



What can first world countries learn from emerging markets' microinsurance experiences?

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About the speakers



Christelle Oosthuizen – *Consulting Actuary, Insight Life Solutions*

Nicole Kriek – *Consulting Actuary, Insight Life Solutions*

Nicole and Christelle are qualified actuaries and have 13 and 6 years of experience respectively, working both in industry and in consulting. Nicole has worked in a number of developing markets including Kenya, Namibia and the Middle East.



Both Nicole and Christelle have experience across a range of areas including valuations, product development, pricing, risk management, policy paper development and financial modelling within various practice areas including Life-, Health- and General insurance.

Insight Life Solutions provides actuarial consulting services to Life Insurers. We offer both advisory services and backfill resourcing, providing a full range of actuarial services from first- and second-line outsourcing and IFRS 17 implementation to model migration and product development.

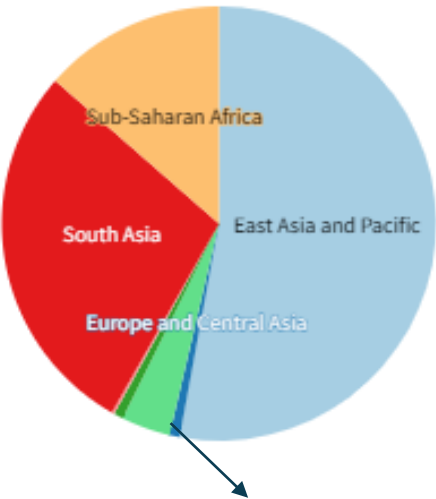


Global Poverty



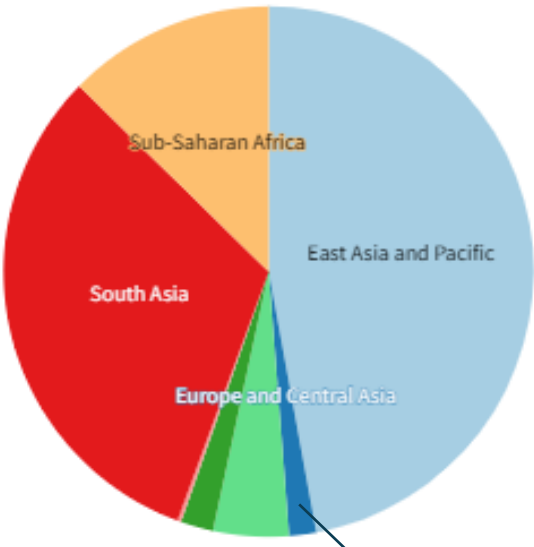
East Asia and Pacific Europe and Central Asia Latin America and the Caribbean Middle East and North Africa
Rest of the World South Asia Sub-Saharan Africa

US\$2.15



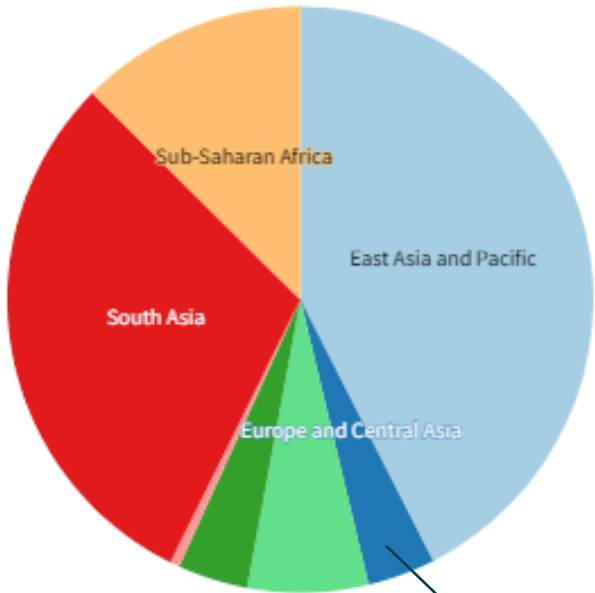
15 million

US\$3.65



49 million

US\$6.85



136 million

<https://blogs.worldbank.org/developmenttalk/half-global-population-lives-less-us685-person-day>

Risk Mitigation



Microinsurance





Agenda

- **Define** microinsurance
- Explain the **need** for microinsurance
- Explain why microinsurance is important for sustainable development
- Explain the important features for successful microinsurance
- Provide case studies of microinsurance successes and failures in emerging markets

What is microinsurance?

