

Roundtable on Insurance for women: specific needs and inclusion

for insurance supervisory authorities, insurance
practitioners and policymakers

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Agenda

1. Why focus on women's financial inclusion?
2. Role of regulators, supervisors and policymakers
3. Role of industry
4. Conclusion

A few hard facts

In comparison with men's usage of financial services, the most recent data shows a **persistent gender gap**: 7 percent gap worldwide in accounts in financial institutions, 11 percent in low income countries*

Every 90 seconds a women dies during childbirth or pregnancy**

There are approximately 750 million illiterate adults worldwide – **two-thirds of whom are women*****

Why is women's financial inclusion important?

Macro economic arguments

- Greater inclusion of women in the economy allows for gains in GDP between **2% and 3.5%***
- One cannot claim to be working for the development of a country if **50%** of people are left behind
- Women represent a market opportunity for insurance of between **US\$1.45 and US\$1.7 trillion** in insurance premiums by 2030**
- Women are willing to spend between **10%-15%** of their income on insurance**

Micro economic arguments

- Tend to reinvest in their family more, especially concerning their children; this leads to generational changes that can lead to long-term prosperity and security
- Tend to be more risk aware, better at saving and more reliable and effective borrowers and investors

Barriers to women's financial inclusion

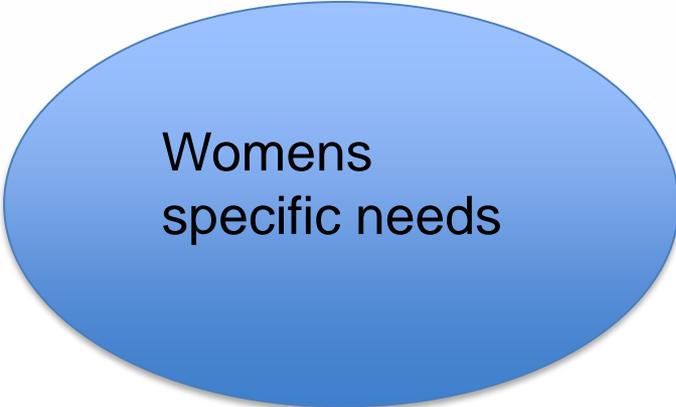
- Limited financial capacity and financial literacy
- Lack of formal identification
- More likely to work in informal employment and in vulnerable, low-paid, or undervalued jobs
- Often prevented from participating in the formal sector due to unpaid caring responsibilities
- More at risk of losing their income - pregnancy, divorce or separation
- Societal constraints codified into law e.g. restrictions on women's ability to sign contracts, open bank accounts and hold assets in their own name
- Limited ownership of mobile phones and SIM cards
- Products, services and delivery channels are not adapted to women

How can insurance help?

- Improves women's ability to mitigate risks and effectively manage shocks
- Prevents women from relying only on traditional risk management mechanisms such as selling assets, informal lending or pulling children out of school
- Empowers women and generates positive impacts on women's labor and asset productivity, children's education and health
- Contributes to a stabilisation of income
- Improves conditions that can alleviate poverty

Women represent a significant entry point to the family wallet - an opportunity for insurers due to their traditional role of acting as conduits for their families and communities

Why is a differentiated approach needed?



Womens
specific needs



Womens specific
behaviours

This does not mean embracing an approach focused only on women but rather better understanding women's needs and behaviours and fine tuning the approach.

What can regulators, supervisors and policymakers do?

- Gather and analyse **sex-disaggregated data**
- Review regulation from a **woman segment perspective**, which varies by country and the local gender context
- Address **legal and policy constraints** which place restrictions on women related to their access to insurance e.g. KYC requirements
- Encourage **market research** for innovation to target women
- Adapt **complaint infrastructure** to ensure it is accessible and responsive to women's needs
- Development of **gender sensitive national financial inclusion strategies**
- Build **stakeholders' capacity** on gender and inclusive insurance
- Support **financial consumer education** tailored and targeted at women
- Promote **gender diversity** in the insurance industry

What can the industry do?

- Better understand **needs and specific behaviours** of women
- Create products that are **basic, affordable, and relevant** to low-income women and their families e.g. micro-pension plans, simple hospitalisation products, multi-risk products, family covers, life insurance with a cash-value option
- Target **marketing, branding and financial education** at women
- Increase women's **participation in decision-making and the insurance life cycle** in particular in areas like distribution
- Invest in **digitalisation of financial products and delivery channels** which have potential to overcome traditional barriers to women's access

Conclusion:

Motivations to focus on in Insurance for Women

- **Insurers:** women represents a commercial opportunity
- **Intermediaries:** leveraging women as distributors will increase the uptake of insurance among low-income women
- **Financial sector policymakers, central bankers, and insurance supervisors:** can support financial sector policy objectives such as promoting financial stability, financial integrity and consumer protection
- **Governments:** can support existing global commitments – Sustainable Development Goals and the Universal Declaration of Human Rights (UDHR). Can complement other government policies such as poverty alleviation

¡Gracias!
Thank you!

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