

The background of the cover is a solid dark blue. Overlaid on this is a complex network diagram consisting of numerous small, light blue circular nodes connected by thin, light blue lines. The nodes are distributed across the page, with a higher density of connections and nodes on the right side, creating a sense of a growing or expanding network.

# Microinsurance Network **Annual Report** **2015**

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THE GOVERNMENT  
OF THE GRAND DUCHY OF LUXEMBOURG

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# Microinsurance Network **Annual Report** **2015**

micro  
insurance  
network



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# Introduction

Low-income households and micro, small and medium enterprises are particularly vulnerable to risks, be they related to health, agriculture, property or death. These risks often bring with them heavy financial implications as individuals, businesses and households attempt to mitigate them. Very few of these groups are served by efficient and effective formal risk management and social protection mechanisms, meaning that recuperating losses and recovering from shock is difficult, at best, and impossible, at worst. As the world is beginning to recognise the tremendous impact climate change is having on all regions of the world, it is again the poor and the vulnerable who are most at risk of the dire consequences that push millions into poverty every year.

Insurance plays a vital role in mitigating these risks and providing a risk management tool to the vulnerable and at-risk. Increasing access to insurance has two important benefits, one direct and one more indirect:

- Insurance coverage makes individuals and households more resilient and less vulnerable to risks;
- Wide coverage fosters socio-economic growth on a national level, which in turn, provides more economic opportunities and safety.

The Microinsurance Network's mission is to promote the development and delivery of effective insurance services for unserved people by providing a platform for information sharing and stakeholder coordination with the aim to promote the development and proliferation of insurance services for low-income people.

Microinsurance is increasingly being recognised as an important tool for low-income households to be able to mitigate risk and recover from financial shocks. Not only is microinsurance penetration increasing year on year, but progressively more major global players are beginning to recognise the value of microinsurance as a key part of the risk mitigation puzzle, particularly in relation to agriculture, health and climate change. In 2015, under the presidency of Germany, the G7 leaders announced a commitment to increasing climate insurance cover for an additional 400 million poor and vulnerable people in highly exposed and low-income countries within the next five years. The Asia-Pacific Economic Cooperation (APEC) included microinsurance in the APEC Roadmap for Resilient Economies, and the COP 21 Paris agreement included articles mandating

governments to strengthen and expand the Warsaw International Mechanism on Loss and Damage. Increasingly more national governments are prioritising the creation of an enabling policy and infrastructure environment for microinsurance and are integrating microinsurance into their resilience frameworks. The announcement of multiple investment bodies such as Blue Marble Microinsurance signals a willingness on insurers' supply side to enter the microinsurance space.

The Microinsurance Network focuses on the low-income segments of the “unserved” and sees the insurance industry as the key stakeholder through which to provide value for the end beneficiaries. The Network remains a multi-stakeholder network which assembles the broad spectrum of expertise and approaches, and bridges different sectors and industries: Insurance, development, social protection, health and agriculture, climate change and disaster management, to name but a few.

Coordinating and engaging these different stakeholders to work together in a way that values different perspectives and approaches is a vital function of the network and the basis for knowledge generation: It ensures that limited resources produce relevant learning and emerging practices that contribute to a large body of knowledge and public goods, which enable the development and delivery of effective insurance services to the unserved low-income populations. Importantly, in providing a platform for dialogue between industry, regulators, supervisors, donors and MFIs, the Network plays a vital role in establishing the enabling environment for a solid business case to emerge and for microinsurance to thrive.

In this annual report, we provide an outline of the Microinsurance Network's activities and achievements in 2015 and hope to inspire you to join us on this exciting journey of microinsurance for financial inclusion.

We also wish to recognise the continued support of the Government of Luxembourg, enabling the establishment of the Microinsurance Network and accompanying us on every step of this journey.



# Forewords



**Michael J. McCord**

*Chair of the Microinsurance Network  
2015-2016*

*President of the MicroInsurance Centre*

**A**s the Chair of the Board I would like to share with you my excitement to be involved with the Microinsurance Network, an organisation that has, over the last decade, played a critical role in raising awareness and interest in microinsurance worldwide.

The Network promotes microinsurance and its key role within the financial inclusion agenda at international fora and convenes experts on emerging topics in the sector such as regulation, agricultural insurance, performance, consumer protection, to name but a few.

In 2015 the Network championed insurance as an economic development tool at the Global Partnership for Financial Inclusion GPFI, a G20 initiative, where it became an affiliate member, joining the GPFI Subgroup on Financial Consumer Protection and Financial Literacy, and the Subgroup on SME Finance, as well as having an active role in the GPFI Forum in Turkey in July 2015.

The Network was a strong voice of authority at the Asia-Pacific Economic Cooperation (APEC) meetings, ensuring the inclusion of insurance in the APEC Roadmap for Resilient Economies. I had the honour of personally attending the APEC Forum, chairing the APEC Microinsurance Working Group, and participating in the APEC

Business Advisory Council (ABAC) and APEC Small and Medium Enterprises Working Group meetings, and I was thrilled to see APEC recognise microinsurance as a critical pillar of the financial inclusion tool box. Further, the Network contributed to drafting "Global Standard-Setting Bodies and Financial Inclusion for the Poor - Toward Proportionate Standards and Guidance", a White paper prepared by CGAP on behalf of the G20' GPFI.

The Network has a long-standing relationship with the International Association of Insurance Supervisors (IAIS), as well as the Access to Insurance Initiative (A2ii) which grew from our own Regulation, Supervision and Policy Working Group, providing a neutral platform for dialogue amongst regulators and the industry with the objective of fostering the development of microinsurance-enabling regulatory environments across different nations. In 2015 the Network, in partnership with the IAIS and the A2ii, organised two Consultative Forums, bringing together national regulators, supervisors and industry representatives on the topics of consumer education and insurance service sustainability. The Network also became a member of the IAIS Financial Inclusion Working Group, namely its Subgroups on Digital Technology in Inclusive Insurance, and Product Oversight in Inclusive Insur-

ance, and participated in the drafting of the “Issues paper on Conduct of Business in Inclusive Insurance” published in November 2015.

In 2015 the Network institutionalised the World Map of Microinsurance programme, providing the sector with the only comprehensive and consistent data on the business case for microinsurance in the African, Asian and Latin American regions. According to the World Map of Microinsurance, in 2005 there were 7 million people covered by what we consider to be microinsurance. By 2014 this number had risen to 280 million: This represents a tremendous growth and expansion over the last ten years. The microinsurance penetration rates worldwide are still low but encouraging, with an average rate of 7.9% across Latin America and

the Caribbean, 5.4% across Africa and 4.3% across Asia and Oceania.

Now that the sector has been solidly established, I think microinsurance markets are going to increase progressively faster, with people in emerging economies becoming more and more comfortable with insurance. With at least 3 billion people yet to be covered, the potential for growth is tremendous, making this an exciting time to be involved in microinsurance and the Microinsurance Network.



