



# Insurance and the Sustainable Development Goals

A2ii-ASSAL-IAIS Regional Dialogue

16 September 2021

16:00–17:30 CET / 11:00–12:30 Santiago

# Welcome remarks



**Tomas Soley**

President of ASSAL  
and member of the  
A2ii Governing  
Council



**Manuela Zweimueller**

Head of Implementation  
IAIS

Moderator:  
**Regina Simões**  
Regional Coordinator  
for Latin America  
A2ii



# Agenda

- 1 | Welcome remarks
- 2 | **Session 1 – The Sustainable Development Goals**
- 3 | Interactive Discussion
- 4 | Session 2 - Aligning the insurance sector with the SDGs
- 5 | Final remarks

# Session 1 - The 17 Sustainable Development Goals (SDGs)



**SUSTAINABLE DEVELOPMENT GOALS**

**17 GOALS TO TRANSFORM OUR WORLD**



# Video on SDGs

# Session 1 - The 17 Sustainable Development Goals (SDGs)

*Why does insurance matter to the SDGs?*



Speaker:

**Pascale Lamb**

Advisor and Technical Lead on the SDGs

A2ii

# The role of insurance in the Sustainable Development Goals

A2ii-ASSAL-IAIS Regional Dialogue

Pascale Lamb | 16 September 2021

# Agenda

1 | Insurance & SDGs

2 | Mapping the SDGs to Insurance

3 | The role of the Insurance Supervisor

4 | A2ii Resources on the SDGs

# Insurance & the SDGs

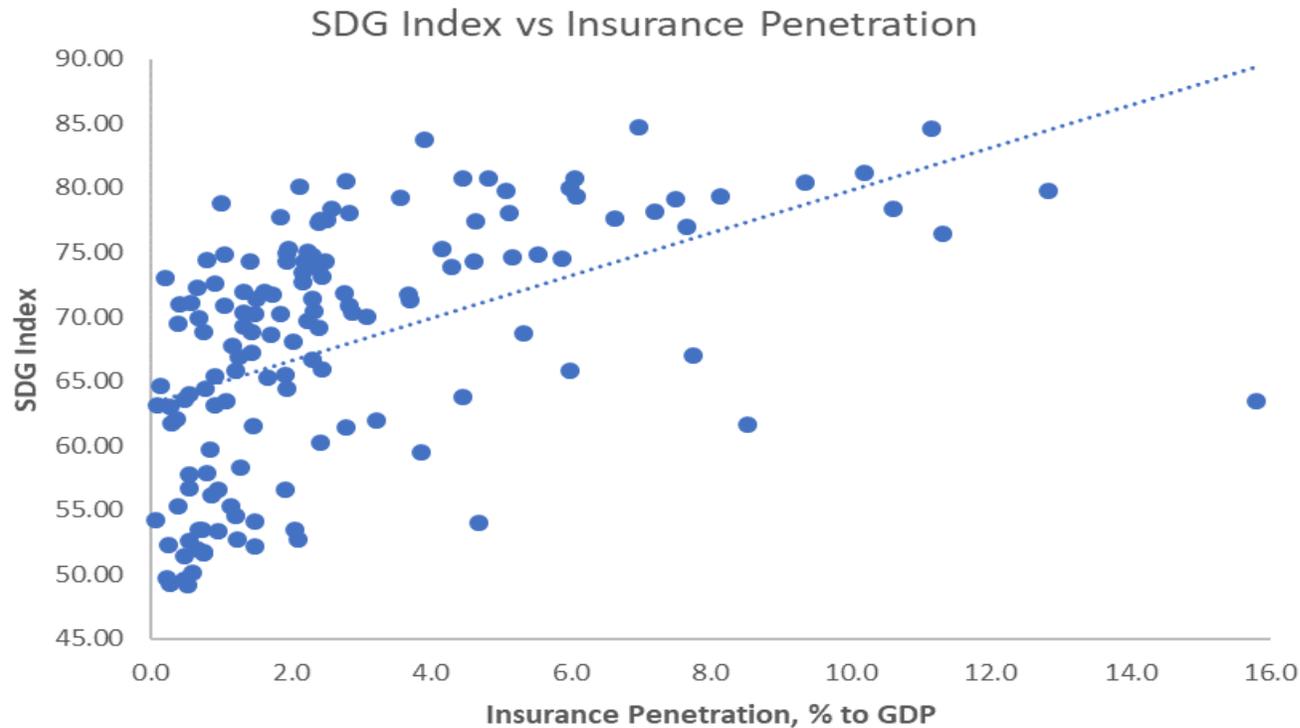
## Why does insurance matter to the SDGs?

- ❖ Insurance is a key enabler in achieving multiple SDG Goals
- ❖ Insurance underpins the sustainable development agenda
- ❖ Access to insurance can help in attaining the SDGs

## Role of Insurance in delivering the SDGs

- ❖ **Underwriters facilitating risk transfer**
- ❖ **Investors & Asset Managers**
- ❖ **Corporate Citizens & Employers**

# Insurance & the SDGs



Source: AXCO, SDG index database 2018 (*Sustainable Development Solutions Network (SDSN) and the Bertelsmann Stiftung for the 2018 SDG Index*).

