

# Promoting the economic and societal value of insurance

The role of a leading global think-tank

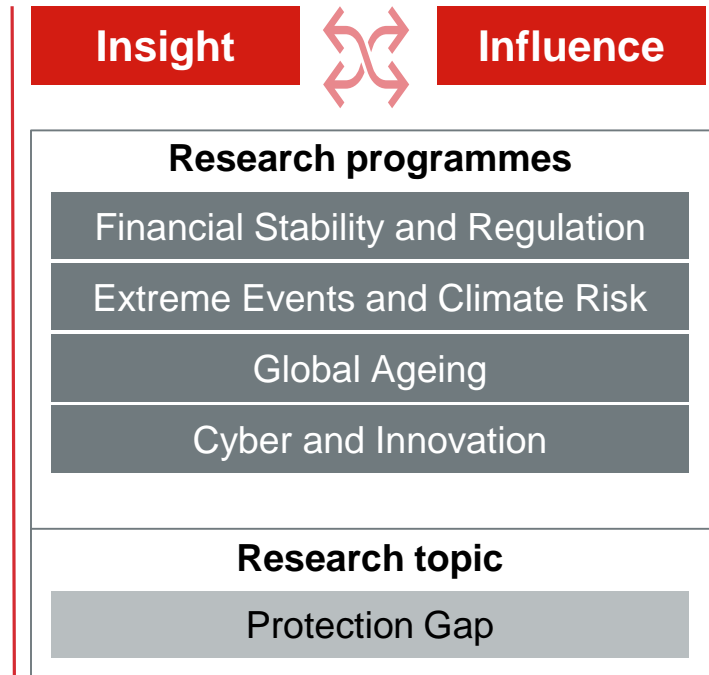
Anna Maria D'Hulster  
Secretary General

25<sup>th</sup> FAIR Conference  
Manama, 9 October 2017

- \ Who we are and what we do
- \ A spotlight on our research programmes
- \ Concluding remarks

- \ An influential think-tank and advocate of globally relevant insurance topics
- \ Interaction with a broad spectrum of international organisations, including IAIS, FSB, BIS, World Bank, UN and OECD
- \ Practice-based research and discussions engaging industry experts and academics
- \ Unique peer group forums of insurance C-suite executives – Annual General Assembly of CEOs, and key meetings of Chief Risk Officers, Chief Economists and Chief Investment Officers



