

Session 3

PWP 3.1



Microinsurance Awards 2007

20 February 2007 | ILO/STEP National Workshop



www.planetfinance.org
The Microinsurance Platform

Microinsurance Awards 2007



- **Initiative designed to:**
 - Identify best practices and innovations in needs assessment, product design and delivery mechanisms and build a comprehensive inventory of the existing schemes
 - Promote, design and encourage development of innovative delivery models and build capacity for the growth of the Microinsurance sector in India

Microinsurance Awards 2007



- **Generate a market-oriented dynamic**
- **Expected Outputs:**
 - documentation of the inventory of microinsurance offerings in India
 - publication analysing the current status of microinsurance in India
 - organisation of an Awards Ceremony gathering all important industry stakeholders in India

Microinsurance Awards 2007



1. **Call for Nominations: 16 weeks (6 October 2006 - 23 February 2007)**
2. **Roadshows: 12 weeks (13 November 2006 - 12 February 2007)**
3. **Data Analysis and Pre-selection Jury: 6 weeks (26 February - 30 March 2007)**
4. **Field Study and Monitoring: 8 weeks (April 2 - May 25, 2007)**
5. **Comparative Analysis and Final Jury: 4 weeks (28 May - 22 June 2007)**
6. **Presentation Ceremony: 4 weeks (25 June - 20 July 2007)**

MIA Roadshows



- I. **Microinsurance can play a role in mitigating risk for the poor**
- II. **MFIs / NGOs have a key role in the development of Microinsurance**
- III. **Regulatory context and insurance business need to be understood in order to be an efficient actor**

MIA Roadshows



- **75 workshops**
- **875 NGOs and MFIs present**
- **Over 200 that say they offer insurance**
 - They want to offer insurance
 - In discussion phase
 - Less than 6 months selling insurance
 - Discontinuity in offering insurance
 - Lack of proper follow-up from insurers
 - Incorrect claims management from insurers

MIA Roadshows



- **Positive Reactions:**
 - Insurance an efficient tool to providing a safety net to their members
 - Insurance also an opportunity to earn income
 - Credit insurance a safety net for MFIs
- **Real Gaps:**
 - Understanding what IRDA has set up as framework
 - Understanding the mechanisms behind insurance

MIA Roadshows



- **Challenges:**
 - Increasing the understanding of insurance and where it can be most aptly used in poverty alleviation
 - Finding the balance between the social mission and financial viability
 - Increasing the dialogue between insurers and NGO/MFIs
 - Developing and pricing products for the poor with bottom-up approach

Making Microinsurance Work



- Create interest/awareness for MI both internally with staff and externally with members
- Create products that are adapted to member needs and priced affordably
- Develop win-win relationship with insurance company partner(s) in areas of awareness, training, products and processes
- Commit time and resources to facilitate business flows (especially administration, sales, claims management)

THANKS



PLANET FINANCE INDIA
www.microinsurance.net