# Mapping SDGs to Insurance



SDG1  
No Poverty



SDG 2  
Zero Hunger



SDG 3  
Good Health &  
Wellbeing



SDG 5  
Gender Equality



SDG 8  
Decent Work &  
Economic Growth



SDG 9  
Industry, Innovation &  
Infrastructure



SDG 11  
Sustainable Cities &  
Communities



SDG 13  
Climate Action



SDG 17  
Partnerships for  
Goals

# The Role of the Insurance Supervisor

## Why do the SDGs matter to Insurance Supervisors?

- ❖ Insurance Supervision plays an important role in sustainable economic development
- ❖ As governments emerge from the Covid-19 pandemic, they need to find ways to handle complex & interrelated policy areas
- ❖ Supervisors can advise governments on how to mobilise insurance to build resilience
- ❖ Can help play a key role in bringing together key stakeholders

# The Role of the Insurance Supervisor

## Challenges with integrating the SDGs

- ❖ Insurance is underrepresented in the SDGs
- ❖ Lack of data /metrics relating to insurance
- ❖ Lack of understanding of insurance by policy makers
- ❖ Transferring SDGs to regulatory mandates
- ❖ Insurance sector needs to recognise their role

# How can Insurance Supervisors support the SDGs?



## Build Capacity

Facilitate understanding of the SDGs & how they apply to your market



## Analysis

Analyse the factors that influence the ability of the insurance sector to support the SDGs



## Collaboration

Work with other relevant stakeholders and policymakers to align efforts in support of the SDGs



## Peer Knowledge & Exchange

Exchange experiences with other regulators and learn from their experience & practices



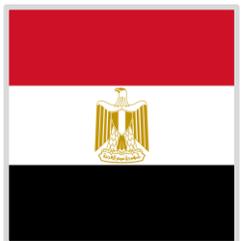
## Gather Data & Evidence

Work with industry to collect regulatory data and evidence

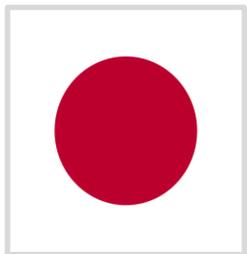
# The Role of the Insurance Supervisor



The Brazilian Ministry of Agriculture and Superintendencia de Seguros Privados (SUSEP) developed the **Subsidy Programme for Rural Insurance Premium** which incentivises insurers to operate in rural areas

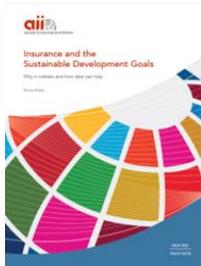


The Central Bank of Egypt (CBE) has achieved introduced a number of initiatives to provide financially underserved households and female MSME owners by enabling the **legal and regulatory framework** and building a comprehensive **gender-disaggregated data set**



Japan FSA has conducted **thematic reviews on natural disaster risk management for non-life insurers**. The reviews include claim management and the protection gap among SMEs for water-related disasters and large natural disasters

# A2ii Resources on the SDGs



## A2ii Policy Note: Insurance & the SDGs

This policy note makes a case for why insurance matters to achieving the Sustainable Development Goals (SDGs). It argues why data is essential to ensure that insurance gains a fixed place in development toolkits.



## Supervisory KPIs Lexicon

Interactive, searchable directory of KPIs for insurance supervisors across four pillars: prudential soundness, market conduct, insurance market development and the Sustainable Development Goals.

SDG Dialogue Series	Dates
Index Insurance Survey	25 March
SDGs & Inclusive Insurance	22 April
Women's access to Insurance	27 May
Climate-Related Risks in Insurance	8 July
Telehealth & Innovation in Health Insurance	23 September
Protection Gap	14 October
SME Insurance	25 November

## A2ii-IAIS Dialogues: SDG Dialogue Series

Series of public and supervisory webinars highlighting the link between insurance and the Sustainable Development Goals



## A2ii Webpages

Dedicated webpages covering the SDGs and insurance

## Encuesta / Poll

*¿Qué ODS le interesa más personalmente?*

*Which SDG do you personally care most about?*



## Encuesta / Poll

*¿En qué áreas cree que las aseguradoras pueden contribuir con mayor eficacia?*

*In which areas do you think insurers can contribute most effectively?*



## Encuesta / Poll

*¿Por qué los seguros no se utilizan lo suficiente como herramienta para el desarrollo?*

