

PERU PUBLIC SCHOOLS

OBJECTIVE OF THE STUDY

- To identify necessary additional project stakeholders;
- To identify the necessary activities, milestones, outputs and outcomes for the four components;
- To enable the project team to define and plan the necessary resources in terms of expertise, time and money and the best owner for the respective activities;
- To achieve a “target picture” for a future insurance scheme for Peru’s public schools, its insurance solution, its legal and technical set-up, its critical stakeholders and its budget needs.

MAIN RESULTS

- Political feasibility: Both the MINEDU and MoF are interested in the project; also a budget source/ line in Peru’s National Budget exists under which the premium could be funded.
 - Public sector procurement procedures generally led to slow rehabilitation and reconstruction after natural disasters in the past, but there is a precedent when these were simplified to improve speed of reconstruction.
 - Both the local regulator and insurance companies are supportive of the project.
- Legal / regulatory feasibility: Coinsurance is allowed in Peru, while the local regulator sees competition as a key priority; does not want to see the formation of a formal/ legal pool.
 - There is a precedent of the creation of centralized operational unit created to handle premiums, claims and establishment of reserves for insurers participating together in one programme.
- Technical feasibility: MINEDU has improved of the yearly school census which now provides more valuable information and govt is willing to sharing this info.
 - There are risk-literate public entities conducting risk evaluation which we can work with and which would be able to use the open-source risk models the project will make available.
 - Picsure’s technology to evaluate school buildings with image recognition technologies & it is feasible to develop a smart phone application for the exposure assessment as well as for the claims assessment.
 - Peru is already building back in better quality when reconstructing schools.
 - CAT modeling analysis will be key to determine pricing both for indemnity and parametric.



Project

Peru Public Schools



Partners

Apeseg (Peru’s assoc. of insurers, mandated by the Govt.); AXA XL; GEM; JBA; Munich Re; Picsure



Region

Peru



Main risks

Changes in government, delaying the project



Policyholder

Ministry of Education (MINEDU) – or Ministry of Economy & Finance (MoF), TBC



Insurance asset

All or a selection of Peru’s ~50,000 public schools