*Michael J. McCord*





**Henk van Oosterhout**

*Interim Executive Director of the  
Microinsurance Network  
(since March 2016)*

**M**icroinsurance is a key piece of the financial inclusion picture for low-income people. Whilst savings and credit are important, when a crisis hits these are often not enough to cover the financial shocks that people have to face. A microinsurance policy can mean that people won't need to borrow money from expensive money lenders and can avoid wiping out their savings. In essence, microinsurance can act as a buffer, keeping low-income people from falling back into poverty.

Over the last ten to fifteen years the concerted effort of experts and practitioners working hand in hand with the industry has built the foundation of the microinsurance sector. It has not been an easy task! Insurers wanting to reach low income people need to find innovative ways to access data and calculate risks, gain a good understanding of the client's needs, as well as simplify products and procedures, in order to reach scale and profitability, overcome issues of trust, build an insurance culture, make products accessible through new technologies and distribution channels, educate clients about insurance, enable clients to submit claims easily and appropriately, and ensure claims are being paid on time.

At an organisational level, the Microinsurance Network has enlarged membership participation from the regions, and in particular attracted members from industry and from the South. In 2015, sixteen new institutions joined the Network, eleven of which were from the industry, bring-

ing the total number of institutional members to 80, with a total of 280 people with membership.

As an established and well-reputed brand in the sector, the Microinsurance Network is well-positioned to continue playing an important role in bringing together experts and practitioners on key areas of interest in the microinsurance space. As the sector as a whole matures, we will be seeing a greater variety of industry players getting involved. There is a real opportunity for bringing microinsurance to scale and playing an important role to achieve the Sustainable Development Goals through innovative microinsurance products in sectors such as health and agriculture, as well as through microinsurance services.

The Network's role will be to continue to convene key stakeholders around emerging issues, facilitating dialogue, exchange and collaboration amongst the different players to ensure a viable, sustainable and successful growth of the sector.

*Henk van Oosterhout*



# The World Map of Microinsurance

In 2015 the Microinsurance Network and Munich Re Foundation launched the World Map of Microinsurance (WMM) programme, featuring an interactive online map that provides key global data on microinsurance.

The mission of the WMM programme is to collect factual sector data in an unbiased manner, with the objective of promoting transparency, monitoring growth, identifying trends and inspiring innovation. The map responds to the sector's need for access to reliable and usable data to generate market knowledge and development, ultimately leading to better products and services. The map enables insurers and microinsurance practitioners to gain a bird's-eye view of the landscape of microinsurance worldwide, and search and extract sector-specific data by region to gain insights into trends for decision-making.

The WMM brings together data collected regionally on a tri-annual basis since 2010 (as well as a previous study from 2006), through landscape studies initiated by the Munich Re Foundation in collaboration with the MicroInsurance Centre, the ILO's Impact

Insurance Facility, the Microinsurance Network and other organisations.

With the incorporation of the 2015 Africa landscape study data, the map shows that today, over **280 million people worldwide** are covered by at least one microinsurance policy.

In Africa, where insurers have capitalised on the enormous penetration of mobile phones in the region to offer microinsurance policies through their partner Mobile Network Operators (MNOs), total written microinsurance premiums now amount to almost USD 756 million, up from USD 387 million in 2011; and 61.8 million lives are now covered compared with 44.4 million in 2011. The region has also experienced an evolution in terms of the products and associated benefits offered on the market, and an increase in providers entering the market.

In Latin America and the Caribbean, where a diverse range of intermediaries has also brought about dynamic change in the market, with products distributed through utility bills, supermarkets and other less conventional players, almost 8% of the population is covered by a microinsurance policy

with more than 200 products identified, equating to USD 828 million in written policies.

In Asia, countries like India and the Philippines are leading the way in proactively creating the enabling regulatory environment needed to bolster growth. Whilst the overall insurance penetration in the Asian region was at 4.33% in 2012, this nevertheless equated to 170 million lives covered through over 500 microinsurance products. The figures on lives covered represent a 30% compound annual growth rate over the 2010-2012 period.

To learn more about the specifics of each region and country and download the individual landscape studies visit [worldmapofmicroinsurance.org](http://worldmapofmicroinsurance.org).



## Latin America and the Caribbean

7.89%

Total microinsurance coverage ratio

40,676,027 lives insured

Year: 2012



## Africa

5.43%

Total microinsurance coverage ratio

61,740,320 lives insured

Year: 2014



## Asia and Oceania

4.33%

Total microinsurance coverage ratio

170,392,620 lives insured

Year: 2012







# Network Membership

**T**he Microinsurance Network is a growing platform of more than 80 institutional and 30 individual members from over 40 countries. It provides members with the unique opportunity to:

- **Stay up-to-date** on the latest microinsurance news: Gain insider knowledge on the most recent sector trends and innovations through Network weekly updates.
- **Gain access to peers and influence best practices:** Discuss topical issues with industry experts and regulators in a relaxed and friendly professional environment through Network Expert Forums and Consultative Forums, and connect and develop personal relationships with important players in the field.
- **Participate to member-only events** such as the June Member Meeting, the member event at the International Microinsurance Conference, and local member meetings, and let yourself be known in the microinsurance arena.
- **Shape the Network's agenda** and take part in the decision-making processes by participating in the Network General Assembly and related expert discussions, determine the strategic priorities of the Network and influence where the sector is heading.
- **Highlight your work and expertise in microinsurance:** Showcase your profile and expertise on the Network's website and member directory. Benefit from opportunities to present your work at key microinsurance events and gain further visibility through the Network's communications and advocacy work.

## What our members say about the Network



**Xavier Ruiz**

*Manager of Marketing and Communication, Corporacion Inmedical, Ecuador*

“Our favourite thing about being a Network member? The knowledge sharing! Developing countries have needs that may already be solved in other places, so we can benefit from other experiences and learn from the best of them. Our organisation has been able to connect with interesting and very experienced microinsurance professionals, and we are working on ways that other Network members can help us to develop health microinsurance programmes in Ecuador.

Challenges that the Network can help us with? The unpredicted impact of the recent earthquake near Ecuadorian shores affecting a large amount of territory, people and infrastructure. Micro-health programmes will be essential to tend to the injured population, not only for the short-term, but for the long-term. We are still measuring the impact, but risks have

increased for the low-income population for sure. There are a lot of areas in which the Network could be involved, so our team is ready to organise and canalise all of the aid available to our country.”



**Gilbert Mututsi Ruturutsa**

*Coordinator, ADED, Democratic Republic of Congo*

“Our favourite things about being a Microinsurance Network member are activities related to technical capacity building, strategies for fundraising, and exchange of experiences allowing us to strengthen mutual health activities so that they may become self-sufficient.

