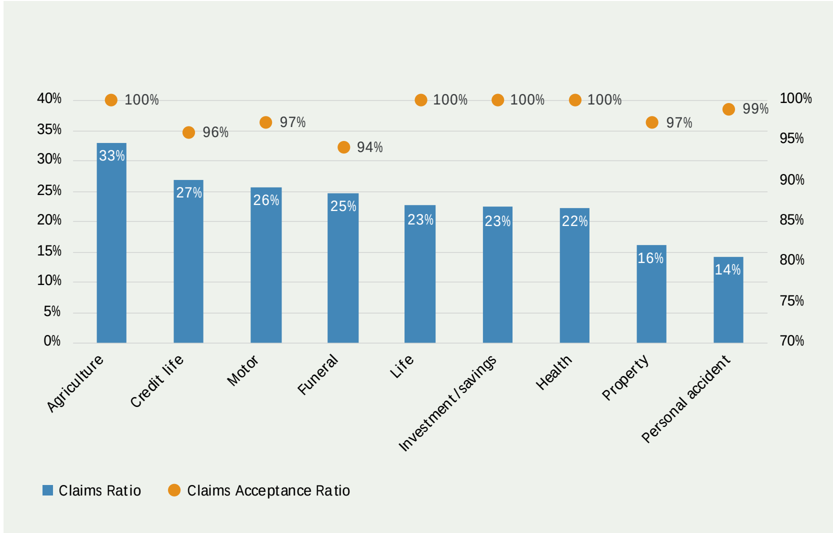
MEDIAN CLAIMS RATIOS BY VOLUNTARY OR MANDATORY PRODUCTS



The highest claims ratios are seen in agricultural products (Figure 19), which reflects the catastrophic nature of the natural disaster risks typically covered, such as droughts and floods. Claims experiences of these products typically vary greatly from year to year, with very low or even no claims in years in which natural disasters do not occur, and ratios that can exceed 100% in years in which widespread natural disasters do occur. This is reflected in the wider spread of ratios recorded for this product, with an interquartile range (excluding the highest and lowest quartile of results) from 16% to 71%, significantly wider than for other product types.

FIGURE 19

CLAIMS RATIOS AND CLAIMS ACCEPTANCE RATIOS BY PRODUCT LINE

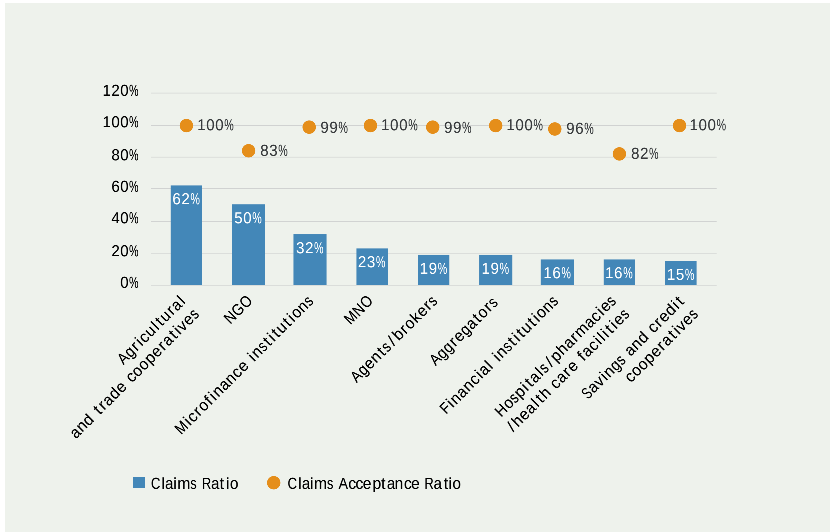


The highest median claims ratios are seen for microinsurance sold through agricultural and trade cooperatives, at 62%, and products sold through non-governmental organisations (NGOs), at 50% (Figure 20). This might reflect the social and member-oriented nature of these channels, as well as the type of products being distributed.

Interestingly, even within product lines, claims ratios vary based on the distribution channel. For example, for agriculture insurance (the product with the highest median claims ratio), when products are distributed through NGOs, agricultural cooperatives and microfinance institutions, claims ratios reach higher median values (all with medians over 59%) than for products distributed by financial institutions, aggregators or brokers (with median values spanning between 10% to 36%), broadly reflecting the trend seen in Figure 20.

FIGURE 20

CLAIMS RATIOS AND CLAIMS ACCEPTANCE RATIOS BY DISTRIBUTION CHANNEL

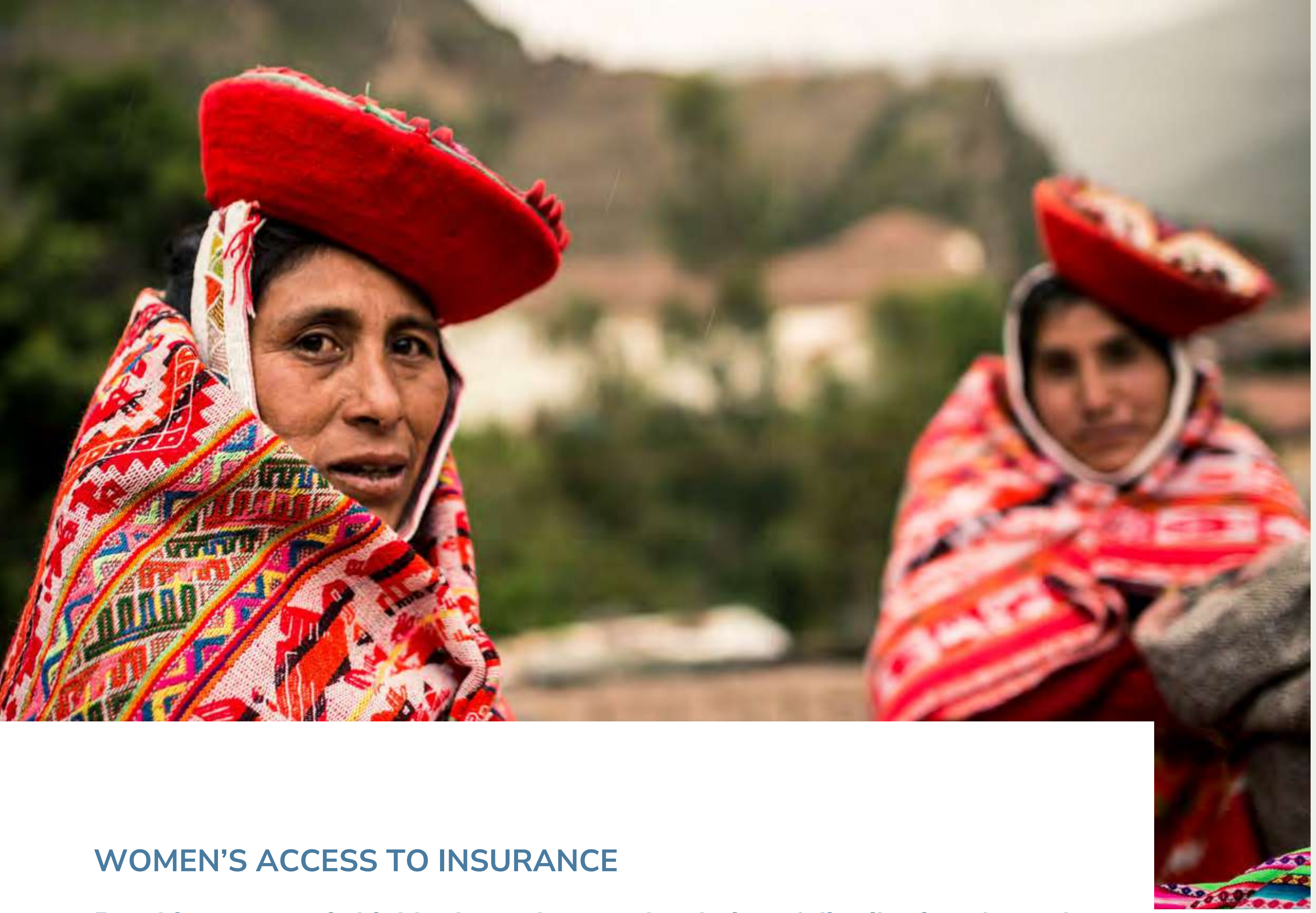


> “The highest claims ratios are seen in agricultural products...”

Claims acceptance ratios (the proportion of claims reported by customers that are accepted by the insurer) reach a median of 98% across all products reported. This varies significantly by region, with a median ratio of 96% in Africa, 100% in Asia and the Pacific and 90% in Latin America and the Caribbean.

Although close to 100% in most lines of business, acceptance rates are lower in property insurance and personal accident insurance (Figure 19). In terms of distribution channels, claims acceptance ratios are somewhat lower among products distributed by NGOs and hospitals, pharmacies and healthcare facilities (Figure 20).

Rejected claims can be due to a number of factors, including client misunderstanding of what is covered by a product, an inability to provide the required documentation or fraudulent claim attempts.



WOMEN'S ACCESS TO INSURANCE

Reaching women is highly dependent on the choice of distribution channel

There are important differences in the risks that women and men face, as well as in their preferences for insurance products. These include not only more obvious differences related to women's specific health risks, but also aspects such as women's potential additional safety concerns when faced with a car accident or breakdown, or the increased loss-of-income risks that go alongside women's higher likelihood of working in the informal economy.[31]

Collecting data on women's access to insurance is an essential step to better understand the industry's progress in addressing women's needs. However, as in previous years, limited data regarding gender was provided for this study, with information on women policyholders provided for less than half (45%) of products and information on female lives covered provided for 46% of products.[32]

This reflects the fact that, in many cases, providers and distribution channels are not collecting information on the gender split of customers, which limits their ability to measure the magnitude of the gender gap in their business and to design, implement and monitor actions (e.g., product design, marketing and communication, process design) to close it.

[31] In developing countries, 92% of women workers are informally employed, compared to 87% of men workers. See: Florence Bonnet, Joann Vanek and Martha Chen. 2019. Women and Men in the Informal Economy – A Statistical Brief. Manchester: WIEGO.
Available at https://www.ilo.org/publications/women-and-men-informal-economy-statistical-update.

[32] Information is collected on the gender of policyholders and of all people covered under a policy. This reflects the fact that women access insurance both as policyholders and through coverage on a policyholder purchased by others (for example, a life or health insurance policy often covers both the policyholder and family members). Both can provide women with important protection, but the proportion of women policyholders is particularly important because it points to women's control and decision-making in relation to insurance.

Where information on gender was provided, 48% of policyholders were women and 49% of people covered were women. This figure is similar to previous years, following a recovery after the height of the COVID-19 pandemic in 2020, when just 42% of policyholders were women. These numbers, however, must be treated with caution, given low reporting levels.

The proportion of women policyholders appears to be affected not so much by product line (Figure 21), but by the distribution channel used (Figure 22). Whereas the median values by product line range from agriculture at 42% female policyholders to personal accident at 55%, the median values by distribution channel vary more dramatically, from agricultural and trade cooperatives, which have just 25% female policyholders, to NGOs, with a median of 65% female policyholders.

FIGURE 21

MEDIAN PERCENTAGE OF FEMALE POLICYHOLDERS BY PRODUCT TYPE

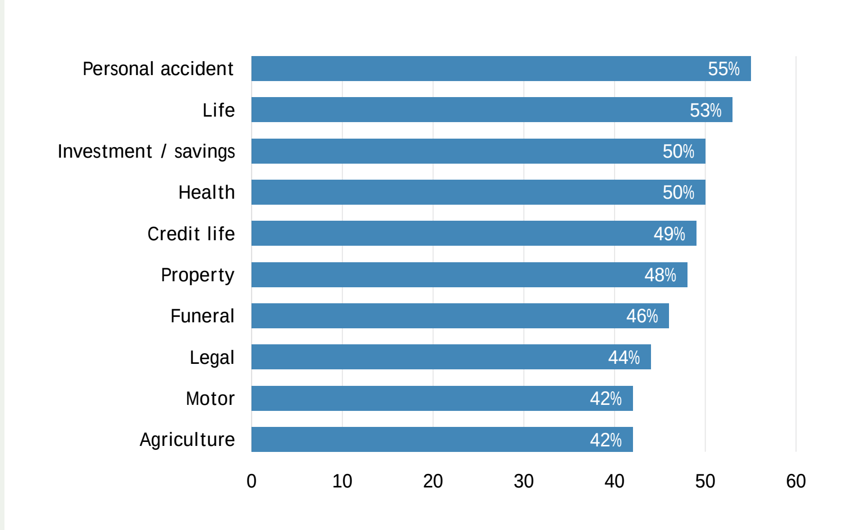
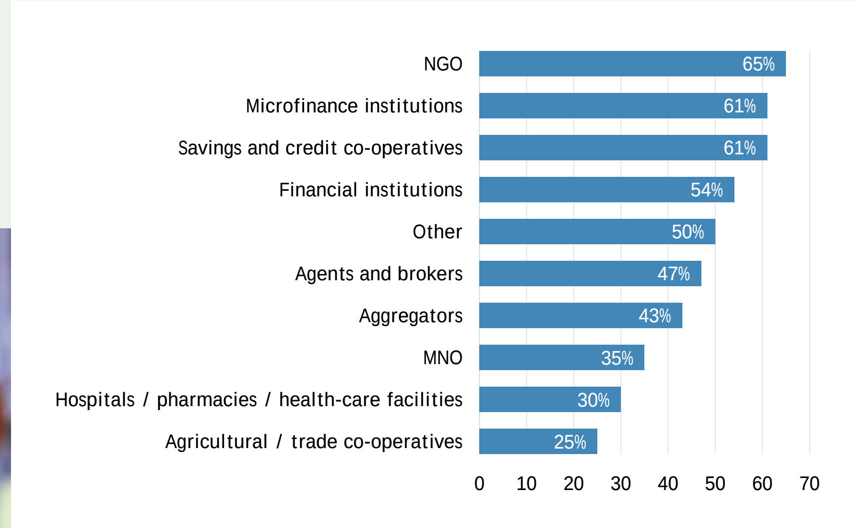
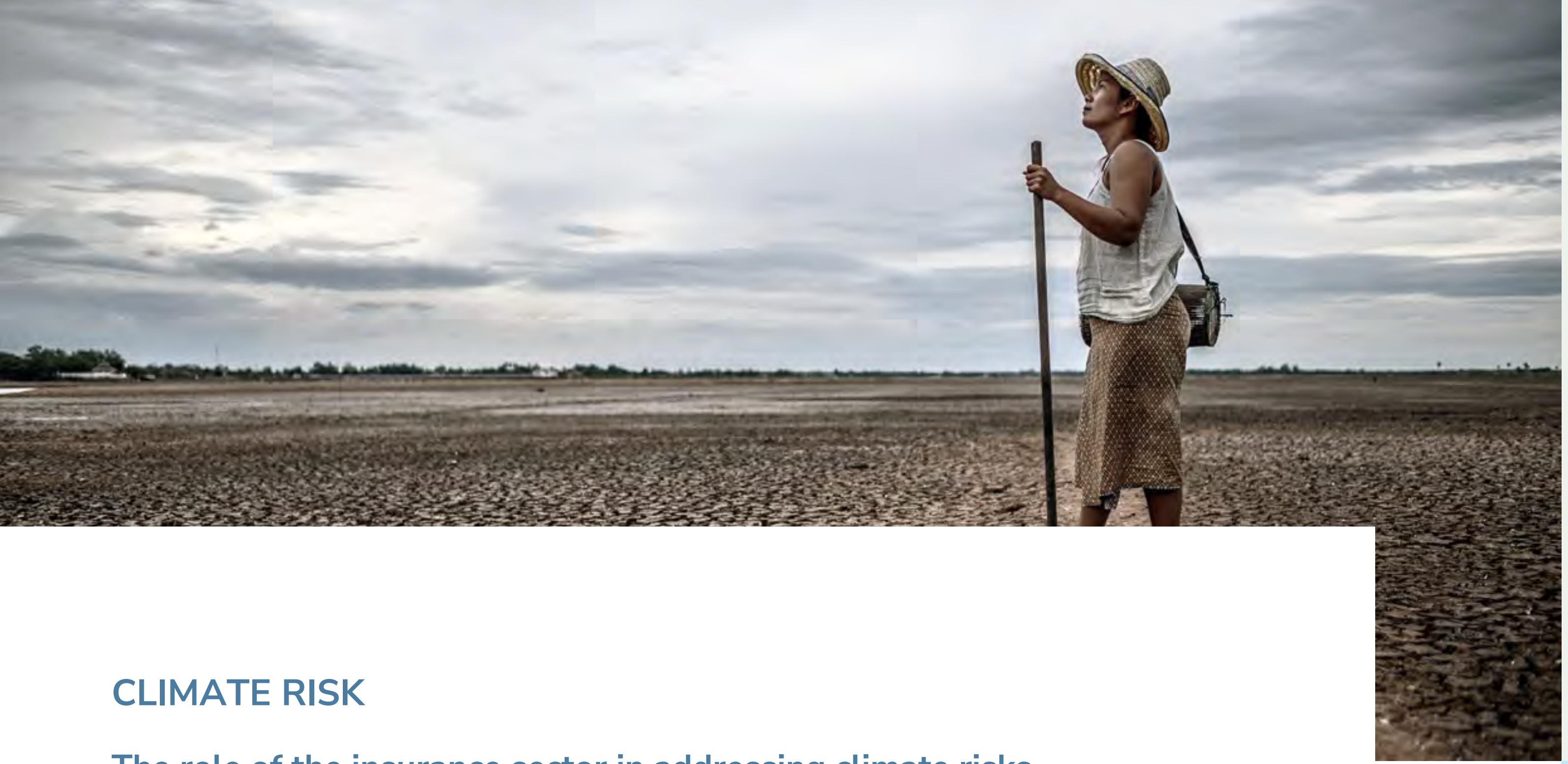


FIGURE 22

MEDIAN PERCENTAGE OF FEMALE POLICYHOLDERS BY DISTRIBUTION CHANNEL





CLIMATE RISK

The role of the insurance sector in addressing climate risks has never been clearer

The interviews conducted for this study suggest a growing recognition among governments, donors and multilateral organisations of the role that insurance can play in addressing climate issues, alongside food security, poverty and health. It is clear that neither government funds nor traditional humanitarian funding will be sufficient to meet the rising costs of damage caused by climate change, estimated at between USD 1.7 trillion and USD 3.1 trillion per year by 2050.[33] Policymakers at national and local levels, therefore, are showing interest in other financial tools, and some are looking to the insurance sector's capacity to help them better manage the risks their countries face.

For example, the Prime Minister of Barbados, Mia Mottley, spoke at the Insurance Development Forum Summit in 2024, stressing the needs of climate vulnerable countries and small economies, which can incur losses equivalent to their entire GDP in one climate event. Prime Minister Mottley called on the insurance industry to adopt innovative approaches to avoid countries falling into a resilience trap in which they become increasingly unable to access the financial tools they need to manage climate risks, just when these tools are most needed:

> "Innovation in the provision of insurance will therefore be critical to address this unprecedented threat to our economy and the stability of the world.[34]"

The increased interest in the insurance sector is reflected in countries' requests to the Global Shield against Climate Risks. The initiative provides financial assistance and technical support for countries to build financial resilience to climate risks. Countries are also accessing support through the Tripartite Agreement set up in 2019 by UNDP, the Federal Government of Germany and 20 of the world's largest insurance and reinsurance companies under the framework of the Insurance Development Forum. The initiative builds the financial resilience of climate vulnerable countries through risk finance solutions, microinsurance development and long-term technical assistance programmes to governments.

In addition, countries are working with the Global Risk Modelling Alliance, which offers private sector risk analytics capability for the benefit of public sector programmes. by articulating its contribution to countries' resilience and risk management efforts and involving itself in wider conversations on these topics outside of the sector. It is vital that initiatives and funding for developing microinsurance markets and other financial risk management tools are grounded in securing the long-term financial security of countries. Such a vision makes clear the need for risk layering, including both microinsurance and macro covers, as well as a range of other risk financing tools.

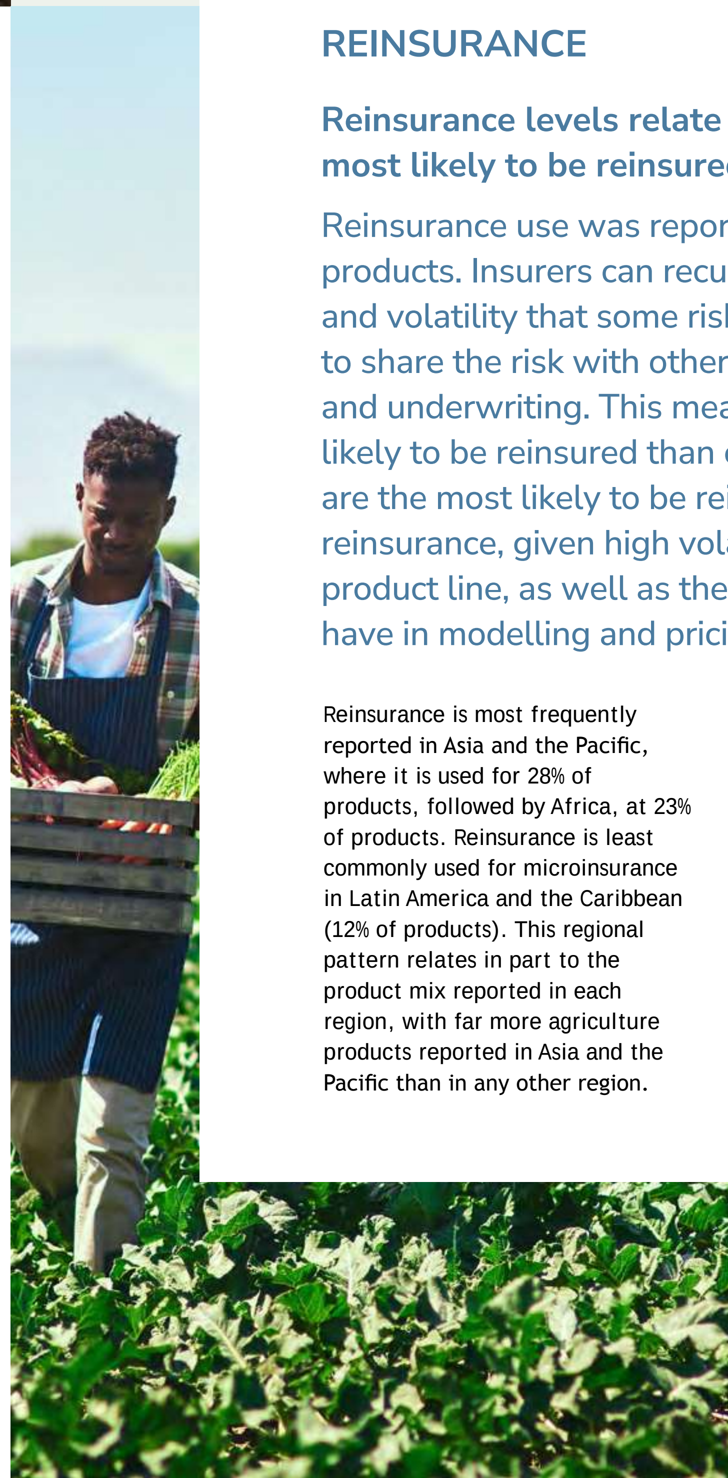
[33] Rebecca Newman and Ilan Noy. 2023. The global costs of extreme weather that are attributable to climate change. Nature Communications, 14, 6103. Available at https://pubmed.ncbi.nlm.nih.gov/37775690/.

[34] Insurance Development Forum. 2024. IDF Summit 2024 - Day 1 Opening Ceremony. Available at https://www.insdevforum.org/cpt_summits/summit-2024/videos/.

So far, greater collaboration between governments and the insurance sector has been achieved in sovereign insurance schemes. There is a need for increased inclusion of microinsurance, which channels funds directly into the hands of vulnerable populations.

The Landscape data demonstrates the increasing emphasis on climate risks. Climate or natural perils are covered by a total of 112 products, reaching more than 42 million people. These products are largely in agriculture, property and business interruption insurance, but climate covers are also bundled with life insurance policies. Even microinsurance products that do not explicitly include climate covers can play a role in climate resilience. For example, health insurance supports clients to deal with the health repercussions of climate change and climate events.

The microinsurance sector has the opportunity to better position itself by articulating its contribution to countries' resilience and risk management efforts and involving itself in wider conversations on these topics outside of the sector. It is vital that initiatives and funding for developing microinsurance markets and other financial risk management tools are grounded in securing the long-term financial security of countries. Such a vision makes clear the need for risk layering, including both microinsurance and macro covers, as well as a range of other risk financing tools.



REINSURANCE

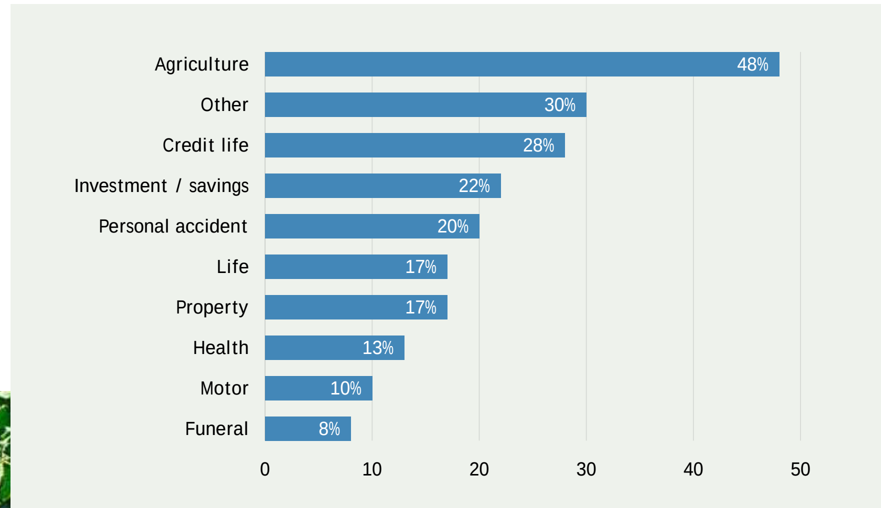
Reinsurance levels relate to risk types, with agriculture most likely to be reinsured

Reinsurance use was reported for around 20% of all microinsurance products. Insurers can recur to reinsurance to manage the accumulation and volatility that some risks can create in their balance sheets, as well as to share the risk with other parties when they lack experience in its pricing and underwriting. This means that certain product lines are much more likely to be reinsured than others. As Figure 23 shows, agriculture products are the most likely to be reinsured, with almost half of products reporting reinsurance, given high volatility and potentially catastrophic claims in this product line, as well as the limited experience most insurance companies have in modelling and pricing these risks.

