



Unlocking Public and Private
Finance for the Poor

Expanding the coverage of insurance and pensions to migrants

28 September 2022

William Price

Senior Adviser on Insurance and Pensions, UNCDF

THE PROSPECTS FOR INSURANCE AND PENSIONS ARE POTENTIALLY VERY SIGNIFICANT IF IMPROVEMENTS CAN BE MADE ACROSS THE ECOSYSTEM



- 281 million migrants (2021) up from 174 million (1995)
- Migrants support ≈ 800 million family members back home
- Total population that could be positively influenced ≈ 1 billion



- Migrants send 15% of their income home each year – \$702 bn in 2020 (>> \$1 trillion incl. informal transfers)
- LMICs receive \$540 bn of the \$700 bn in total (\$810 bn incl. informal transfers)
- 75% of inbound remittances spent on food, housing, school fees and the costs of medical emergencies. Include risks that could be insured
- Sent via range of cash, banking and newer digital providers with average cost of 6.4%



- 25% of the annual remittances to LMICs– or \$200 bn – are sent for saving and investments
- Remittances make up for gaps in insurance and pensions for families, but exposes them to risk if the migrant dies
- Migrant workers also need pensions for their own futures

THE AIM IS TO HELP BUILD A MORE IDEAL ECO-SYSTEM SO THAT MORE MIGRANTS GAIN FINANCIAL RESILIENCE WITH INSURANCE AND PENSIONS



Open Digital Payment Eco-system

Cross-border inter-operable payments mechanisms are available to the migrants and their families for both contribution and benefit realization from wage digitization, insurance and pension



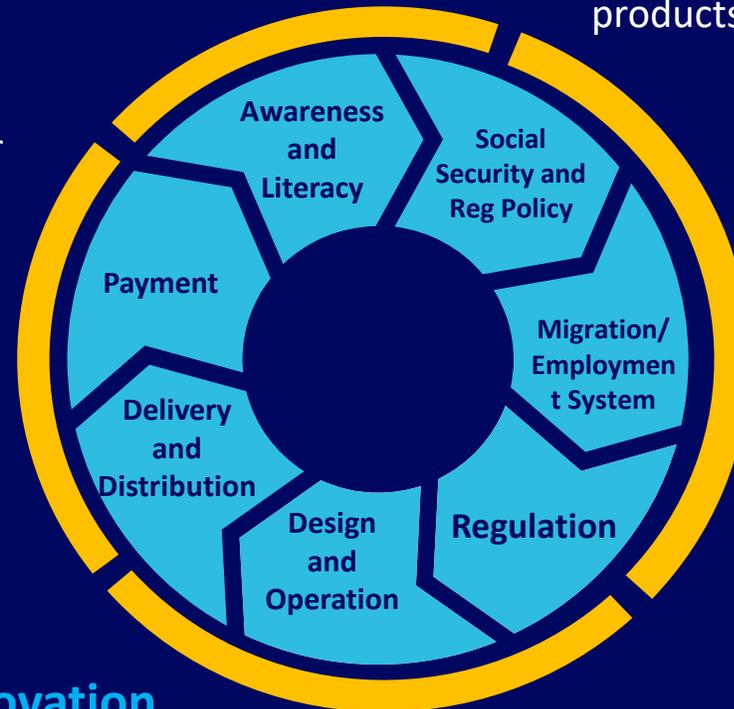
Inclusive Innovation

FSPs design launch and scale sustainable migrant centric ,gender responsive wage digitization, insurance and pension products, delivered through incentive aligned distribution mechanisms



Empowered Customer

Migrants and their families are aware of and appreciate the role of curated insurance and pension products that they would prefer, chose and use.



Enabling Policy and Regulation

Regulators and policymakers across key corridors enable migrant centric, gender responsive, portable wage digitization, insurance and pension product linked to migrant employment



Unlocking Public and Private
Finance for the Poor

THANK YOU