



United Nations and world's microinsurance community forge unprecedented global partnership for sustainable development that leaves no one behind

UN Environment's Principles for Sustainable Insurance Initiative and the Microinsurance Network join forces to help achieve the UN Sustainable Development Goals

Geneva/Luxembourg, 31 August 2017—An unprecedented global partnership has been forged to promote inclusive and sustainable insurance markets around the world and to help achieve the [UN Sustainable Development Goals](#).

The [Microinsurance Network](#), the multi-stakeholder platform for the world's microinsurance community of experts and institutions, has joined [UN Environment's Principles for Sustainable Insurance Initiative \(PSI\)](#), the largest collaborative initiative between the United Nations and the insurance industry. The PSI-Microinsurance Network partnership will advance the social and financial inclusion dimension of sustainable insurance with the goal of closing the insurance protection gap—the gap between economic losses from all disaster events and insured losses. According to Swiss Re, the global insurance protection gap in 2016 was USD 121 billion.¹

“Sustainable development requires recognising that economic, social and environmental sustainability are interlocking and mutually reinforcing. Therefore, poverty eradication, social equity, good health, disaster risk reduction, and climate change adaptation and mitigation are all part of a unified agenda. In this context, social and financial inclusion has been an integral pillar of the sustainable insurance agenda from the outset,” said **Butch Bacani, who leads the PSI at UN Environment**.

“We are committed to achieving our vision of a world where people of all income levels—particularly the underserved—are more resilient and less vulnerable to daily and catastrophic risks, “ said **Katharine Pulvermacher, Executive Director of the Microinsurance Network**. “We believe that access to insurance and better risk management to reduce vulnerability are essential to sustainable development, and the world's poor will not achieve lasting prosperity without them. We wholeheartedly support the Principles for Sustainable Insurance and are committed to supporting the development and expansion of insurance services that are sustainable as well as socially inclusive.”

Endorsed by the UN Secretary-General and insurance CEOs, the PSI serves as a global framework and global collaborative initiative for the insurance industry to address environmental, social and governance challenges—such as climate change, natural disasters, ecosystem degradation, financial exclusion, human rights violations, health risks, and corruption—and to strengthen the industry's contribution to sustainable development.

“The UN Sustainable Development Goals are premised on the pledge of ‘leaving no one behind’. This landmark partnership to build inclusive and sustainable insurance markets underscores that in order to fulfil that pledge, we must reach out to those behind first,” added Bacani.

¹ [Natural catastrophes and man-made disasters in 2016: A year of widespread damages \(Swiss Re Institute, 2017\)](#)



The PSI and the Microinsurance Network have identified various areas of collaboration, including knowledge sharing, policy engagement, capacity building, and events. The collaboration will harness the insurance industry's role in helping communities reduce risk through good risk management practices, in absorbing financial shocks and enabling economic activity through insurance solutions, and in financing the transformation to a sustainable economy through investments. For example, the Microinsurance Network will help shape the inclusive insurance elements of the global initiative of the PSI and ICLEI – Local Governments for Sustainability to create “[Insurance Development Goals for Cities](#)” by 2018. This initiative will show how the insurance industry—as risk managers, insurers and investors—help build inclusive, resilient and sustainable cities.

The Microinsurance Network will also work with the PSI on the inclusive insurance elements of national and city-level sustainable insurance roadmaps being developed, and in the implementation of global policy frameworks such as the UN Sustainable Development Goals, [Paris Agreement on Climate Change](#), and [Sendai Framework for Disaster Risk Reduction](#). Moreover, key inclusive insurance initiatives, as well as the global body of insurance regulators and supervisors, have voiced their strong support for the PSI-Microinsurance Network partnership.

“This partnership is necessary. Development is unsustainable if it only serves the few, and if it leads to environmental degradation and extreme events that set back hard-won development gains,” said **Craig Churchill, who leads the [International Labour Organization’s \(ILO\) Impact Insurance Facility](#)** and a founding member and previous Chair of the Microinsurance Network. “We’ve been collaborating with UN Environment’s Principles for Sustainable Insurance Initiative to promote inclusive insurance as part of the sustainable insurance agenda and are delighted that the Microinsurance Network and PSI have joined forces.”

Churchill edited the 2006 and 2012 volumes of “Protecting the poor: A microinsurance compendium” published by the ILO, Munich Re Foundation and Microinsurance Network, recognised as authoritative resources for policymakers and practitioners on inclusive insurance approaches and practices.

“Over the years, we’ve supported insurance regulators and supervisors and partnered with the Microinsurance Network to develop inclusive insurance markets, particularly through our jointly organised Consultative Forums,” said **Hannah Grant, Head of the [Access to Insurance Initiative’s \(A2ii\) Secretariat](#)**. “This new partnership is timely. We’re also exploring opportunities to work with UN Environment’s Principles for Sustainable Insurance Initiative and its Sustainable Insurance Forum for Supervisors to close the insurance protection gap, especially in the face of increasing environmental challenges.”

“As the global body of insurance regulators and supervisors, our mission is to develop and maintain fair, safe and stable insurance markets for the benefit and protection of policyholders, and to contribute to global financial stability. This important partnership to promote sustainable insurance markets clearly supports both aims and should be lauded,” said **Yoshihiro Kawai, Secretary General of the [International Association of Insurance Supervisors \(IAIS\)](#)**.

The IAIS is an A2ii partner and participates in [UN Environment’s Sustainable Insurance Forum for Supervisors](#).



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About UN Environment's Principles for Sustainable Insurance Initiative

Endorsed by the UN Secretary-General and insurance CEOs, the Principles for Sustainable Insurance (PSI) serve as a global framework for the insurance industry to address environmental, social and governance risks and opportunities—and a global initiative to strengthen the insurance industry's contribution to building resilient, inclusive and sustainable communities and economies.

Developed by UN Environment's Finance Initiative, the PSI was launched at the 2012 UN Conference on Sustainable Development (Rio+20) and is the largest collaborative initiative between the UN and the insurance industry. More than 100 organisations worldwide have adopted the four Principles for Sustainable Insurance, including insurers representing more than 20% of world premium volume and USD 14 trillion in assets under management.

In 2016, UN Environment—through its PSI Initiative and its Inquiry into the Design of a Sustainable Financial System—and insurance regulators and supervisors launched the Sustainable Insurance Forum for Supervisors (SIF). The SIF is an international network of insurance regulators and supervisors working together to strengthen their understanding of and responses to sustainability issues for the insurance business.

www.unepfi.org/psi

About the Microinsurance Network

The Microinsurance Network is the international multi-stakeholder platform for microinsurance experts to work together and focus on key areas for development in the sector. Its mission is to promote the development and delivery of effective risk management tools, including insurance services, for unserved people by encouraging shared learning and facilitating knowledge generation and dissemination.

www.microinsurancenetWORK.org