*Why isn't insurance used more as a tool for development?*



## Encuesta / Poll

*¿Cuál función de supervisión es más importante para apoyar los ODS?*

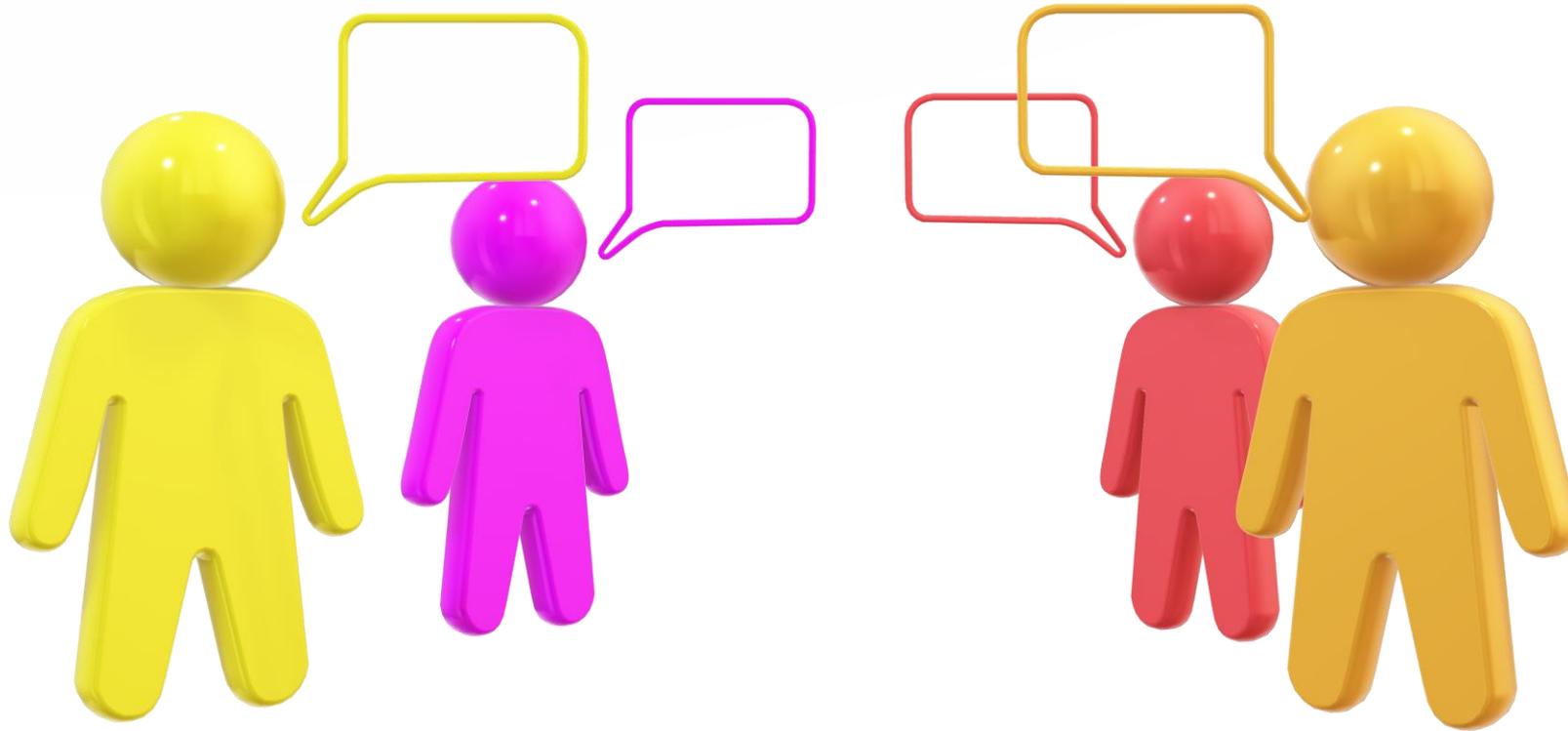
*Which supervisory role is most important to support the SDGs?*