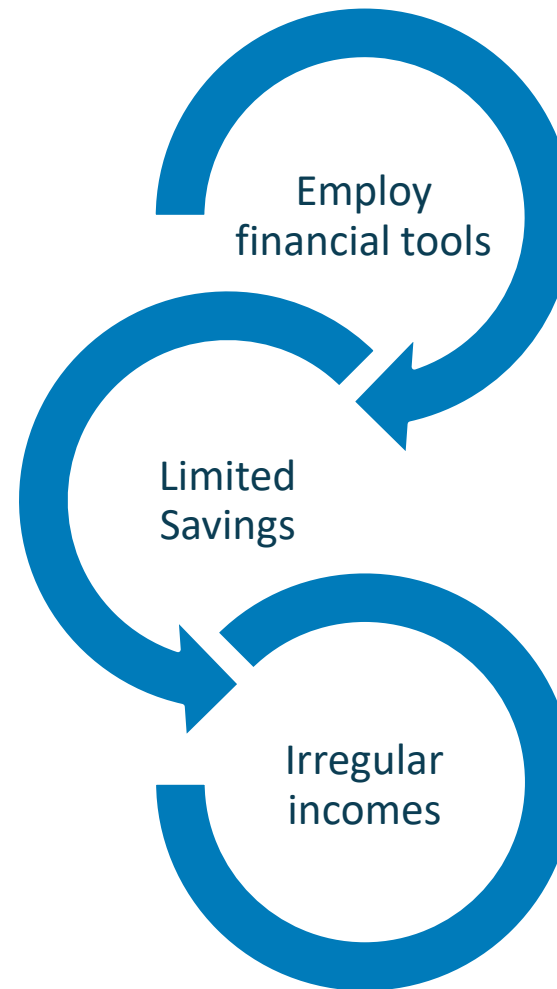


“Insurance that is accessed by low-income populations, provided by a variety of different entities, but run in accordance with generally accepted insurance practices.”



International Association of Insurance Supervisors (IAIS)

Need for microinsurance



Microinsurance Sustainable Development



<https://gleader.org/sdgs/?q=YToyOntzOjEyOiJrZXI3b3JkX3R5cGUiO3M6MzoiYWxsljtzOjQ6InBhZ2UiO2k6Mjt9&bmode=view&idx=8598914&t=board>

