

## **Resiliency and Financial Inclusion as Cornerstones of 2024 National Microinsurance Forum**

January 30, 2024

With climate change causing turbulence and uncertainty, the financial safety gap experienced by our most vulnerable sectors is becoming more apparent. Communities affected by natural calamities like typhoons, flooding and droughts are exposed to risks that not only affect their livelihoods but also their wellbeing. There is, therefore, a call for the microinsurance sector to bridge this gap by strengthening and expanding existing efforts in financial inclusion and resiliency.

These two thrusts were the main points of discussion during the recently held 2024 National Microinsurance Forum hosted by the Microinsurance MBA Association of the Philippines, Inc. (MiMAP) also known as RIMANSI Organization for Asia and the Pacific (RIMANSI) in partnership with the Insurance Commission, last January 23, at The Manila Hotel, Ermita, Manila. The annual forum, held in celebration of National Microinsurance Month and the Insurance Commission (IC)'s 75th Anniversary, was grounded on the theme: "Sustainable & Inclusive Finance for Climate Resiliency".

Over 340 members of the Board, management staff, and member-clients of Mi-MBAs and their partner microfinance institutions and cooperatives, representatives from private and government micro/insurance providers, practitioners, promoters, and supporters from around the country attended the event.

The morning sessions set the tone of the forum, with remarks and keynote messages that highlighted the thriving microinsurance landscape in the Philippines as well as the direction of the industry for 2024. Firstly, Dr. Jaime Aristotle Alip, Chairman Emeritus, MiMAP (RIMANSI), gave a preview of the current situation of the microinsurance sector in the country, particularly the performance of the microinsurance MBA sector, promoting especially the importance of financial literacy for the communities they serve.

This was followed by the opening message of Mr. Paul Favila, CEO & Country Head, Citi Philippines, who championed collaborative problem-solving and innovative digital solutions as cornerstones of financial inclusion.

"Citi is extremely honored and grateful to be part of RIMANSI (MiMAP) in implementing initiatives through grants that support the growth strategy of Mi-MBAS to further expand access of microinsurance products to uninsured low-income households," said Mr. Favila.

Mr. Favila was pertaining to the multi-year partnership with MiMAP, one of which is the "FinTech for Greater Financial Inclusion Program". Through this program, five partner Mi-MBAs are able to use a mobile application for cashless and paperless transactions to increase their operational efficiency especially in terms of member application, monitoring of payments and membership

status, claims processing, and member engagement. On top of this, Fintech Ed trainers are also guided on how to use the app which they can cascade to their members.

Likewise, Atty. Reynaldo Regalado, the Commissioner of the Insurance Commission also shared his insights during the forum. He emphasized the role of the microinsurance sector in recovery and rebuilding efforts, directly impacting the resiliency of their beneficiaries. “It is important for us to have the mechanisms and services that will help secure the financial stability and resiliency of our people especially those who are in the marginalized sector of our society,” Atty. Regalado said.

He also shared the ongoing efforts of IC to realize this vision, such as the conduct of seminars and workshops by their microinsurance division, the issuance of circulars and the creation of a microinsurance corner in the IC's website. All these initiatives are aligned with their strategic direction for 2024 and beyond, focusing on the institutionalization of financial literacy, collaboration with other local government agencies and financial institutions, growing the number of microinsurance providers and digitization and the use of Insurtech innovations. Ultimately, he reiterated that the goal must be “no one left behind”.

Aside from these, panel discussions opened up the dialogue among industry experts, partners and attendees of the forum. The first panel discussion on “Microinsurance Policy Issues” featured Atty. Reynaldo Regalado, the Commissioner of the Insurance Commission, Dr. Jaime Aristotle Alip, Chairman Emeritus of MiMAP, Mr. Michael Rellosa, Trustee and Executive Director of PIRA, Mr. George Mina, General Manager of PLIA and Mr. Jonathan Batangan, President of MIPAP, moderated by Mr. Lorenzo Chan Jr., President & CEO of Pioneer Inc. and a Board Member of CPMI.