Reinsurance is most frequently reported in Asia and the Pacific, where it is used for 28% of products, followed by Africa, at 23% of products. Reinsurance is least commonly used for microinsurance in Latin America and the Caribbean (12% of products). This regional pattern relates in part to the product mix reported in each region, with far more agriculture products reported in Asia and the Pacific than in any other region.

FIGURE 23

PROPORTION OF PRODUCTS THAT ARE REINSURED



Health

KEY TAKEAWAYS

99

A total of 99 health microinsurance products were reported on for this study, up from 82 last year.

41 M

Around 41 million people received health protection from microinsurance products across all product lines, representing 1.4% of the target population in the countries studied.

Despite growth, the potential for health microinsurance is still enormous, with just 0.3% of an estimated USD 30 billion market currently reached.

Hospital cash products are prevalent, responsible for around half of all people covered by health insurance, but are less common in Latin America and the Caribbean, where the majority of products offer more comprehensive coverage for medical expenses.

Health microinsurance has seen an important uptick in new products in the last decade, and insurance providers reported ongoing efforts to expand health benefits. Providers are implementing additional benefits such as cash payments on diagnosis of specific disease and outpatient coverage.

Financial institutions play a key role in the distribution of health microinsurance across all regions, with MNOs also playing an important role in Africa.

22%

The median claims ratio for all health insurance products is 22%, with the highest rates seen in Asia and the Pacific. Claims ratios are generally higher among more mature health insurance products.

There are gaps in women's access to health microinsurance in Africa and in products distributed through MNOs.

Climate change is recognised as a principal threat to public health and innovative insurers are addressing this intersection.

MARKET SIZE AND EVOLUTION

Some 41 million people benefit from health coverage from microinsurance products in the countries studied

A total of 99 health microinsurance products were reported on for this study, up from 82 last year, jointly reaching more than 15 million people (with 30 products covering 4.5 million people in Africa, 41 products covering 10.1 million people in Asia and the Pacific and 28 products covering 0.7 million people in Latin America and the Caribbean). National and government schemes are included, where they meet the definition of microinsurance used for the Landscape (see the Glossary), but some national schemes that meet the criteria did not provide data to the study.

BOX 2

HEALTH MICROINSURANCE FOR SUSTAINABLE DEVELOPMENT

Health microinsurance contributes to the achievement of the SDGs, particularly to SDGs 1, 3 and 5:

SDG 1 - No poverty: Health shocks can have a devastating impact on households' finances, both in terms of direct healthcare costs and lost income during times of illness. In some cases, the costs associated with healthcare events can push families into poverty. Health microinsurance reduces the financial burdens associated with such events, helping to protect families from falling into poverty as a result.

SDG 3 - Good health and well-being: Where people do not have access to national health schemes, health microinsurance has a vital role to play in facilitating access to healthcare. Where national health schemes are available, health microinsurance can play an important complementary role in providing access to additional services or support to manage the financial costs associated with health events, including lost income.

SDG 5 - Gender equality: Women around the world face severe health risks and often do not have access to the healthcare they need, including good quality maternal healthcare and care for specific diseases more common among women, such as breast cancer. Health microinsurance, where it is designed to meet women's needs, can support women in accessing healthcare and promote better health outcomes for women.

In addition, health benefits are increasingly provided as secondary covers as part of other product types. Including those products, a total of 41 million people received health protection from microinsurance products across all product lines (8.8 million in Africa, 19.2 million in Asia and the Pacific and 13 million in Latin America and the Caribbean).

It is worth highlighting that, in Latin America and the Caribbean, the vast majority of those covered by health benefits receive those covers as secondary benefits on other product types, particularly life insurance. It appears that the most successful strategy for distributing health covers in the region has been by bundling them with other, already widespread, product types.

Total premiums for health products in the countries studied in 2023 were USD 93 million (USD 52.3 million in Africa, USD 19.3 million in Asia and the Pacific and USD 21.2 million in Latin America and the Caribbean)

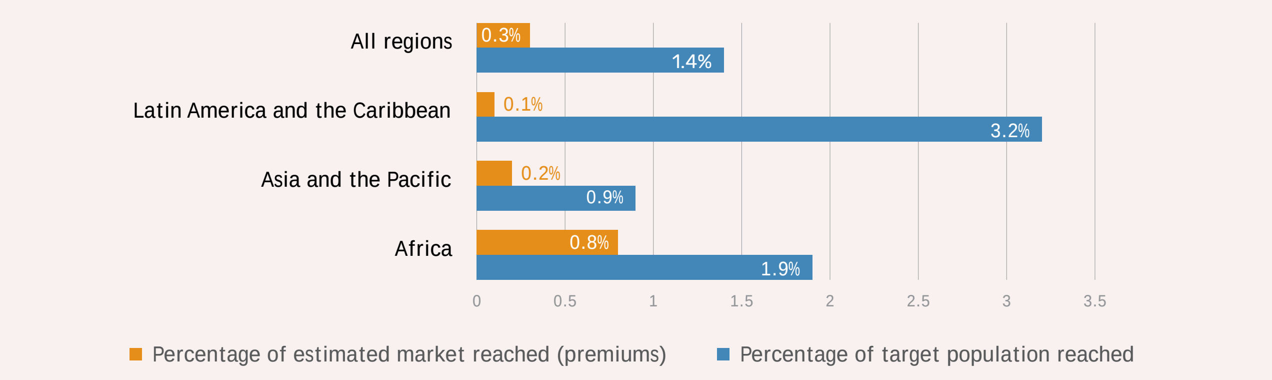
The median premium cost per person covered across all regions was close to USD 16. This is in line with other personal insurance covers, such as life insurance. Premium costs for health insurance are particularly low in Asia and the Pacific, at a median of just over USD 4 per person covered. This reflects the nature of the risks covered by health insurance in the region, where less than one-third of products cover medical expenses directly (in contrast to more than half of products in other regions) and 38% are hospital cash products, generally available at a far lower cost.

Despite growth, the potential for health microinsurance is still enormous, with just 0.3% of an estimated USD 30 billion market currently reached

The number of people receiving health coverage from any microinsurance product, regardless of the product type, represents 1.4% of the target population, with the highest level of coverage achieved in Latin America and the Caribbean, at 3.2%. The estimated value of the market for health microinsurance is USD 30 billion, with health microinsurance products currently reaching just 0.3% of that potential market. The highest proportion of the market captured is in Africa at 0.8%, but no region reaches even 1% of the potential market in terms of premiums (Figure 24).

FIGURE 24

MARKET PENETRATION FOR HEALTH COVERS



ESTIMATED MARKET	AFRICA	ASIA AND THE PACIFIC	LATIN AMERICA AND THE CARIBBEAN	ALL REGIONS
TARGET POPULATION (billions of people)	0.5	2.1	0.4	3
PREMIUMS (USD billions)	6.5	8.7	14.8	30.1

Each reported health microinsurance product reached a median value of more than 8,000 people and collected a median figure of more than USD 43,000 in net premiums.

Hospital cash products dominate in most regions, but providers are working to expand benefits

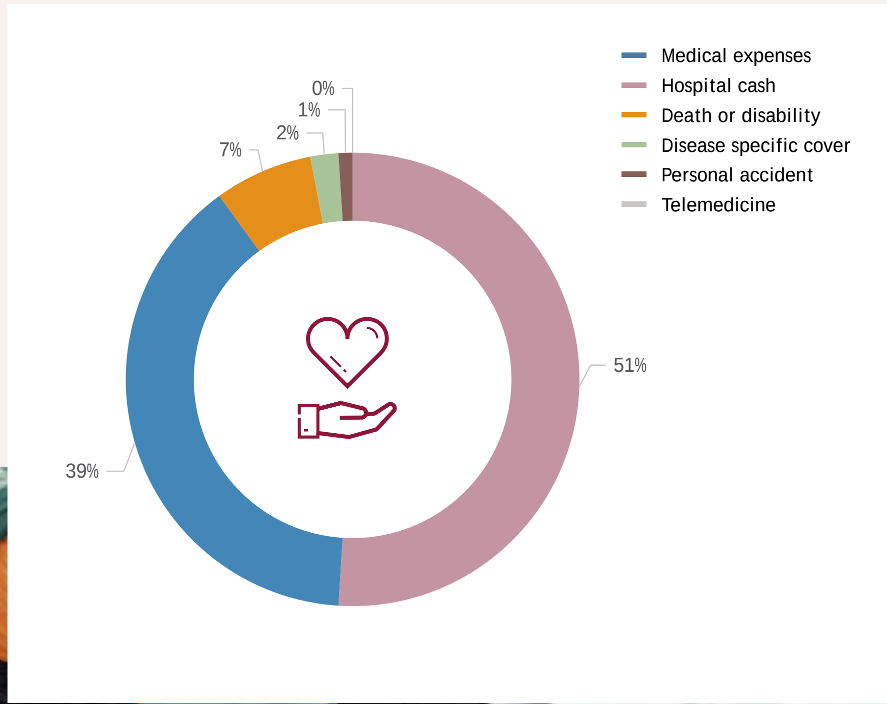
Hospital cash products reached the highest number of people in 2023, at 7.7 million people covered (around half of all people covered by health insurance), followed by medical expenses insurance, at 39% of people covered (Figure 25). Hospital cash products are concentrated in Africa and Asia and the Pacific and have not taken off in the same way in Latin America and the Caribbean, where no product registered hospital cash as a primary cover. The majority of products in Latin America and the Caribbean are more comprehensive products covering medical expenses.

Despite the prevalence of simple hospital cash products in most regions, insurance providers interviewed for this study reported ongoing efforts to expand health benefits. These providers are implementing additional benefits such as cash payments on diagnosis of specific disease, as well as outpatient coverage.

Telemedicine, though rarely the primary cover, is frequently bundled with other health insurance products. One-third of medical expense products, for example, also offer telemedicine services. Interest in telemedicine services spiked during the COVID-19 pandemic and it has been estimated that telemedicine could unlock access to healthcare for as many as 285 million more people in sub-Saharan Africa alone.[35] Although telemedicine offerings surged during the pandemic, insurers report that clients are often initially hesitant to use them. Now, telemedicine services are continuing to evolve as insurers find the right balance between virtual and in-person healthcare.

FIGURE 25

PRIMARY RISKS COVERED BY HEALTH INSURANCE PRODUCTS



"Hospital cash products reached the highest number of people in 2023, at 7.7 million people covered..."

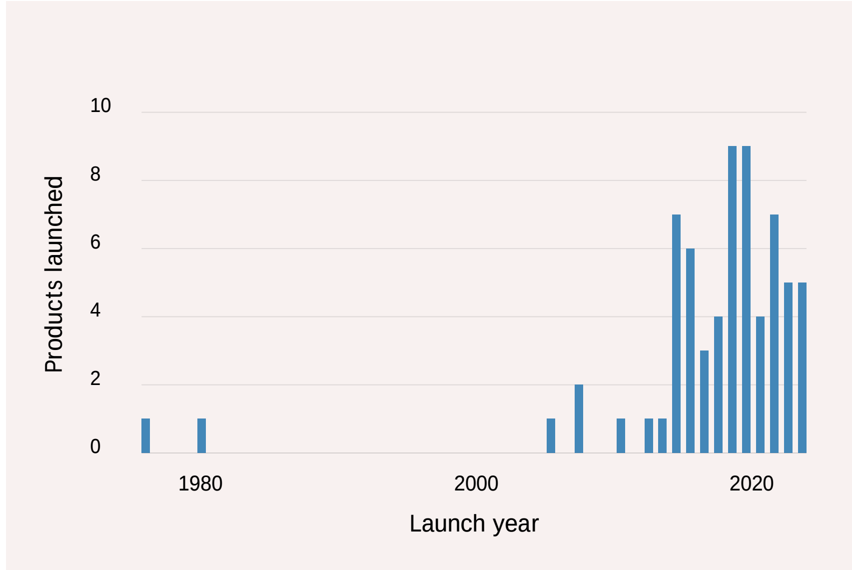
[35] UNDP Insurance and Risk Finance Facility. 2022. Insurance and telemedicine in Africa: A moonshot in response to COVID-19. New York. Available at https://irff.undp.org/publications/insurance-and-telemedicine-africa-moonshot-response-covid-19.

The last decade has seen the launch of a large numberof health microinsurance products, particularly hospital cash products

Health microinsurance has seen an important uptick in new products in the last decade (Figure 26), with 85% of all health insurance products reported for this study launched since 2014.

FIGURE 26

THE LAUNCH YEAR OF HEALTH PRODUCTS



Subsidies play a relatively small role in health microinsurance

Relatively few health microinsurance products (5%) reported receiving subsidies, and all of them were in Africa. These products are a mixture of medical expense products and hospital cash products, and jointly cover close to 0.6 million people, almost 4% of all those covered through health microinsurance.

Despite offering more comprehensive coverage, no health products in Latin America and the Caribbean reported receiving subsidies. This is likely because government support is concentrated in national health schemes, while donors largely do not subsidise the private health insurance market in the continent.

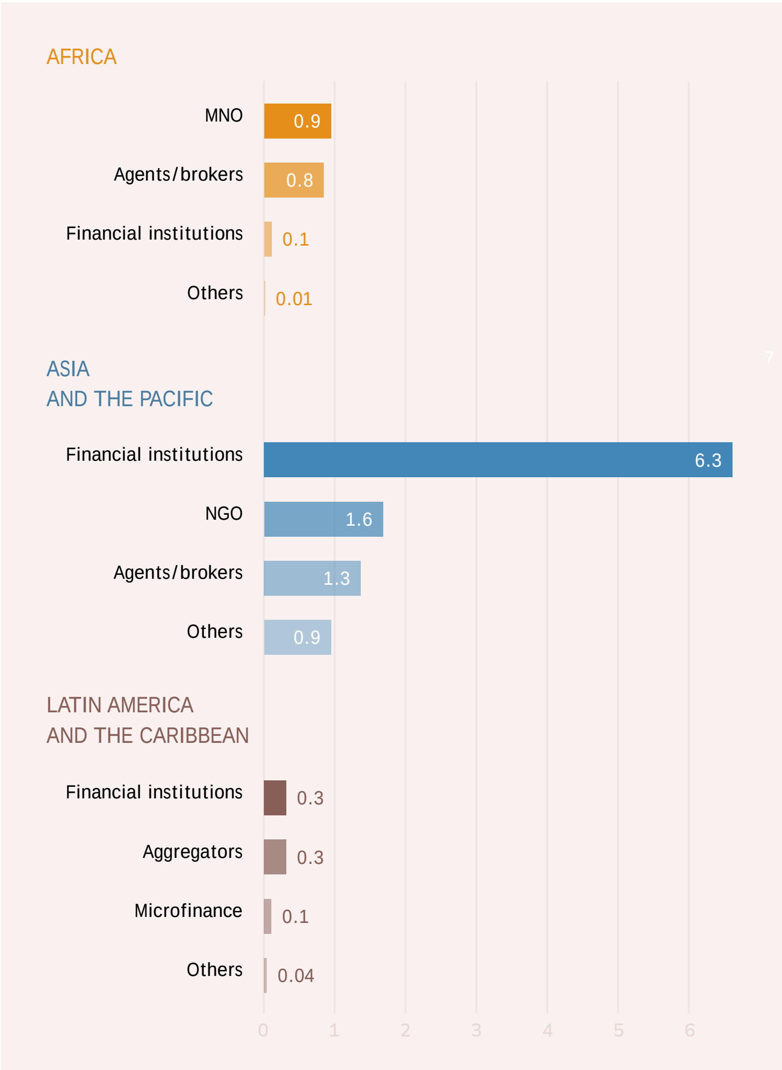
DISTRIBUTION AND PAYMENTS

Financial institutions play a key role in health distribution, while MNOs are an important distribution channel in Africa

The primary distribution channel used for health microinsurance varies across the three regions studied (Figure 27). The importance of MNOs in distributing health insurance in Africa is notable, given that MNOs play a much smaller role in other product lines in Africa. Financial institutions are a key distributor across all regions.

FIGURE 27

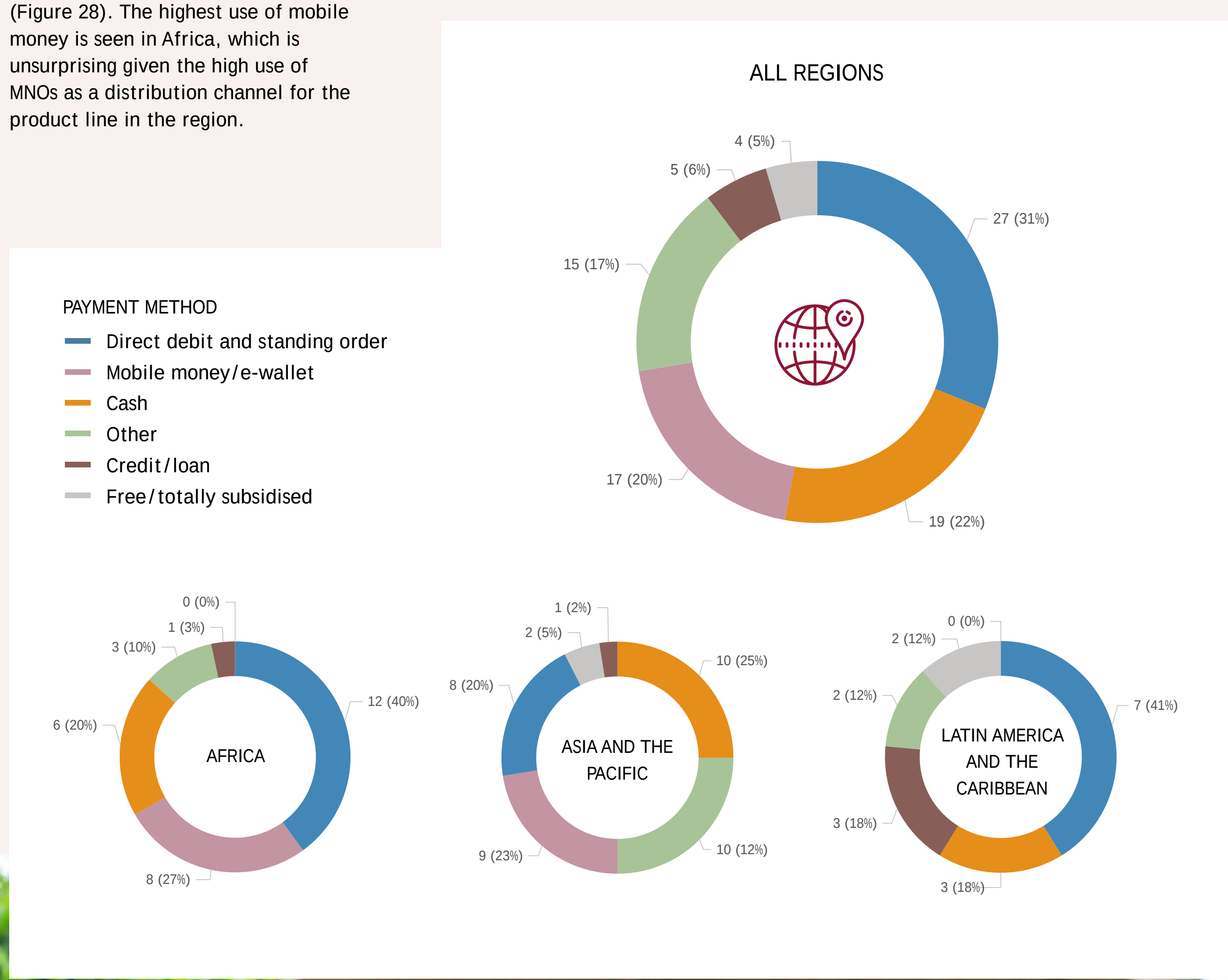
TOP THREE DISTRIBUTION CHANNELS FOR HEALTH MICROINSURANCE BY REGION (MILLIONS OF PEOPLE REACHED)

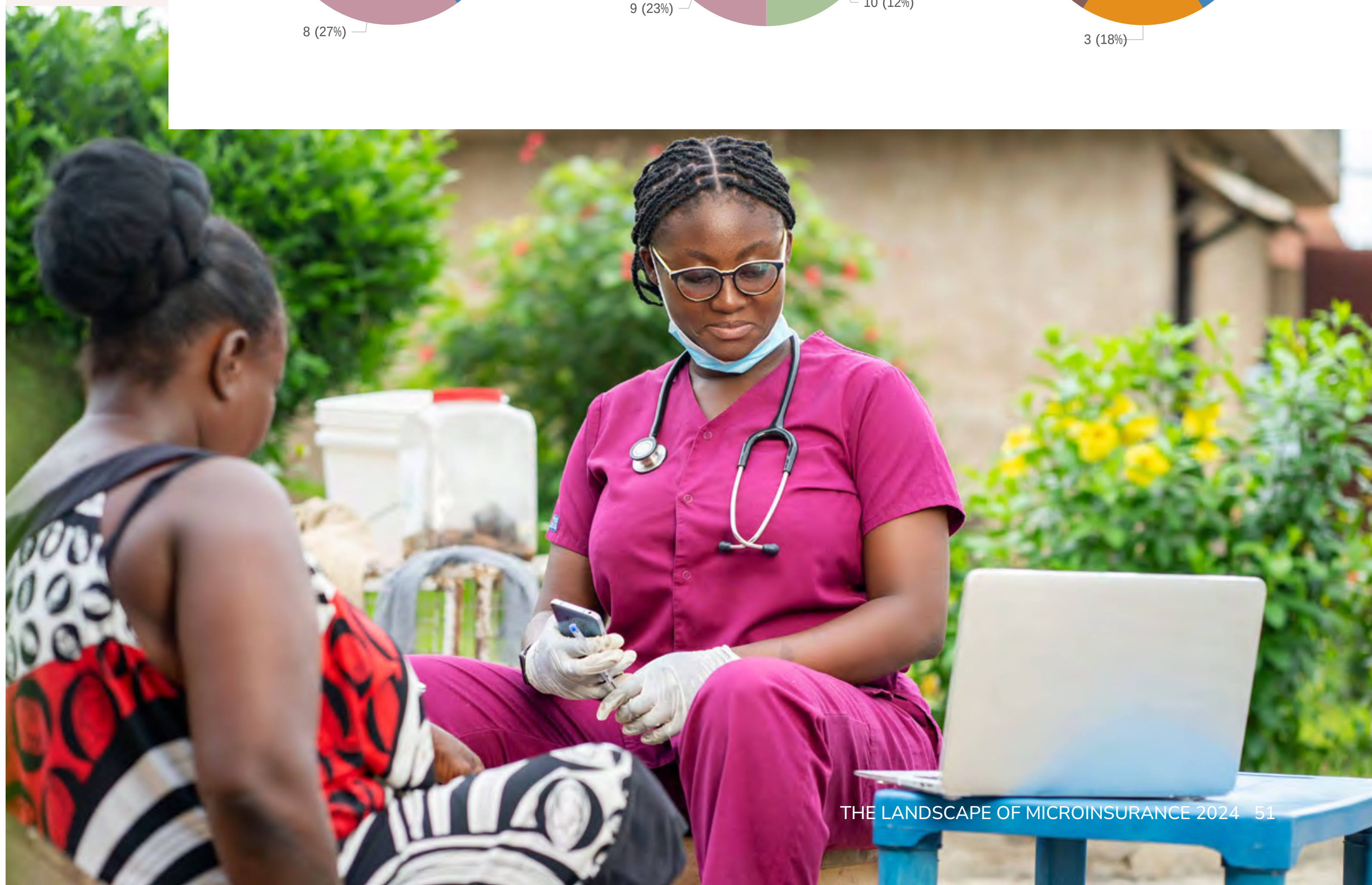


Direct debit, cash and mobile money are the most important payment methods for health insurance products (Figure 28). The highest use of mobile money is seen in Africa, which is unsurprising given the high use of MNOs as a distribution channel for the product line in the region.

FIGURE 28

THE NUMBER OF PRODUCTS MAKING USE OF EACH PAYMENT METHOD FOR HEALTH INSURANCE





SOCIAL PERFORMANCE INDICATORS

Claims ratios vary considerably, with customers generally benefiting from higher claims among more mature products

The median claims ratio for all health insurance products is 22%, with the highest median ratio found in Asia and the Pacific (28%). Acceptance ratios are generally high, at a median claims acceptance ratio of 100% in Asia and the Pacific and Latin America and the Caribbean and 97% in Africa.[36]

There is significant diversity in claims ratios, and various factors play a role. Figure 29 shows the median and quartile values for health insurance products in each region, as well as the mean value. The interquartile range (which excludes the highest and lowest 25% of results) spans from claims ratios in the single digits to ratios as high as 62% (in Asia and the Pacific).

Claims ratios are generally higher among more mature health insurance products: those launched before 2017 have a claims ratio of 28%, compared to 16% for products launched later.

In 2023, total claims turnaround time (from claim occurrence to final payment) was a median of 15 days. Internal turnaround (from receiving all required documentation to payment) took a median of eight days. As in previous years, these time periods were highest in Latin America and the Caribbean and lowest (at just seven days total turnaround time) in Africa (Figure 30).

The continuing prevalence in Africa and Asia and the Pacific of relatively simple products with low coverages, like hospital cash insurance, is reflected in the relatively low median claims paid out for health insurance in those regions, at USD 193 and USD 81 respectively. In Latin America and the Caribbean, on the other hand, the median claim size is USD 3,034, reflecting the higher proportion of medical expense insurance in the region (making up two-thirds of people covered with health insurance in the region).