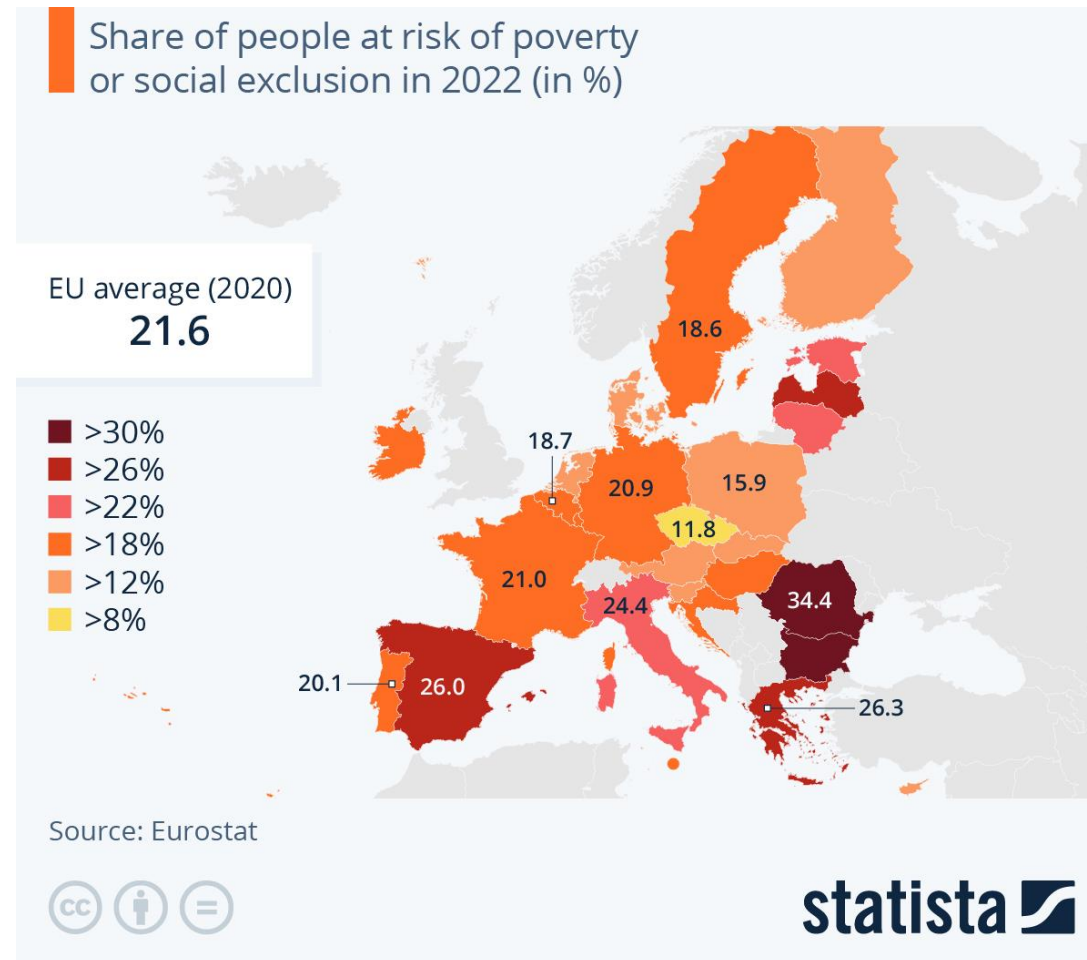
Microinsurance Sustainable Development



**End Poverty
in All its
Forms
Everywhere**

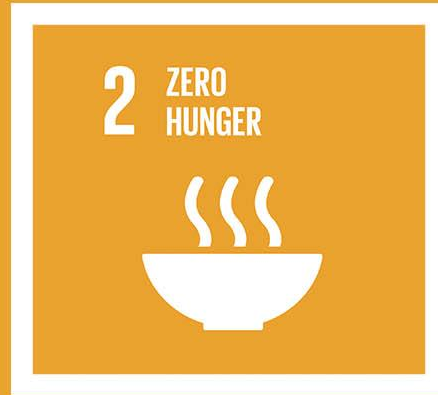
<https://gleader.org/sdgs/?q=YToyOntzOjEyOiJrZXI3b3JkX3R5cGUiO3M6MzoiYWxsljtzOjQ6InBhZ2UiO2k6Mjt9&bmode=view&idx=8598914&t=board>

The State of Poverty in Europe



<https://www.statista.com/chart/30411/share-of-people-at-risk-of-poverty-or-social-exclusion/>

