

## GIZ RFPI Asia shares Inclusive Insurance and DRI Recommendations to the Asia-Pacific Stakeholders

Dr. Antonis Malagardis and Mr. Dante Portula, Program Director and Senior Advisor of RFPI Asia, respectively, discussed recommendations in increasing access to inclusive insurance and disaster risk insurance (DRI) solutions during separate events in Bangkok on May 8-9, 2018. The events were attended to by financial regulators, disaster management authorities, insurance industry and international development organizations from the Asia-Pacific economies.

On May 8, the RFPI led an **Asia-Pacific Financial Forum (APFF) Roundtable Meeting (RTM) on Microinsurance Roadmap (MIR) for Asia Pacific Economic Cooperation (APEC) emerging economies**. The RTM were hosted and organized by Thailand's Ministry of Finance (MOF), Office of Insurance Commission (OIC) and the Thai Bankers' Association.



In his opening message, Mr. Suwit Rojanavanich, Director-General, Fiscal Policy Office of the MOF Thailand said "I had studied this microinsurance roadmap in very detail. I think it is a great roadmap for microinsurance development. It covers both regulation and microinsurance policy aspect. For the regulation aspect, I believe that Office of Insurance Commission has done a very good job handling this matter. For microinsurance policy aspect, Thailand has implemented many microinsurance schemes."

The MIR offers four pillars/strategies, i.e. establishment of policies and proportionate regulations, adoption of scalable business models, inter-agency cooperation and public-private sector coordination, and financial literacy and consumer protection. The roadmap recommends 22 action points to implement the four strategies; 13 of the action plans are related to disaster risk financing and insurance (DRFI).

Dr. Chayanin Kerdpholgarm, Assistant Secretary-General of the OIC Thailand, shared during the RTM, that microinsurance in the country has made significant progress since it launched the MI200 (microinsurance 200 baht) in 2013, jointly with the insurance associations. The product covers personal accident and medical benefits and is being sold largely through the outlets of 7-11 and Tesco Lotus retail stores, in post offices and through a government savings bank. Today, new product variants such as MI222, MI100 and MI10 are being offered by a risk pool organized by the

insurance associations. The newest product variant, MI100, is also being sold through gas stations, mobile operator, restaurants and newspaper outlets. Data from the OIC showed there was more than 630,000 enforced microinsurance policies as of end-2017.

The OIC is also supporting financial literacy initiatives of the industry, and has issued regulations that provide proportionate guidelines such as on licensing of MI agent/broker, product development and on alternative distribution channels. The Fiscal Policy Office of the MOF, on the other hand, revealed they have issued policy measures in promoting disaster risk insurance and social insurance for the farmers. Both MOF and OIC said they in effect are already contributing to all 4 pillars of the MIR.

In another event, the **Conference on Developing the Elements of a Disaster Risk Financing Strategy** organized by the OECD (Organisation for Economic Co-operation and Development), ADBI (Asian Development Bank Institute) and ADPC (Asian Disaster Preparedness Center), Dr. Antonis Malagardis joined the panel of expert session whom he underlined the DRFI-related recommendations of the APEC MIR. Moreover, he emphasized the benefits from the MEFIN Network where 7 member-economies of the Network are regularly having peer-to-peer exchange and is conducting public and private dialogues (PPDs) between insurance supervisors and insurance industry players. The PPDs provide evidence-based inputs to developing proportionate regulations for inclusive insurance. Dr. Malagardis also shared the toolkit on Disaster Risk Insurance Manual (DRIM) which was developed by RFPI and has been tested in the MEFIN countries. The DRIM provides detailed processes and tools in engaging public and private entities in addressing DRFI issues and in coming up with potential solutions.



The GIZ RFPI Asia, which is leading the Microinsurance workstream of the APFF, is responsible in the drafting of the APEC MIR. The roadmap has been subjected to a series of roundtable discussions in Vietnam and in Peru last year. After the successful presentation of the MIR in the APEC Finance and Central Bank Deputies Meeting last March in Papua New Guinea, it is hoped that the Finance Ministers of APEC will adopt the roadmap during its meeting in October this year. When this happens, the MIR will become an official reference of the APEC economies in promoting inclusive insurance and DRI.

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