Being members of the Network we have been able to attend the June Member Meeting. This has allowed us to establish contact with many organisations which were participating in the meeting and gain knowledge about their work. We have also been able to access a lot of information regarding the strategies of other stakeholders involved in the microinsurance sector at local, regional and international level.

Being a young microinsurance structure, we are still having problems covering all the expenses related to the functioning of our microinsurance programme and overcoming some of our challenges in the field. We believe that being members of the Network will give us the opportunity to meet partners with more microinsurance experience who can accompany us to face these difficulties.”



**Katerina Kyrili**

*Africa Business Development Manager, Milvik AB, BIMA, United Kingdom*

“As part of the Network I attended the International Microinsurance Conference in Casablanca which succeeded in bringing together insurance companies and providers, regulators, non-profits and other ecosystem players enabling dialogue and exchange of ideas across sectors. As an insurance tech player and innovator we are keen to continue playing a key role in shaping the discussion and hence we are looking forward to actively participating in the next microinsurance conference.”





**Michele Grosso**

*Individual member  
(Founder and CEO, **Democrance**),  
United Arab Emirates*

“The best thing about the Microinsurance Network is the possibility for exchange with like-minded individuals and organisations which are passionate and knowledgeable about microinsurance. We’d love to collaborate more with the Network and its members to support the growth of the nascent microinsurance market in the Middle East and North Africa, along with the different actors of the ecosystem: Insurers, distributors and regulators.”



**Mandeep Maini**

*Individual member  
(**Ingenuity Advisory Partners Inc.**),  
USA*

“I started working in microinsurance in the last five years, with my previous experience having been in commercial insurance. Becoming a member of the Microinsurance Network put me in touch with the pioneers of microinsurance who have been instrumental in validating it as an essential tool for achieving financial inclusion, and in providing a significant business opportunity in emerging markets. Through the Network, I have been able to exchange know-how, and best practices with practitioners and policy makers from around the world. The first conference I attended in Morocco, covered substantive and relevant topics, and I found it very beneficial. I look forward to continued interaction with members of the Microinsurance Network, and learning and contributing to the field.”



**Rien Hazeleger**

*Business development specialist,  
**Oikocredit International**,  
Netherlands*

“At Oikocredit, we believe financial inclusion goes beyond microcredit: It’s about contributing to positive change in the lives of women and men, households and communities. Financial inclusion is about enabling entrepreneurship — but it’s also about alleviating poverty. For this to happen, people need access to credit, savings accounts, and possibilities for mitigating the risks they face. Well-designed microinsurance is a key complementary product for the mitigation of risks that cannot be covered by savings alone.

The Network is a valuable group of passionate professionals committed to the empowerment of the people at the bottom of the pyramid. The Network is a crucial resource, providing insight into the microinsurance sector and its key players across the globe and complementing our financial inclusion strategy.”

## A membership with the Network

The Microinsurance Network proposes three types of membership:

- **Individual member** for persons engaged in the field
- **Institutional member** for organisations involved in microinsurance
- **Sponsor member** for organisations supportive of microinsurance and interested in receiving additional visibility.

## Who can apply?

Organisations and individuals, who are involved in microinsurance, share the Microinsurance Network's mission, are committed to actively contributing to the creation of public goods and participating in the Network's activities, can apply for membership online.

To apply contact the Network Secretariat at [info@microinsurancenet-work.org](mailto:info@microinsurancenet-work.org) or apply online through our website at [www.microinsurancenet-work.org/member](http://www.microinsurancenet-work.org/member).

## Institutional members who joined in 2015.

**Agence Française de Développement (AFD)**, Bilateral/multilateral donor, France

AFD is a public development finance institution that has been working to fight poverty and foster economic growth in developing countries and the French Overseas Provinces for seventy years. AFD aims to contribute to economic and social development in its geographical areas of operation, as well as to promote more sustainable and shared economic growth, improving living conditions in the poorest regions and countries, preserving the planet, and helping stabilise countries post-conflict.

**American Council of Life Insurers (ACLI)**, Insurance association, USA

The American Council of Life Insurers (ACLI) is a Washington, D.C.-based trade association with approximately 300 member companies operating in the United States and abroad. ACLI advocates in federal, state, and international forums for public policy that supports the industry marketplace and families that rely on life insurers' products for financial and retirement security.

**Appui au Développement de l'Enfant en Détresse (ADED)**, NGO, Democratic Republic of the Congo

ADED intervenes in areas where more than 64.2% of the population lack access to primary healthcare. To contribute to population recovery and improve conditions, ADED includes activities related to community mutual health insurance.

**Asociación Mexicana de Instituciones de Seguros (AMIS)**, Insurance association, Mexico

Asociación Mexicana de Instituciones de Seguros (AMIS) works for promoting the healthy and sustainable development of the Mexican insurance sector.

**Asociación Peruana de Empresas de Seguros (APESEG)**, Insurance association, Peru

APESEG is a not-for-profit association that assembles and represents all the (re)insurance companies of Peru. Their objective is to enhance the insurance sector in the country.

**Cebuana Lhuillier Insurance Solutions**, Microinsurance agency, Philippines

Cebuana Lhuillier is committed to offering meaningful insurance protection in the Philippines, by providing innovative products and services at affordable premiums for their customers.

**Center for the Economic Analysis of Risk (CEAR)** - Georgia State University, USA

CEAR conducts and promotes economic research on the measurement and management of risks faced by individuals, institutions and societies. More broadly, the CEAR at Georgia State University seeks to develop the topic of risk into a well-defined, inter-disciplinary area of study, research and policy.



**Centre d'Appui pour le développement rural et communautaire (Caderco)**, NGO, Congo

Caderco promotes the rights of the most vulnerable groups, especially in rural environments, by facilitating access to basic social services.

**Entrepreneurs de la Cité (EDLC) Foundation**, Private foundation, France

EDLC Foundation is a public-private partnership aimed at helping low-income French entrepreneurs with microinsurance products. The Foundation was created by six French insurance companies and the French public bank, Caisse des Dépôts. EDLC Foundation has already helped more than 10,000 entrepreneurs and managed over 4,000 insurance contracts.

**Güneş Sigorta A.Ş.**, Insurance company, Turkey

Güneş Sigorta aims to offer creative solutions with a customer-oriented perspective, contributing to the improvement of standards in the insurance industry, creating public awareness, and offering high-end benefits to stakeholders.

**InsuredHQ Limited**, Technology service provider, New Zealand

InsuredHQ's mission is to significantly expand the reach of microinsurance products via the development of a unique online sales and policy management system that is quick and inexpensive to set up, as well as cost-effective for users.

**Liberty**, Insurance company, South Africa

Liberty is a Pan-African financial services company, present in 16 countries, offering asset management, investment, insurance and health products. Its vision is to be the trusted leader in insurance and investment in Africa.