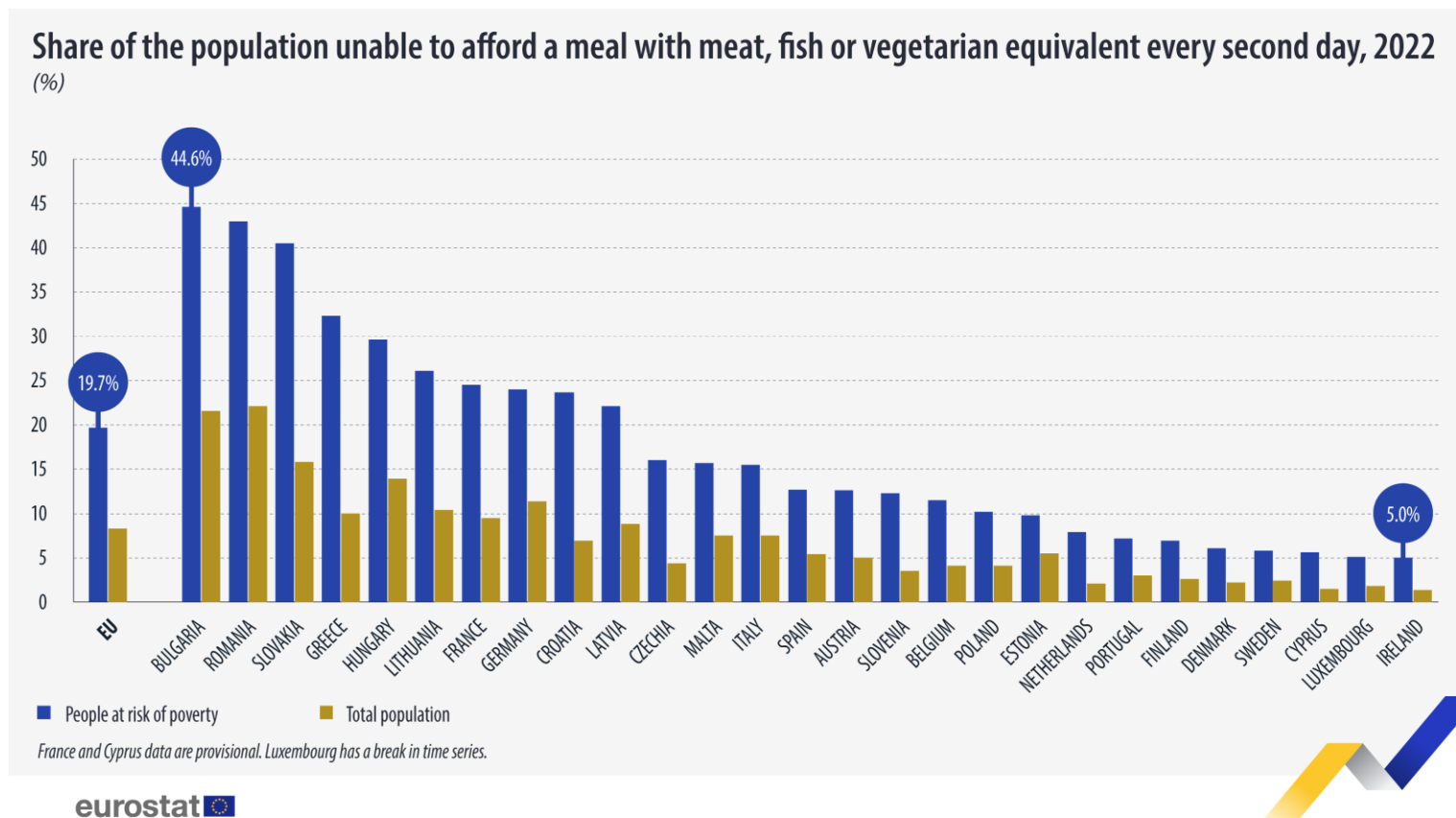
Microinsurance Sustainable Development



**End hunger, achieve
food security and
improved nutrition
and promote
sustainable agriculture**

<https://gleader.org/sdgs/?q=YToyOntzOjEyOiJrZXI3b3JkX3R5cGUiO3M6MzoiYWxsljtzOjQ6InBhZ2UiO2k6Mjt9&bmode=view&idx=8627825&t=board>

