



# IFC

## Financial Institutions Group (FIG)

# Insurance

As of October 2025

### Industry Context

**While emerging markets today make up only about 20% of global premiums, they are the fastest growing insurance markets.** With growth rates consistently four to five percentage points or more above advanced countries, developing markets represent a significant opportunity for IFC and other investors.

**Insurance enables enterprises to take on more risk and provides a safety net for individuals.** Additionally, insurance companies deploy assets into long-term investments in local and regional economies, as well as bonds, equities, real estate and infrastructure, driving the development of deeper local capital markets. Life, non-life, and health insurance products can improve recovery after disasters, support health and social security systems and promote food security.

**Diverse trends are shaping the insurance sector and generating new challenges and opportunities:**

- Climate change
- Demographic shifts
- Evolving regulatory landscapes and adoption of higher standards
- The rise of insurance technology (Insurtech)

### IFC Strategy and Portfolio

**IFC helps clients create insurance markets to serve emerging market consumers and enables insurers to invest in both capital markets and real sectors.**

- IFC is a leading private equity investor and advisor to insurance companies in emerging markets, deploying its own capital for a finite duration and often as the anchor investor that attracts additional investors. IFC specialists provide technical advice and initiate operational improvements. We also provide our ESG frameworks and can offer investment products across the capital structure from common equity to senior debt facilities.
- IFC has invested over \$2 billion in insurance companies, primarily through direct equity investments, and currently has a portfolio of equity investments valued at about \$400 million across 22 insurance companies (including 11 Insurtech/early-stage investments). Looking ahead, IFC intends to grow its portfolio of insurance investments to \$1 billion by 2030.
- IFC utilizes non-payment insurance from highly rated global insurance companies as a mobilization and risk management tool for its own account lending programs. IFC has sourced approximately \$10 billion of capital through credit insurance to support long-term lending to financial institutions and infrastructure projects, as well as short-term trade finance.

### Strategic Initiatives

**The IFC Women's insurance advisory program leverages the private sector to create new women's insurance markets** in some of the most difficult environments. We work closely with our clients to increase their customer base and revenue from women, and by doing so we help increase women's access to insurance and boost their employment opportunities as agents and distributors.

**In Agricultural Index Insurance**, IFC advisory teams work with (re)insurance companies, MFIs, co-ops, agribusinesses, data providers, brokers, and risk modeling firms to provide technical assistance in product design, data collection, modelling and pricing. IFC also sponsors a variety of

educational activities to develop a local skill base that is the backbone of insurance infrastructure.

**The MCPP FIG platform has mobilized \$6.5 billion of insurance capacity** through an innovative reinsurance structure that sources non-payment insurance to increase IFC's long-term lending to FIs in EMDEs; currently, there are 13 global insurance partners participating in this program. Other DFIs are now replicating this approach. IFC supports our insurance investees to invest in more climate finance, including real estate and green and blue bonds. We continue to explore catastrophe bonds, insurance-linked securities and risk sharing for natural disasters and extreme weather events.

## Project Examples



### MARKET SCOPING FOR HYBRID CAPITAL (PHILIPPINES AND INDONESIA)

IFC and Milliman held two dissemination events with investors, insurers and regulators to share the findings of a market scoping and diagnostic study in respect of developing regulatory guidelines and an investment pipeline for insurance hybrid capital instruments in the Philippines and Indonesia. The study found robust interest from the insurance community to use long-term debt instruments as a form of capital for insurers in these markets, indicating potential demand of \$500 million to \$1 billion dollars through 2030. The next step is for the regulators in each market to establish clear guidelines for these capital instruments, likely along the lines of rules already established by regulators in Hong Kong and other developed Asian markets.



### NAKED FINANCIAL TECHNOLOGY (SOUTH AFRICA)

IFC continued its financial support to Naked, an insurtech in South Africa that offers affordable insurance products digitally to customers. IFC invested US\$4.8 million equity as a part of the company's latest fund-raising round, increasing IFC's total exposure to Naked to US\$14.8 million. The funds will help the company expand its product offering and services to customers overlooked by the traditional insurance sector. Approximately 30% of the company's customers are first-time insurance buyers.



### IGNITE THAILAND HOLDINGS (ROOJAI)

IFC increased its exposure to Roojai, a digital insurer that provides affordable motor insurance products digitally to consumers. IFC participated in the company's latest fundraising round by issuing a US\$1 million convertible note. The proceeds of this latest round will enable Roojai to acquire a local insurtech peer, strengthening its market positioning and geographic coverage, in order to penetrate further into the under-served customer segments neglected by the traditional insurance sector.

## FIG Insurance Committed Portfolio

Equity & Debt Investments across 22 companies operating in 30 countries