**Milvik AB – BIMA**, Microinsurance provider, United Kingdom

BIMA is a provider of mobile-delivered insurance in emerging markets. The company has 14 operations across Africa, Asia and Latin America. Their model uses mobile technology to overcome the barriers prohibiting people in developing economies from accessing insurance.

**NBC Moçambique Companhia de Micro Seguros, S.A.**, Microinsurance provider, Mozambique

NBC's mission is to provide cost-efficient financial services that are designed to meet their clients' needs and are achieved through sustainable partnerships with clients, staff and shareholders.

**Pioneer Life Incorporated**, Insurance company, the Philippines

Pioneer is in the business of affording its clients peace of mind by providing them with relevant financial options to secure what matters most to them. Pioneer dreams of being the leader in microinsurance and retail insurance in the Philippines.

## Individual members who joined in 2015

**Frank Bakx**, Technical advisor, The Netherlands

**Aisha Bashir**, Commissioner with NA-ICOM, Nigeria

**Veronika Bertram-Hümmer**, Doctoral researcher, Germany

**Leticia Goncalves**, Consultant, Barbados

**Ripin Kalra**, Consultant, United Kingdom

**Mandeep Maini**, Consultant, USA

**Bénédicte Ya**, Consultant, Ivory Coast

**Annabelle Butler**, Founder of Essentials AAI, Australia

**Anuja Jaitly**, Founder of Umby, USA



# Our Achievements

**T**he Microinsurance Network's mission is to promote the development and delivery of effective insurance services for unserved people by providing a platform for information sharing and stakeholder coordination. The aim is to promote the development and proliferation of insurance services for low-income people. The fundamental idea is that improved access to effective risk management tools allows people to become more resilient and less vulnerable to daily and catastrophic risks.

Working with limited resources and only a handful of full-time staff, the Microinsurance Network has achieved an extraordinary amount since its inception.

Since its creation in 2002, the Network has significantly contributed to increasing the level of recognition microinsurance receives worldwide. As a result, the topic of microinsurance is now well-established on the agenda of policy makers, donors, insurers and other practitioners. Here are just some of the Network's achievements to date:

## 1. Advocacy

The Network has championed insurance as an economic development tool at the G20 GPFI subgroups on SME Finance and Financial Consumer Protection and Financial Literacy and has been a strong voice of authority at APEC meetings, playing an important role in the inclusion of insurance in the APEC Roadmap for Resilient Economies.

## 2. Knowledge generation

The Network is recognised by many as the "go-to" organisation for information on microinsurance and has been successful to date by being open to all ideas, neutral in its approach, and allowing individual passion and energy to guide focus topics. Thousands of users visit the Network's website every month seeking knowledge and expertise on key microinsurance issues.

## 3. Research

The Network has conducted in-depth research on microinsurance issues and promoted it on international platforms, adding to knowledge of the business case and development uses of microinsurance. The Network has developed more than 30 publications on key microinsurance issues developed in conjunction with the experts from our working groups.



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#### 4. Networking and knowledge exchange

The Network has organised Consultative Forums, bringing together national regulators, supervisors and industry representatives to create a more enabling regulatory environment. The Network has co-organised International Microinsurance Conferences, bringing together and educating thousands of industry representatives and other microinsurance stakeholders, as well as the annual June Member Meetings and other content-driven events.

##### In 2015 the Microinsurance Network:

- Co-organised two Consultative Forums (CFs) in partnership with the International Association of Insurance Supervisors (IAIS): The 4th CF on Sustainable Insurance services in Africa, in Tunis, Tunisia; and the 5th CF on Consumer Education in Casablanca, Morocco.
- Became an affiliate member of the Global Partnership for Financial Inclusion GPFI, a G20 initiative, joining the GPFI Subgroup on Financial Consumer Protection and Financial Literacy and its Subgroup on SME Finance.
- Attended the GPFI Forum and plenary in Turkey in July 2015.
- Contributed to drafting "Global Standard-Setting Bodies and Financial Inclusion for the Poor - Toward Proportionate Standards and Guidance", a White paper

***"The Microinsurance Network's mission is to promote the development and delivery of effective insurance services for unserved people by providing a platform for information sharing and stakeholder coordination. The aim is to promote the development and proliferation of insurance services for low-income people..."***

prepared by CGAP on behalf of the G20's Global Partnership on Financial Inclusion.

- Attended the Asia-Pacific Economic Cooperation (APEC) Forum and chaired the APEC Microinsurance Working Group. Participated to the APEC Business Advisory Council (ABAC) meetings and APEC Small and Medium Enterprises Working Group meetings.
- Participated in the Drafting Groups of IAIS namely in the drafting of the "Issues paper on Conduct of Business in Inclusive Insurance" published in November 2015.
- Institutionalised the World Map of Microinsurance programme, providing the sector with the only comprehensive and consistent data on the business case for microinsurance in the African, Asian and Latin American regions.



# Our Publications

The Microinsurance Network maintains a public [online micro-insurance resource library](http://www.microinsurancenet.org/resources) with over 400 documents and publications, and plays an active role in their dissemination and promotion amongst practitioners. In addition, every year, the Network publishes a number of publications aimed at highlighting the work of its members and putting in the public domain valuable insights, case studies, guidelines and lessons learned. In 2015 the Network published ten publications listed below. All publications can be downloaded from the Microinsurance Network website [www.microinsurancenet.org/resources](http://www.microinsurancenet.org/resources).

## The State of Microinsurance 2015.



This annual magazine, launched by the Network in 2015, is the result of a major initiative by the Network and brings together some of the most authoritative voices within the field of microinsurance, taking stock of the sector and providing sector players with an in-depth understanding of the context in which to operate.

## The Landscape of Microinsurance in Africa 2015.



This preliminary briefing note, published jointly by the Munich Re Foundation and Microinsurance Network, and carried out by the MicroInsurance Centre, summarises the key trends and insights from the 2015 Landscape of Microinsurance in Africa. The 2015 study identified 61.9 million people in the region covered by at least one microinsurance policy, up from 44.4 million people identified in the 2011 study.



#### 4th Consultative Forum Note: Encouraging the industry in Africa to provide sustainable insurance services to the unserved



The 4th CF Note summarises the main outcomes of this Forum, which took place in Tunisia in May 2015. Attendees discussed ways in which regulators and supervisors can incentivise the African insurance industry to provide effective and sustainable insurance services to the lower-income markets, and the role insurance companies can play in sustaining a conducive environment.

#### 5th Consultative Forum Note: Consumer education - old questions, new thinking



This Note provides a summary of the main outcomes of the 5th Consultative Forum which took place in Morocco in November 2015 on the topic of consumer education, a topic of great importance in today's rapidly changing insurance business environment. The increased reliance on digital distribution has had a great impact on both the dissemination of financial education and the range of customers involved. Furthermore, there is a significant increase in the number of public-private, multi-stakeholder efforts supporting financial education in inclusive insurance, and some emerging trends can be identified. The note provides key takeaways on the topic for supervisors, policy makers and the broader industry.