FIGURE 29

CLAIMS RATIOS FOR HEALTH MICROINSURANCE PRODUCTS BY REGION

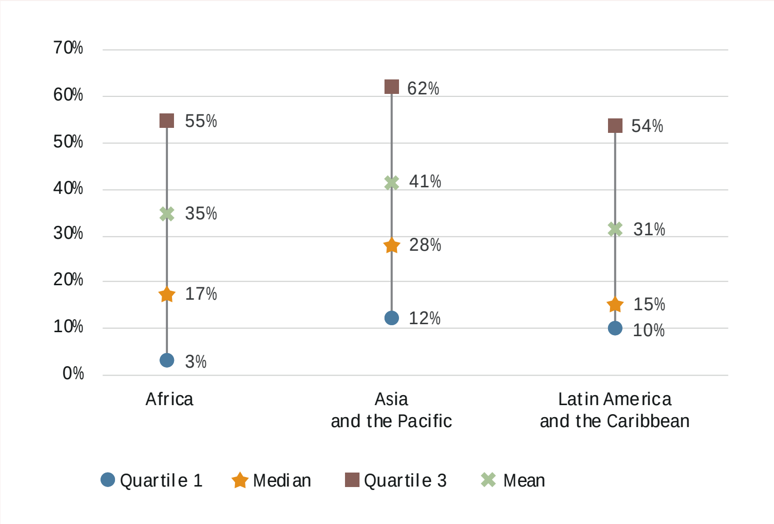
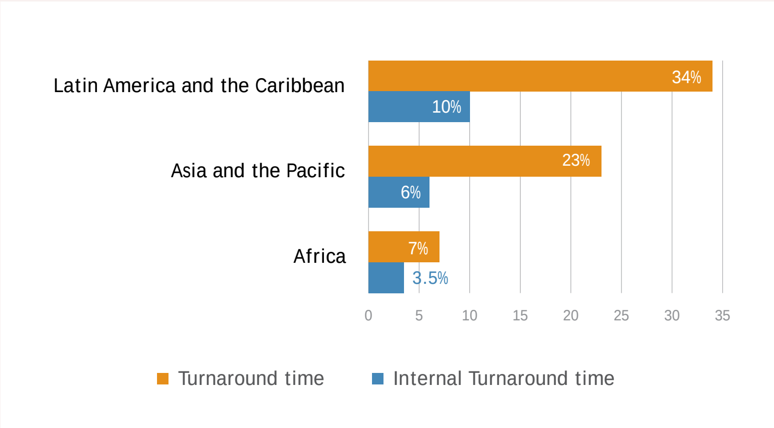


FIGURE 30

MEDIAN CLAIMS TURNAROUND TIMES FOR HEALTH MICROINSURANCE



[36] Although the median claims acceptance ratios are 100% in Asia and the Pacific and Latin America and the Caribbean, the mean claims acceptance ratios are 90% and 83% respectively. The mean claims acceptance ratio in Africa is 88%.

WOMEN'S ACCESS TO HEALTH MICROINSURANCE

There are gaps in women's access to health microinsurance in Africa and in products distributed through MNOs

Insurers provided data on the gender of policyholders for 41% of products and on the gender of lives covered for 43% of health microinsurance products. Where information was provided, women represented 50% of policyholders and 52% of people covered for health microinsurance.

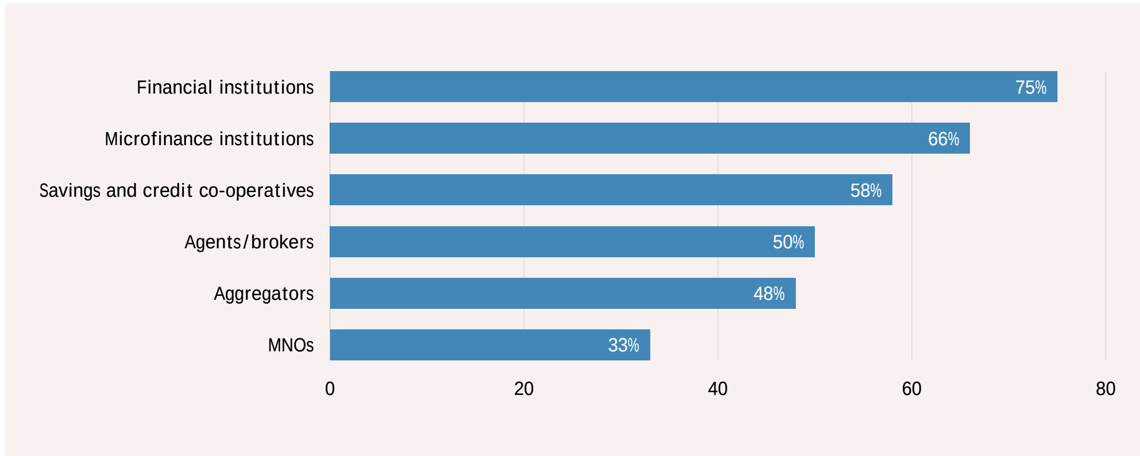
As with all lines of business, data on the gender of customers is vital to track how well microinsurance is reaching women. This is particularly important in health, given the specific health needs of women, as well as the role of maternal health in infant mortality and health outcomes. Experts interviewed have highlighted, for example, the appeal of hospital cash products, which typically include hospitalisation for maternity.

The number of women covered varies considerably by region, with women representing just 43% of policyholders in Africa, compared to far higher proportions in both Asia and the Pacific (70%) and Latin America and the Caribbean (67%). This is closely related to the distribution channels used to distribute health insurance in each region. MNOs, which have a prominent role in health microinsurance distribution in Africa, tend to reach relatively low proportions of women. They also tended not to provide information on the gender of users for this study, with just one-third able to provide that data.

Financial and microfinance institutions, on the other hand, which play a larger role in health microinsurance distribution in other regions, tend to reach a far greater proportion of women (Figure 31).

FIGURE 31

PROPORTION OF FEMALE POLICYHOLDERS BY DISTRIBUTION CHANNEL



CLIMATE RISK AND HEALTH

Climate and health risks are intimately linked, and innovative insurers are addressing this intersection

Climate change is recognised as a principal threat to public health, and climate and health risks are closely linked. The World Health Organization has stated that:

> "*Climate change is impacting health in a myriad of ways, including by leading to death and illness from increasingly frequent extreme weather events, such as heatwaves, storms and floods, the disruption of food systems, increases in zoonoses and food-, water- and vector-borne diseases, and mental health issues.*[37]"

This connection is recognised by insurance providers, who have in recent years begun to specifically address climate-aggravated health risks. The products reported for this study contain some interesting examples, including climate agriculture products bundled with hospital cash covers, as well as property insurance for natural disasters bundled with specific disease covers. Health covers related to climate include disease-specific covers for vector-borne diseases such as malaria.

Of course, products can address health issues without directly covering health costs. The Self-Employed Women's Association (SEWA), for example, has launched a microinsurance product in India (in partnership with Climate Resilience for All; Swiss Re Public Sector Solutions; and the Women's Climate Shock Insurance and Livelihood Initiative, WCS) which provides income replacement cover for extreme heat. This helps clients avoid working in dangerous conditions.[38]

[37] World Health Organization. 2023. Climate change. Available at https://www.who.int/news-room/fact-sheets/detail/climate-change-and-health.

[38] Climate Resilience for All. 2024. Women's climate shock insurance and livelihoods initiative. Available at https://www.climateresilience.org/wcsprogram.

REINSURANCE

As expected given the type of risks covered, reinsurance use is comparatively low for health microinsurance products

The use of reinsurance is reported for 13% of health microinsurance products, which is relatively low compared to other product lines and to the overall median of 20%. This relates to the type of risk covered, which does not typically involve the potential catastrophic losses associated with product lines like property or agriculture insurance.

The figure varies at a regional level between 17% in Africa, 15% in Asia and the Pacific and 7% in Latin America and the Caribbean.

Life and Accident

KEY TAKEAWAYS

Life and accident products are the most widespread type of microinsurance globally, covering 80% of all people reached by microinsurance. In total, 281 million people received some life and accident protection from microinsurance products across all product lines, representing 9.4% of the target population.

60%

Life insurance is particularly widespread in India, where 24 products account for about 60% of all lives covered by life and accident products in all countries.

Premiums collected by life and accident products represent 7.6% of the estimated USD 28.9 billion market for life and accident microinsurance across the countries studied.

17 M

In Africa, funeral insurance is far more widespread than in other regions, covering 17 million people.

Life and accident insurance distribution is dominated by financial and microfinance institutions and by agents and brokers across all three regions. A smaller role is also played by MNOs in Africa, and by savings and credit cooperatives in Asia and the Pacific and Latin America and the Caribbean.

The median claims ratio for life and accident products in 2023 is 21%. Personal accident insurance in Latin America and the Caribbean, despite being the second most important product line in the region, has the lowest claims ratios, indicating a need to shore up customer value in this product line.

Climate risks are closely related to life and accident risks: by 2050, experts suggest climate change could lead to an extra 14.5 million deaths worldwide (equivalent to a 1% increase in global mortality).

MARKET SIZE AND EVOLUTION

Life and accident products are the most widespread type of microinsurance globally

Life and accident products represent by far the largest category of all microinsurance products recorded, jointly responsible for 80% of all people covered by microinsurance. For the purpose of this study, five product types are included in the category of life and accident insurance: life insurance, funeral insurance, credit life or loan protection insurance, personal accident insurance and investment or savings insurance.[39] Life and funeral microinsurance products were the first microinsurance products to emerge in the sector, originally to cover the risk that loans to microfinance institutions would be left unpaid in the event of a borrower's death. Products connected to loans are still common, but a wider range of life and accident products is now available.

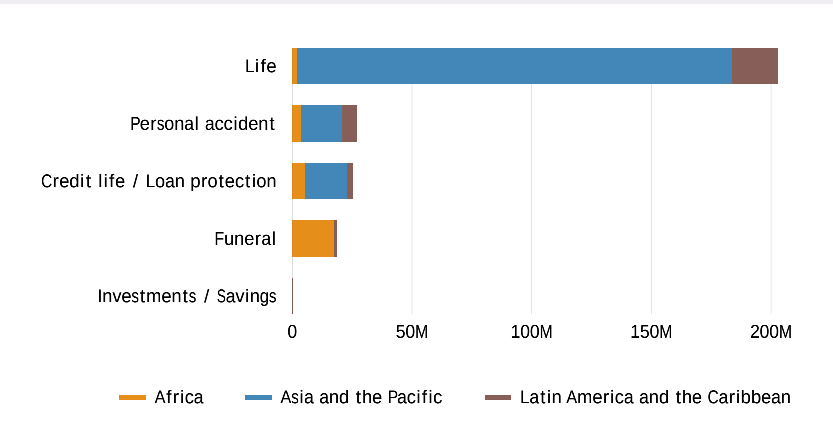
Overall, 559 products were reported in the life and accident category, jointly covering 275 million people. Of those products, 24 in India accounted for about 60% of all lives covered by life and accident products.

In Asia and the Pacific as a whole, 217 million people were covered, representing 79% of all lives covered by life and accident insurance. This compares to 28 million people covered in Africa and 30 million in Latin America and the Caribbean.

Life insurance is particularly prominent (Figure 32), covering almost 203 million people. In Africa, however, funeral insurance is far more widespread than it is in other regions, covering 17 million people, more than two-thirds of all those covered by life or accident insurance in the region.

FIGURE 32

NUMBER OF PEOPLE COVERED BY LIFE AND ACCIDENT PRODUCTS (MILLIONS)



In addition, life and accident benefits are often provided as secondary covers for products in other lines, including health, property, agriculture and motor insurance. In total, 281 million people received some life and accident protection from microinsurance products across all product lines (31 million in Africa, 219 million in Asia and the Pacific and 31 million in Latin America and the Caribbean).

[39] Because of the specific characteristics of the product line, investment and savings products are not included in calculations of premiums per person covered, premiums as a proportion of sum insured or claims ratios. Premiums reported include an insurance component and a savings component that is returned to the customer, meaning that the premium figures are not entirely comparable to those in other product lines.

BOX 3

LIFE AND ACCIDENT MICROINSURANCE FOR SUSTAINABLE DEVELOPMENT

Life and accident microinsurance contribute to the achievement of the SDGs, particularly to SDGs 1, 3 and 8:

SDG 1 - No poverty: Health shocks can have a devastating impact on households' finances, both in terms of direct healthcare costs and lost income during times of illness. In some cases, the costs associated with healthcare events can push families into poverty. Health microinsurance reduces the financial burdens associated with such events, helping to protect families from falling into poverty as a result.

SDG 3 - Good health and well-being: Good health and well-being: Where people do not have access to national health schemes, health microinsurance has a vital role to play in facilitating access to healthcare. Where national health schemes are available, health microinsurance can play an important complementary role in providing access to additional services or support to manage the financial costs associated with health events, including lost income.

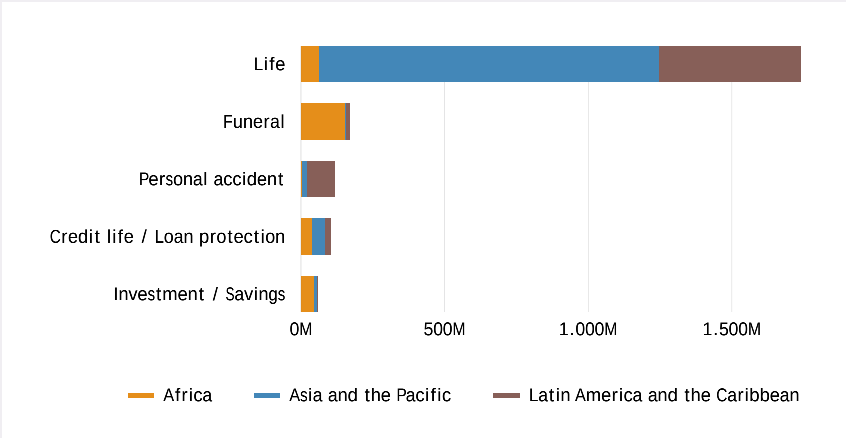
SDG 8 - Decent work and economic growth: Life and accident microinsurance provides an alternative for those who do not benefit from protection as part of employment or social security benefits. In addition, credit life and loan-linked insurance promotes access to credit for owners of micro, small and medium enterprises (MSMEs), allowing them to invest in and grow their businesses.

Life insurance is particularly successful, responsible for USD 1.8 billion in premiums

For life and accident products, a total of USD 2.2 billion was collected in the focus countries in 2023 (USD 0.3 billion in Africa, USD 1.3 billion in Asia and the Pacific and USD 0.6 billion in Latin America and the Caribbean). By far the highest premiums were collected for life insurance (USD 1.8 billion), followed by funeral insurance (USD 0.17 billion) (Figure 33).

FIGURE 33

TOTAL PREMIUMS COLLECTED FOR LIFE AND ACCIDENT PRODUCTS (USD MILLIONS)

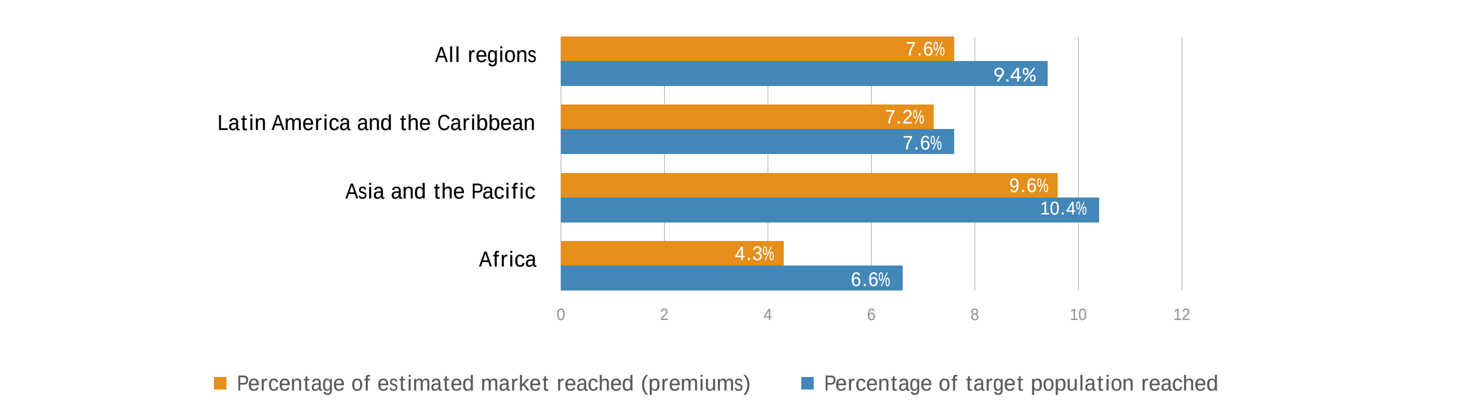


The median premium per life covered was USD 13. The highest cost products are life insurance products at USD 15, while the lowest cost is for accident insurance products, with a median of USD 6.

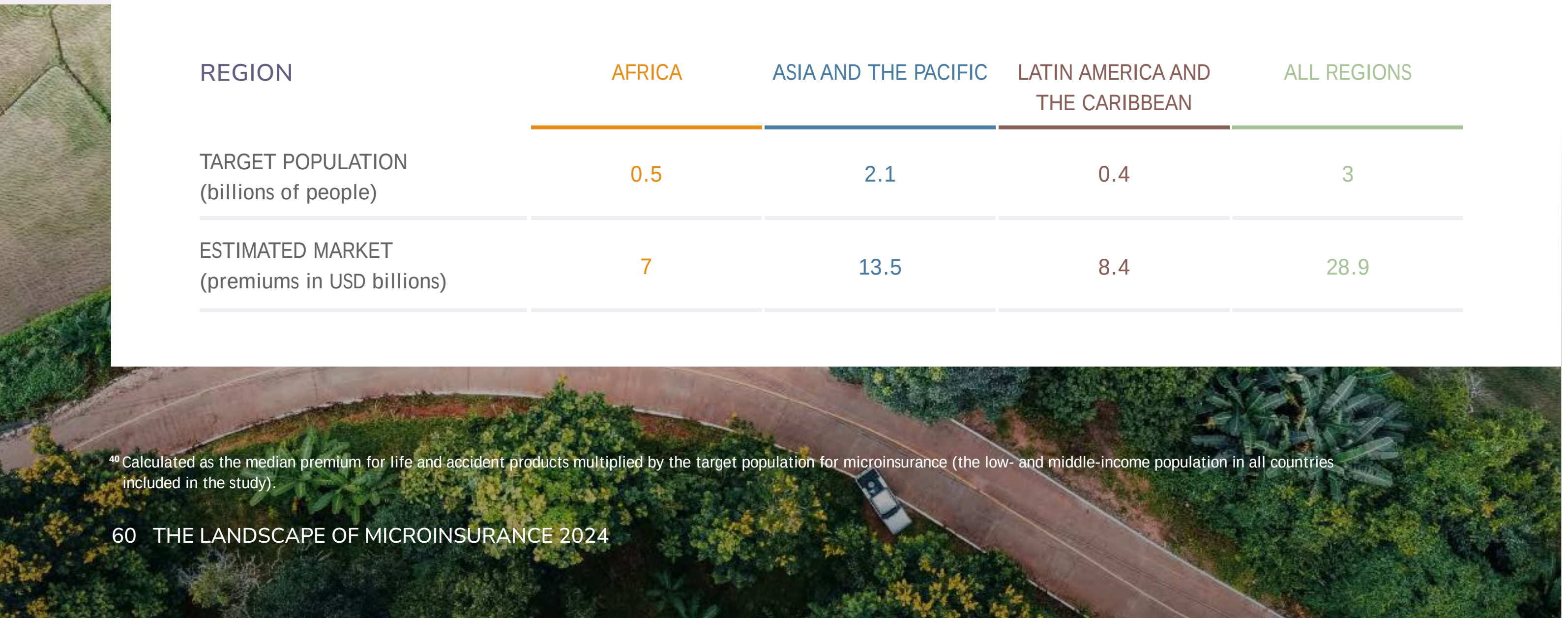
A significant share of the target population (9.4%) is reached by life and accident insurance (regardless of product type), but there is ample room for growth. Similarly, premiums collected by life and accident products represent just 7.6% of the estimated USD 28.9 billion market for life and accident microinsurance across the countries studied[40] (Figure 33). The highest levels of penetration are found in Asia and the Pacific (Figure 34).

FIGURE 34

MARKET PENETRATION OF PRODUCTS COVERING LIFE AND ACCIDENT RISKS



REGION	AFRICA	ASIA AND THE PACIFIC	LATIN AMERICA AND THE CARIBBEAN	ALL REGIONS
TARGET POPULATION (billions of people)	0.5	2.1	0.4	3
ESTIMATED MARKET (premiums in USD billions)	7	13.5	8.4	28.9



[40] Calculated as the median premium for life and accident products multiplied by the target population for microinsurance (the low- and middle-income population in all countries included in the study).

Life and accident products achieve high scale, driven, at least in part, by a high proportion of mandatory credit life and life products.

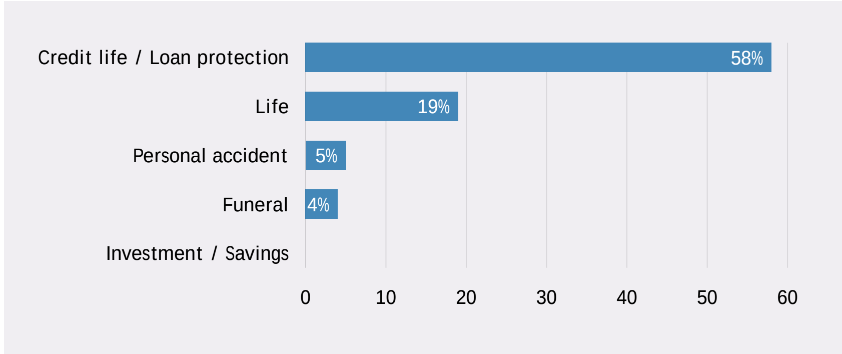
Life and accident products reach a median of 12,300 people and collect a median of USD 141,500 in premiums. The product types reaching the greatest scale are credit life and funeral products (at 29,000 people and 28,200 people respectively) and the lowest number of people is reached, typically, by savings and investment products, at a median of just 4,100 people.

A major factor contributing to the ability of life and credit life products to reach high scale is the fact that they are frequently offered on a mandatory basis: that is, they are bundled with products such as loans and are obligatory for acquiring that product. The most common example of this is credit life products, which are typically a requirement for accessing loans from microfinance institutions.

Indeed, a total of 58% of credit life products in this study were reported as mandatory. This is the second highest proportion of all product lines, with only motor insurance – mandated by law for all drivers – reporting higher proportions of mandatory products. Life insurance also has a relatively high proportion of mandatory products compared to other product lines, at 19% (Figure 35).

FIGURE 35

PROPORTION OF COMPULSORY PRODUCTS IN LIFE AND ACCIDENT INSURANCE

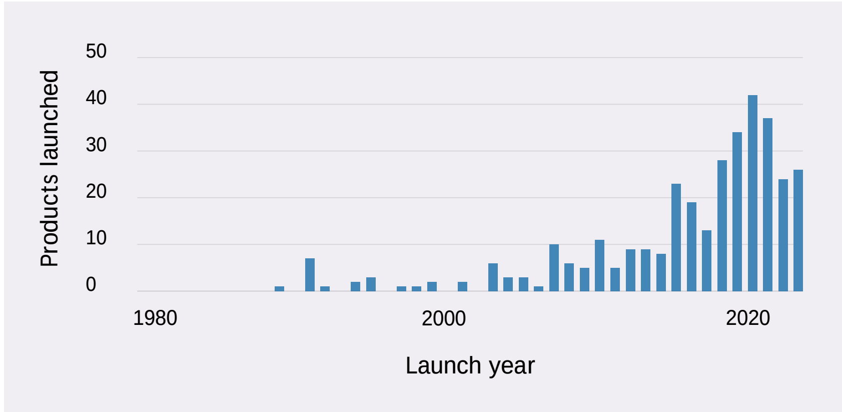


Life and accident products have long existed in the microinsurance market, and some launched decades ago are still active to this day

Life and accident products have been consistently launched over recent decades (Figure 36), with some products launched in the 1990s and 2000s still in existence today.

FIGURE 36

THE LAUNCH YEAR OF LIFE AND ACCIDENT PRODUCTS



Relatively few products are subsidised, but subsidised life and accident products reach a disproportionately high number of people

A total of 6% of life and accident products reported receiving subsidies (mostly in Africa, with a small number of subsidised products in Asia and the Pacific and none in Latin America and the Caribbean). Despite representing only 6% of all life and accident products, subsidised products jointly reach 11.5 million people, or 10% of all people reached through life and accident products. This suggests that these products are particularly successful in terms of reach.

