



WORLD BANK GROUP

COUNTRY PROFILES



INDEX INSURANCE MARKET PROFILE

Haiti

GLOBAL INDEX
INSURANCE FACILITY

FUNDED BY



BACKGROUND

Haiti is one of the most disaster-prone countries in the world with earthquakes, hurricanes and flash floods.

DEVELOPMENT IMPACT

Micro-loans and Payouts: The \$8.9 million payout in 2012/13 helped thousands of women-owned micro-enterprises repair damages, replace inventory and reopen businesses.

Products Available:	Nat cat and weather index
Perils Insured:	Floods, hurricanes, earthquakes
Intermediary Brokers	MiCRO
Launch Date	2011
Market Development	MiCRO 2012: 67,365 2013: 63,969 As of June 2014: 60,142
Local Insurers	Alternative Insurance Co. (AIC)
International Reinsurers	Swiss Re, MiCRO
Calculation Agent	
Regulatory Environment	A 1981 law gives the Ministry of Economy and Finance (MEF) authority to supervise the insurance sector. IBRD has been working with the MEF on drafting new insurance laws to put in place a prudential regime for insurance business.
Product Design:	While previously MiCRO/Fonkoze issued payouts to clients, under the current programs, micro-enterprises are no longer eligible for direct payouts; however, should an event trigger payout under the policy Fonkoze uses the funding from MiCRO to recapitalize borrowers that may have been adversely affected by a catastrophic event. The MiCRO pilot is still being tested. The key to success will be improving the rain, wind, seismic and parameters that guide the micro-insurance payouts.
Data:	TRMM Satellite
Cost of Insurance:	5% of value of insured inputs
Value Chain:	Fonkoze Financial Services (MFI)
Total Insurance Portfolio (sums insured)	\$7.97 million
Payouts:	\$8.9 million (2012/13)
Potential Market for Index Insurance- Cotton:	MiCRO works through MFI Fonkoze, and hopes to reach economies of scale through other MFI distributors. Through GILF technical assistance, the project will expand the reach of the product offer to more low-income microfinance clients by adding at least one additional MFI to MiCRO's distribution channels by the end of the project. With GILF grant funds, MiCRO is able to cover the costs of up to 50 percent of the premiums for three years, allowing MiCRO time to bring its index product up to a sustainable market level. Approximately 70,000 micro-enterprises are expected to be insured by the end of December 2016. The total projected value of active insurance contracts is estimated to be \$20.5 million by 2016.