During their session, they discussed the initiatives already being done in the microinsurance sector as well as some challenges being faced like the instability of the economy, taxing concerns, and finding the right balance for pricing strategies. There were also future-thinking dialogues on other microinsurance products still needed in the market, as raised by the participants – an affordable version of health insurance, products for seniors, agriinsurance products and renewable insurance. Moreover, they tackled touch vs. technology and their wishes for the development of microinsurance.

One of the next steps the panelists mentioned was the efforts of the IC to widen the reach of microinsurance which they hope to achieve through the localization of Mi-MBAs. Another one was the push for Takaful, a type of Islamic insurance. With CARD bank operating the first Islamic branch in Cotabato, Mindanao, they hope to launch microtakaful policies and procedures by March.

The second panel discussion on “Public-Private Partnerships for Climate Action Initiatives and Disaster Resiliency” began with the presentations of Mr. Paul Xavier Espinosa, Operations Officer of the International Finance Corporation – The World Bank Group, Mr. Manuel Cortina, Business Development and Marketing Department Manager III of PCIC and Mr. Lorenzo Chan

Jr., President & CEO of Pioneer Inc. and Board Member of CPMI. They tackled the vulnerability of the Philippine agricultural sector from climate change along with gaps in agri-insurance. They also highlighted the initiatives already in place, namely, Binhi Micro-Crop Insurance Program of CARD Pioneer Microinsurance Inc., and International Finance Corporation (IFC), and the pilot high value crops covered for this project, along with other capacity-building workshops and immersion programs. After their presentations, Mr. Michael Rellosa, Trustee and Executive Director of PIRA, Ms. Floradema Eleazar, Climate Action Programme Team Leader of UNDP, Undersecretary Vilma B. Cabrera of CESO II, and Undersecretary for National Household Targeting System and Pantawid Pamilyang Pilipino Program (4Ps) of DSWD, and Mr. Erwin Husmalaga, Information Officer from the Strategic Partnership Division of the Climate Change Commission also shared their insights on these topics, mentioning ecosystem adaptation and the role of partnerships in enhancing the adaptive capacity of communities.

The last panel discussion was about “Digital Technology for Enhanced Customer Experience” with presentations from Mr. Marlon Soria, Head of Customer Experience of FWD Life Philippines, Mr. Mike Singh, President and Chief Commercial and Revenue Officer of UnionDigital Bank, Ms. Jocelyn Dequito, Chief Executive Officer of CARD MBA, and Mr. Paul Joseph Galacan, Chief Operating Officer of Kezar Philippines. During this session, the panelists shared their best practices in digitizing their processes and their key learnings from the mobile apps and web portals that they already use. A common sentiment that they echoed was the positive impact of technology in enhancing the customer experience as well as its operational advantages in terms of cost, logistics and convenience. Alongside the push for digital transformation, they also plan to work on training members on these digital solutions and addressing needs on infrastructure and connectivity through collaborations with partners and the local government.

The forum ended on a hopeful note with the remarks of Fr. Jose Victor Lobrigo, Trustee of MiMAP. He believes that through events like these, the microinsurance sector will continue to grow and collaborate in building a sustainable and financially inclusive future. The National Microinsurance Forum will be hosted by MiMAP in the coming years, since it is an annual event of MiMAP in observance of the National Microinsurance Month.

The 2024 National Microinsurance Forum was hosted in partnership with the Insurance Commission, as supported by the Citi Foundation, the ICMIF Foundation, CARD Mutually Reinforcing Institution, and CARD Pioneer Microinsurance Inc. (CPMI). Other sponsors of this forum were CARD MRI Insurance Agency (CaMIA), BPI Wealth, FDS ASYA PHILIPPINES INC. (FDSAP), REDCAT, RIMANSI Mutual Solutions Insurance Agency, Inc. (RMSI), National Reinsurance Corporation of the Philippines and PhilCare.

*About MiMAP (RIMANSI):*

*The Microinsurance MBA Association of the Philippines Inc. (MiMAP) or RIMANSI helps professionalize the management of microinsurance mutual benefit associations (Mi-MBAs) and microinsurance programs to provide affordable, comprehensive, and quality risk protection to millions of poor people in Asia and the Pacific. Towards this purpose, MiMAP assists Mi-MBAs in developing risk management solutions, building capacities, advocating for appropriate policy environment, and pursuing research and development agenda.*

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