DISTRIBUTION AND PAYMENTS

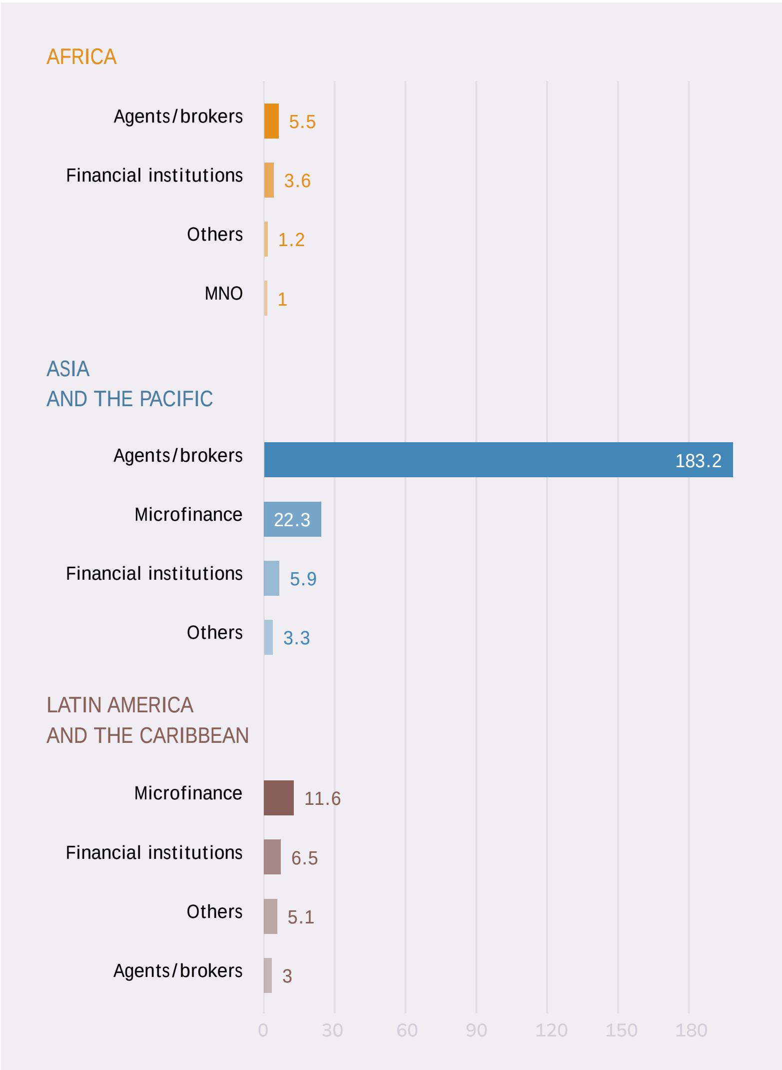
Financial and microfinance institutions, as well as agents and brokers, continue to dominate distribution

Life and accident insurance distribution is dominated by financial institutions, microfinance institutions and by agents and brokers across all three regions (Figure 37). A smaller role is also played by MNOs in Africa, which reach 1 million people with life and accident insurance, and by savings and credit cooperatives, which reach half a million people in Asia and the Pacific and 2.1 million people in Latin America and the Caribbean.

Case study 2 shares the case of SERINSA, a social enterprise that has played a key role in enabling insurance distribution through microfinance institutions in Central America.

FIGURE 37

TOP THREE DISTRIBUTION CHANNELS FOR LIFE AND ACCIDENT MICROINSURANCE BY REGION (MILLIONS OF PEOPLE REACHED)



CASE STUDY 2

SERINSA – BUILDING BRIDGES FOR INCLUSIVE INSURANCE IN CENTRAL AMERICA

In 2015, the Central American Network of Microfinance (REDCAMIF) began designing a programme to boost the presence and penetration of microinsurance, as part of its efforts to support micro-entrepreneurs. Rather than creating a broker, it decided to create an entity to act as a facilitator in building an inclusive insurance ecosystem, particularly through supporting and building the capacity of microfinance institutions. To ensure that the initiative was sustainable and generated revenue, the facilitator was established as a public limited company. SERINSA (Servicios Inclusivos S.A.) was launched in 2016 in Panama. The company has since expanded to other Central American countries.

SERINSA is a social enterprise that promotes microinsurance through providing technical assistance to the microfinance sector. It creates a bridge between insurers and microfinance institutions, cooperatives and other commercial channels, and supports them to offer insurance tailored to the needs of vulnerable populations. To do so, it provides technical advice, training for insurers and distribution channels, market research, product design and development support, and leases its integrated insurance product management system.

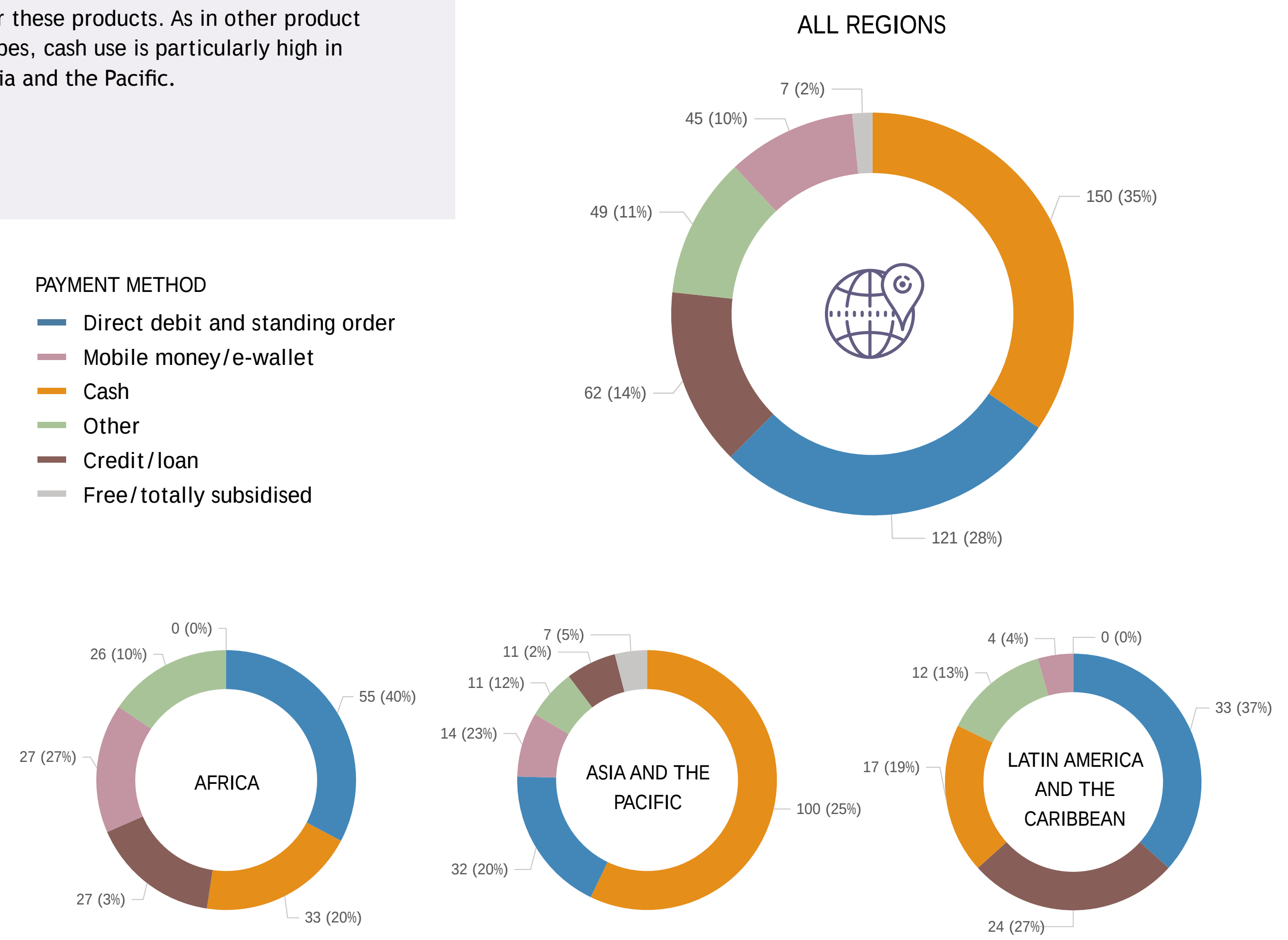
SERINSA has had an important role in developing inclusive insurance markets in Central America. Its activities have helped raise awareness among insurers about insuring underserved segments (and the specific requirements needed for these customers, such as simplifying bureaucracy, claims processes, costs, etc.). Additionally, it has played a crucial part in establishing bridges between stakeholders in markets that are yet to be developed and where obstacles such as lack of regulation are present. SERINSA has also carried out insurance education pilot programmes, which aim to connect with existing financial education programmes.

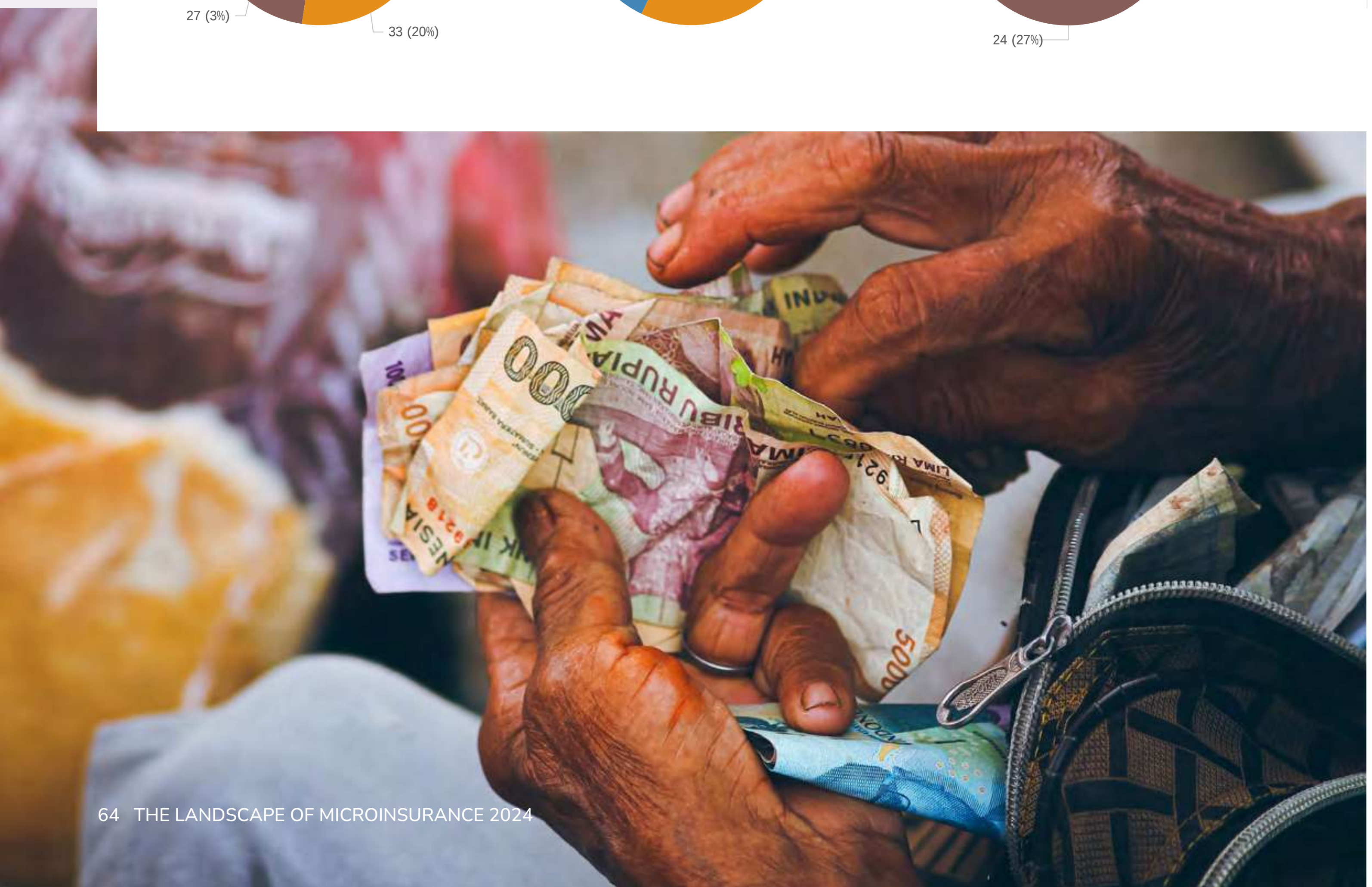
Currently, the social enterprise partners with 16 institutions across Central American countries, jointly issuing more than 112,000 policies, which reached USD 1.9 million in total premiums in 2023.

Cash, direct debit and loans are the most common payment methods for life and accident insurance (Figure 38), which correlates with the high use of financial and microfinance institutions for these products. As in other product types, cash use is particularly high in Asia and the Pacific.

FIGURE 38

PAYMENT METHODS FOR LIFE AND ACCIDENT PRODUCTS





SOCIAL PERFORMANCE INDICATORS

One key finding is that accident products in Latin America and the Caribbean, despite being the second most important product line in the region, experience the lowest claims ratios, indicating a need to ensure customers receive value from these products

The median claims ratio for life and accident products in 2023 was 21% and the acceptance rate was almost 99%, both consistent with the rates reported in the previous year. The ratio varies between regions, with a median of 25% in Africa, 22% in Asia and the Pacific and 16% in Latin America and the Caribbean. The ratio also differs between product lines, with credit life products showing the highest median claim ratio at 27% and personal accident insurance having the lowest rates at 14%.

It is important to highlight that there is considerable variation in claims ratios. Figure 39 shows the median, mean and quartile values for life and accident insurance products in each region. The interquartile range (which excludes the highest and lowest 25% of results) spans from claims ratios in the single digits to over 60% in both Africa and Asia and the Pacific. In Latin America and the Caribbean, values are shifted slightly lower, with the interquartile range running from 9% to 43%.

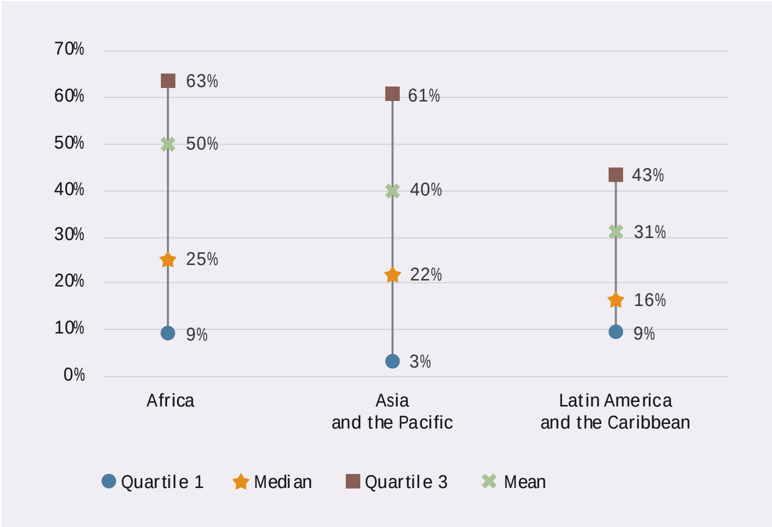
In addition, more mature life and accident products tend to have higher claims ratios, as in other product lines. Products launched before 2017, for example, have a median ratio of 24%, compared to 16% for those launched in the following years.

In the case of life insurance, customer awareness is particularly important. Not only do policyholders need to be well informed, but it is also vital that beneficiaries are informed and understand how to claim benefits, so that they are equipped to do so after the death of a policyholder.

“Products launched before 2017, for example, have a median ratio of 24%, compared to 16% for those launched in the following years.”

FIGURE 39

CLAIMS RATIOS FOR LIFE AND ACCIDENT MICROINSURANCE BY REGION

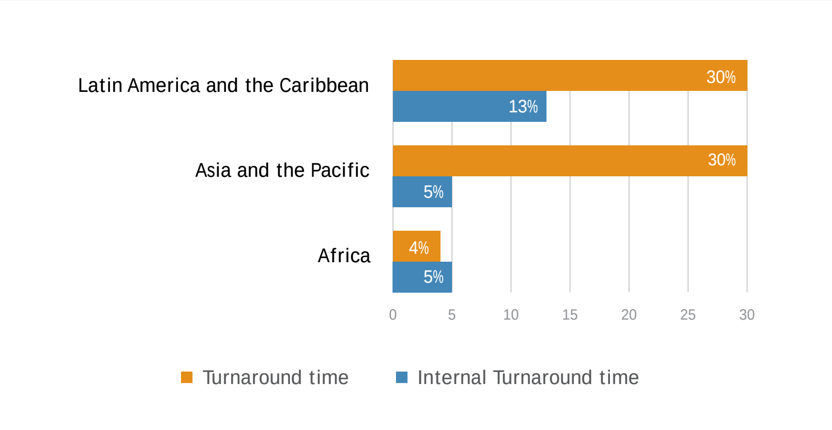


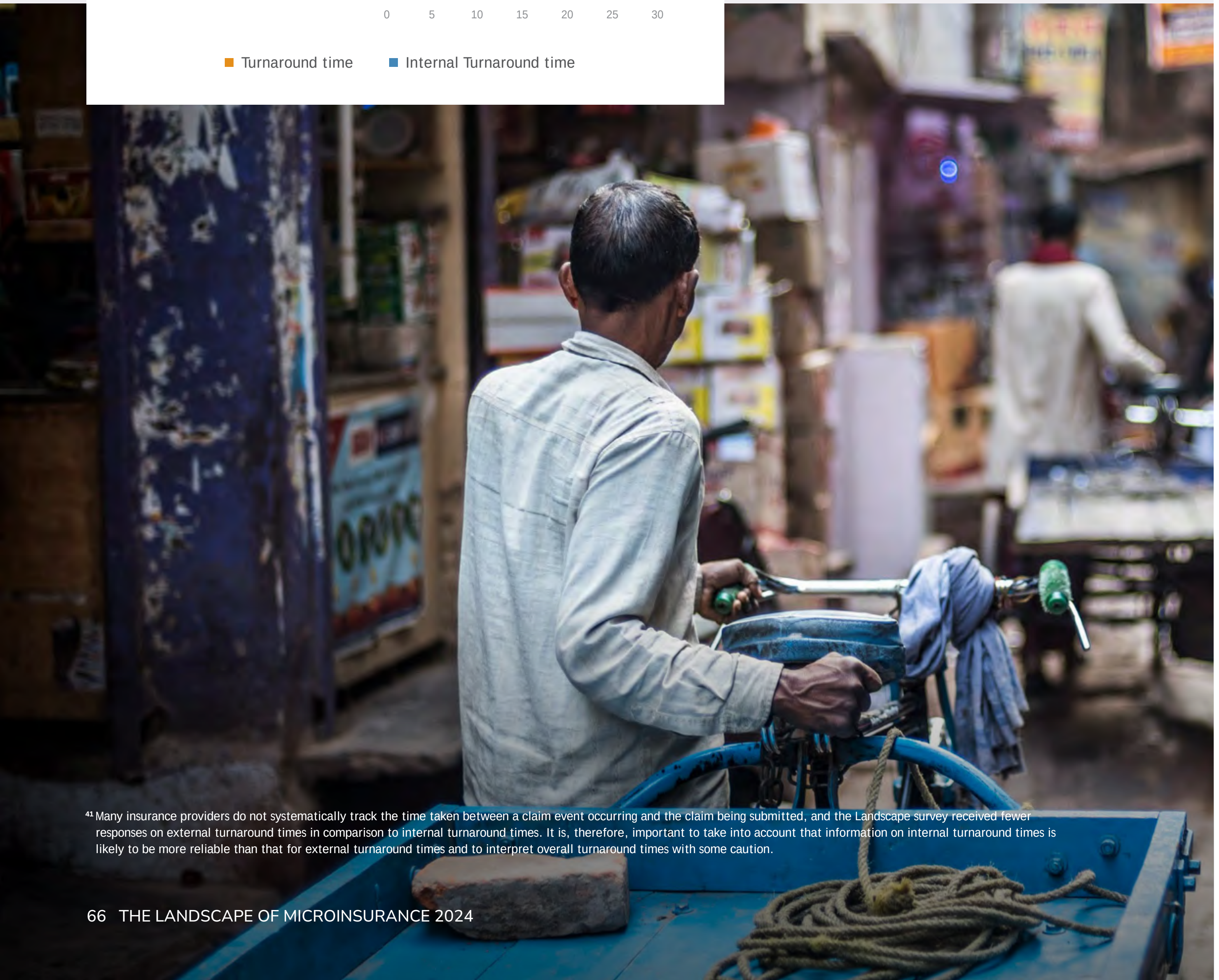
Personal accident insurance in Latin America and the Caribbean is the second most important product type in terms of both people covered and premium incomes. However, personal accident is also the category with the lowest claims ratios, with a median of 14% globally and 12% in Latin America and the Caribbean. Accident insurance products distributed through financial institutions have particularly low claims rates, at a median of just 10% in the region. This suggests that there is a need to pay particular attention to this important product type in the region to make sure it provides sufficient value to clients, especially in Argentina, Brazil, Guatemala and Peru, where median rates are the lowest.

The median turnaround time for life and accident products across the three regions is 15 days, with relatively low turnaround times in Africa, at a total of five days, compared to Asia and the Pacific and Latin America and the Caribbean, both at 30 days (Figure 40), figures that are very close to the overall regional figures.

FIGURE 40

MEDIAN CLAIMS TURNAROUND TIMES FOR LIFE AND ACCIDENT PRODUCTS[41]





[41] Many insurance providers do not systematically track the time taken between a claim event occurring and the claim being submitted, and the Landscape survey received fewer responses on external turnaround times in comparison to internal turnaround times. It is, therefore, important to take into account that information on internal turnaround times is likely to be more reliable than that for external turnaround times and to interpret overall turnaround times with some caution.

WOMEN'S ACCESS TO LIFE AND ACCIDENT INSURANCE

Women appear to represent around half of policyholders, but gender-disaggregated data is lacking

Limited gender data is available on many of the reported life and accident products, with information on the gender of the policyholder available for only 47% of products and information on women covered available for 50% of products.

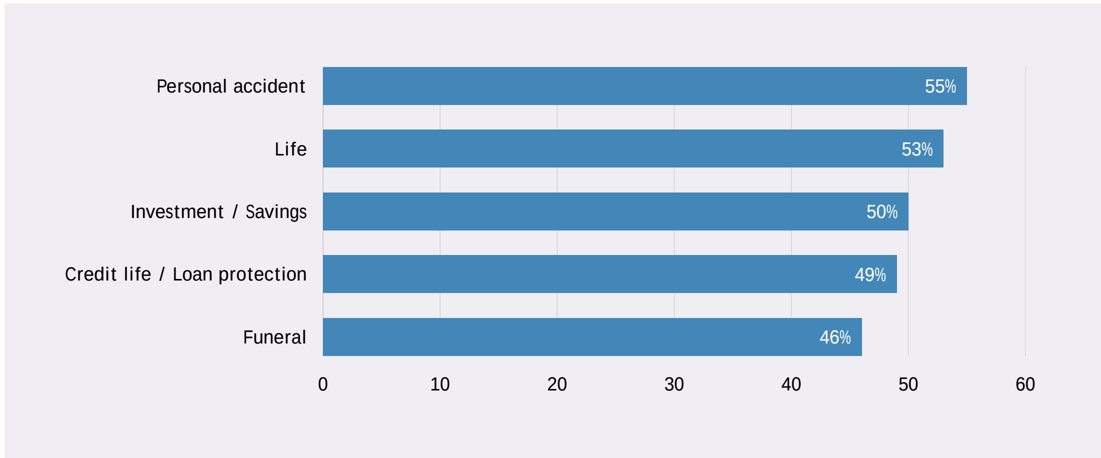
Limited gender data is available on many of the reported life and accident products, with information on the gender of the policyholder available for only 47% of products and information on women covered available for 50% of products.

According to the data reported, women represent 50% of policyholders in life and accident microinsurance products, and 49% of the lives covered. The highest rates of women policyholders are seen in personal accident and life products, at 55% and 53% respectively (Figure 41).

One insurer reaching women at enormous scale with life and funeral insurance is Guardian Life in Bangladesh. The company's path to reaching women at scale over the last decade is explored in Case study 3.

FIGURE 41

PERCENTAGE OF FEMALE POLICYHOLDERS FOR LIFE AND ACCIDENT PRODUCTS



CASE STUDY 3

GUARDIAN LIFE: PIONEERING INCLUSIVE INSURANCE IN BANGLADESH

Guardian Life Insurance Limited is a leader in microinsurance in Bangladesh. Founded by angel investors, including Bangladesh's largest NGO, BRAC, Guardian Life's core business is microinsurance, which accounts for 60% of its revenue. This commitment reflects Guardian Life's vision of 'insurance for all' and its aim to reach underserved populations across the country.

Guardian Life's journey began in 2015 with a pilot project that reached 1 million people in just 18 months. The product combined life and funeral insurance, paying off outstanding loan payments and providing immediate support for funeral expenses for families. The company now reaches 11 million individuals annually and has settled over 120,000 claims, including 33,000 in the past year, at a value of USD 20 million. This growth has cemented Guardian Life's position as the largest microinsurance provider in Bangladesh.

Partnerships with microfinance institutions have been instrumental to the insurer's growth. These partnerships allow for wide distribution of affordable and accessible insurance products bundled with microfinance loans. Despite regulation that allows microfinance institutions to self-insure, Guardian Life has fostered partnerships with microfinance institutions by offering higher coverage, lower premiums and surplus-sharing arrangements.

Key to Guardian Life's success has been its commitment to addressing the needs of underserved populations, particularly women, who constitute the majority of microfinance borrowers. Guardian Life's policies have been adapted, for example, to account for complex family dynamics, such as separated or remarried spouses, ensuring fair and flexible coverage. The company has also innovated claims processes to minimise and adapt documentation requirements. For example, when the spouse of a policyholder working outside the country passes away, Guardian Life accepts alternative documents to death certificates, which can be hard to acquire from abroad.

By combining scalability, adaptability and a deep understanding of client needs, the company has set a benchmark for inclusive insurance in Bangladesh. Its ongoing efforts to develop new products, such as deposit-linked insurance and child education insurance, further highlight its commitment to expanding the reach and impact of microinsurance in the region.

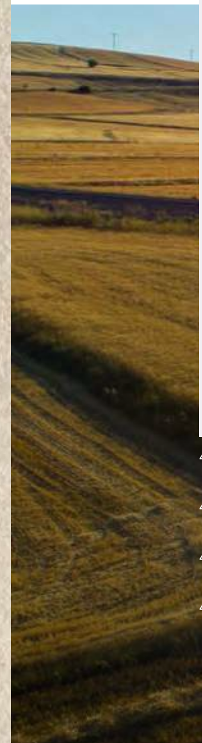
CLIMATE RISK

Insurers are assessing the important impacts of climate risks on life and accident portfolios

Climate and life and accident risks are closely related, and the physical and transition risks associated with climate change create long-term uncertainty in life and accident insurance for both insurers and reinsurers. Climate change may lead to higher mortality due to increases in vector-borne diseases, respiratory diseases, cardiovascular diseases, zoonotic diseases and other factors,[42] while climate disasters and deteriorated environments can increase the prevalence of accidents. Estimates from the World Economic Forum and Oliver Wyman suggest that, by 2050, climate change could lead to an extra 14.5 million deaths worldwide (equivalent to a 1% increase in global mortality).[43]

However, it is also possible that there may be a reduction in deaths among some segments of the population, due to the transition to low-carbon economies, which could reduce exposure to air pollution.[44]

Insurance providers are very much aware of these risks and are assessing possible impacts in their countries (RGA, for example, has estimated possible impacts of climate on mortality rates in South Africa).[45] Eight products in the life and accident category include a cover for climate or natural disasters. However, capacity and data gaps need to be addressed: multinational and local insurers have different levels of capacity for modelling climate risks and relevant data may not be available to equal degrees.