#### Issues paper on conduct of business in inclusive insurance (IAIS)



Published by the International Association of Insurance Supervisors (IAIS), in cooperation with the Access to Insurance Initiative (A2ii) and the Microinsurance Network, this paper gives an overview of the issues related to conduct of business in inclusive insurance markets that affect the extent to which customers are treated fairly, both before a contract is entered into and through to the point at which all obligations under a contract have been satisfied.

### The Landscape of Microinsurance in Latin America and the Caribbean 2014.



Published in early 2015, this full report of the 2014 landscape of microinsurance in Latin America and the Caribbean (LAC) study provides a comprehensive and more in-depth analysis of the data presented in the 2014 Briefing Note. The study focuses on providing insurers with valuable and actionable market intelligence of emerging trends, identifying shifts in the markets throughout the region. Initial indications are that microinsurance can be profitable in the region and that the LAC market is dynamic and displaying new growth areas. The LAC landscape study also resulted in the publication of 20 country profile summaries which are available online through the Network's online resource library.

### Strengthening vulnerable micro-enterprises through microinsurance: The Adie experience



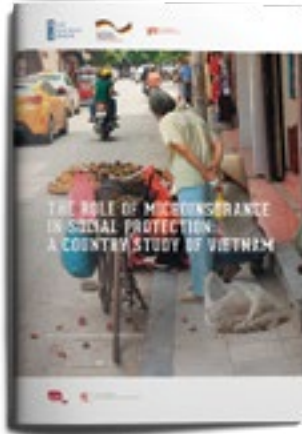
Because of the major role played by Micro, Small and Medium Enterprises (MSMEs) in the global economy, the microinsurance sector is gradually starting to recognise their importance and put them at the forefront of financial inclusion efforts. MSME finance is also a major priority for G20 leaders, and the World Bank Group has been supporting and implementing projects focussed on strengthening financial services for MSMEs for the years to come. This paper, published by the Microinsurance Network together with ADIE, a microfinance institution (MFI) operating nationwide in France with more than 42,500 clients, provides a good case study on introducing insurance products into financial services for MSMEs.

### Local Training Providers for Microinsurance Capacity Building



This synthesis paper complements a previous concept paper on microinsurance training material development with a number of case studies from Central Asia (conducted by the Microfinance Centre), Africa (Cenfri), Latin America (Instituto Nacional de Seguros), and consolidated experiences from several other Local Training Providers (LTPs). Together they reflect different institutional structures and provide an insightful overview of training activities in a diverse range of markets.

### The Role of Microinsurance in Social Protection: A Country Study of Vietnam



This study produced by the Social Protection Working Group of the Network examines the role microinsurance could play in Vietnam if incorporated into a comprehensive social protection strategy, in order to extend coverage to vulnerable populations and improve benefits while supporting the Government's principles of universality, solidarity, equitability, sustainability and promotion of individual responsibility. The study was supported by GIZ, ADA, and the Luxembourg Government.

### Global Standard-Setting Bodies and Financial Inclusion for the Poor - Toward Proportionate Standards and Guidance



This white paper to which the Network provided input and which was prepared by CGAP on behalf of the G20's Global Partnership on Financial Inclusion, raises awareness and frames issues to inform ongoing work by five standard-setting bodies (in Brazil, Kenya, Mexico, the Philippines, and South Africa) to integrate financial inclusion into standards and guidance that can be effectively applied at the country level.

# Events

The Microinsurance Network's events are designed to provide members with access to peers and networking opportunities, foster discussions on cutting-edge topics within the microinsurance landscape, and enable members to collectively identify and address key sector gaps.

In addition, the Network's attendance at major insurance and inclusive finance conferences and sector meetings contributes to shaping the financial inclusion debates worldwide and ensures that microinsurance continues to occupy a central role in the current sector discourse.

In 2015 the Network organised the following events:

- **4th Consultative Forum: "Encouraging the industry in Africa to provide sustainable insurance services to the unserved"**, May 27-28, Tunis, Tunisia. The Forum highlighted the need, on the one hand, for regulators to build their capacity in customising regulations to suit the low-income markets and learn from more advanced microinsurance markets, and on the other hand, the need for the industry to continue building its capacity to innovate and offer suitable, accessible products by leveraging technology.

- **Microinsurance Network annual June Member Meeting: "Translating global policy into local action"**, June 23-24, Königstein, Germany. The event gathered around 50 members ranging from insurers, regulators, researchers and donor organisations to discuss current trends, emerging practices and new products in the microinsurance sector.

- **5th Consultative Forum "Consumer education: Old questions, new thinking"**, November 3, Casablanca, Morocco. The event, held alongside the 11th International Microinsurance Conference, brought together some 70 participants to discuss current challenges in consumer education, and provided key takeaways for both supervisors and the insurance industry.

- **11th International Microinsurance Conference**, November 3-5, Casablanca, Morocco. The event by Munich Re Foundation in collaboration with the Network, took place for the first time in the MENA region and brought together around 350 participants from 55 countries to discuss microinsurance products and innovations.

In addition the Network had an active role at the following events:

- **G20 - Global Partnership for Financial Inclusion (GPFI) Workshop on SME Finance meeting**, June 1-2 and **GPFI meeting** June 3, Izmir, Turkey. The importance of the role of microinsurance within the financial inclusion framework was highlighted by the Network at these two G20-GPFI events.
- **Task Force on Sustainable Development Goals (SDGs) workshops**, June 10 and July 9. Two workshops were organised by InFiNe, the Inclusive Finance Network in Luxembourg, and moderated by the Network, to foster a discussion and feedback on the SDGs amongst InFiNe members, through an especially designated SDG Task Force.
- **Responsible Finance Forum VI**, September 7-9, Antalya, Turkey. The Forum provided a unique evidence-based discussion on the products and services, financial capability programmes, and consumer protection measures that are required in today's digital world to give full and secure access to the more than 2 billion adults still excluded from formal financial services.

- **GPFI Forum**, September 11-12 in Antalya, Turkey. The Forum focused on private sector engagement in financial inclusion, with a second day of subgroup meetings centred on laying down the priorities for the GPFI in 2016. The Network has been an affiliate member of the subgroup on “Financial Consumer Protection and Financial Literacy” and “SME Finance” under the Turkish presidency.
- **Asian Development Bank (ADB) and OECD’s Global Seminar on Disaster Risk Financing**, September 17-18, Kuala Lumpur, Malaysia. Key topics at the meeting included the need to develop strategies for disaster risk financing and funding of disaster recovery, the role of insurance in supporting financial resilience, and the development and support of an insurance culture.
- **APEC Disaster Risk Finance meeting: APEC Roadmap for Resilience**, April 29- 30 April 2015, Bacolod City, Philippines. The Network was able to ensure that insurance was included in the APEC Roadmap for Resilience as an important tool to achieve financial inclusion and resilience.
- **APEC Forum, APEC Business Advisory Council (ABAC) meetings and APEC Small and Medium Enterprises Ministerial meetings**, September 22-25, Iloilo City, the Philippines. Innovative and supply chain finance were key topics at the event. Key outcomes were later presented to the Trade Ministers of the 21 APEC economies in attendance.