The State of food security and nutrition in Europe



<https://ec.europa.eu/eurostat/web/products-eurostat-news/w/ddn-20230710-1>

Microinsurance Sustainable Development



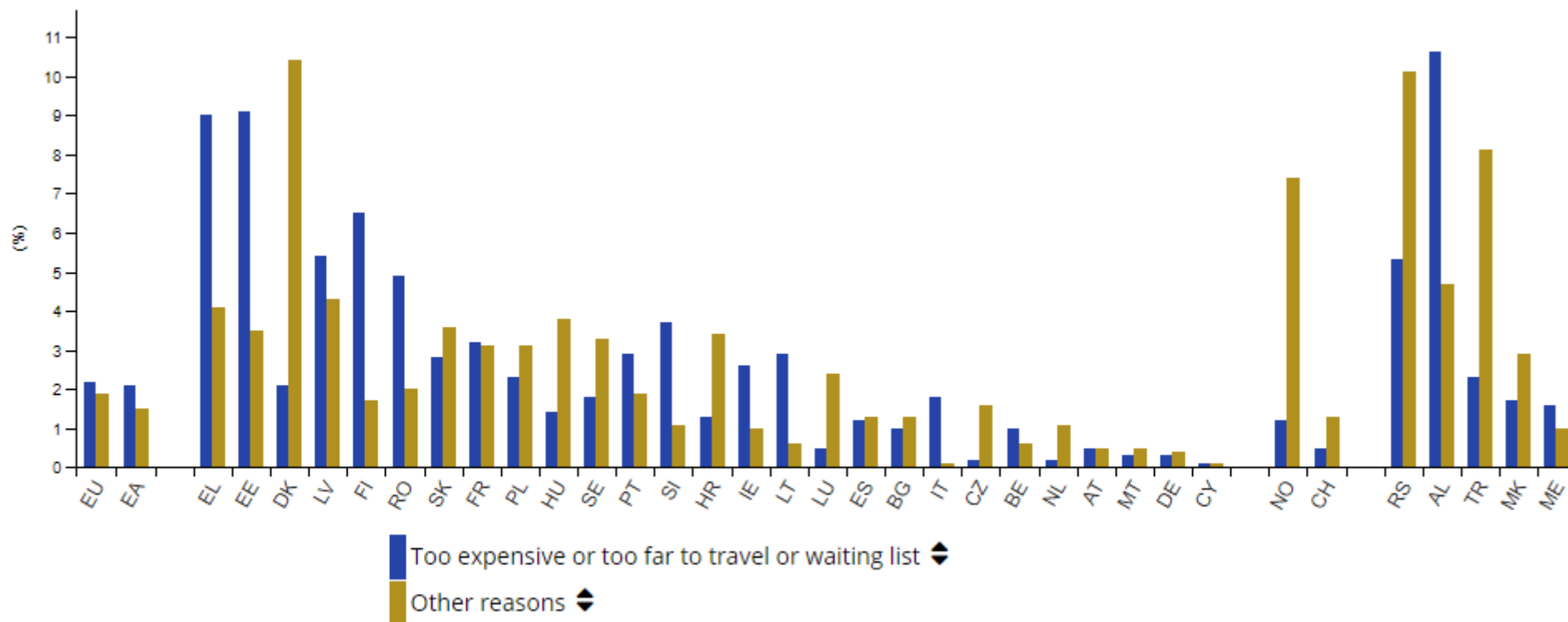
**Ensure healthy
lives and promote
well-being for
all at all ages**

<https://www.isglobal.org/en/-/sdg-3-ensure-healthy-lives-and-promote-well-being-for-all-at-all-ages>

Unmet healthcare needs EU



Share of persons aged 16 years or over reporting unmet needs for medical examination or treatment, 2022



CH, ME, RS and TR: 2021.

MK and AL: 2020.

Source: Eurostat (online data code: hlth_silc_08)

eurostat

https://ec.europa.eu/eurostat/statistics-explained/index.php?title=Unmet_health_care_needs_statistics

Microinsurance requirements



S implicity

T rust

R apid claims settlement

I nnovation

P' olicyholder protection

D istribution channels

Microinsurance requirements

S implicity



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T rust



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R apid claims settlement



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P' olicyholder protection

D istribution channels

Distribution Channel Requirements



Low-Cost Distribution

Popularity and trust of channel

Channel communication

Offer product diversity

KENYA



M-PESA Successes



Leads to efficiencies in:
Distribution Channel

Because of:
Innovation

MALAWI





Challenges faced

- Financial and Insurance literacy – keep it simple
- Misconceptions – led to distrust
- Institutional hurdles, including ineffective distribution channels
- Policy support, policyholder protection lacking

LUMKANI AND HOLLARD – PROTECTING HOMES IN INFORMAL SETTLEMENTS IN SOUTH AFRICA



Microinsurance requirements



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D istribution channels

Additional Reading



- The landscape of microinsurance in Africa 2023
- [mfg-en-paper-experiences-in-micro-insurance-aug](#)

Thank you

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