REINSURANCE

As with other personal insurance lines, reinsurance use is relatively low for life and accident microinsurance

The use of reinsurance is reported for 18% of life and accident microinsurance products, with the figure varying at a regional level between 17% in Africa, 25% in Asia and the Pacific and 12% in Latin America and the Caribbean. These figures are slightly below those reported for microinsurance overall.

[42] The Geneva Association. 2021. Climate Change Risk Assessment for the Insurance Industry. Geneva. Available at https://www.genevaassociation.org/sites/default/files/research-topics-document-type/pdf_public/climate_risk_web_final_250221.pdf.

[43] World Economic Forum and Oliver Wyman. 2024. Quantifying the Impact of Climate Change on Human Health. Geneva. Available at https://www.weforum.org/publications/quantifying-the-impact-of-climate-change-on-human-health/.

[44] Diarmid Campbell-Lendrum, Lucien Manga, Magaran Bagayoko and Johannes Sommerfeld. 2015. Climate change and vector-borne diseases: what are the implications for public health research and policy? Philosophical Transactions of the Royal Society: Biological Sciences, 370, 1665. Available at https://www.ncbi.nlm.nih.gov/pmc/articles/PMC4342958/.

[45] Chris Falkous. 2024. The impact of climate change on future mortality in South Africa. RGA. Available at https://www.rgare.com/knowledge-center/article/climate-change-mortality-risk.

Agriculture, aquaculture and livestock

KEY TAKEAWAYS

Agriculture, aquaculture and livestock microinsurance products jointly reached 42.5 million people, representing 2.14% of the rural population in the countries studied. Premiums collected by agriculture products represent 7.3% of the estimated market.

Subsidies are central to agriculture microinsurance. A total of 58% of agriculture microinsurance products receive some level of subsidy, and these are responsible for the vast majority (97%) of all people covered through agriculture microinsurance.

The largest agriculture product by far is Pradhan Mantri Fasal Bima Yojana (PMFBY) in India. This subsidised crop insurance scheme, launched in 2016, covered almost 37.5 million people in 2023.

Apart from PMFBY, agriculture microinsurance products typically reach greatest scale in Latin America and the Caribbean, despite the region having fewer products registered and relatively low subsidy levels.

The most important distribution channels for agriculture microinsurance include financial and microfinance institutions, agents and brokers, agricultural cooperatives and other aggregators.

Agriculture microinsurance typically experiences higher claims ratios than other product lines, with indemnity products showing higher ratios than index products.

Women represented 42% of policyholders, considerably below other product lines. The distribution channel through which agriculture products are sold has an important impact: products sold through farmers cooperatives typically reach just 23% of women policyholders, compared to much higher figures for products distributed through financial institutions.

MARKET SIZE AND EVOLUTION

Agriculture microinsurance currently reaches 42.5 million people, 37.5 million (88%) of whom are reached through one national scheme in India

A total of 83 agriculture microinsurance products (including aquaculture and livestock microinsurance) provided information for the year 2023, jointly reaching 42.5 million people (with 47 products covering 2.3 million people in Africa, 28 products covering 39.3 million people in Asia and the Pacific and eight products covering 1 million people in Latin America and the Caribbean). In Asia and the Pacific, the largest product by far is Pradhan Mantri Fasal Bima Yojana (PMFBY) in India. This crop insurance scheme, launched in 2016, covered almost 37.5 million people in 2023, representing 88% of all people covered by agriculture schemes reported in this study.

BOX 4

AGRICULTURE MICROINSURANCE FOR SUSTAINABLE DEVELOPMENT

Agriculture microinsurance contributes to the achievement of the SDGs, particularly to SDGs 1, 8 and 13:

SDG 1 - No poverty: Approximately 2.6 billion people globally depend on agriculture for their livelihood,[46] and these numbers are concentrated in developing countries. Agriculture microinsurance helps protect the livelihoods of these producers, providing them with a safety net.

SDG 2 - Zero hunger: Agriculture microinsurance helps farmers to become more resilient and to gain access to credit, helping them to grow and sustain food production worldwide, which is vital to achieving food security.

SDG 13 - Climate action: Climate change directly affects agricultural production and the food security of communities. Agriculture microinsurance solutions provide necessary protection to farmers, whose livelihoods and food security are particularly exposed to climate change.

A total of USD 3.7 billion was collected in premiums for agriculture insurance products (USD 18.2 million in Africa, USD 3.68 billion in Asia and the Pacific and USD 21.2 million in Latin America and the Caribbean). The vast majority of all agriculture premiums come from India's PMFBY scheme, which alone collected USD 3.65 billion in gross premiums (including both the farmers' contribution to the premium and the government subsidy).

With this scheme included, agriculture is the line of business with the highest recorded premiums in the study (representing almost 60% of all recorded premiums). However, if the PMFBY scheme were excluded, agriculture would represent only about 2% of all premiums, making life insurance the largest product line.

The median premium per person covered in agriculture microinsurance is USD 26 (USD 32 in Africa, USD 9 in Asia and the Pacific and USD 103 in Latin America and the Caribbean).

[46] FAO. 2022. The State of the World's Forests 2022. Rome. Available at https://www.fao.org/3/cb9360en/online/src/html/executive-summary.html.

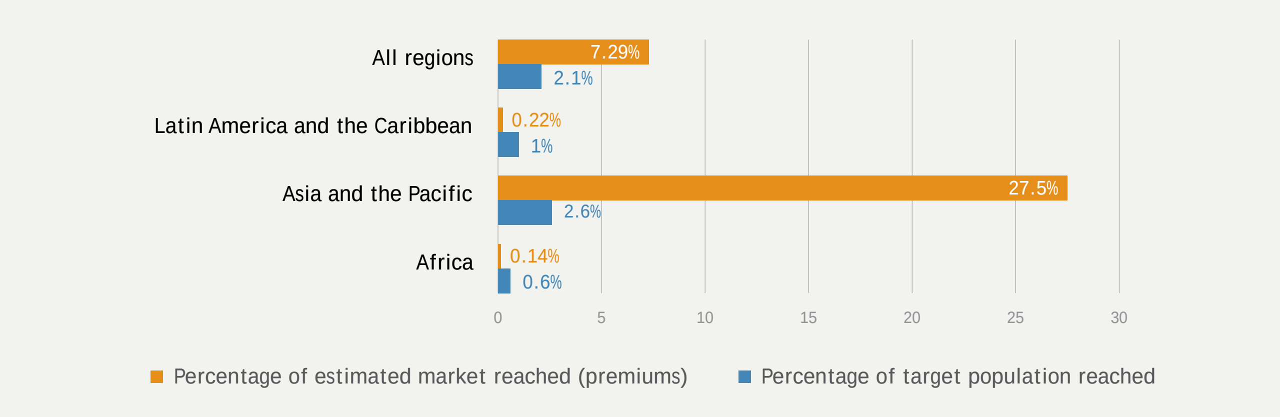
A total of 2.1% of the rural population in countries included in this study is currently covered by agriculture microinsurance

The number of people covered by agriculture products represents 2.1% of the rural population: 0.6% in Africa, 2.6% in Asia and the Pacific and 1.0% in Latin America and the Caribbean (Figure 42).[47]

The estimated value of the market for agricultural microinsurance in the Landscape focus countries is USD 51 billion (USD 12.9 billion in Africa, USD 13 billion in Asia and the Pacific and USD 9.7 billion in Latin America and the Caribbean). The penetration of the agricultural microinsurance market in focus countries is 7.3%, with the highest proportion of the market captured in Asia and the Pacific (27.5%), far above the level in Latin America and the Caribbean (0.2%) and in Africa (0.1%).

FIGURE 42

MARKET PENETRATION OF AGRICULTURE MICROINSURANCE



REGION	AFRICA	ASIA AND THE PACIFIC	LATIN AMERICA AND THE CARIBBEAN	ALL REGIONS
RURAL POPULATION (billions of people)	0.4	1.48	0.9	1.98
ESTIMATED MARKET (premiums in USD billions)	12.9	13.3	9.7	51

[47] The rural population is used here as a proxy for the target market for agriculture microinsurance. It is recognised that not all the rural population is engaged in agricultural activities, and that some urban residents own agricultural land outside of the city or engage in agriculture activities during part of the year. However, given the lack of comparable figures on smallholder farmers across the countries included in this study, the rural population was chosen as a proxy.

Although fewer products are registered in the region and subsidy levels are relatively low, agriculture microinsurance products typically reach greatest scale in Latin America and the Caribbean

Each agriculture product reached a median of 8,200 people covered in 2023 (a median of 6,400 people in Africa, 10,700 in Asia and the Pacific and 34,200 in Latin America and the Caribbean).

The median premium collected for each product is USD 152,000, again with important regional variations. In Latin America and the Caribbean, the median premium collected for each product is USD 2.6 million, while in Africa, it is USD 212,000, and in Asia and the Pacific, it is USD 42,000.

In Latin America and the Caribbean, agriculture products achieve high scale in both people reached and premiums achieved, despite the relatively low number of products registered in the region: just eight products compared to 28 in Asia and the Pacific and 47 in Africa. It appears that the region has fewer products reaching larger numbers, compared to a high number of smaller schemes elsewhere. It is also interesting to note that fewer of these products are subsidised compared to other regions, as explored in the later section on subsidies in agriculture insurance.

Box 8 shares the story of an insurer in Bangladesh that has grown its index-based crop insurance product over the last decade to now reach half a million farmers.

CASE STUDY 4

GREEN DELTA: LESSONS FROM A DECADE OFFERING WEATHER INDEX-BASED CROP INSURANCE

Green Delta began offering agriculture insurance in 2011 and launched its weather index-based crop insurance a decade ago in 2015. The initial pilot covered just 200 farmers. Since then, the product has grown to cover all districts of the country and a wide range of crops. It currently covers more than half a million farmers for risks including excessive low and high temperatures, excessive rainfall and drought. Additional services, including crop advisory services through SMS alerts and a call centre, are also provided.

The insurance is distributed primarily through two types of partners: microfinance providers, who bundle the insurance with agriculture loans, and input companies, which bundle insurance with purchases of pesticides and other agricultural inputs. Green Delta has also tried distribution through other channels, including insurtech companies, but these do not yet have sufficient reach among farmers in the country to represent a significant channel.

The important growth seen over the last decade is down to several factors. Firstly, the company has spent many years getting to know the needs of farmers through field research and extensive farmer discussions, and has adapted the product over time to meet these needs. Secondly, the company is able to offer a very affordable product, at a lower price than similar products in the region.

Furthermore, the company has in place measures to ensure fast claims payouts. Green Delta is the only insurer in the country with a data scientist and meteorologist in-house, and the company also uses specialist external actuarial support. This specialised team can rapidly approve payouts, which are then delivered quickly to clients through mobile payments. Rapid claims payments have been key to enabling Green Delta to build trust among its customer base over time.

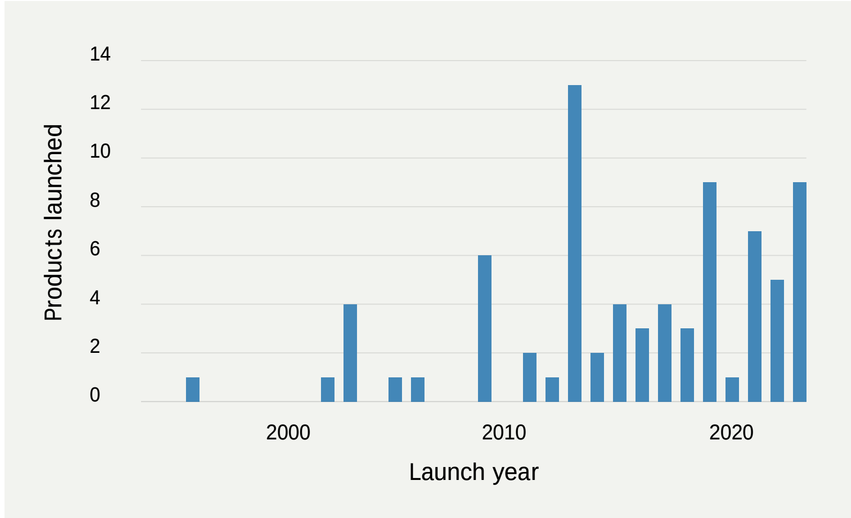
Overall, the case of Green Delta demonstrates the importance of long-term investment to develop inclusive insurance. Profitability may take several years to achieve, given the investments required in technology, product development and human resources, as well as the time required to build understanding and trust among farmers. However, these investments have allowed Green Delta to grow a thriving agriculture portfolio in Bangladesh over the last decade.

Many agriculture products have been launched in recent years

Numerous agriculture insurance products have been launched in recent years. Of products still active and reporting in this year's study, a high number were launched in 2019 (nine products), 2021 (seven), 2022 (six) and 2023 (nine), with a dip in product launches seen at the height of the COVID-19 pandemic in 2020 (Figure 43).This likely reflects increased donor and government focus on insurance as a tool to address climate risks, much of which has been directed towards agriculture insurance.

FIGURE 43

THE LAUNCH YEAR OF AGRICULTURE INSURANCE PRODUCTS



There is increasing interest in expanding the risks and target populations covered, including by establishing protection for fisherfolk

Most agriculture products are linked directly with climate, natural perils and disasters: 79% of agriculture products record these as the main risk covered. Other products cover as the main risk death of livestock (6%) and damage, loss or theft of property (10%). Some agriculture covers are bundled with additional, secondary risks, including medical covers.

Finally, there is an emerging interest in providing insurance for fisherfolk. This represents a largely low-income group which is very much exposed to climate risks and which plays a pivotal role in food security. Although the data collected for this study does not allow for the identification of all products for fisherfolk, products that cover this group were identified in Indonesia and Nigeria.

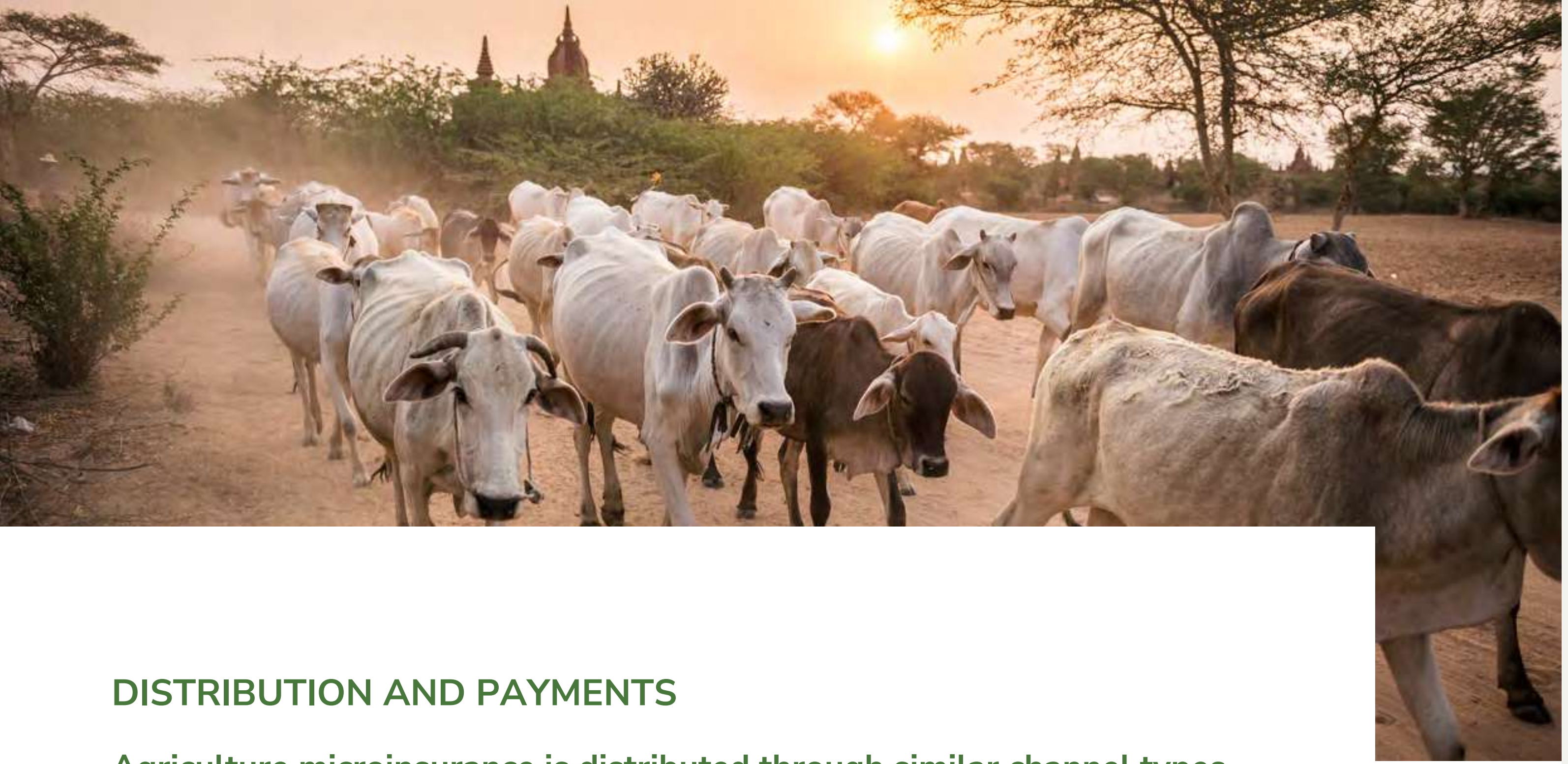
The majority of agriculture products are now index-based

Of those products reported, over half (52%) are index-based products rather than traditional indemnity insurance products. According to expert interviews completed for this study, a wide array of indices can now be used for agriculture products, allowing for a wide variety of products covering crops and animals, and these indices are becoming more accurate over time.

Subsidies continue to play a central role, with subsidised products responsible for 97% of people reached through agricultural microinsurance

A total of 58% of agriculture microinsurance products receive some level of subsidy. The majority of these products are in Africa, where 77% of agriculture products are subsidised (a total of 36 subsidised products), with a smaller number in Asia and the Pacific (nine products, representing one-third of agricultural products in the region) and three subsidised agriculture products (representing 38% of products) registered in Latin America and the Caribbean.

These subsidised products are responsible for the vast majority (97%) of all people covered through agriculture microinsurance, with unsubsidised products jointly reaching only 0.4 million people.



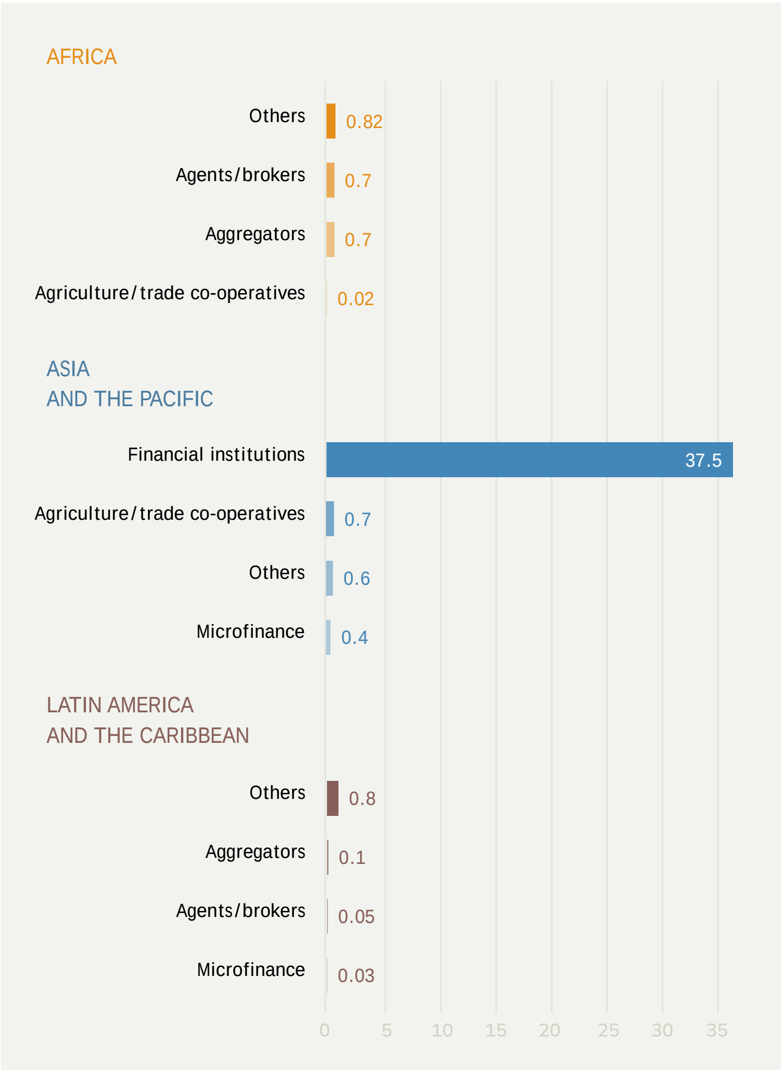
DISTRIBUTION AND PAYMENTS

Agriculture microinsurance is distributed through similar channel types as other microinsurance products, but with the addition of agricultural cooperatives

The most important distribution channels for agriculture microinsurance include financial and microfinance institutions, agents and brokers, agricultural cooperatives and other aggregators (Figure 44). It is important to note that information on primary distribution channel was not provided for all agricultural products, and information on the distribution of agricultural products was particularly limited in Latin America and the Caribbean.

FIGURE 44

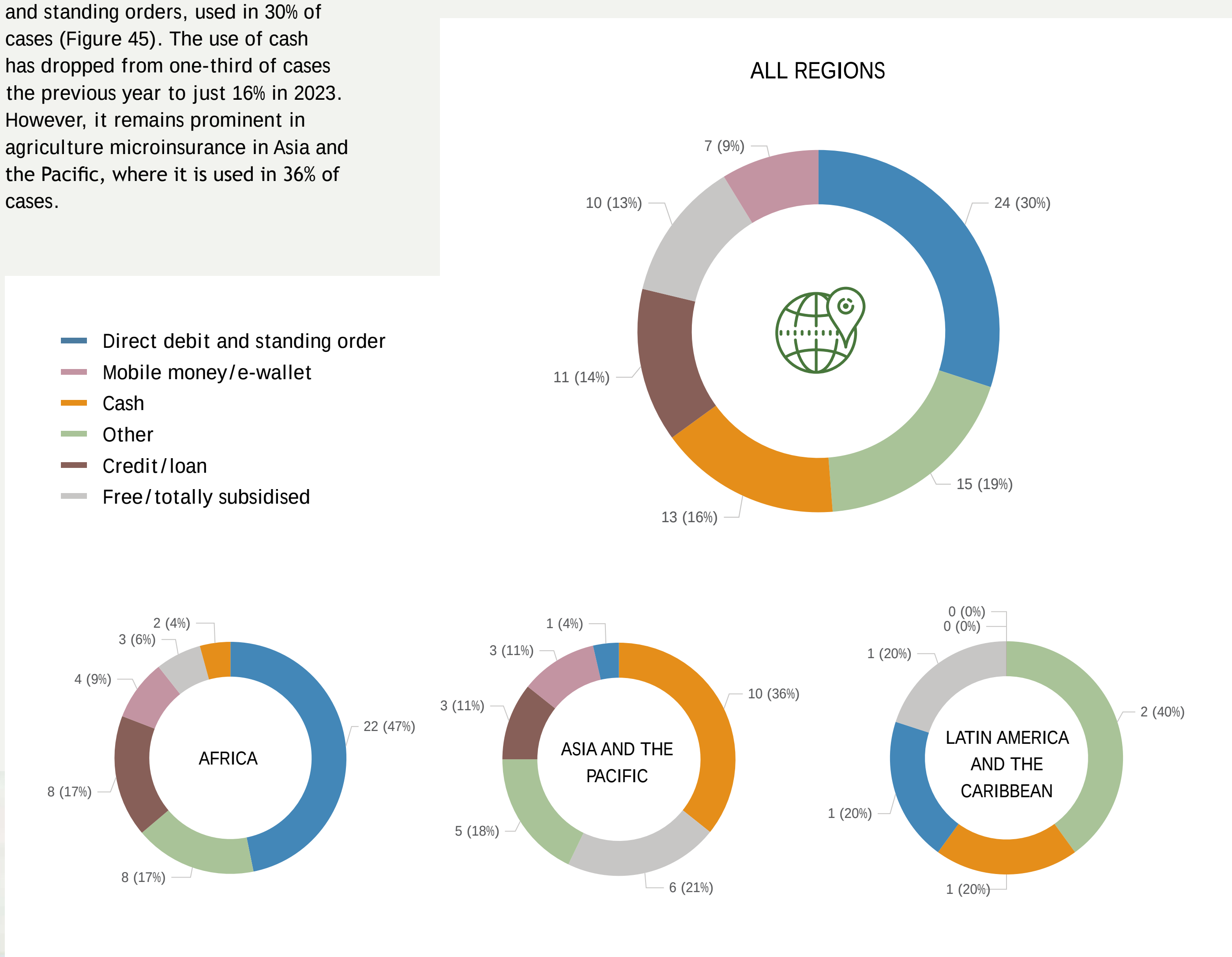
TOP THREE DISTRIBUTION CHANNELS FOR FOR AGRICULTURE INSURANCE BY REGION (MILLIONS OF PEOPLE REACHED)

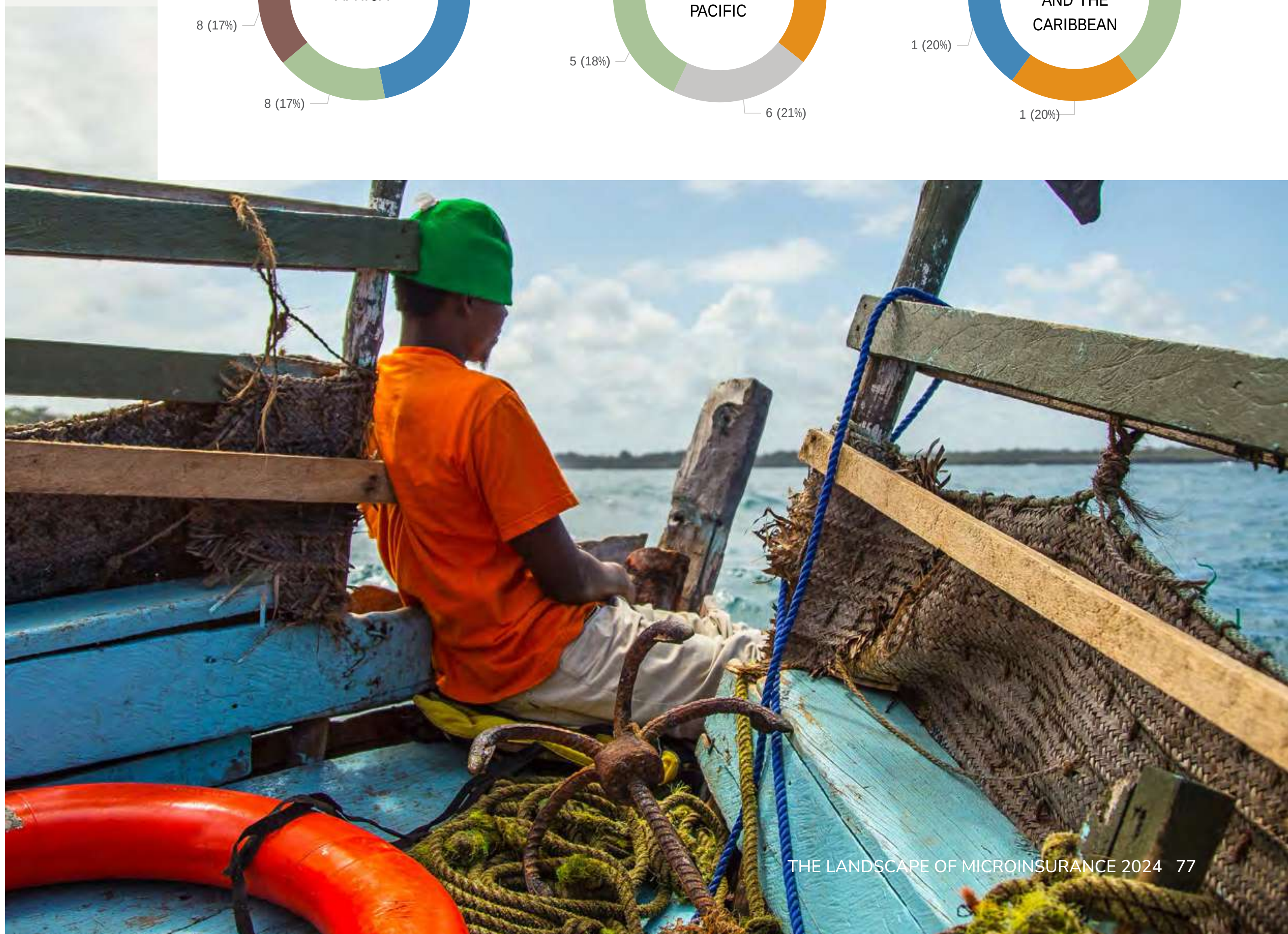


The most used payment methods for agricultural products are direct debits and standing orders, used in 30% of cases (Figure 45). The use of cash has dropped from one-third of cases the previous year to just 16% in 2023. However, it remains prominent in agriculture microinsurance in Asia and the Pacific, where it is used in 36% of cases.