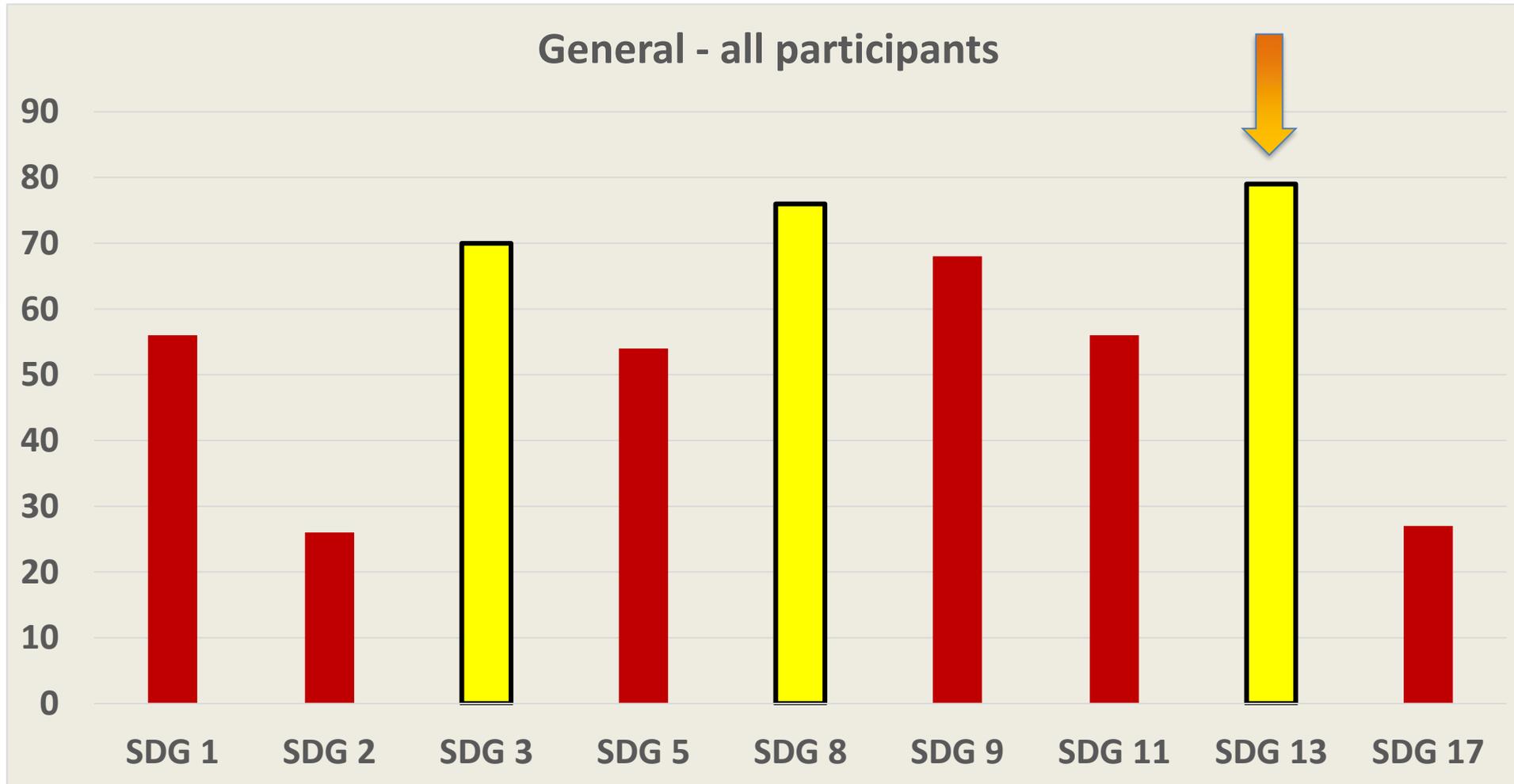
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# Interactive Discussion

