

**PRESS RELEASE: EMBARGOED TO TUESDAY 6 NOVEMBER 2018**

## **Insurance essential for sustainable development - but billions are still losing out**

**Lusaka, Zambia - 6 November 2018** Billions of uninsured individuals, families and small businesses are exposed to risks which can result in catastrophic losses, delegates to the [14th International Microinsurance Conference \(14th IMC\)](#) 'Inclusive Insurance for Emerging Markets' were told today [6 November 2018]. Despite encouraging signs of increased insurance cover uptake in some markets, climate change and extreme weather events are exposing the poorest and most vulnerable to risk as never before.

The 2018 *State of Microinsurance* report, launched on the first day of the conference, showcases ground-breaking initiatives from around the world which are already helping to eliminate poverty and hunger, achieve good health and well-being, promote gender equality, provide decent work and economic growth, and take action on climate change. The report suggests inclusive insurance is playing a significant part in achieving the UN Sustainable Development Goals (SDGs), and that millions of consumers in emerging markets are already benefitting from insurance products and services which build resilience and help manage risk.

"Insurance alone will not help the world's poor to achieve lasting prosperity, but it is a critical factor for success," said Shipango Muteto of conference co-hosts the Microinsurance Technical Advisory Group (TAG) and Chairman of the 14th IMC Organising Committee. "Microinsurance companies are already providing innovative, affordable insurance products to economically vulnerable people around the world as part of the sustainable development agenda. These products and services truly work for the consumers that use them by accelerating economic growth, increasing resilience and preventing the intergenerational transfer of poverty."

Insurance cover in emerging markets is steadily increasing - for example, the latest [Landscape of Microinsurance study](#) shows a 126% rise in Latin America and the Caribbean. Preliminary results from the forthcoming African Landscape of Microinsurance study, shared during the conference, show that over the last decade in Zambia, the microinsurance sector has expanded from 100,000 lives to more than 2.2 million lives covered under various microinsurance products such as weather index insurance, personal accident, hospital cash plan, simple term-life cover and funeral insurance policies.

However, global losses from natural catastrophes in 2017 were the highest ever at US\$330 billion - US\$195 billion of which was uninsured. It's estimated that up to four billion people worldwide are denied access to financial services including insurance.

"Inclusive insurance is an essential part of sustainable economic development, and is crucial to manage increasing climate risks of many poor people who live in disaster-prone countries," said Dirk Reinhard, Vice Chairman of the Munich Re Foundation, co-organiser of the conference. "With just 12 years remaining to realise the UN Sustainable Development Goals and less than two years to meet the G7 target to insure 400 million people against the impacts of climate change, inclusive insurance will help ensure no-one is left behind. But we have to accelerate growth, ensure economic viability and increase governmental activities."

The 2018 *State of Microinsurance* reports that InsurTech - using technology to reduce costs and reach mass markets - could help accelerate and improve access to insurance in emerging markets, but the greatest challenge is often around getting traditional insurance companies to embrace new technology and distribution models.

“Bringing insurance companies, digital providers, regulators and policy-makers face-to-face to find solutions to boost resilience and reduce disaster risk is vital if we are to grow the inclusive insurance market quickly and significantly,” said Katharine Pulvermacher, Executive Director of the Microinsurance Network, which publishes both the Landscape and State of Microinsurance reports and is co-organiser of the 14th IMC. “The good news is that there’s been a significant increase in the last decade in the number of low-income people with insurance cover of some kind. But for the market to work, insurers need a better understanding of the emerging consumer segment, so that they can design products and services that correspond more closely to customer needs, and that are priced to reflect risk more accurately while remaining affordable and sustainable from a business perspective.”

Around 400 inclusive insurance experts from over 50 countries are expected in Lusaka for the 14th IMC. They will discuss how best to increase insurance penetration and uptake in emerging markets and how inclusive agriculture, health, life and accident insurance can help deliver sustainable development.

## **ENDS**

To download a copy of the 2018 State of Microinsurance: Inclusive Insurance for a Sustainable Future [click here](#). Join us for the launch and press conference at the Taj Pamodzi Hotel, Lusaka, Zambia, on Tuesday 6 November 2018 at 11am local time (1000-1100 CET/0900-1000 GMT/1100-1200 CAT). If you can't be there in person, watch the live-stream on [Facebook](#) and tweet questions in real time to [@NetworkFlash](#) using #14thIMC #InclusiveInsurance #StateOfMicroinsurance.

### **About the [Microinsurance Network](#)**

A not-for-profit membership-based association, the Microinsurance Network is driven by its vision of a world where people of all income levels are more resilient and less vulnerable to daily and catastrophic risks through improved access to effective risk management tools. Low-income consumers lie at the heart of our mission. We work with a broad range of stakeholders around the world to prioritise the needs, interests and well-being of our ultimate beneficiaries.

### **About the [Microinsurance Technical Advisory Group](#)**

The Technical Advisory Group (TAG) is a multi-stakeholder group spearheading the implementation of the inclusive insurance market development in Zambia. It is a not-for-profit membership-based organisation which is a network of professionals and companies and other stakeholders that are committed to the development of a vibrant and inclusive insurance sector in Zambia. The TAG plays a sector coordination and advocacy role for inclusive insurance.

### **About the [Munich Re Foundation](#)**

Munich Re has been handling global risks since 1880. Today, it possesses expertise and know-how in all fields of competence connected with the subject of risk. Acting responsibly means sharing that knowledge. The Munich Re Foundation enables Munich Re to fulfil this responsibility. People are ultimately at the core of what the foundation's work is all about. The foundation's task is to minimise the risks to which they are exposed. It clarifies issues and provides support, also in developing countries.

### **About the [14th International Microinsurance Conference #14thIMC](#)**

The 14th IMC "Inclusive Insurance for Emerging Markets" will take place in Lusaka from 6-8 November 2018. Approximately 400 experts from around the world will discuss and identify ways of accelerating growth and economic viability in inclusive insurance for emerging markets. The conference will be hosted by the Microinsurance Technical Advisory Group of Zambia (TAG) and the Munich Re Foundation in cooperation with the MiN.

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