FIGURE 45

PAYMENT METHODS FOR AGRICULTURE PRODUCTS





SOCIAL PERFORMANCE INDICATORS

Agriculture microinsurance typically experiences higher claims ratios than other product lines, with indemnity products showing higher ratios than index products

The median claims ratio for agriculture products in 2023 was 33% (10 percentage points higher than the 23% median claims ratio for all microinsurance lines). The highest median claims ratio is in Asia and the Pacific, at 65%. The median claims acceptance ratio was 100%, with the lowest values in Latin America and the Caribbean at 70%.

FIGURE 46

CLAIMS RATIOS FOR AGRICULTURE MICROINSURANCE BY REGION

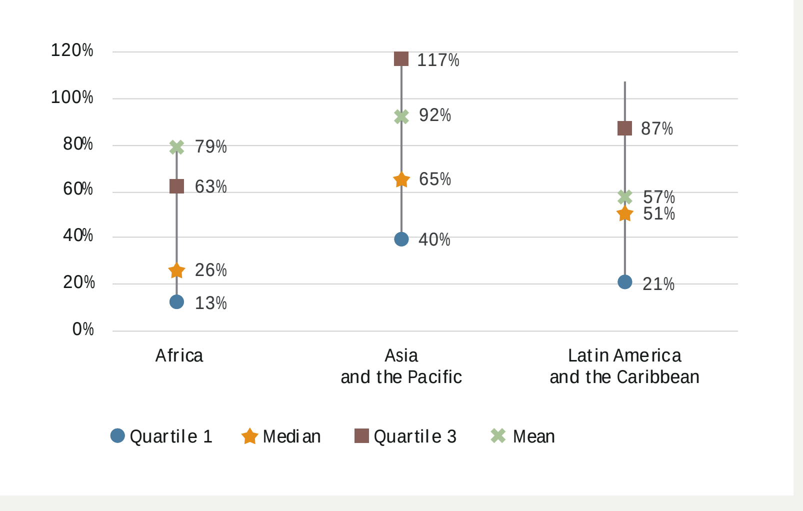


Figure 46 shows the median, mean and quartile values for agriculture insurance products in each region. The interquartile range (which excludes the highest and lowest 25% of results) is highest in Asia and the Pacific, with claims ratios ranging between 40% and 117%.

Unlike most product lines, more mature products do not typically have higher claims ratios for agriculture insurance. This may reflect the catastrophic nature of agriculture products, with claims ratios for any product varying enormously year-on-year. In addition, agriculture products are often index-based with automatic payouts that do not depend on the customer actively claiming, and therefore customer awareness levels may be less important.

Interestingly, in agriculture insurance, indemnity products have a higher median claims ratio (63%) than index insurance products (28%), despite the fact that index payouts are automatic and do not depend on an active claim from a client.

The median total turnaround time for agriculture insurance claims across the three regions is 22 days (with a median internal turnaround time of 21 days). The longest total turnaround time is reported in Asia and the Pacific, at 45 days, compared to 30 in Latin America and the Caribbean and 19 in Africa.

WOMEN'S ACCESS TO AGRICULTURE MICROINSURANCE

Agriculture microinsurance typically reaches a lower proportion of women than other product lines, but the distribution channel used matters

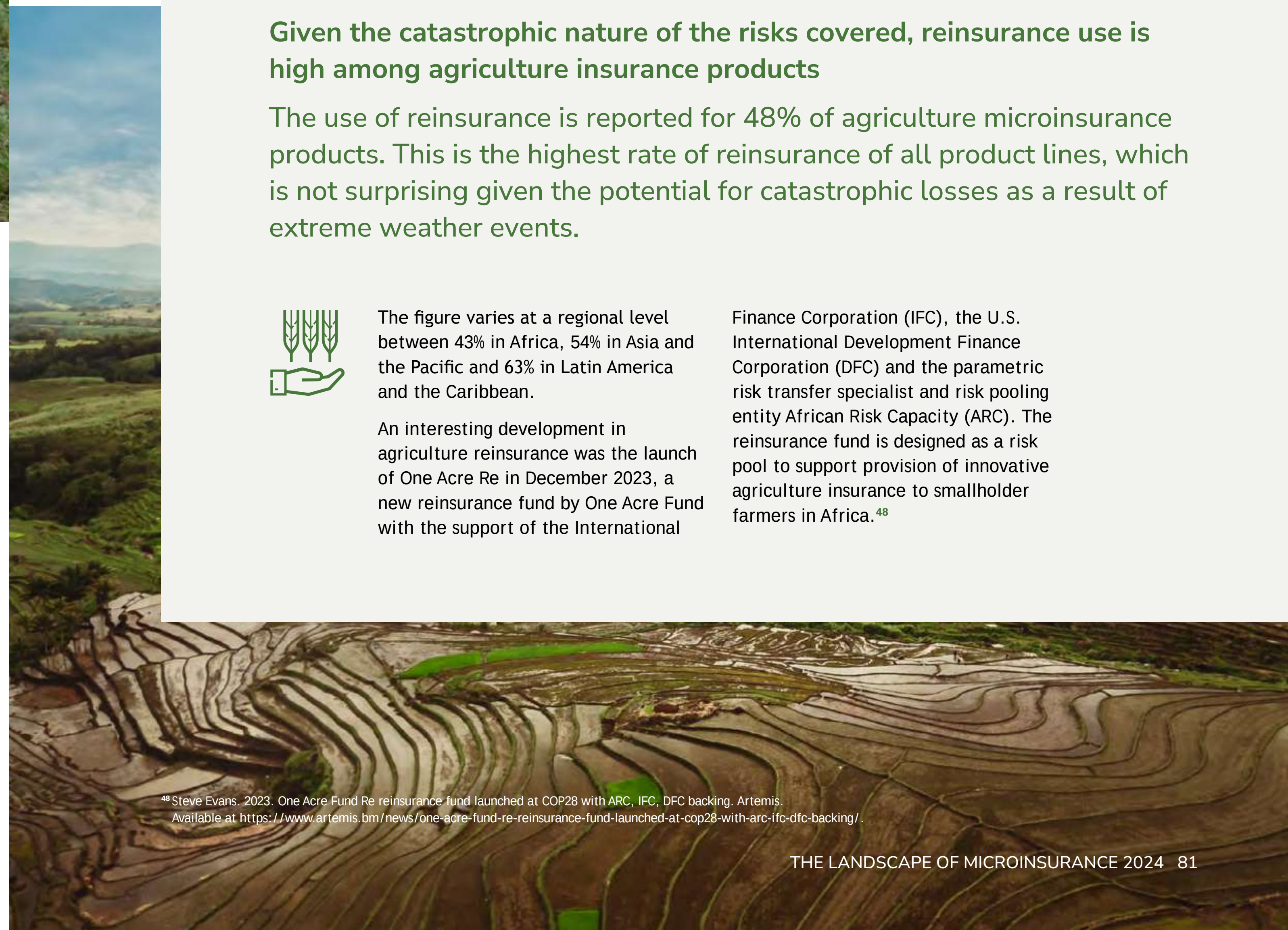
Agriculture insurance has relatively high levels of available gender information in comparison to other product lines, with information on the gender of policyholders provided for 64% of products.

Where insurers provided data on the gender of their customers, women represented 42% of policyholders, considerably below other product lines. This likely reflects broader gender dynamics in the agricultural sector, for example the higher rates of official land ownership among men. However, the distribution channel through which agriculture products are sold also has an important impact. Products sold through farmers cooperatives typically reach just 23% of women policyholders, compared to much higher figures for products distributed through financial institutions, at 40%.

CLIMATE RISK

Given its direct connection with climate risks, agriculture insurance has benefited from increased interest in tackling climate risks

Agricultural insurance is the product line that is most directly related to climate risk and so has benefited from increased donor and government interest in improved protection in relation to climate risks, as discussed in the earlier section on subsidies. A total of 79% of agriculture products provide coverage for climate risks or natural perils as their primary cover.



REINSURANCE

Given the catastrophic nature of the risks covered, reinsurance use is high among agriculture insurance products

The use of reinsurance is reported for 48% of agriculture microinsurance products. This is the highest rate of reinsurance of all product lines, which is not surprising given the potential for catastrophic losses as a result of extreme weather events.

The figure varies at a regional level between 43% in Africa, 54% in Asia and the Pacific and 63% in Latin America and the Caribbean.

An interesting development in agriculture reinsurance was the launch of One Acre Re in December 2023, a new reinsurance fund by One Acre Fund with the support of the International Finance Corporation (IFC), the U.S. International Development Finance Corporation (DFC) and the parametric risk transfer specialist and risk pooling entity African Risk Capacity (ARC). The reinsurance fund is designed as a risk pool to support provision of innovative agriculture insurance to smallholder farmers in Africa.[48]

[48] Steve Evans. 2023. One Acre Fund Re reinsurance fund launched at COP28 with ARC, IFC, DFC backing. Artemis. Available at https://www.artemis.bm/news/one-acre-fund-re-reinsurance-fund-launched-at-cop28-with-arc-ifc-dfc-backing/.

Property and income

KEY TAKEAWAYS

Property and income products have seen important growth, reaching double the products registered just three years before and almost twice as many people covered (6.5 million people).

Enormous potential remains to develop property and income microinsurance, with an estimated market value of USD 44 billion, only 0.3% of which is currently captured.

Subsidies play a relatively limited role in this product line, largely supporting pilots and smaller schemes.

Greater success of these product lines in Latin America and the Caribbean is partly due to more varied distribution channels in the region.

22%

The median claims ratio for property and income products in 2023 was 22%. More mature property and income products have significantly higher claims ratios.

With relatively low proportions of women reached, increasing women's access to property and income microinsurance is vital to support the resilience of women and women-led businesses.

Property and income risks are closely linked with climate risks, and climate coverage is increasingly offered through property or income microinsurance.

MARKET SIZE AND EVOLUTION

Property and income products have seen important growth, reaching double the products registered just three years before and almost twice as many people covered

For the purpose of this study, three product types are included under the category of property and income insurance: business interruption insurance, car or motorcycle insurance and property insurance. Property and income products have seen important growth in recent years. Overall, 155 products were reported in this category (17 business interruption insurance products, 39 car and motorcycle insurance products and 99 property insurance products), collectively reaching approximately 6.5 million people (Figure 47). This represents more than double the products registered just three years before and almost twice as many people covered.

Interviews conducted for this study suggest that innovation and growth in property and income products have been driven in part by the COVID-19 pandemic, which led to an increased demand for business interruption insurance because of businesses' greater awareness of the business interruption risks that they face. It is also driven by an increased donor and policymaker focus on resilience, including climate resilience as well as broader issues around entrepreneur and small business resilience. Insurance providers have been moving to design income-replacement solutions for small businesses and daily wage earners, as well as increased solutions for property such as motorcycles, bicycles and mobile phones.

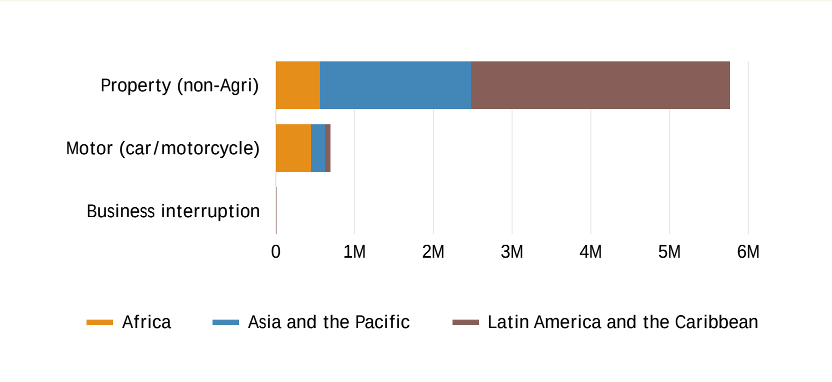
Property and income microinsurance reach the largest number of people in Latin America and the Caribbean, where 3.4 million people are covered by 70 products. In Asia and the Pacific, 39 products cover 2.1 million people, and in Africa, 1 million people are covered by 46 products.

Property and income products still represent a small proportion of the overall microinsurance market, at 1% of all people covered by microinsurance, but this figure is up from 0.5% in 2023. In Latin America and the Caribbean, property and income products account for 9% of all people covered.

It should also be noted that although 17 business interruption products were reported, only six provided information on the number of people reached, and only five on gross premiums.

FIGURE 47

NUMBER OF PEOPLE COVERED BY PROPERTY AND INCOME PRODUCTS (MILLIONS)



In addition to the products in this category, various property risks (including damage to goods and vehicles, loss of income, damage or theft of home, contents or electronic gadgets and risks faced by MSMEs) were covered under products in other product lines. As a result, over 29 million people in total received some protection against property or income risks through a microinsurance product of any type (6.7 million in Africa, 16.5 million in Asia and the Pacific and 6.1 million in Latin America and the Caribbean). This represents approximately 8% of all those covered by microinsurance in this study.

BOX 5

PROPERTY AND INCOME MICROINSURANCE FOR SUSTAINABLE DEVELOPMENT

Property and income microinsurance contribute to the achievement of the SDGs, particularly to SDGs 1, 5 and 8:

1 NO POVERTY

SDG 1 - No poverty: Loss or damage to business premises, important assets or business stock puts the capacity of individuals and businesses to generate income in jeopardy, putting entrepreneurs, employees and their families at risk of poverty. In addition, the loss of a family's home can force them into inadequate housing. Lost income for any reason puts families at severe risk of poverty and may force them to resort to desperate coping mechanisms such as reducing food consumption or taking children out of school.

5 GENDER EQUALITY

SDG 5 - Gender equality: Women-led MSMEs are often particularly exposed to risk and have access to fewer risk management mechanisms, including insurance. A survey of MSMEs in 13 African countries by IFC found that one-quarter of businesses were forced to close during the COVID-19 pandemic and that the impacts were more severely felt by women-led businesses.[49] Microinsurance designed for MSMEs has an important role to play in bridging the gender protection gap among MSMEs.

8 DECENT WORK AND ECONOMIC GROWTH

SDG 8 - Decent work and economic growth: MSMEs are drivers of economic growth and employment around the world, responsible for around 50% of global employment and contributing (in the case of formal small and medium enterprises alone) up to 40% of national income in emerging markets.[50] These businesses are highly vulnerable to shocks and microinsurance can support them to withstand such events, as well as to gain access to credit to support growth. Income insurance also provides greater security to workers, contributing to decent work.

[49] International Finance Corporation. 2021. COVID-19 and Women-led MSMEs in Sub-Saharan Africa: Examining the Impact, Responses, and Solutions. Washington, D.C. Available at https://www.ifc.org/content/dam/ifc/doc/mgrt/202103-covid-19-and-women-led-msmes-sub-saharan-africa.pdf.

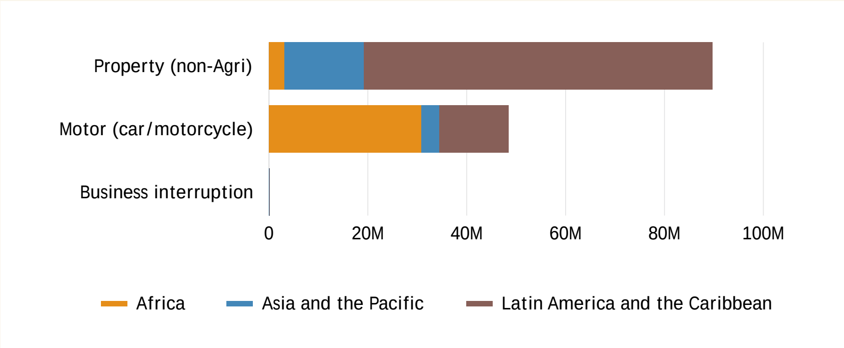
[50] World Bank. 2019. Small and Medium Enterprises (SMEs) Finance. Available at https://www.worldbank.org/en/topic/smefinance.

A total of USD 138 million in premiums were collected for property and income products in 2023 (USD 34 million in Africa, USD 19.8 million in Asia and the Pacific and USD 84.5 million in Latin America and the Caribbean). This represents around 2% of all premiums collected for microinsurance products.

Of all lines of business, gross premiums were highest for property insurance, at a total of 89.7 million (Figure 48).

FIGURE 48

TOTAL PREMIUMS COLLECTED FOR PROPERTY AND INCOME PRODUCTS (USD MILLIONS)



Premiums per person vary between product types, at USD 37 for car and motorcycle insurance products, USD 10 for business interruption insurance products and USD 15 for property insurance products. The overall median premium for property and income insurance products is USD 22, higher than for most product lines.

Car and motorcycle products tend to have higher premiums due to the comparatively high risks faced by a car on the road in comparison to other types of property. This is reflected in the median claims ratio for this product line, which is 26%, compared to 16% for property (insufficient data is available to calculate the ratio for income replacement). In addition, car and motorcycle insurance tends to cater to somewhat better-off customers who have the resources to purchase a car or motorcycle.

With an estimated market value of USD 44 billion, there is enormous potential to develop property and income microinsurance

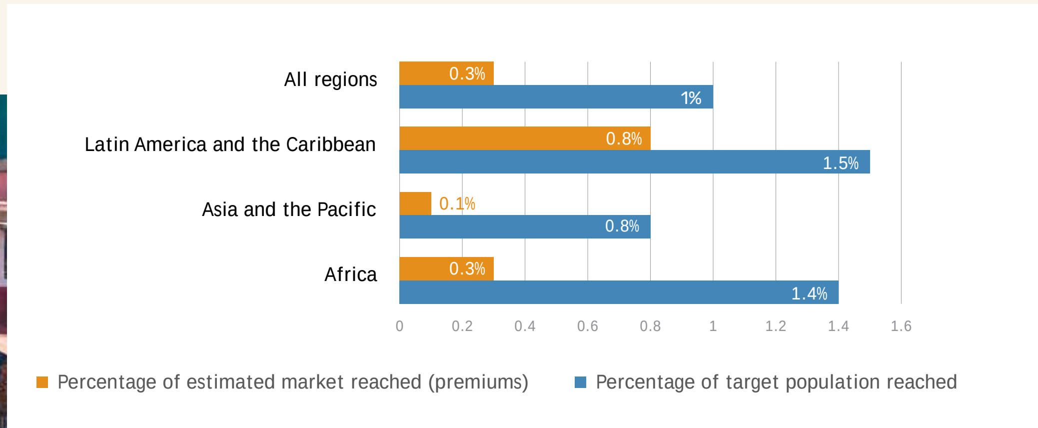
The number of people covered against property and income risks, regardless of product type, represents 1% of the estimated microinsurance target population in the countries studied, at 1.4% in Africa, 0.8% in Asia and the Pacific and 1.5% in Latin America and the Caribbean (Figure 49).

The estimated value of the market for property and income microinsurance in the Landscape focus countries is USD 44 billion (USD 13 billion in Africa, USD 21 billion in Asia and the Pacific and USD 10 billion in Latin America and the Caribbean). The penetration rate of the property and income microinsurance market for focus countries in 2023 is 0.3%, with the highest proportion of the market captured in Latin America and the Caribbean (0.8%).

These figures demonstrate the significant protection gap that continues to exist in property and income cover. Given the importance of these product lines in boosting the resilience of families and small businesses, there is a pressing need to address this gap.

FIGURE 49

MARKET PENETRATION OF PRODUCTS COVERING PROPERTY AND INCOME RISKS



Property and income products reach lower scale than other product lines

Property and income products reached a median of 6,100 people per product. This figure is less than the median for all products (of over 10,000). The highest number of people is reached by motor insurance products, at a median of 12,400 people. Motor is the microinsurance product line bringing in the highest premiums per product, with a median gross premium received of USD 455,500. This compares to USD 128,400 for all property and income products.

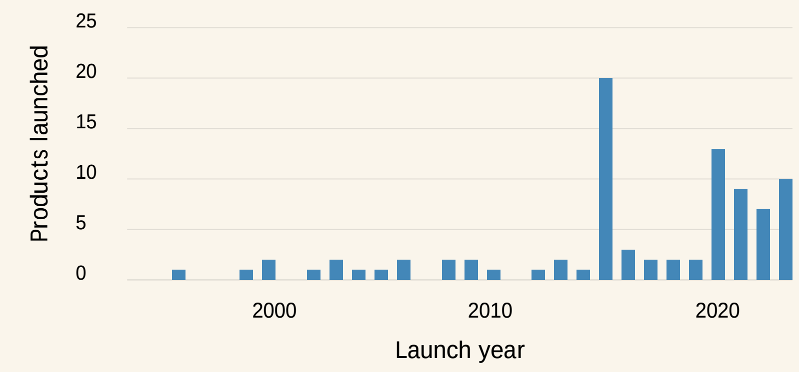
New products have been launched steadily in recent years, including during the COVID-19 pandemic

Products still active today and reporting to the Landscape study have launch years ranging back as far as 1996 (Figure 50). There appears to have been a peak in 2015, when 20 of the products recorded in this study were launched. The vast majority of these products were business interruption and property products in Indonesia. This represents part of a boom in product launches experienced in Indonesia in 2015 as part of efforts to boost microinsurance in the country.

Another peak occurs in 2020, with 13 new products launched at the height of the pandemic (unlike other product lines, which generally saw a dip in product launches in this year). The majority of products launched in 2020 were property insurance.