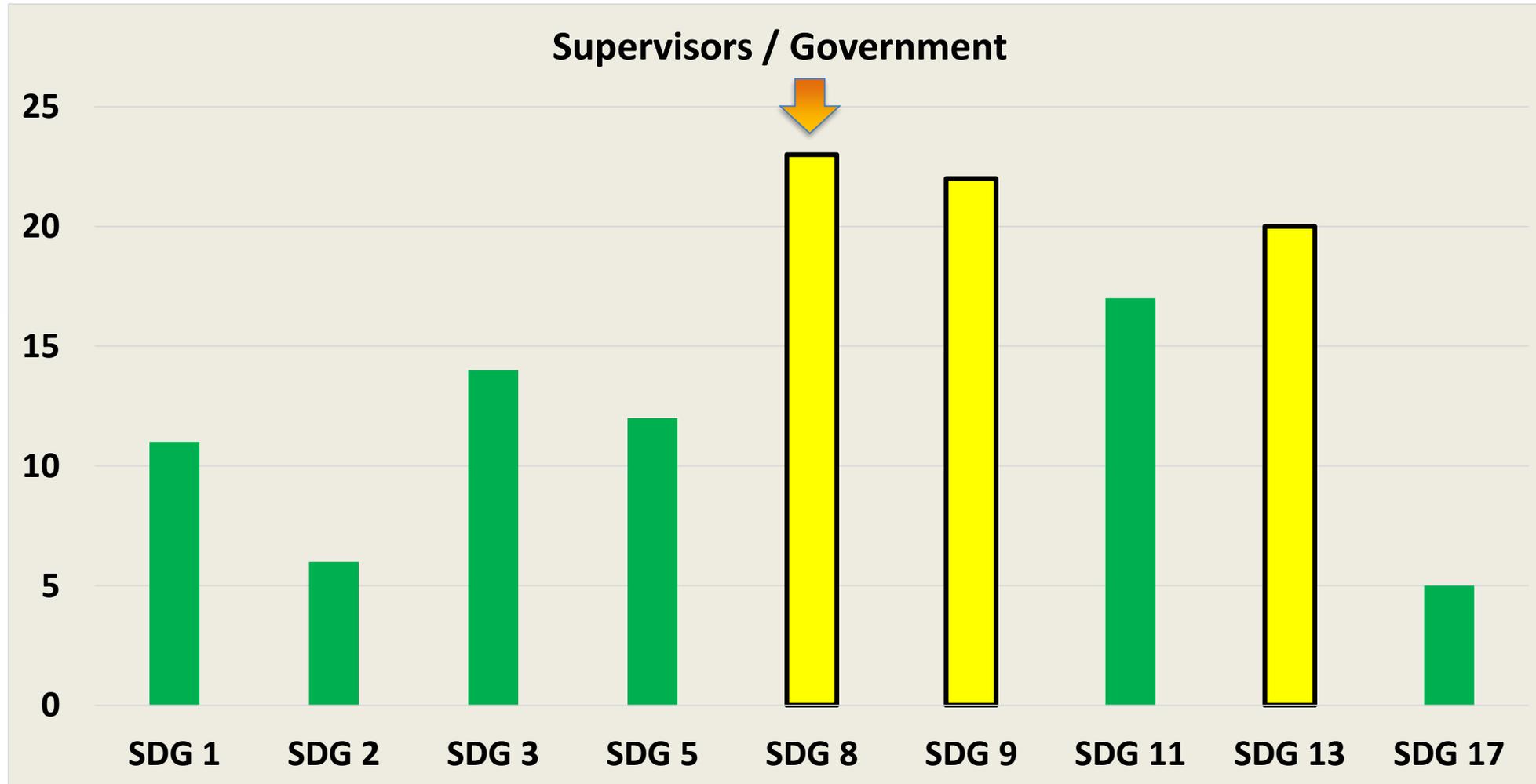


# Interactive Discussion



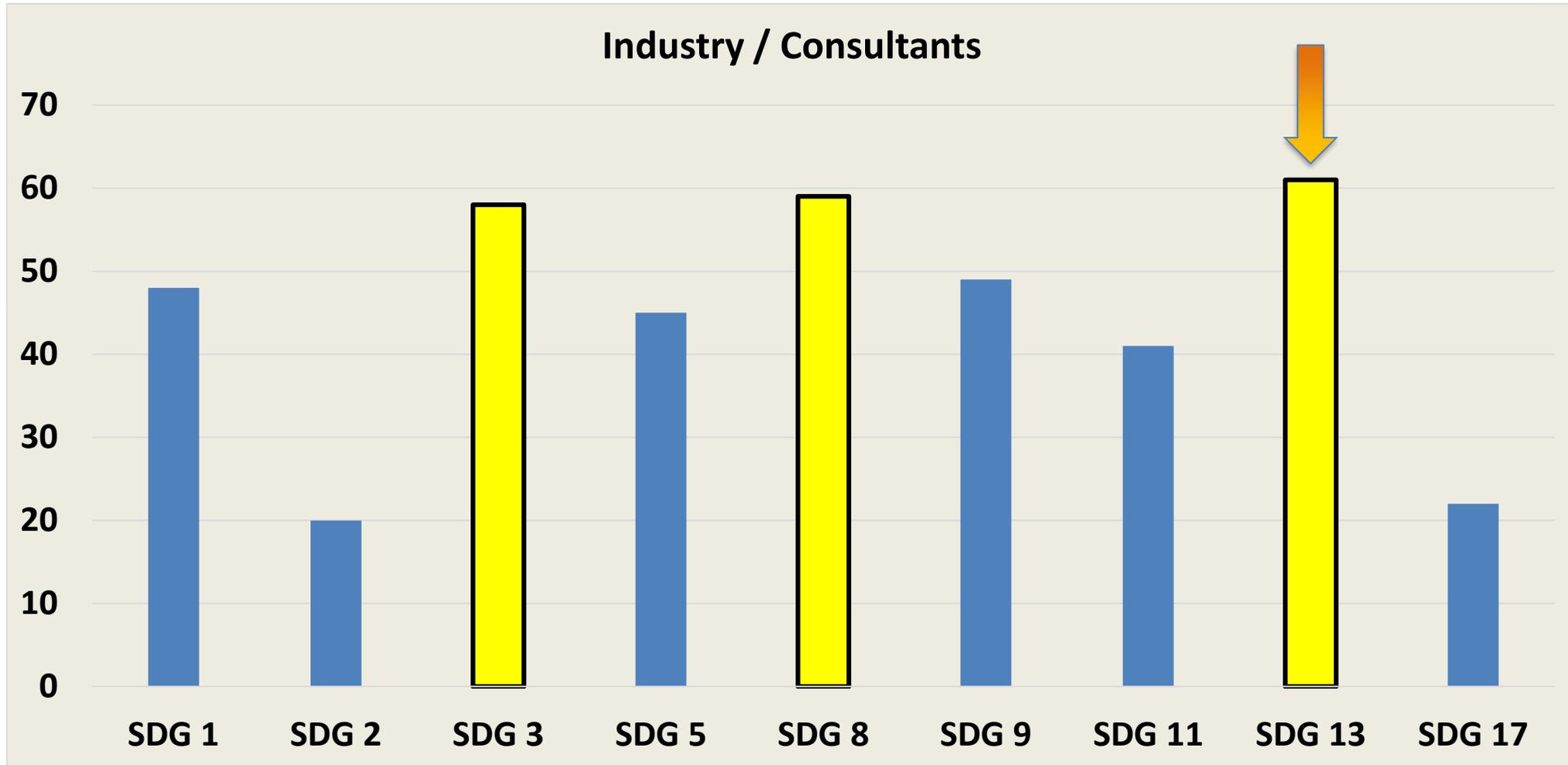
*Response of participants when registering - general*