# Consultative Forums

The Network has a long-standing relationship with the International Association of Insurance Supervisors (IAIS), as well as with the Access to Insurance Initiative (A2ii), and provides a neutral platform for dialogue amongst regulators and the industry with the objective of fostering the development of microinsurance-enabling regulatory environments across different nations.

In 2015 the Network, in partnership with the IAIS and the A2ii, organised two Consultative Forums, bringing together national regulators, supervisors and industry representatives on the topics of consumer education and insurance service sustainability.

During the 4th Consultative Forum, which took place in Tunisia in May, attendees discussed ways in which regulators and supervisors can incentivise the African insurance industry



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to provide effective and sustainable insurance services to the lower-income markets, and the role insurance companies can play in sustaining a conducive environment.



At the 5th Consultative Forum in Morocco in November, participants discussed the increased reliance on digital distribution and its impact on both the dissemination of financial education and the range of customers involved, and the implications for regulation.

Each event resulted in a Forum Note highlighting key insights and take-aways for regulators and the industry.

# June Member Meeting

The Network's June Member Meeting (JMM) is **the annual meeting** for the members of the Network to **gain insights** into key areas of development in the sector, participate in discussions on topical issues in a relaxed and friendly professional environment, and connect and develop personal relationships with important players in the field.

The 2015 JMM **"Translating global policy into local action"** brought together some 50 members of the Microinsurance Network ranging from insurers, regulators, researchers and donor organisations to discuss

current trends, emerging practices and new products in the microinsurance sector. The meeting was characterised by a range of speakers and presentation formats to facilitate engaging and thought-provoking discussions on cutting-edge microinsurance topics including:

- **The role of microinsurance in leveraging technology to deliver primary healthcare**, presented by Rupalee Ruchismita from the Resilience Design and Research Labs and Dr. Ajay Nair, Co-Founder and Managing Director of MeraDoctor.
- **Microhealth insurance case studies in Kenya and Nigeria** presented by Diederik van Eck from PharmAccess Foundation.
- **Channels of distribution, mobile phone technology and criteria for success**, facilitated by Brandon Mathews from Stonestep
- **The role of subsidies in agriculture microinsurance**, debated by Emily Coleman from IFAD, Roland Steinmann from the MicroInsurance Centre, and Thomas Wiechers from GIZ, with moderation by Philippe Guichandut from the



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Grameen Crédit Agricole Microfinance Foundation.

- **Client protection and regulation in the microinsurance sector**, debated by Denis Garand from DG Associates, Mandla Shezi from Hollard, Martina Wiedmaier-Pfister from GIZ- on behalf of BMZ, and Christian Loots from the Centre for Financial Regulation and Inclusion (CENFRI), with moderation from Manoj Pandey from the Microinsurance Network.

The JMM also provided an opportunity for delineating some of the strategic objectives of the Network going forward: **Enhancing member value**, by attending global events and putting microinsurance on the agenda of global forums such as the G7, G20 and APEC meetings; **Increasing industry membership**, by attracting more

insurers as institutional members, and fostering more engagement and product diversification; **Improving regional presence**, by setting up an advisory committee on regulations and taking stock of regional conferences that are taking place; and **improving financial stability**, by diversifying funding sources, and attracting sponsors and donors for specific projects and events.

# The 11th International Microinsurance Conference

**T**he 11th International Microinsurance Conference took place November 3-5 in Casablanca, Morocco with the theme “Driving growth and sustainability - A business case for microinsurance”. The conference was co-organised by the Munich Re Foundation and the Microinsurance Network in partnership with the local insurance industry authorities.

The conference in Casablanca was characterised by constructive and forward-looking debates, particularly on the topics of the business case, distribution, the role of government and regulation, agriculture and catastrophic risks, health insurance, client education, data availability, and

market research. Below, a brief report on key findings from the conference taken from the Microinsurance Network’s post-conference article:

“The business case continues to be pivotal in pushing the sector forward and attracting new players to the microinsurance space. One of the key lessons emerging from the conference is that growth and profitability are complementary and that scale is essential for the long-term sustainability of the sector. Within the African region, total insurance premium is in the order of USD 647 million, with only 1% dedicated to microinsurance, showing the huge opportunity that remains in the region.

To bring microinsurance to scale, distribution is currently one of the most debated topics within the sector. Digitalisation is absolutely critical in order to service at scale. Particular emphasis was placed on partnerships with Mobile Network Operators (MNOs), but the sector also needs to look beyond MNOs. From case studies, it is clear that there is a continued role for agents on the ground helping to ensure client value and retention. Partnerships with distributors also constitute an opportunity for insurers to benefit from the distributor’s brand to gain trust with their target audience.

With regards to data, the sector should seek to go further in sourcing data as this is often already available but not used. On the other hand, even when not all data is available, companies are encouraged to go ahead but should make sure systems are put in place to track important indicators as the business goes along.

To the regulators, representing 27 countries at the conference, the message which was brought forward is that they have an important role to play in balancing consumer protection and market development, whilst ensuring they are not slowing down the process. Output-based regulation rather than input-based regulation is recommended to help reduce cost



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of compliance and greater flexibility. Timing in adjusting regulations when necessary is also very important, especially where regulating distribution channels.

Presenters at the conference saw an important role for governments going forward, not only in establishing a conducive regulatory environment, but also in ensuring essential market data is collected and made available, to build much-needed infrastructure and provide subsidies, particularly in the fields of health and agriculture.

In the field of agriculture index insurance, the risk of price volatility was brought up as one of the main issues to consider, in addition to the importance of providing socio-economic data and not only satellite data for farmers. The lack of yield data illustrates one of the constraints of using yield-based insurance and governments were called on to play a role in data collection and management of yield measurements. For index insurance to scale up, reaching out to community leaders and village chiefs is one way to counteract the problem of confidence and product complexity.

In health microinsurance, hospital cash is considered a strong, simplified product. Community-based health insurance (CBHI) scheme evaluations are showing promising results with case studies demonstrating significant effects in terms of poverty reduction. There appears to be a role for government-sponsored CBHI moving forward, but lessons remain to be learned on maximising efficien-



cy whilst ensuring quality of care and growth and retention of client base.

Client education was highlighted, especially in client servicing by digital means, and through direct agent interaction. It was however highlighted that client education has to go hand in hand with availability and quality of product, with regular claims payments as the best way to market the product and educate clients. An additional winning strategy for marketing products is that of "freemiums", free premiums, which are converted to a paying product after an initial promotion phase.