FIGURE 50

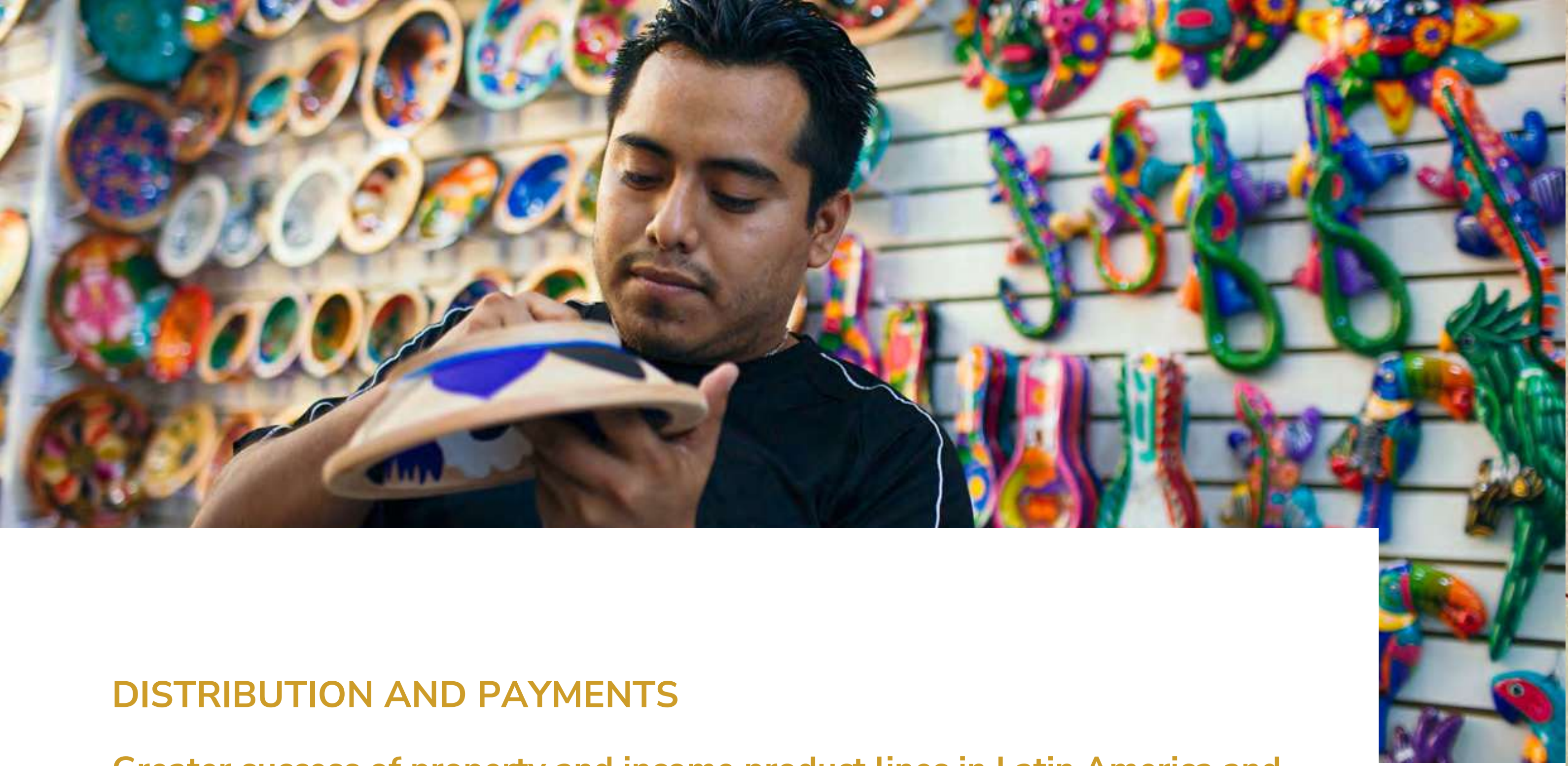
THE LAUNCH YEAR OF PROPERTY AND INCOME PRODUCTS



Subsidies play a relatively limited role in this product line, largely supporting pilots and smaller schemes

Out of all property and income products, 11% received some level of subsidy. All of those subsidised products were registered in Africa. These products jointly reached less than 0.4 million people, or 5% of all those covered through property and income products. This may reflect donor subsidies for innovative pilots in property and income products, which have yet to translate to large numbers of people covered.

Given growth in these product lines and the key role of property and income insurance in boosting resilience, there is an opportunity for further donor support to expand property and income coverage and drive even more innovation in these lines.



DISTRIBUTION AND PAYMENTS

Greater success of property and income product lines in Latin America and the Caribbean is partly due to more varied distribution channels

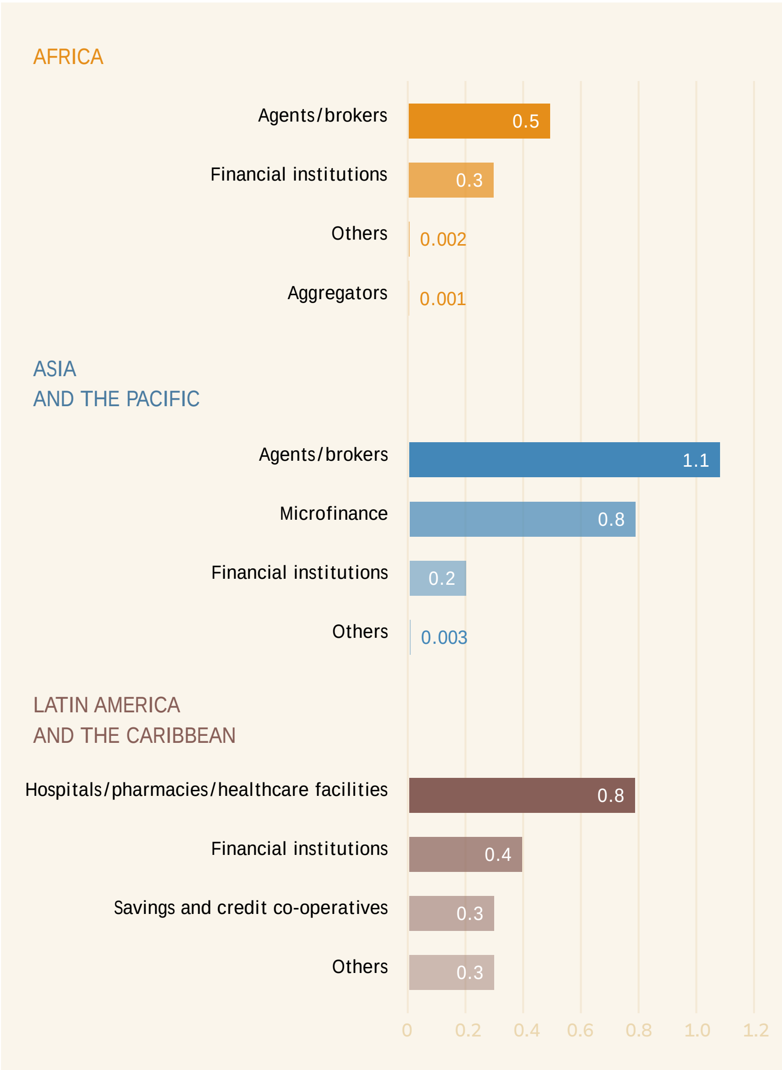
Agents and brokers, alongside financial and microfinance institutions, were the most important distribution channels for property and income products in Africa and in Asia and the Pacific (Figure 51).

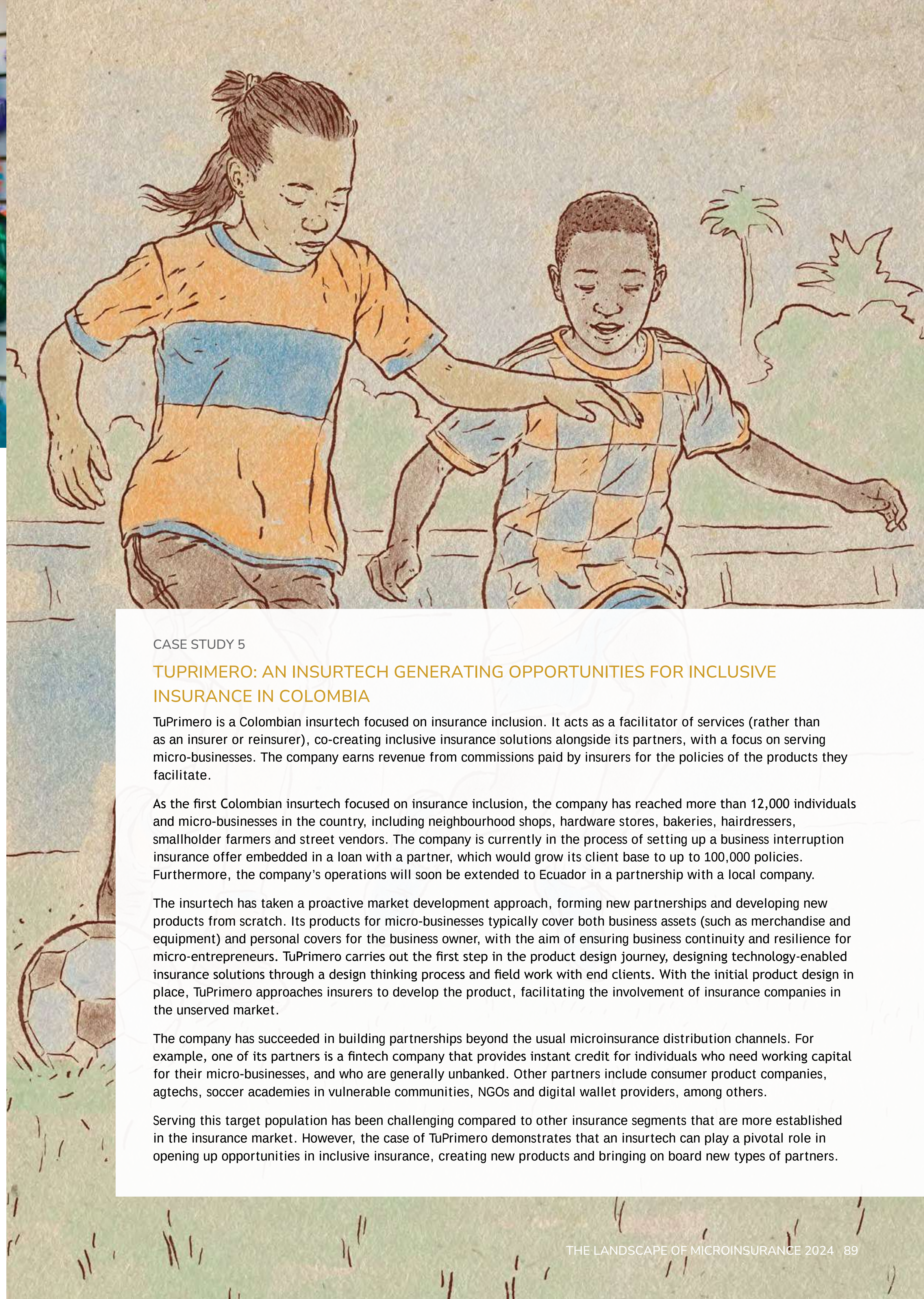
In Latin America and the Caribbean, distribution channels for these lines are more varied: healthcare facilities are used to distribute property products bundled with hospital cash covers, while savings and credit cooperatives also play an important role, reaching 0.3 million people. This more varied distribution landscape likely contributes to the fact that Latin America and the Caribbean is the region in which the largest number of people are reached through property and income products.

One company helping insurers find new ways to reach micro and small enterprises in Latin America and the Caribbean is Colombian fintech TuPrimero (Case study 5).

FIGURE 51

TOP THREE DISTRIBUTION CHANNELS FOR PROPERTY AND INCOME PRODUCTS BY REGION (MILLIONS OF PEOPLE REACHED)





CASE STUDY 5

TUPRIMERO: AN INSURTECH GENERATING OPPORTUNITIES FOR INCLUSIVE INSURANCE IN COLOMBIA

TuPrimero is a Colombian insurtech focused on insurance inclusion. It acts as a facilitator of services (rather than as an insurer or reinsurer), co-creating inclusive insurance solutions alongside its partners, with a focus on serving micro-businesses. The company earns revenue from commissions paid by insurers for the policies of the products they facilitate.

As the first Colombian insurtech focused on insurance inclusion, the company has reached more than 12,000 individuals and micro-businesses in the country, including neighbourhood shops, hardware stores, bakeries, hairdressers, smallholder farmers and street vendors. The company is currently in the process of setting up a business interruption insurance offer embedded in a loan with a partner, which would grow its client base to up to 100,000 policies. Furthermore, the company's operations will soon be extended to Ecuador in a partnership with a local company.

The insurtech has taken a proactive market development approach, forming new partnerships and developing new products from scratch. Its products for micro-businesses typically cover both business assets (such as merchandise and equipment) and personal covers for the business owner, with the aim of ensuring business continuity and resilience for micro-entrepreneurs. TuPrimero carries out the first step in the product design journey, designing technology-enabled insurance solutions through a design thinking process and field work with end clients. With the initial product design in place, TuPrimero approaches insurers to develop the product, facilitating the involvement of insurance companies in the unserved market.

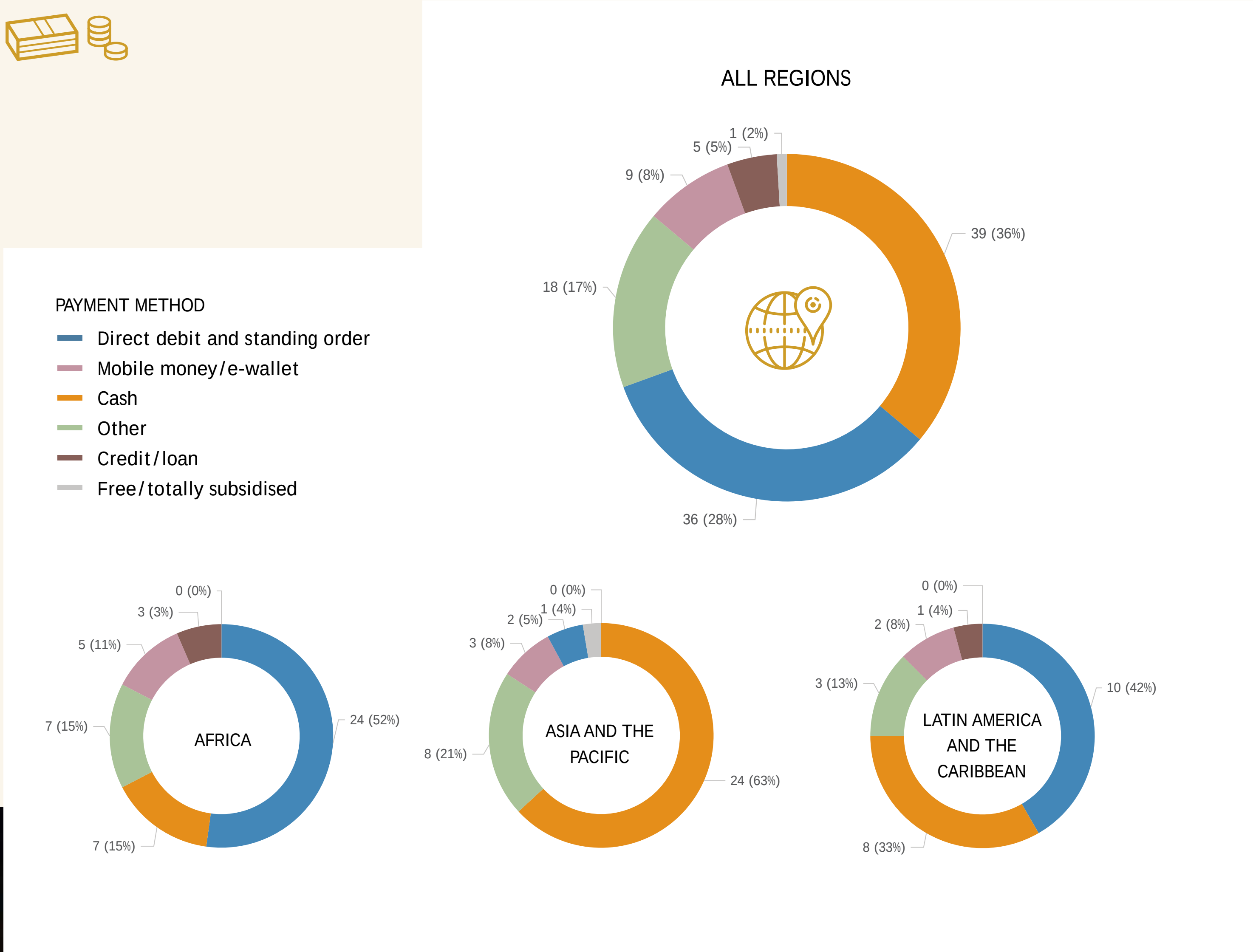
The company has succeeded in building partnerships beyond the usual microinsurance distribution channels. For example, one of its partners is a fintech company that provides instant credit for individuals who need working capital for their micro-businesses, and who are generally unbanked. Other partners include consumer product companies, agtechs, soccer academies in vulnerable communities, NGOs and digital wallet providers, among others.

Serving this target population has been challenging compared to other insurance segments that are more established in the insurance market. However, the case of TuPrimero demonstrates that an insurtech can play a pivotal role in opening up opportunities in inclusive insurance, creating new products and bringing on board new types of partners.

Cash and direct debit are the most common payment channels for property and income insurance (Figure 52).

FIGURE 52

NUMBER OF PRODUCTS MAKING USE OF EACH PAYMENT METHOD FOR PROPERTY AND INCOME PRODUCTS



SOCIAL PERFORMANCE INDICATORS

More mature property and income products have significantly higher claims ratios

The median claims ratio for property and income products in 2023 was 22%, and the acceptance rate is 97%. The ratio varies between regions, with a median of 18% in Africa, 25% in Asia and the Pacific and 20% in Latin America and the Caribbean.

Figure 53 shows the median, mean and quartile values for property and income insurance products in each region. The interquartile range (which excludes the highest and lowest 25% of results) is widest in Latin America and the Caribbean, where it ranges from 6% to 57%.

More mature property and income products tend to have higher claims ratios, as in other product lines. Products launched before 2017, for example, have a median ratio of 22%, compared to 13% for those launched in following years.

The median turnaround time for property and income insurance is longest in Latin America and the Caribbean, at a median of 45 days in total, and shortest in Africa, with a median of four days in total (Figure 54).

FIGURE 53

CLAIMS RATIOS FOR PROPERTY AND INCOME MICROINSURANCE

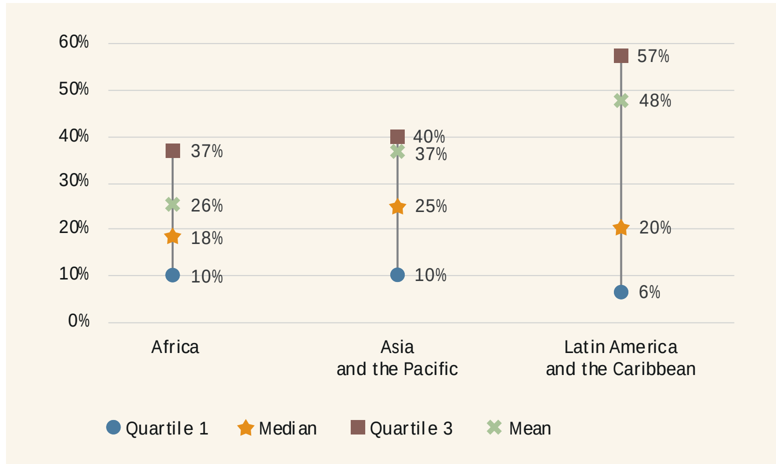
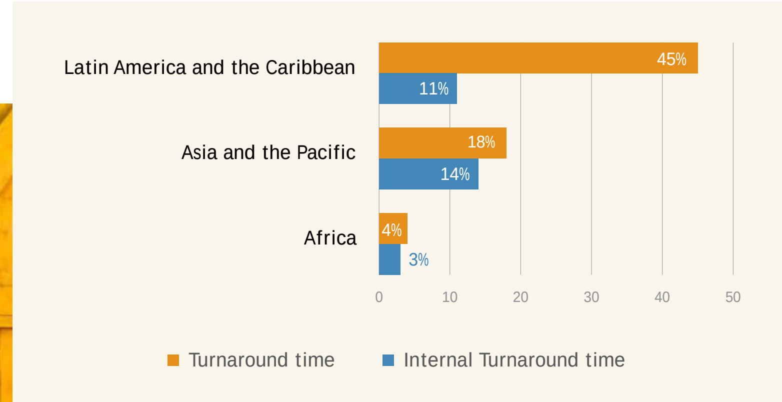


FIGURE 54

MEDIAN CLAIMS TURNAROUND TIMES FOR PROPERTY AND INCOME MICROINSURANCE



WOMEN'S ACCESS TO PROPERTY AND INCOME MICROINSURANCE

Increasing women's access to property and income microinsurance is vital to support the resilience of women and women-led businesses

For those property and income products which reported gender data, women represented a median of 38% of people covered and 45% of policyholders. Women made up a median of 42% of policyholders for motor products and 48% for property products. Insufficient data was provided for business interruption insurance to be able to give a reasonable median value. In fact, gender data was frequently not provided for property and income products, with only 30% of products providing information on the gender of policyholders (and only 18% in the case of business interruption insurance). It is essential that better information on gender is collected for these product lines.

Case study 6 shares the case of 1st for Women, a company that specifically targets women with a range of products, including motor and small business products. This case study highlights the opportunity for insurers in developing property and income products specifically to meet women's unique needs, which is particularly important given the need to support the resilience of women and women-led businesses.

CASE STUDY 6

1ST FOR WOMEN: A UNIQUE APPROACH TO WOMEN'S INSURANCE IN SOUTH AFRICA

In 2004, 1st for Women was set up in South Africa with a unique mission: the insurance company was the first in the country to focus specifically on women. Over the last 20 years, 1st for Women has grown to serve over 250,000 customers.

The company designs every aspect of its products and processes with women in mind. It soon found that assumptions about women's preferences were often incorrect. Understanding and meeting the needs of women in the country required careful customer research, as well as systematically collecting and responding to customer feedback.

For example, one assumption was that women customers would prefer to speak to female call centre staff. 1st for Women found that this was not necessarily the case. Its customers were happy to speak to male staff, but wanted time to ask all their questions in an empathetic, unrushed and judgement-free space before reaching a decision. 1st for Women has a relatively long induction period of six months for all staff, including a lengthy brand induction and extensive soft skills training, to ensure that they can create this environment for their customers. This is especially important since the vast majority of 1st for Women's sales are made through its inbound call centre.

When designing products, 1st for Women found that security was a key concern for women in South Africa. Its products are therefore designed with additional services to ensure customers' safety when a claims event happens. For example, motor insurance customers benefit from the company's 'guardian angels': vehicles available 24/7 which can be called when a customer experiences a breakdown or accident. The 'guardian angel' supports customers through the event, ensuring they are safe at the scene of the event and making sure they also return home safely afterwards. All customers also benefit from a virtual panic button through the 1st for Women app, and a trip monitoring service to use whenever needed.

When the company introduced business insurance for female entrepreneurs, it found that their needs went beyond classic insurance covers. The business therefore started to offer additional services, such as website design and marketing support, to help its customers to grow their businesses.

Although 1st for Women initially provided solutions for women in the middle-income bracket, it has since introduced lower-cost products to cater to women with limited resources. It has found that over time many of those customers are able to upgrade to more comprehensive products.

CLIMATE RISK

Property and income microinsurance has a central role in supporting families and small businesses to better withstand climate risks

Property and income risks are closely linked with climate risks, since property such as homes and business premises, as well as possessions and business stock, can be vulnerable to damage as a result of natural disasters. In addition, both businesses' and workers' income can be impacted when businesses are unable to function due to climate events, for example when a market is closed due to heavy rains.

Climate coverage is therefore increasingly offered through property or income microinsurance. Of the property and income products that reported to this study, 20 products jointly covering close to 320,000 people (5% of all those covered through property and income products) reported climate perils as the primary risk covered.

REINSURANCE

Property insurance is the most frequently reinsured line of business in the property and income category, but little information was provided on this area

The majority of property and income products did not provide information on reinsurance. In total, around 14% of property and income products were recorded as reinsured, with the highest levels in Africa, at 24%, compared to 21% in Asia and the Pacific and 3% in Latin America and the Caribbean. Of all product lines, the figure is highest for property microinsurance, for which reinsurance was reported for 17% of products. extreme weather events.

Conclusions

The Landscape of Microinsurance 2024 reveals a microinsurance market that continues to grow and evolve. The number of people reached by the products reported to the Landscape in all of the last three years has grown by 70%, while premiums have increased by more than 50%. Around half of the growth in people covered is driven by an explosion in coverage of just two individual products (one accident insurance product and one funeral product), showing that achieving success in just a small number of cases has the potential to considerably expand access.

Microinsurance is increasingly prominent as global attention turns to managing climate risks and increasing resilience. The interviews conducted for this study suggest a growing recognition among governments, donors and multilateral organisations of the role that insurance can play in addressing climate issues, food security, poverty and health. It is clear that neither government funds nor traditional humanitarian funding will be sufficient to protect those who need it in the context of rising climate shocks. Other financial tools, such as pre-arranged financing, are therefore receiving more attention.

The data reflects a continued emphasis on addressing climate risks. In the current study, climate or natural perils are covered by a total of a total of 112 products, reaching more than 42 million people. Furthermore, product lines that most directly respond to climate risks, like agriculture and property insurance, are going through important developments. Numerous agriculture insurance products have been launched in recent years, with high levels of subsidies. Those subsidised products are central to the market, jointly covering 97% of people reached by agriculture insurance.

Property and income products have also seen important growth in recent years. Overall, 155 products were reported in this category, collectively reaching 6.5 million people. This represents more than double the products registered just three years before, and almost twice as many people covered. In Latin America and the Caribbean, these product lines now represent 9% of all people covered by microinsurance. This growth has been driven in part by the COVID-19 pandemic, which raised awareness of business interruption risks. It is also driven by an increased donor and policymaker focus on resilience, which goes beyond climate resilience to focus on broader issues around small business resilience. This donor and government interest is reflected in the fact that a relatively high proportion of property and income products (11%) receive some level of subsidy.

Despite these developments, growth in microinsurance must be accelerated to close the protection gap. Just 12% of the target population for microinsurance (344 million people out of an estimated market of almost 3 billion people) is currently covered in the countries studied. The vast majority of people do not yet have the financial tools they need to manage their growing risks. All stakeholders have a role in closing that gap. Calls to action for each actor are outlined in Table 4.

