



Microinsurance: A Role for Brokers

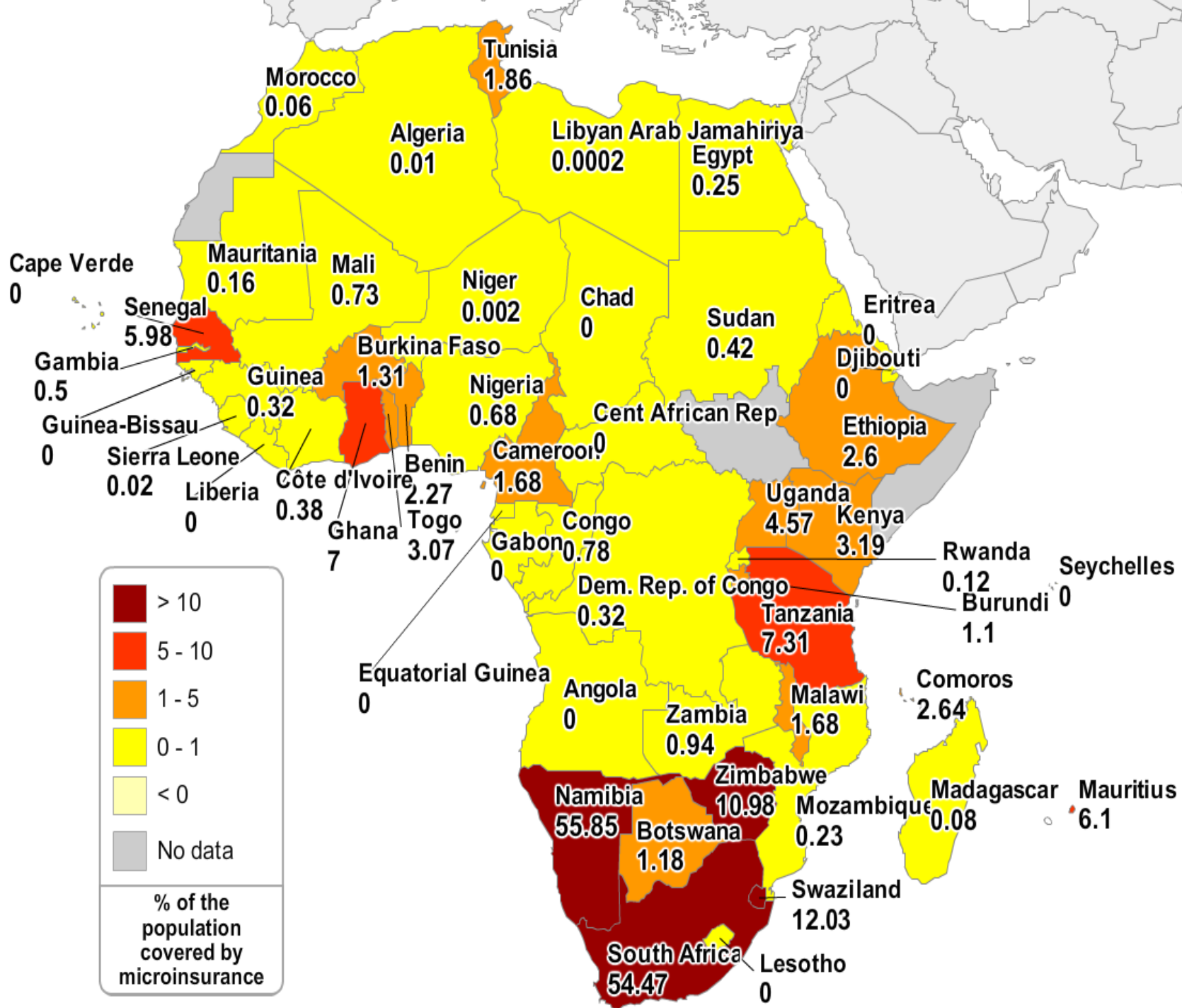


1st RIBC
Cairo, Egypt
18-19 May 2015

Michael J. McCord
Microinsurance Network



Microinsurance in Africa 2011



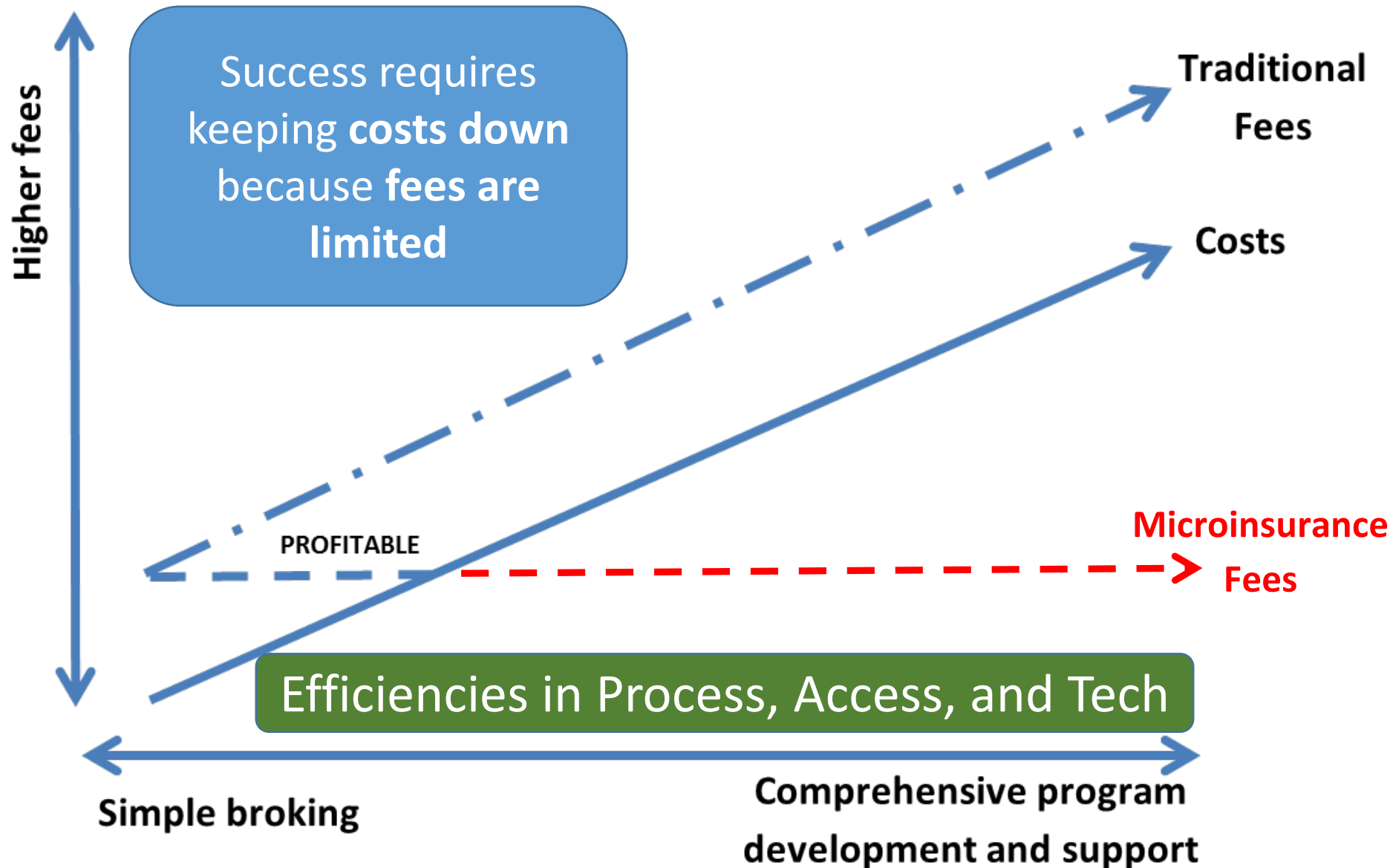


Differences

- Climate
 - 20° versus 40°
 - Office lights versus sunshine
- “Fertilizer”
 - Clean water versus the Nile
- Limited versus scale



Profitability considerations for Brokers



Insurers

- *Product development*
- *Product pricing*
- *Underwriting*
- *Premium processing*
- *Processing claims*
- *Paying claims*
- *Regulatory compliance*
- *Reinsurance*

Distributors

- *Market research*
- *Informing insureds*
- *Marketing to insureds*
- *Direct sales or provision*
- *Collection of premium*
- *Addressing insureds' issues*
- *Provide administrative support*

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Brokers

