



Policy Seminar on Access to Insurance

Tanzania, Dar es Salaam

06 November 2012

PRESS RELEASE

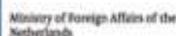
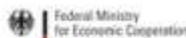
Dar es Salaam, November 7th, 2012

Regulation plays a critical role in creating an enabling environment which motivates financial service providers, protects the interests of clients and ensures they can access innovative insurance products and door-step services that are affordable. In recognizing the importance of effective regulation and supervision to develop sustainable microinsurance markets, over 100 representatives from insurance supervisory authorities from 30 countries and all continents deliberated the opportunities and challenges for microinsurance policy, regulation and supervision in a seminar on access to insurance.

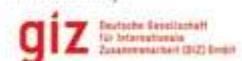
The Seminar informed supervisors about the newly released guidance of the International Association of Insurance Supervisors (IAIS) in the form of the “IAIS Application Paper on Regulation and Supervision supporting Inclusive Insurance Markets”. The IAIS guidance highlights crucial areas for supervisory initiatives when pursuing a proportionate application of the IAIS Insurance Core Principles; for formalization of informal providers while suggesting transitional arrangements; of registering pilots when allowing a “test and learn” approach; and of defining microinsurance when a legal delineation of this business line is the way forward.

In two expert panels, supervisors deliberated on their challenges and regulatory experiences on intermediation, market conduct and consumer protection. Panelists came from the supervisory authorities of Ghana, India, Kenya, Nigeria, Pakistan, the Philippines and Uganda. Innovative business models require clear responses of supervisors. All supervisors reported recent efforts to adapt their regulatory frameworks with the aim to allow a wider variety of innovative delivery channels, among them important aggregators who can bring down costs and who are close to the door-step of the low-income households and micro businesses.

Supervisory challenges also arise at the intersection of other supervisory authorities. Among those are the mobile network operators (MNO). Recently, African MNO account for millions of loyalty products for the low-income segment with the aim of making them familiar with insurance. Transparency issues and a



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case of a run-away MNO that left the insurer depleted were examples of what can go wrong. The Seminar was held back to back with the 8th International Microinsurance Conference which takes place in Dar es Salaam, Tanzania this week. It was organised by the Access to Insurance Initiative and the Joint Working Group of the IAIS and the Microinsurance Network, and hosted by the Munich Re Foundation.

The IAIS is the international standard-setting body for insurance regulation and supervision. The Access to Insurance Initiative is a global partnership between the IAIS and ten development organizations (see logos). GIZ hosts the A2ii secretariat. A2ii aims at strengthening the capacity of policymakers, regulators, and supervisors who are seeking to advance insurance market access, particularly for low-income clients, by promoting sound, effective and proportionate regulation and supervision of insurance markets.



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