# Interactive Discussion



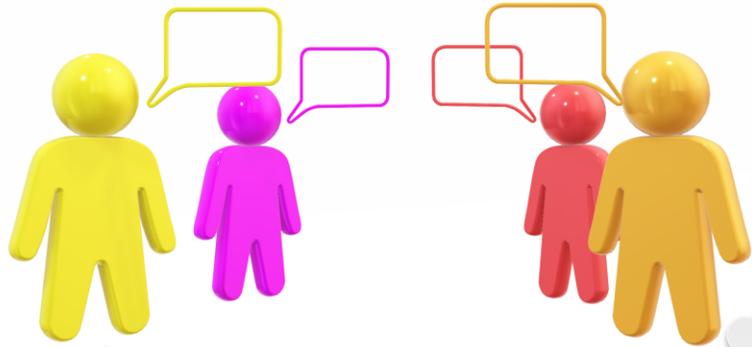
*Response of participants when registering – Supervisors/Government*

# Interactive Discussion



*Response of participants when registering – industry/consultants*

# Interactive Discussion



*Why do stakeholders - public & private - have different views on the SDGs and what could be done to seek alignment between them?*

*Do you believe that your team members have the same opinion about the level of relevance of each SDG?*

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# Session 2 – Aligning the insurance sector with the SDGs

*KPIs to measure the contribution of insurance to (nine) SDGs*



Speaker:

**Hui Lin Chiew**

Advisor and Technical Lead on  
regulatory impact and market conduct  
A2ii

# Aligning the insurance sector with the SDGs: Why Data is Essential

A2ii-ASSAL-IAIS Regional Dialogue

Hui Lin Chiew | 16 September 2021

# Insurance is still underrepresented

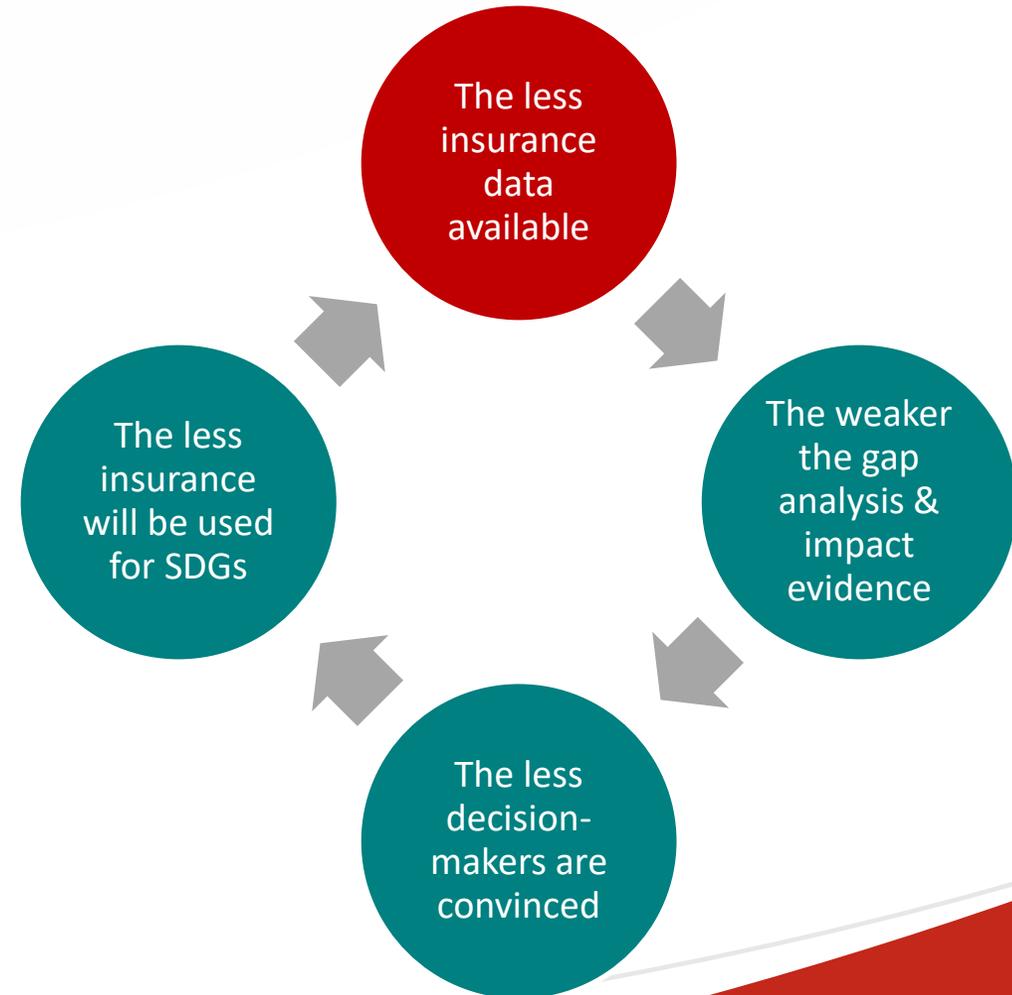
- ✓ Insurance metrics lacking in SDGs: Only explicitly mentioned once under Target 8.10, without a KPI
- ✓ Absent in key global indices on financial inclusion
- ✓ Not prevalent in national development plans and financial inclusion strategies

# Lack of data is a root cause

Not enough:

- Raw data: Insurance uptake, product line data, disaggregated data by target groups
- Contextualised data: Asset allocation based on ESG considerations

*You can only manage what you measure.*



# What kind of data is needed...

## Type of data/KPI

### Impact Story

- ✓ Who and how many are in the protection gap? What risks do they face? What is the evidence that insurance works?

