

Indonesia: New MAIPARK Initiative

The extent of disasters always depends on the degree of exposure to particular hazards and vulnerability of those affected. It is therefore not surprising that the poor suffer most in natural catastrophes and that natural catastrophes are seen as a major threat to the UN Millennium Goal of halving extreme poverty by 2015, said Mr Werner Bugl, President Director of PT Asuransi MAIPARK Indonesia.



Mr Werner Bugl

Public Private Partnership

True to its Mission Statement, MAIPARK has entered into a Public Private Partnership Agreement (PPP) with GTZ, an international co-operation enterprise for sustainable development owned by the German Government.

The partnership engages in a project developing a Disaster Awareness Training Curriculum for the low- and middle-income class in Indonesia promoting “risk perception” and the “idea and value of prevention”.

Culture of Prevention

Promoting the idea and value of prevention also creates a “culture of prevention” in general and helps to increase insurance penetration, he said. Insurance mitigates the social and economic impact caused by natural disasters and supports the emergency aid and reconstruction process of individuals due to available financial resources. Raising the insurance penetration means reducing people’s vulnerability and breaking the “cycle of poverty” that disasters bring along.

Market Education and Awareness Building Crucial

Private and public development agencies, Governments and international insurance and reinsurance companies increasingly recognise the importance and the potential of disaster insurance.

Mr Bugl said: “Leading international insurance and reinsurance companies are known to have been working on microinsurance schemes for some time. However, market education and awareness building are seen as a crucial precondition before disaster insurance products can be successfully implemented.”

The project is fully supported by the Indonesian General Insurance Association (AAUI) who is a signatory to the PPP Agreement between MAIPARK and GTZ. This initiative aims at retraining people from a culture of ex-post disaster concern to a culture of proactive ex-ante disaster attitude. 