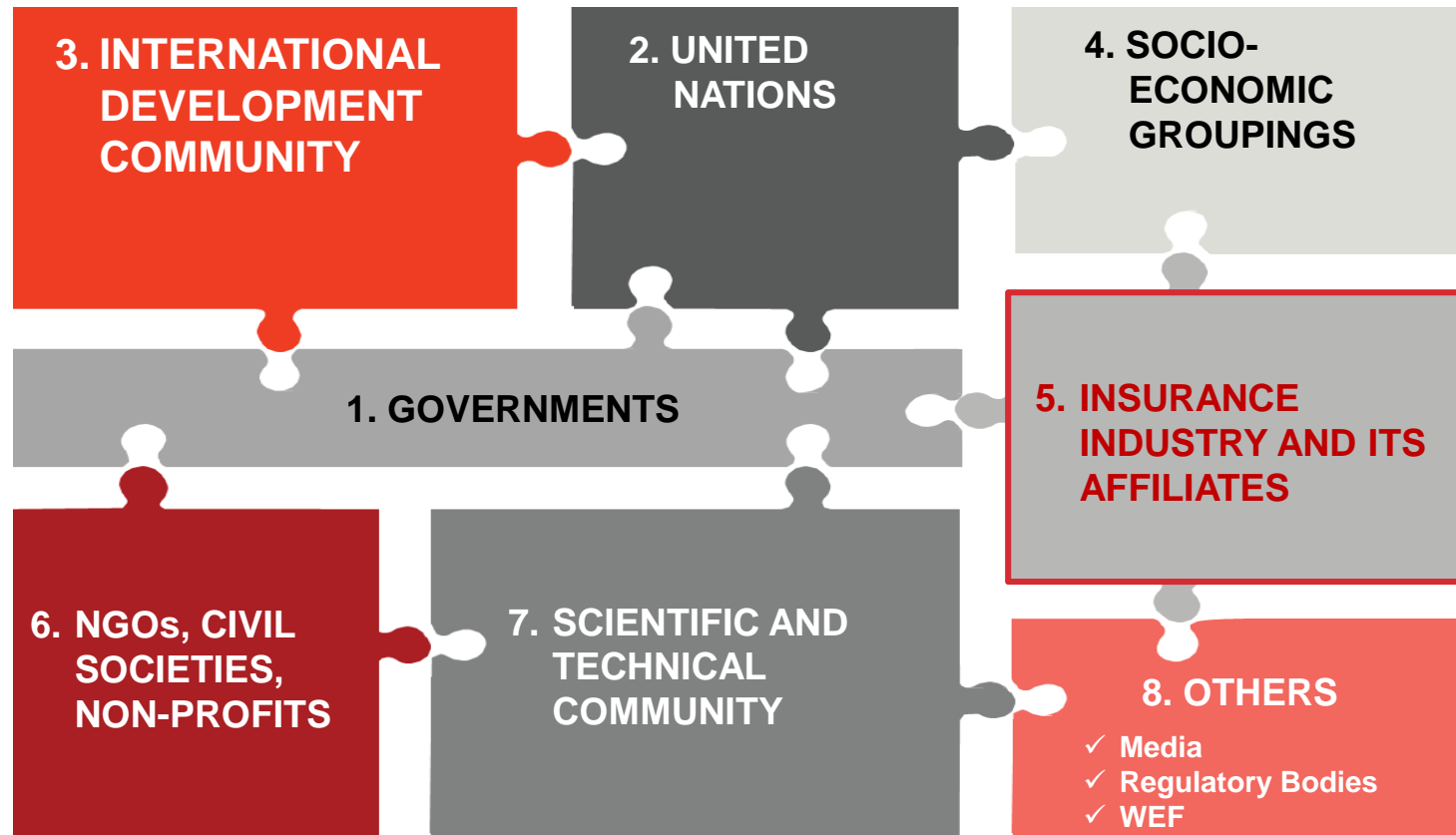


## Academic work

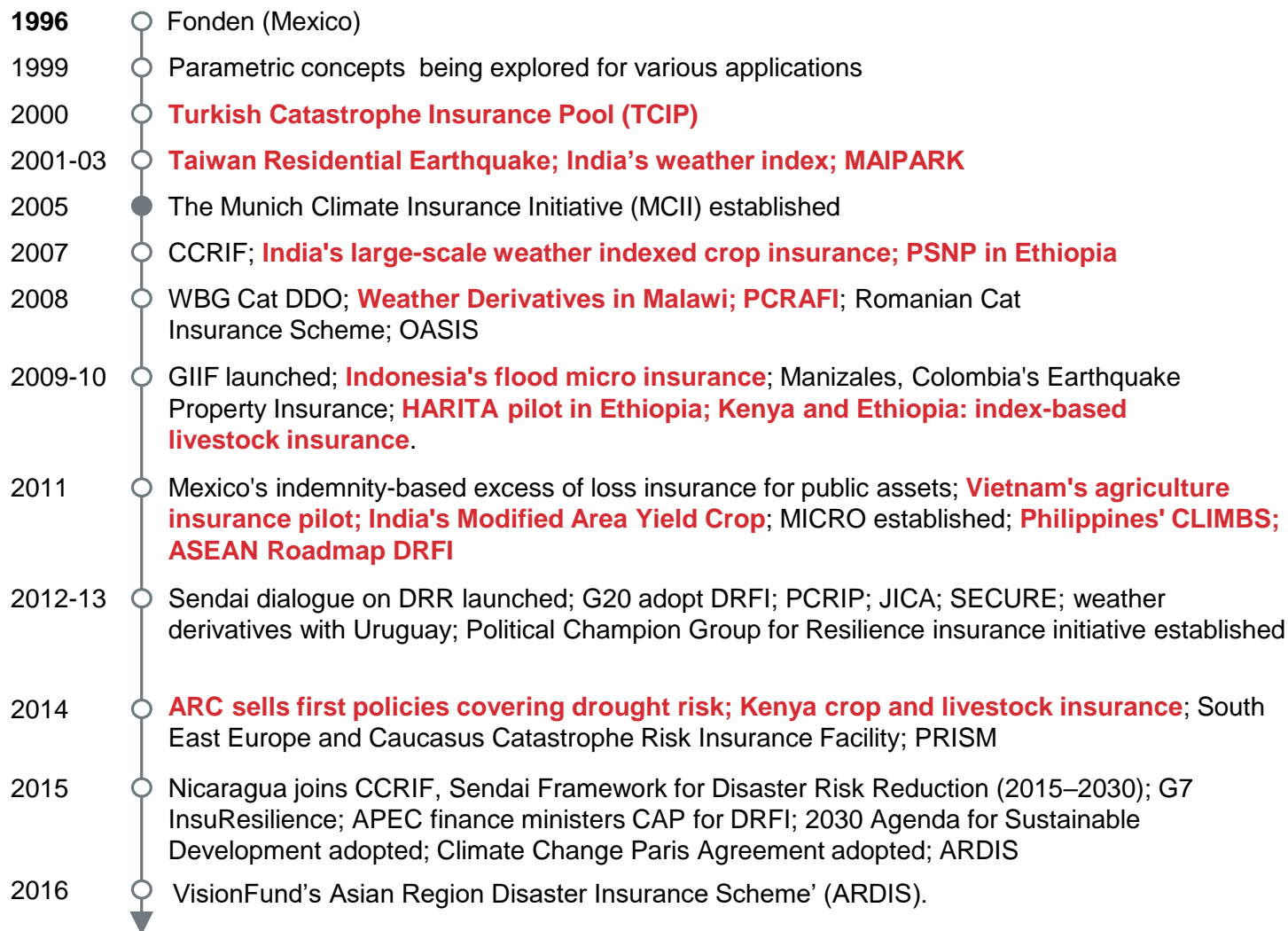
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Two peer-reviewed journals: *The Geneva Papers on Risk and Insurance – Issues and Practice*  
*The Geneva Risk and Insurance Review*