### Product

- ✓ How much are insurers are contributing to SDGs via insurance products and services? Which target groups and product types?
- ✓ What is the uptake, quality and accessibility of the products concerned?

### Corporate Citizen

- ✓ How much are insurers are contributing to SDGs as an investor, employer, expert, convener, business overall?

# ...and how to use them

## Type of data/KPI

### Impact Story

- ✓ Help stakeholders decide how best to deploy insurance
- ✓ Evidence for advocating with decision-makers: policymakers, shareholders, funders...

### Product

- ✓ Measure baseline – contributions today
- ✓ Set aspirations and targets together – contributions tomorrow

### Corporate Citizen

- ✓ Carve out roles for insurance industry beyond products and services

# The Supervisory KPIs Lexicon: SDG Pillar

- ✓ An interactive and searchable public directory of KPIs, for supervisors, industry and policymakers
- ✓ Lists KPIs for the link between insurance and the SDGs: State of play, the gap, the potential contribution
- ✓ A reference list, a basis for dialogue and idea generation – but only a starting point!



Link: <https://a2ii.org/en/supervisory-kpis-lexicon>

# Example: SDG1 No Poverty



## Impact Story

- % and no. and number of people under national threshold for low-income
- How they cope with financial shocks, and whether their strategies work
- Their protection gap, focusing on key risks e.g. mortality and health

## Product

- Number, types, uptake and performance of inclusive insurance or microinsurance products e.g. life, hospitalisation, personal accident, agriculture or property

## Corporate Citizen

- Industry research on low-income communities such as needs surveys (association OR individual insurer)
- Instances of insurers collaborating with policymakers on poverty reduction initiatives e.g national insurance schemes

# Example: SDG5 Gender Equality



## Impact Story

- Which occupational groups employ the most women and the risks associated
- Gender aggregated data on uptake of key insurance product lines e.g. life, health, income protection
- Data on the needs of women as insurance clients

## Product

Number, types, uptake and performance of

- Products addressing gender-specific risks/ targeting women-centric jobs e.g. mothers, caregivers, MSMEs, care workers, domestic helpers
- Products distributed through channels that reach women e.g. MFIs

## Corporate Citizen

- Gender pay gap in insurance sector
- Gender composition of the Boards, management and leadership positions in the insurance workforce
- policies and product governance

# Example: SDG13 Climate Action



## Impact Story

- % and no. of households exposed to disaster/climate risk
- Quantification and identification of key insurable climate related risk e.g. fiscal impact and estimated insurable proportion that can be transferred to insurance
- How quickly countries recover with vs. without insurance

## Product

- Number, types, uptake and performance of
- 'Green insurance' or 'Climate-smart insurance'
  - Products protecting the agricultural sector, natural ecosystems and biodiversity
  - Protecting households, businesses and properties in disaster-prone areas

## Corporate Citizen

- No. of insurers who have active ESG frameworks addressing climate risk
- No. of insurers complying/aligned with prudential regulatory frameworks on environmental/climate risk management
- Instances where industry contributes expertise e.g. consumer education, new risk financing tools, data hubs

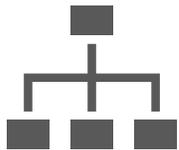
# Where to start?

Supervisors and industry:



**Start with good supervisory data:** Product line, distribution channel, target group data, categorised in a useful way for analysis

- Not just premiums! No. of policies/people covered, claims, complaints, renewals/persistency...



**Agree on what 'counts' towards the SDGs:** What do you consider, in your local context, as 'inclusive', 'gender-specific', 'green' etc.?



**Support knowledge and data generation:** Commission, support and pool research to generate the data needed

# Session 2 – Aligning the insurance sector with the SDGs

## *Gender Equality (SDG 5) and Inclusive Insurance* "Insurance for Women" project



Speaker:

**Verónica López Quesada**

Manager for Institutional Affairs and International Relations  
SSN / Argentina



# Women and Insurance



Argentina **unida**

Empresas que forman parte



# Introduction



## Route



Argentina

Team



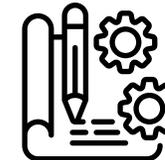
**INNOVACIÓN SOCIAL**  
Design Thinking



**TARGET**  
Segments of the population underserved by the insurance industry



**SELECTED SEGMENTS**  
Domestic workers  
Entrepreneurs



**PROTOTYPE**

- Insurance Awareness
- Freemium model

## First selected segment



# 70%

Of those with the lowest income in Argentina are women. Their main economic activity is domestic work, with the highest informality and lower wages, being the one most affected by the pandemic.