With regards to market research, the point was made that this is often overlooked and improvements are made through trial and error after product launch. The recommendation is that research prior to product development can really help identify and segment the clients and their needs, thereby ensuring long-term sustainability of the sector.

One of the highlights of the conference was the presentation of the data relating to the 2015 [Landscape of Microinsurance in Africa](#). The study shows that in the Africa region, 62 million people are insured, covering 5.4% of the total population, mostly in Central and Southern Africa, with 1.1 million people covered for agriculture, 8.4 million for health and 46.4 million for life insurance.

Morocco has been experiencing a tremendous socio-economic growth and development over the last 10 years. Whilst the overall insurance penetration at 1.3% remains relatively low in

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Morocco, the microinsurance market has witnessed a staggering 1700% growth in coverage since 2011, with 4 microinsurance institutions established and a much more diverse offer of products. The main microinsurance products today are health products, with hospital cash the most popular.

Within the [CIMA](#) region there are some 200 insurance companies, of which only 10 are working in microinsurance. According to Jean-Claude Ngbwa, Secretary General of CIMA, there exists a favourable regulatory environment within the CIMA region for investors to work in microinsur-

ance. However, a consolidation of the insurance market will have to be implemented to lower the relatively high administrative costs. The African stakeholders at the conference expanded on strategies for the development of social businesses and social responsibility programmes as a key driver to promote microinsurance in the region, providing simple and effective microinsurance products to low-income people.

Looking forward, the next game-changer for the sector will most certainly lie in either technology or the role of government in bringing microinsurance to scale, with Public Private Partnerships (PPPs) as an important factor. On the other hand, with regards to the evolution of products, there is a clear need and desire to move beyond mandatory and credit-linked products to voluntary products covering broader risks. It is envisaged that the sector focus and growth in the coming years will be on agriculture and climatic risk, as well as the development of so-called health ecosystems.

The [12th International Microinsurance Conference](#) will take place in Colombo, Sri Lanka November 15 -17, 2016. With 1.03% insurance penetration and microinsurance recognised as a key risk mitigation solution, Sri Lanka has a life insurance market of USD 343 million and non-life insurance market of USD 447 million (2014 data). With such a proportionally large non-life insurance market it will be an exciting location for the next conference."



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# Topical Networking



**T**he Microinsurance Network believes that the exchange of microinsurance knowledge and expertise is the driving force behind the effective and sustainable development of the microinsurance sector. To this end, a major initiative of the Microinsurance Network is to organise content-driven networking events as platforms to foster the exchange of knowledge and expertise, facilitate peer-to-peer learning, and drive the development of the sector whilst balancing both profitability and client value.

With over 300 microinsurance experts in its membership, the Network draws from a wide and diverse pool of expertise to provide its members with insider knowledge on key emerging topics and facilitate dialogue on important and cutting-edge issues in microinsurance.

## Expert Forums

In 2016 the Network is launching its Expert Forums. These exciting virtual events provide a platform for sharing knowledge and experiences amongst experts, fostering dialogue between industry, regulators and other sector stakeholders on key, timely issues and trends emerging across the globe. The initiative will start with a three-part series on the business case and landscape of microinsurance in Africa.

## Expert Groups (previously Working Groups)

The Working Groups of the Network have been renamed Expert Groups. The new name marks a change in the focus of the groups from output-oriented groups to a greater focus on sharing of know-how, networking and fostering of in-depth discussions on emerging topics.

The expert groups of the Network are composed of Network members who are all microinsurance professionals and experts in their field. Non-members are invited to join the debates on an expertise basis.

# Financial Overview

## Microinsurance Network - Balance sheet 2015

ASSETS	222.961,93	EQUITY & LIABILITIES	222.961,93
<b>Tangible fixed assets</b>	<b>16.710,37</b>	<b>Equity</b>	<b>90.438,92</b>
I. Software	6.528,36	I. Result brought forward	155.798,48
II. Hardware	5.912,71	II. Net income / loss 31 December 2015	- 65.359,56
III. Furniture	4.269,30		
<b>Current assets</b>	<b>14.380,23</b>	<b>Provisions</b>	<b>18.256,00</b>
I. Reimbursements of accomodation charges	258,00	I. Bonus to employees	18.256,00
II. Receivable membership fees	750,00		
III. Receivables from grant agreements	5.500,00		
IV. Recoverable from credit card fraud	406,93		
V. Mutuality refund from CNS	6.211,22		
VI. Advance to employees	26,75		
VII. Recoverable from travel agency (trip cancellation)	1.227,33		
<b>Cash</b>	<b>191.124,96</b>	<b>Current liabilities</b>	<b>110.267,01</b>
I. Bank accounts	190.598,46	I. Tax and social security	20.076,08
1. BCEE - LU39 0019 4055 0471 5000 EUR	106.514,91	1. Social security	13.089,69
2. BCEE - LU38 0019 4255 9828 5000 EUR	27.126,51	2. Tax debts	4.442,60
3. BCEE - LU38 0019 4255 9890 9000 EUR	56.957,04	3. Salaries	2.543,79
II. Petty cash	526,50	II. Providers	90.190,93
<b>Insurances paid in advance</b>	<b>746,37</b>	<b>Membership fees received in advance</b>	<b>4.000,00</b>

## Microinsurance Network - Income statement 2015

<b>Total revenue</b>	<b>806.613,97</b>
Core funding	500.000,00
Sponsorship	148.948,10
Membership fees	104.475,00
Consultancy income	45.000,00
Other income	8.190,87
<b>Total expenses</b>	<b>871.973,53</b>
Employer charges	352.300,31
Consultancy fees	236.421,99
Back-office expenses	127.543,01
Travel costs	65.826,48
Events	44.548,76
Publishing	44.332,98
Membership	1.000,00
<b>Result end of year 2015</b>	<b>-65.359,56</b>

# Our Board

## 2015-16 Board members



**Michael J. McCord**  
*MicroInsurance Centre, Chair*



**Andrea Keenan**  
*AM Best, Vice-chair*



**Denis Garand**  
*Denis Garand and Associates, Treasurer*



**Mandla Shezi**  
*Holland, Secretary*



**Alejandra Díaz Agudelo**  
*Federación de Aseguradores Colombianos (Fasecolda)*



**Doubell Chamberlain**  
*Centre for Financial Regulation and Inclusion (Cenfri)*



**Francesco Rispoli**  
*International Fund for Agricultural Development (IFAD)*



**Richard Leftley**  
*MicroEnsure*



**Thierry van Bastelaer**  
*Abt Associates*



# Secretariat 2015



## **Executive Director**

Véronique Faber

## **Microinsurance Knowledge**

### **Coordinator (until September 2015)**

Manoj Pandey

## **Development Coordinator**

### **(from May 2015 onwards)**

Jenny Nasr

## **Communications Coordinator**

Annalisa Bianchessi (maternity leave replacement: Catherine Van Ouytsel 5/2014 – 6/2015)

