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

Nearly 50 million people are benefiting in the region

At the 12th Annual Meeting of the Latin American Reinsurance Group (LARG) in San Salvador, El Salvador, organised by ICMIF and hosted by Seguros Futuro, which is taking place this week, around 100 industry experts from 13 countries have been exploring aspects of innovation to strengthen competitiveness in the region and touch upon the general landscape of microinsurance in Latin America.

The conference saw the launch of the Spanish version of the Landscape Study of Microinsurance in Latin America and the Caribbean, published by the Microinsurance Network and the Munich Re Foundation. The study indicates progress towards financial inclusion with 7.9% of the region's population having access to microinsurance.

"I'm honoured to have been invited to share the results of the Latin America landscape study on microinsurance, which is the result of exhaustive research and the only study of its kind, allowing for a comparative analysis of the microinsurance experiences across countries and regions," says Microinsurance Network Vice-Chair, Andrea Keenan.

The data collected through the landscape study is part of the World Map of Microinsurance (WMM) programme, an initiative that aims to provide the sector with a bird's-eye view of the landscape of microinsurance worldwide. "We are convinced that reliable data on microinsurance markets is essential to the development of inclusive insurance markets and thus leads to better protection of the poor against risks," explained Dirk Reinhard, Vice-Chairman of the Munich Re Foundation, joint-partner with the Microinsurance Network on the WMM initiative.

Across the LAC region, the comparable growth rate in terms of lives covered between 2011 and 2013 was 1.2%, with a dominance of life and accident products. "Dynamism characterises the market, with 30 companies launching new products over the study period," explains Michael J. McCord from the MicroInsurance Centre, which conducted the study. 20% of products reported in 2011 were no longer offered in 2013, however for 73% of people covered by those products, the product was redesigned and replaced by another microinsurance product. "Ultimately, we see more new microinsurance products launched than discontinued. Insurers are also increasingly leveraging a wide variety of alternate distribution channels, which reached up to 60% more people per product and exhibit the greatest expansion since the 2011 study" adds McCord.

The delegates at the LARG Annual Meeting have been looking into microinsurance for natural catastrophes and ways to contribute to the provision of microinsurance locally, in El Salvador itself. According to the LAC landscape study, 4.68% of the El Salvador population is covered by microinsurance, which translates to just under 300,000 lives for a population of over 6 million.

Keenan concludes that the LARG Annual Meeting was a wonderful opportunity for mutual and cooperative Insurers, reinsurers and development experts to gather, share ideas and experiences and discuss the challenges and opportunities for innovation and competitiveness.

The Landscape Study of Microinsurance in Latin America and the Caribbean is available [at this link](#).

About the Microinsurance Network

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

www.microinsurancenetwork.org   

About the Munich Re Foundation

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

www.munichre-foundation.org

About the World Map of Microinsurance

The World Map of Microinsurance (WMM) is an interactive map that enables insurers and microinsurance practitioners to gain a birds-eye view on the landscape of microinsurance worldwide, and to search and extract sector-specific data by region to gain insights into trends in microinsurance, fostering better decision-making at an operational and policy level. A series of tri-annual regional landscape studies, including this Latin America study, provide the data underpinning the map.

worldmapofmicroinsurance.org