Creating links between
clients and insurers

- *Market making*
- *Pass-through
support*

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MI Brokers

- *Market-making*
- *Pass-through support PLUS*
- *Training both parties*

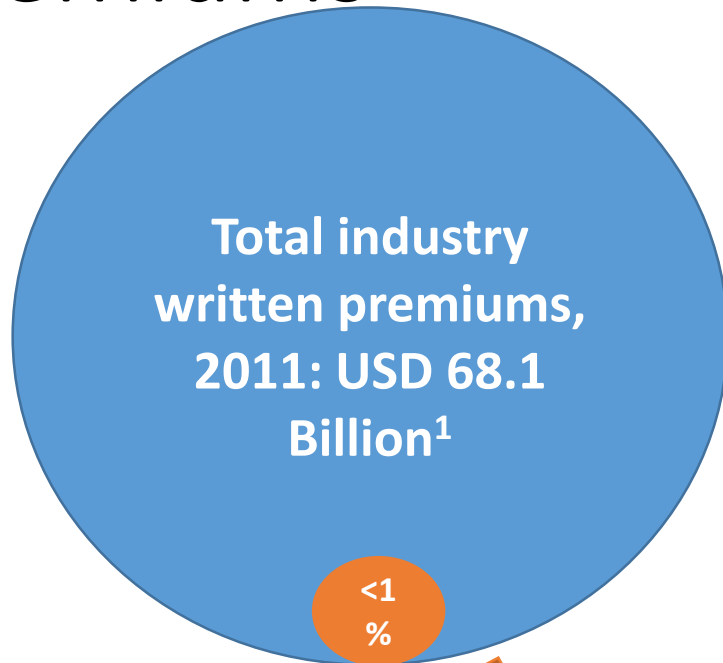
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range of services
depending on partners,
clients, and the context in
which they work

premiums



USD 548 million

Microinsurance Premiums identified for 2011²



USD 100 – 110 Million³

Estimated microinsurance
written premiums via
brokers or agents

1. Swiss Re: Sigma No 03/2012. http://media.swissre.com/documents/sigma_3_12_en.pdf
2. Reported data, Landscape of Microinsurance in Africa, 2012
3. Reported data, Landscape of Microinsurance in Africa, 2012

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