## **Knowledge and Advocacy**

### **Coordinator**

Julia Graham

## **Administrative Coordinator**

Nadia Vanuytrecht

## **Interns**

Hugo Fulco (Communications Officer since February 2016)

Jessa Encarnacion  
(July - September 2015)

Moc Dung Le Tu  
(March - May 2015)

## **Scholarship programme**

Rizki Lestari (April 2015)

Thi Thanh Huyen Ton (April 2015)

# Our Institutional Members 2015



**giz** Deutsche Gesellschaft  
für Internationale  
Zusammenarbeit (GIZ) GmbH

On behalf of  
**BMZ** Federal Ministry  
for Economic Cooperation  
and Development

**GRET**  
Professionals for  
Fair Development

**GÜNEŞ  
SİGORTA**

**CA**  
Grameen Crédit Agricole  
Microfinance Foundation

**GREENOAKS**  
GLOBAL OPPORTUNITIES

**GC MICRO**  
SOLUTIONS

**kfw**  
BANKENGRUPPE

**HAVERFORD**

**IMPACT INSURANCE**

**INSUREDHO**  
INSURANCE MADE SIMPLE

**Holland.**

**IDB**



INTERNATIONAL ACTUARIAL ASSOCIATION  
ASSOCIATION ACTUARIELLE INTERNATIONALE

**icmif**

**IFAD**  
Enabling poor rural people  
to overcome poverty

**IFC** International  
Finance Corporation  
WORLD BANK GROUP

**KATIE SCHOOL** OF INSURANCE AND  
FINANCIAL SERVICES  
ILLINOIS STATE UNIVERSITY

**MercyCorps**

**LIBERTY**

**LEAPFROG**  
INVESTMENTS

**La Positiva**  
Seguros

**mia**  
micro insurance academy

**Making Finance  
Work for Africa**

**MICRO  
INSURANCE  
CENTRE**  
"Developing partnerships to insure the world's poor"

**mian**

**MetLife  
Foundation**

**MICROENSURE**  
Helping the poor weather their storms



**BIMA**

**Milliman**

**Munich Re  
Foundation**  
From Knowledge  
to Action

**MicroSave**  
Market-led solutions for financial services

**MIP**  
It's not only about... it's about

**OIKO  
CREDIT**  
lending to people

**OPEN  
UNDERWRITER**

**PharmAccess  
FOUNDATION**

**PIONEER**  
YOUR INSURANCE

**PlaNNet Guarantee**  
PlaNNet Finance Group

**paraLife**

**Resilience**  
DESIGN &  
RESEARCH LAB

**SINAF  
SEGUROS**

Schweizerische Eidgenossenschaft  
Confédération suisse  
Confederazione Svizzera  
Confederaziun svizra  
  
Swiss Agency for Development  
and Cooperation SDC

**Stonestep**



**vayon**

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CDF**  
UNITED NATIONS DEVELOPMENT FUND

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# Our Focus in 2016



**T**he Network has worked tirelessly for more than a decade to promote microinsurance internationally and thus contributed greatly to the increase in both recognition and uptake of microinsurance.

2015 marked a successful year for the Microinsurance Network in promoting the development and delivery of effective insurance services for unserved people, advocating for microinsurance internationally at G20-GPFI meetings, APEC meetings, and providing a platform for information sharing and stakeholder coordination to promote the development and proliferation of insurance services for low-income persons through numerous events, initiatives and publications.

However, the work is not yet done. Whilst promising growth has been seen in all regions, overall penetration remains low, people are still not insured against key risks, and the market is far from perfect. Though product evolution is increasing, the majority of products underwritten worldwide are for life/credit life products which do not meet the primary needs of many vulnerable and low-income households. Consumer protection issues remain a concern, particularly with the rise of mass insurance delivered through mobile distribution, a relatively uncharted territory.

Many insurers remain unconvinced by the business case for microinsurance and are reluctant to take on the risk associated with approaching uninitiated consumers who may lack the insurance culture, geographic proximity, literacy and access to distribution channels typically experienced by more traditional insurance clients. Even those already operating in this space encounter difficulties in reducing administration fees, educating clients and reaching scale.

The Microinsurance Network has an important role to play in advocating for high-quality microinsurance products and an enabling regulatory environment, as well as encouraging more players into the market. Through its vast network of microinsurance experts the Network can play a fundamental role in connecting knowledge with knowledge gaps, and providing platforms for discussion on key microinsurance issues that will help the sector to reach scale and deliver products that meet the needs of its demographic.

Within this context, in 2016, the Microinsurance Network will be launching regional workshops with the aim to facilitate peer-to-peer exchange amongst industry players from the regions and enlarge representation from the regions amongst its members. The

Network will also be launching Expert Forums, exciting virtual events fostering knowledge and experience sharing amongst experts, industry, regulators and other sector stakeholders on key, timely issues and trends emerging across the globe. Further, together with its partners, the Network will be continuing its important work advocating for microinsurance at international fora, with a particular focus on Asia, as the G20 takes place in China and the International Microinsurance Conference will be held in Sri Lanka. Ongoing work by the Network will include the organisation of Consultative Forums in partnership with the IAIS and A2ii, and the management of the World Map of Microinsurance programme. Last but not least, in 2016 the Network will be consulting with its Board and members to draft its next five-year strategic plan, delineating its strategic objectives for the 2017-2022 period.

We would like to end this report by thanking our partners and sponsors, particularly the Government of Luxembourg, for their continued support. Without it, none of this work would be possible.



# Our Partners

**T**he Government of Luxembourg - the Ministry of Foreign and European Affairs and the Ministry of Finance - are funding the Microinsurance Network through a five-year framework agreement from 2012 to 2017.

**“Government of Luxembourg”:**  
Ministry of Foreign and European Affairs  
Ministry of Finance



THE GOVERNMENT  
OF THE GRAND DUCHY OF LUXEMBOURG  
Ministry of Foreign and European Affairs



THE GOVERNMENT  
OF THE GRAND DUCHY OF LUXEMBOURG  
Ministry of Finance

Directorate for Development Cooperation  
and Humanitarian Affairs

In addition to this substantial funding, other key partners contribute to the Network’s mission and activities, namely:

A2ii



InFiNe



Bradesco



MetLife Foundation  
(through King  
Baudouin Foundation,  
United States)



CNseg



GIIF/The World Bank  
Group



MicroInsurance  
Centre



IADB/OMIN



Munich Re  
Foundation



IAIS



The World Bank  
Group



We additionally would like to thank our colleagues at the Maison de la Microfinance in Luxembourg (ADA, e-MFP, LMDF, Boulder Microfinance and InFiNe) for the good neighbourly relationship and for the opportunities that arise to stay up-to-date with each other’s sectors and establish strategic synergies.

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