## Domestic Workers

**1500**  
Domestic workers

**70%**  
Informality.

**95%**  
Are women.

**200 mil**  
Women lost their jobs in private homes during 2020.





## Protecting people who do paid housework

We invite you to answer this short questionnaire, based on your experience. It will be very important for us to know your opinion.

**\*Obligatorio**



# Main survey results

S A M P L E

# 400

Domestic workers surveyed  
through our own workers.

- They care about their health and that of their children.
- When they get sick, they lose their work income.
- They are worried about losing their purses/wallets or bicycles in a robbery.
- Insurance seems a long way off. They need a tangible experience.
- In most cases, they are the main supporters of the family income.
- There is a high percentage of smartphone usage, but they prefer a personal first contact.
- They are concerned with training because they have an entrepreneurial spirit.



## We started prototyping

01.

How can we connect with people so that they perceive the power of insurance?

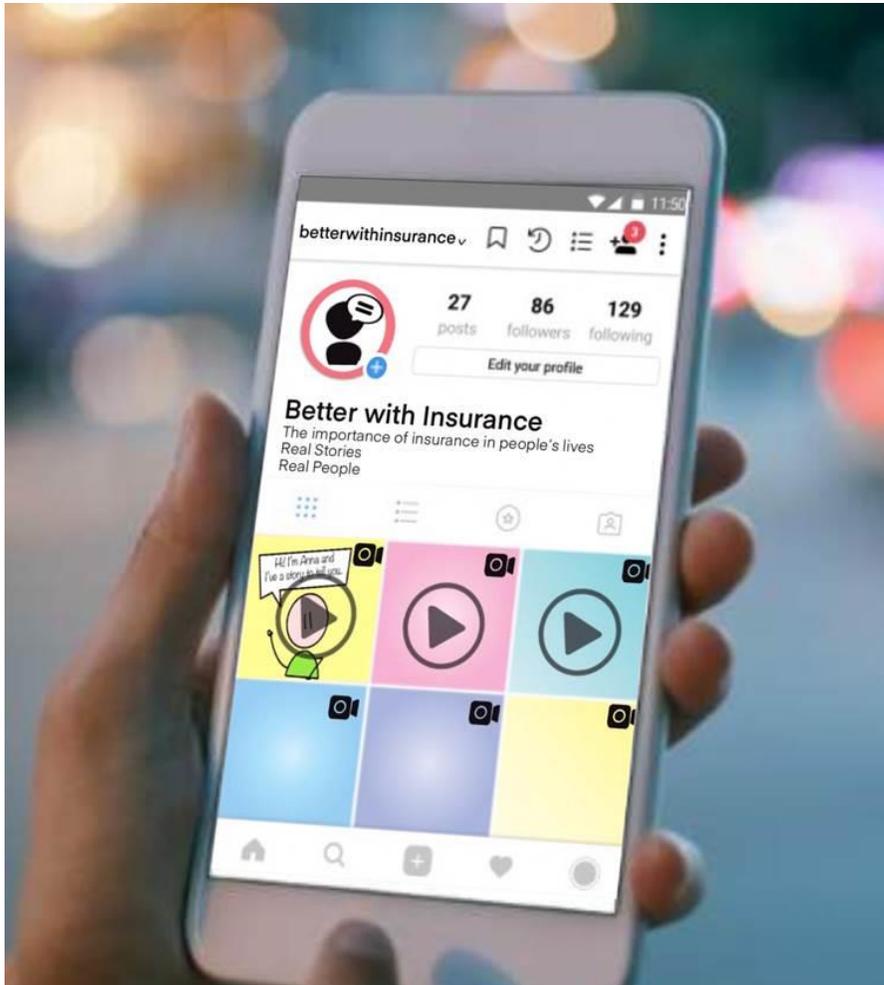
**INSURANCE  
CULTURE**

02.

How can we generate an accessible product for domestic workers that meets their needs and is financially viable?

**FREEMIUM  
MODEL**





## Social networks

- Simple language with real and everyday stories.
- Focused on young women (they don't make long-term decisions)
- Thinking that there are other coverages and services, beyond the mandatory ones, that can contribute to improving their quality of life
- Generate a useful insurance concept in people's minds. Reversing the distorted picture of insurance: expensive, inaccessible, unnecessary





## Freemium Platform

- Microinsurance marketing. Conversion to premium coverage.
- Free courses on various topics that promote entrepreneurship. Scholarships and Labor Insertion Programs.
- New Distribution Channels (eg Spotify, cleaning supplies stores, hairdressers), and callcenter for domestic workers.
- Generation of a Sandbox and sponsorship of companies and organizations





# Thank you!



# Questions & Answers



# Final remarks



**Hannah Grant**

Head of the A2ii Secretariat



**Tomas Soley**

ASSAL President and member of the A2ii governing council

# Thank you!

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