TABLE 4 (PART 1)

Calls to action
for microinsurance stakeholders

INSURANCE PROVIDERS AND DISTRIBUTORS

- **Invest in microinsurance development over the long term**
  Findings from the Landscape study make the case that microinsurance is scalable and profitable over the medium- to long-term. Products analysed in the study tend to reach scale in premiums and people reached beyond the first three to four years, suggesting that those who invest over the medium to long term will reap the rewards.
- **Start with understanding microinsurance customers**
  A thorough understanding of potential clients is an essential springboard for success. This includes the needs and livelihoods of low-income and mass-market customers, especially women.[51]
- **Diversify product offerings, reflecting the varied risks that customers face in their daily lives**
  Opportunities exist to further expand microinsurance portfolios to cover a wider range of customer risks. In particular, property and income products are rapidly growing, but still represent a relatively small proportion of microinsurance products available.
  Furthermore, there are opportunities to provide a range of covers for climate and climate-related risks. Innovative insurers are addressing the links between climate and a wide range of risks, including to health and income.
- **Maintain the current focus on health microinsurance and expand benefits**
  Health remains a key concern for low-income and mass market customers, and there is an ongoing need for more comprehensive covers. Opportunities should be explored to implement additional benefits such as cash payments on diagnosis of specific diseases, as well as outpatient coverage.
- **Enhance operations by becoming more client-centric and by leveraging digitisation for cost efficiencies**
  Operations are as important as product design, and should be maximised for both client experience and cost efficiency.
- **Focus on improving both claims ratios and payment times, which are key to customer value and product growth**
  Successful products that last longer and reach greater scale tend to have higher claims ratios, indicating the importance of claims in ensuring a successful microinsurance product. Payment times are also central to customer experience and to the impact of claims on their finances and lives. Technology and distribution partners can play an important role in ensuring faster claims payment.
- **Promote collective industry efforts to develop microinsurance markets, through industry associations or similar bodies**
  This is particularly important in customer education efforts, which can be achieved much more effectively and are more credible for consumers when conducted at a collective level.
- **For risks with higher volatility, like climate covers, engage in public-private programmes or in consortiums with other insurers and reinsurers to share risks and learn from partners**
  Partnerships should be developed that holistically address risk management for the most vulnerable, particularly in areas such as health and climate risks.
- **Collect gender-disaggregated data, design products to meet women's unique needs and partner with distribution channels that reach women**
  This is particularly important in product lines like agriculture and property and income, where lower proportions of women are currently served.

[51] For a useful guide, see: UNDP. 2023. The Inclusive Insurance Navigator. New York. Available at https://irff.undp.org/navigator.
UNDP's Insurance Risk and Finance Facility (IRFF) developed this Navigator to address the needs of insurers, distribution channels and other stakeholders interested in developing inclusive insurance products and markets.

GOVERNMENTS, INSURANCE REGULATORS AND SUPERVISORS

- **Include microinsurance as a central part of national financial inclusion agendas and disaster risk financing policies**
  Microinsurance should be incorporated as a key tool to promote financial health, since it can increase individuals' and businesses' capacity to recover from unexpected economic shocks.
- **Implement dedicated inclusive or microinsurance regulation to enable market development**
  Regulation that addresses the barriers behind low microinsurance uptake is instrumental for private sector mobilisation. Regulation should facilitate microinsurance growth through elements such as simplified product registration and the ability to distribute products through a wide range of channels.
- **Introduce reforms in complementary public policies to facilitate the development of the microinsurance market**
  These include policies in taxation, data protection and digital health provisions, among others.
- **Promote financial education and the creation of a risk management culture that includes insurance**
  Existing social programmes should incorporate risk management and insurance education components, thereby fostering a culture of insurance and increasing understanding and trust among vulnerable populations.
- **Implement public-private partnerships to facilitate microinsurance at scale and to reach the most vulnerable**
  Inclusive insurance should be promoted as a key tool in risk mitigation strategies, especially in areas vulnerable to natural disasters or economic crises. Public financing mechanisms should be established to support the expansion of insurance products and ensure their accessibility for the most disadvantaged populations.
- **Responsibly scale microinsurance subsidies for risks that low-income households cannot afford on their own, including climate risks**
  When implemented carefully and with a long-term plan in place, subsidies can play a key role in microinsurance development. Governments also have opportunities to support product lines, such as property and income, which typically receive less donor attention.
- **Improve data systems and sharing to foster market competition and improve products**
  Relevant data on the inclusive insurance market should be collected, analysed and disseminated. This can encourage market competition, ultimately resulting in more and better microinsurance products for low income-households.
- **Flexible reporting requirements that do not overburden insurers can allow for effective market monitoring**
  In addition, a framework should be created to incentivise insurers to share data on inclusive insurance. This framework should support the establishment of centralised and accessible databases, enabling all stakeholders – insurers, regulators, policymakers, and others – to share and analyse critical market information.
- **Require gender data as part of reporting requirements**
  This data should be made publicly available as far as possible to allow others to monitor progress in the market.

TABLE 4 (PART 2)

Calls to action for microinsurance stakeholders

INSURANCE INTERNATIONAL AND DEVELOPMENT ORGANISATIONS

- **Work with governments to integrate insurance into development and resilience strategies and implementation**
  When supporting governments in development planning and implementation, insurance should be included as a vital component. Without risk transfer strategies, development progress is easily undermined by growing risk.
- **Integrate insurance at the micro and macro level to provide the best protection for a country**
  While macro schemes provide much needed support at government level, micro and inclusive insurance schemes play a key role in delivering funds directly to low-income families to help them in the aftermath of financial shocks.
- **Commit to developing insurance markets as a long-term endeavour**
  Long-term investment and support across a range of levers – including the private sector, microinsurance regulation and customer education, among others – is necessary to achieve lasting change.
- **Promote public-private programmes**
  The development of public-private partnerships should be promoted to holistically address risk management for the most vulnerable, particularly in areas of high demand, such as health and climate risks.
- **Improve coordination**
  Various parallel efforts in related topics across insurance and risk financing are playing an important role in supporting development of the microinsurance market. Better coordination could avoid duplication and increase impact.
- **Support the collection of gender-disaggregated data**
  Data on the gender of policyholders and lives covered should be requested or required for supported projects. International organisations should advocate for the importance of gender data as a vital starting point for the sector to better meet women's needs.
- **Incentivise insurance innovation**
  Mechanisms like challenge funds can facilitate innovations in microinsurance.
- **Contribute to research and evidence-building that demonstrates the contribution of insurance to development objectives**
  Further evidence on the contribution of insurance to long-term development, financial resilience and climate adaptation could be key to bringing in further funding and convincing international actors and national governments of the importance of developing inclusive insurance markets.

DONORS

- **Consider microinsurance as a key tool in strategies on poverty reduction, climate action, resilience, health, gender equality and small business development**
  Addressing and transferring risk is a necessary element of achieving donors' strategic aims on these and other social and environmental topics.
- **Scale funds to allow countries and populations to better manage financial risk**
  Increased funds are urgently needed to address the scale of financial risk from climate and other risks.
- **Support the development of microinsurance outside 'go-to' countries**
  Certain countries have tended to receive the bulk of donor and international support in microinsurance development, due to favourable enabling environments. Smaller countries and those with higher poverty rates and more limited insurance market development receive little funding. Investment there can lead to important rewards in resilience and poverty reduction.
- **Support the collection of gender-disaggregated data**
  Donors should request or require data on the gender of policyholders and lives covered for supported projects.
- **Support the responsible scaling of subsidies**
  When implemented carefully and with a long-term plan in place, subsidies can play a key role in microinsurance development. Opportunities exist to support product lines, such as property and income, which typically receive less donor attention.
- **Finance insurance programmes that respond to a wide range of risks, including but not limited to climate risks**
  The vulnerability of low-income households and small businesses is driven by a wide range of risks. An approach that protects people only from climate risks, and does not also consider their health, assets and other risks, continues to leave low-income families exposed and vulnerable.

Increasing access to quality microinsurance products contributes to the financial resilience of populations, as well as to the achievement of several Sustainable Development Goals, including: SDG 1 – No poverty; SDG 2 – Zero hunger; SDG 3 – Good health and well-being; SDG 5– Gender equality; SDG 8 – Decent work and economic growth; and SDG 13 – Climate action. It also represents an opportunity for insurers. The microinsurance market across the 37 countries included in this study is estimated at a value of USD 38 billion. Currently, only 16% of that market is captured by the insurance providers reporting to the Landscape study.

Growth alone is insufficient. Simple personal microinsurance products dominate the market in most countries, and there is a need for insurers to diversify their offering beyond these products to cover a greater range of risks. In health insurance, for example, hospital cash is now well consolidated in Africa and Asia and the Pacific and is responsible for around half of all people covered by health microinsurance. Efforts by insurers to go beyond such products to offer additional benefits, and particularly outpatient cover, are vital.

At the same time, traditional channels, particularly finance and microfinance institutions, as well as agents and brokers, have long dominated the microinsurance space. Providers need to break out and develop new distribution partnerships if they are to reach a wider customer base.

Insurance providers face important challenges in innovation, including broader economic challenges, insufficient investment and limited customer research and data. These are coupled with corporate constraints to long-term investment and market development. Although multinational insurers can often see the potential of inclusive insurance, they are frequently held back by the need to provide annual returns to global shareholders, making it difficult to invest in long-term projects to develop new customer segments.

Long-term investment in microinsurance is key. Data from the Landscape shows that products typically reach greater scale, both in terms of customers reached and premiums collected, as they mature. Significant growth is generally reached beyond the initial three to four years of a product's lifetime, with microinsurance products typically reaching close to USD 500,000 in premiums as they mature. This demonstrates that microinsurance products do reach scale and high premium volumes over the long term, but that continued investment is needed beyond the initial years.

With long-term investment and innovation, the inclusive insurance sector can continue to grow, providing much-needed financial protection. The Landscape of Microinsurance 2024 provides critical market knowledge to support this process. This year, the scope of the study has again increased, incorporating information from Malawi for the first time.

The figures provided in the Landscape study, as well as those provided by the Microinsurance Network in country briefing notes,[52] continue to act as a benchmark for insurance providers, distributors, supervisors and broader microinsurance stakeholders, enabling them to make informed comparisons, understand industry trends and identify areas of opportunity.

"Growth alone is insufficient. Simple personal microinsurance products dominate the market in most countries, and there is a need for insurers to diversify their offering beyond these products to cover a greater range of risks."

[52] Country briefing notes are available to Microinsurance Network members in the Resources section of the Microinsurance Network website. See: https://microinsurancenetwork.org/resources?category=606a45aaac5d300f1bbc0bd1.

Appendix A

METHODOLOGY

The Landscape of Microinsurance presents information on microinsurance markets in three regions: Africa, Asia and the Pacific, and Latin America and the Caribbean. Since 2018, the report has adopted a methodology which focuses on selected countries across these three regions, with annual follow-up in the same countries, as far as possible, to support market development. For this study, Malawi was added to the list of focus countries (Table A1).

In each region, efforts were made to collect primary data on the microinsurance products available in each target country. All products that fit the study's definition of microinsurance (see Glossary) were considered, including national and government-led schemes that met the criteria. Not all insurers or national schemes provided responses.

In some cases, despite best efforts, it proved impossible to obtain responses from a representative number of insurers (see Appendix B for response rates in each target country). In particular, no insurance providers responded in Côte d'Ivoire (see Appendix B). In Colombia, India, Peru and Zimbabwe, publicly available data was used on total people covered and premiums.

TABLE A1

FOCUS COUNTRIES INCLUDED FOR THIS LANDSCAPE STUDY[53]

AFRICA	ASIA AND THE PACIFIC	LATIN AMERICA AND THE CARIBBEAN
Burkina Faso	Bangladesh	Argentina
Egypt	Cambodia	Bolivia
Ghana	Fiji	Brazil
Kenya	India	Colombia
Malawi	Indonesia	Ecuador
Morocco	Nepal	El Salvador
Nigeria	Pakistan	Guatemala
Rwanda	Philippines	Honduras
Senegal	Sri Lanka	Mexico
South Africa	Thailand	Peru
Tanzania	Vietnam	Uruguay
Togo		
Uganda		
Zambia		
Zimbabwe		

[53] Country briefing notes are available to Microinsurance Network members in the Resources section of the Microinsurance Network website. See: https://microinsurancenetwork.org/resources?category=606a45aaac5d300f1bbc0bd1.

Data covered a 12-month period: either the calendar year 2023, or a 12-month period of the insurer's choice between 2023 and 2024, in cases where the company's standard reporting periods made it easier for data to be provided in that way. Primary researchers based in each country or region engaged with insurers to encourage and support their participation, and to ensure as much consistency as possible in the interpretation of the questions and of the data inputs.

The data collected is limited to products provided by formal insurance providers (insurance companies and other providers regulated by the insurance regulator). In some countries, further microinsurance offerings may be provided semi-formally or informally by other providers such as funeral parlours and savings groups. These products are not included in this study due to the additional difficulties involved in collecting data from these organisations.

Although data on investment and savings products was collected, this product line is not included in calculations of premiums per person covered, premiums as a proportion of sum insured or claims ratios, because of the characteristics of the product line. Premiums reported on investment and savings products include an insurance component and a savings component that is returned to the customer, meaning that the premium figures are not comparable to those in other product lines.

To validate the trends observed in the data and provide context and further information, interviews were carried out with 15 experts across Africa, Asia and the Pacific and Latin America and the Caribbean. These interviews provide a broader picture of emerging trends in the microinsurance markets in each region. In addition, interviews were conducted with six insurance providers to prepare the case studies featured throughout this report.

Finally, a Best Practice Group of Microinsurance Network (MiN) members provided guidance throughout the process, including on the questionnaire design, data collection and analysis, and feedback on the final report.

Appendix B

INSURANCE PROVIDER RESPONSE RATES

In each country, all licensed insurers were identified. Out of these, target insurers known to be active in microinsurance (as defined by the study) were selected based on desk research as well as feedback from Microinsurance Network members and country researchers. Table B1 shows the response rate in each focus country.

TABLE B1

THE RESPONSE RATE OF INSURANCE PROVIDERS IN EACH COUNTRY

Country	Number of insurers targeted	Number of insurers who responded	Response rate
Argentina	26	9	35%
Bangladesh	16	16	100%
Bolivia	10	5	50%
Brazil	16	4	25%
Burkina Faso	7	1	14%
Cambodia	6	2	33%
Colombia	24	24	100%
Ecuador	6	1	17%
Egypt	11	9	82%
El Salvador	13	3	23%
Fiji	1	1	100%
Ghana	17	10	59%
Guatemala	15	8	53%
Honduras	12	4	33%
India	24	24	100%
Indonesia	14	13	93%
Kenya	14	6	43%
Malawi	3	3	100%
Mexico	20	2	10%
Morocco	8	1	13%
Nepal	16	5	31%
Nigeria	33	19	58%
Pakistan	13	4	31%
Peru	9	9	100%
Philippines	23	12	52%
Rwanda	9	4	44%
Senegal	10	1	10%
South Africa	10	5	50%
Sri Lanka	10	3	30%
Tanzania	17	3	18%
Thailand	20	6	30%
Togo	3	1	33%
Uganda	27	10	37%
Uruguay	12	10	83%
Vietnam	5	2	40%
Zambia	16	12	75%
Zimbabwe	42	42	100%
TOTAL	561	294	52%

Appendix C

RESPONSE RATE PER INDICATOR AND PER REGION

TABLE C1

PROPORTION OF PRODUCTS PROVIDING USEFUL DATA FOR EACH INDICATOR

Indicator	Asia and the Pacific	Latin America and the Caribbean	Africa	All regions
People covered	79.56%	89.28%	90.99%	86.70%
Gross premium	83.65%	90.72%	92.55%	89.04%
Average premium per life	66.98%	82.32%	80.75%	76.85%
Launch year	77.67%	43.77%	73.29%	64.37%
Primary distribution channel	83.65%	71.59%	69.57%	74.82%
Information provided on at least one distribution channel used	93.40%	78.55%	95.03%	88.73%
Payment method	92.14%	51.59%	96.27%	79.29%
Claims ratio	64.15%	69.28%	77.95%	70.46%
Claims acceptance ratio	57.55%	31.88%	64.91%	50.96%
Average total claims turnaround time	55.03%	29.86%	63.66%	49.04%
Internal claims turnaround time	60.38%	35.07%	55.28%	49.85%
Female lives covered	44.34%	51.01%	42.86%	46.19%
Women as a percentage of policyholders	41.19%	26.96%	67.70%	44.87%
Reinsurance usage	67.92%	38.26%	61.18%	55.33%

Appendix D

PARTICIPATING INSURANCE PROVIDERS

Of the 294 insurance providers who participated in the study, 152 agreed for their participation to be publicly recognised. Those who agreed to do so are listed below:

AAR INSURANCE KENYA LTD.	Kenya
ABSA LIFE ZAMBIA	Zambia
ACSA	El Salvador
AGRO CONSORTIUM (U) LIMITED	Uganda
AIICO	Nigeria
ALIANZA SEGUROS	Bolivia
ALLIANZ SE INDONESIA	Indonesia
ALPHA ISLAMI LIFE INSURANCE LIMITED	Bangladesh
ANTARTIDA COMPAÑÍA ARGENTINA DE SEGUROS S.A.	Argentina
APA INSURANCE	Kenya
ASEGURADORA ABANK S.A. SEGUROS DE PERSONAS	El Salvador
ASEGURADORA CONFIO S.A.	Guatemala
ASEGURADORA LA CEIBA S.A.	Guatemala
ASEGURADORA RURAL S.A.	Guatemala
ASEGURADORA Y AFIANZADORA DE EL CRÉDITO HIPOTECARIO NACIONAL DE GUATEMALA	Guatemala
ASIA INSURANCE COMPANY LIMITED	Pakistan
ASIAN LIFE INSURANCE CO. LTD.	Nepal
ASSA COMPAÑÍA DE SEGUROS GUATEMALA	Guatemala
AXA BRASIL	Brazil
AXA COLOMBIA	Colombia
AXA EGYPT	Egypt
AXA INDIA	India
AXA INDONESIA	Indonesia
AXA MEXICO	Mexico
AXA MOROCCO	Morocco
AXA NIGERIA	Nigeria
AXA PHILIPPINES	Philippines
AXA THAILAND	Thailand
BANGKOK INSURANCE PUBLIC COMPANY LIMITED	Thailand
BAOVIET GENERAL INSURANCE	Vietnam
BERKLEY BRASIL	Brazil
BESTLIFE INSURANCE LIMITED	Zambia
BNP PARIBAS CARDIF PERU	Peru
BRASILSEG	Brazil
BRITAM	Kenya
CARD PIONEER MICROINSURANCE INC.	Philippines
CBZ LIFE	Zimbabwe
CHARTERED LIFE INSURANCE COMPANY LIMITED	Bangladesh
CIC AFRICA LIFE ASSURANCE LTD.	Uganda
CIC AFRICA MALAWI LILOTES	Malawi
CIC INSURANCE GROUP LIMITED	Kenya
CNAAS	Senegal
CNP SEGUROS	Argentina
CO-OPERATIVE INSURANCE SOCIETY	Egypt
COLUMNA, COMPAÑÍA DE SEGUROS, S.A.	Guatemala
COMPANION INSURANCE GROUP LTD.	Malawi
COOPERATIVE ALLIANCE FOR RESPONSIVE ENDEAVOR MUTUAL BENEFIT ASSOCIATION (CARE MBA), INC.	Philippines
COOPERATIVE INSURANCE COMPANY PLC	Sri Lanka
COOPLIFE INSURANCE LTD.	Sri Lanka
CORNERSTONE INSURANCE PLC	Nigeria
CREDITSTAR MICROINSURANCE COMPANY LIMITED	Nigeria
DELTA LIFE INSURANCE COMPANY LIMITED	Bangladesh
DHIPAYA INSURANCE	Thailand
DONEWELL LIFE COMPANY LIMITED	Ghana
EDGE MICRO INSURANCE LIMITED	Uganda
EFU LIFE ASSURANCE	Pakistan
ERGO INSURANCE (THAILAND) PUBLIC COMPANY LIMITED	Thailand
FIRSTRAND LIFE ASSURANCE LIMITED	South Africa
FORTE INSURANCE (CAMBODIA) PLC	Cambodia
GIG EGYPT LIFE TAKAFUL	Egypt
GLICO LIFE INSURANCE COMPANY LIMITED	Ghana
GOXI	Nigeria
GRUPO SANCOR SEGUROS	Argentina
GUARDIAN LIFE INSURANCE LIMITED	Bangladesh
HDI SEGUROS URUGUAY S.A.	Uruguay
HILAL TAKAFUL NIGERIA LIMITED	Nigeria
HOLLARD GROUP	South Africa
HOLLARD INSURANCE ZAMBIA	Zambia
ICEA LION GENERAL INSURANCE COMPANY LIMITED	Uganda
JAIZ TAKAFUL INSURANCE LTD	Nigeria
KASAGANA-KA MUTUAL BENEFIT ASSOCIATION, INC.	Philippines
KAZAMA GRAMEEN KGI MUTUAL BENEFIT ASSOCATION (KGI-MBA) INC	Philippines
LA PERSEVERANCIA SEGUROS S.A.	Argentina
LA POSITIVA SEGUROS	Peru
LEADWAY ASSURANCE COMPANY LIMITED	Nigeria
LIBERTY	South Africa
LIBERTY AFRICA INSURANCE	Zambia
LIBERTY LIFE ASSURANCE KENYA LIMITED	Kenya
LIC BANGLADESH LTD	Bangladesh
LIFE INSURANCE CORPORATION NEPAL	Nepal
LIFE SEGUROS	Argentina
LINKAGE ASSURANCE PLC	Nigeria
LORICA	Togo
MADISON INSURANCE KENYA	Kenya
MAPFRE MÉXICO	Mexico
MAYFAIR INSURANCE COMPANY ZAMBIA LTD	Zambia
METLIFE NEPAL	Nepal
METLIFE SEGUROS S.A.	Uruguay
METRO TANZANIA LIFE ASSURANCE	Tanzania
MILIFE	Ghana
MISR LIFE INSURANCE	Egypt
MITTARE INSURANCE PUBLIC COMPANY LIMITED	Thailand
MUTUAL BENEFITS ASSURANCE PLC	Nigeria
NACIÓN SEGUROS S.A.	Argentina
NACIONAL SEGUROS	Bolivia
NATIONAL HEALTH INSURANCE MANAGEMENT AUTHORITY (NHIMA)	Zambia
NEPAL MICRO INSURANCE COMPANY LTD	Nepal
NOOR TAKAFUL INSURANCE LIMITED	Nigeria
NSIA INSURANCE LIMITED	Nigeria
OCEAN LIFE INSURANCE	Thailand
OLD MUTUAL LIFE INSURANCE COMPANY	Uganda
PACÍFICO SEGUROS	Peru
PAGLAUM MULTI-PURPOSE COOPERATIVE	Philippines
PORTO SEGURO URUGUAY	Uruguay
PRABHU MAHALAXMI LIFE INSURANCE LIMITED	Nepal
PRAGATI LIFE INSURANCE PLC	Bangladesh
PRIME ISLAMI LIFE INSURANCE LIMITED	Bangladesh
PROFESSIONAL INSURANCE CORPORATION ZAMBIA PLC	Zambia
PROTECTA SECURITY	Peru
PROTECTIVE ISLAMI LIFE INSURANCE LTD	Bangladesh
PROVINCIA SEGUROS	Argentina
PROVINCIA SEGUROS DE VIDA S.A.	Argentina
PRUDENT CHOICE MICROINSURANCE LTD	Nigeria
PRUDENTIAL LIFE ASSUARANCE ZAMBIA	Zambia

PT ASURANSI BINAGRIYA UPAKARA	Indonesia
PT ASURANSI BINTANG TBK	Indonesia
PT ASURANSI CENTRAL ASIA	Indonesia
PT ASURANSI JASARAHARJA PUTERA	Indonesia
PT ASURANSI SIMAS INSURTECH	Indonesia
PT ASURANSI SINAR MAS	Indonesia
QUALITY LIFE ASSURANCE COMPANY LIMITED	Ghana
QUIDAN PAG-INUPDANAY MUTUAL BENEFIT ASSOCIATION, INC.	Philippines
RADIANT YACU MICROINSURANCE COMPANY LTD	Rwanda
RELIANCE INSURANCE LTD.	Bangladesh
RÍO URUGUAY COOPERATIVA DE SEGUROS LIMITADA	Argentina
SADHARAN BIMA CORPORATION	Bangladesh
SAGAMU MICROINSURANCE LTD	Nigeria
SANASA LIFE INSURANCE COMPANY PLC	Sri Lanka
SANCOR SEGUROS URUGUAY	Uruguay
SANLAM GENERAL INSURANCE	Tanzania
SANLAM LIFE INSURANCE ZAMBIA	Zambia
SANLAM LIFE INSURANCE NIGERIA	Nigeria
SANLAM-ALLIANZ VIE PLC	Rwanda
SBI SEGUROS URUGUAY S.A.	Uruguay
SEGUROS AGROMERCANTIL, S.A.	Guatemala
SEGUROS ATLÁNTIDA	Honduras
SEGUROS UNIVERSALES	Guatemala
CREDINFORM SEGUROS Y REASEGUROS S.A.	Bolivia
SEGUROS Y REASEGUROS PERSONALES UNIVIDA S.A.	Bolivia
SENA KALYAN INSURANCE COMPANY LTD	Bangladesh
SIC LIFE INSURANCE LIMITED	Ghana
SISA	El Salvador
STANDARD BANK	South Africa
STRATEGIS INSURANCE TANZANIA LIMITED	Tanzania
SUNLIFE INSURANCE COMPANY LIMITED	Bangladesh
TULUNGAN MUTUAL BENEFIT ASSOCIATION INC.	Philippines
TURACO	Uganda
UNIBIENES SEGUROS Y REASEGUROS PATRIMONIALES	Bolivia
YELEN ASSURANCE	Burkina Faso
ZENITH ISLAMI LIFE INSURANCE LTD	Bangladesh
ZSIC GENERAL INSURANCE	Zambia
ZURICH SANTANDER URUGUAY	Uruguay

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About the Microinsurance Network

The Microinsurance Network is the global multi-stakeholder platform for professionals and organisations that are committed to making insurance inclusive. Membership-based, we bring together diverse stakeholders from across the value chain who share our vision of a world where people of all income levels are more resilient and less vulnerable to daily and catastrophic risks. We encourage peer-to-peer exchange and learning, facilitate the generation of knowledge and research, and act as advocates, promoting the role that effective risk management tools, including insurance, play in supporting the broader development agenda.

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