Numerous stakeholders work with governments to manage disaster risk

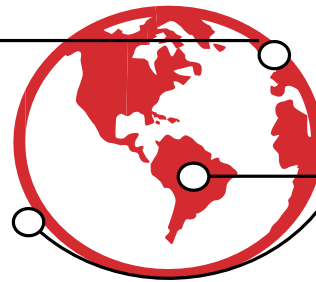


## Disaster risk transfer initiatives in low- and middle-income countries



The global disaster risk insurance protection gap is around 70%

## Issues to solve



### 2. High-income countries also experience

- Fluctuating capacity and Market appetite
- Risk-pricing difficulties
- Public policy & political motivation

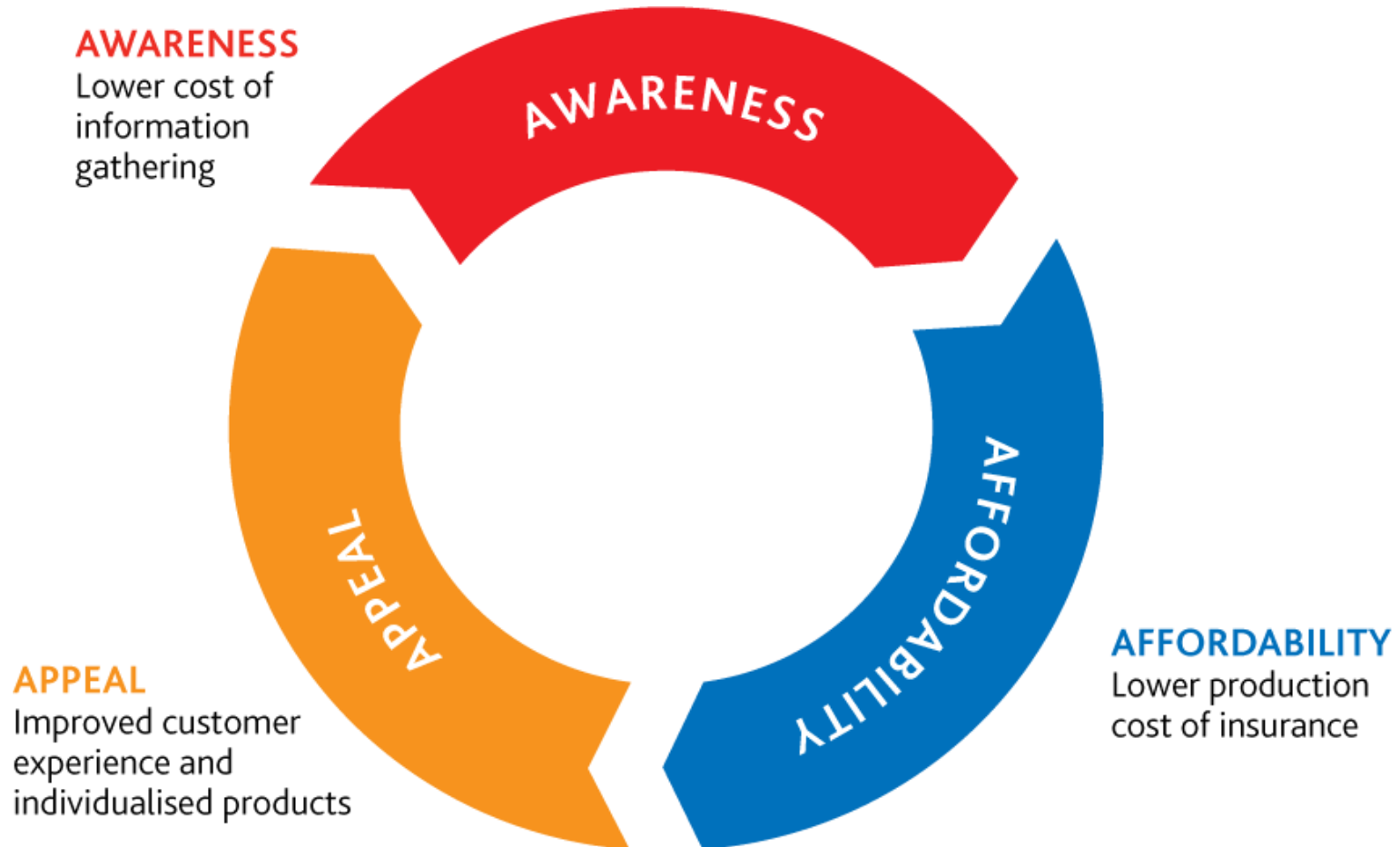
### 1. Overall

- Difficulties in risk assessment due to lack of data
- Asymmetrical information & adverse selection
- Limited take up
- Moral hazard unless insurance is incentivizing risk-reducing behavior

### 3. Mid- and low-income countries also have specific issues

- Lack of
  - Data
  - Risk modelling tools
  - Technical expertise
- Developed domestic finance sector
- Regulatory constraints
- Need for global (re)insurance capacity and expertise
- High distribution and claims settlement costs
- Scale and sustainability

Digital technology and advanced analytics promote all three main levers of insurance demand





## Success stories in micro, behavioural, P2P and parametric insurance

ID	Geographical reach	Key issue(s) addressed	Technology	Line(s) of business	Distribution	Prospects
A. Airtel Ghana	Ghana	Lack of insurance awareness	Mobile phone	Disability and hospitalisation	Mobile only	Expansion to additional African countries and lines of business; higher penetration
B. BIMA	Developing countries	Lack of insurance awareness	Mobile phone	Life, personal accident, health	Mobile, call centre-based agents	Further geographical expansion in developing markets and higher penetration
C. Discovery	Global	Demand for behavioural insurance mitigation of moral hazard and adverse selection	Health monitoring and tracking devices	Life and health	Online direct or via partner insurers	Further geographical expansion and higher penetration
D. Friend-surance	Germany	Demand for peer-to-peer insurance,	Social technology	Multiline	Online only	Further geographical expansion (e.g. Australia) and higher penetration
E. Kilimo Salama and Acre	Eastern Africa	Lack of insurance awareness; demand for 'pay-as-you plant' insurance	Mobile and meteorological technology	Agriculture	Traditional and mobile	Higher penetration
F. Pacifica	France	Lack of pasture insurance cover	Satellite technology	Agriculture	Traditional	Higher penetration

- \ The Geneva Association is committed to substantiating stakeholder discussions about strategic issues that shape the future of the global insurance industry
- \ We focus on topics which are relevant to insurers' economic and societal utility
- \ We consider our strong research credentials an essential foundation of credible advocacy work on behalf of the global insurance sector



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