

Scaling Micro Insurance in Developing Countries

Dates:
April 20-26, 2009

Location:
Chennai, India

Tuition: \$2800
(inclusive of Boarding,
Lodging and Field Exposure)
Scholarships are available
for nominees from
development organizations
from developing countries.

Evidence from developing countries demonstrates high demand for micro insurance and an explicit willingness to pay! Contrary to general expectations, micro insurance delivery did not achieve substantial scale as compared to the worldwide micro finance movement. One strong argument to corroborate this is the need for exporting 'local risk' to highly capitalized external 'Risk Carriers'. The ability of these risk carriers to operate across mass markets in developing countries is restricted by the lack of reliable data and absence of alternate means for risk assessment. While community based models have been successful in responding to needs of the community, they rarely achieve scale and are often critiqued to have exposure to systemic risks.

The Centre for Insurance and Risk Management (CIRM) at the Institute of Financial Management and Research (IFMR), in collaboration with the Wharton School, University of Pennsylvania, offers a classroom based customized training program that provides rigorous pricing models for data-scarce markets to assist risk carriers from developing

countries in designing fair contracts.

In order to ensure massification of micro-insurance, the ability to write sound contracts is critical!

Program Objective

To aid risk carriers in developing countries design insurance contracts and to underwrite and price micro-insurance products.

Program Overview

CIRM, in collaboration with the Wharton School offers a training program on Scaling Micro Insurance in Developing Countries:

- a. The training content focuses on general insurance contract designing and pricing, specifically on health, agriculture, catastrophe (weather) and livestock insurance.
- b. The course involves five day classroom sessions and two days of field exposure.

Program Content

The course will use a combination of insurance theory and case studies to address the structuring of micro insurance programs; the design of contracts, the intricacies of underwriting and pricing.

Scaling Micro Insurance in Developing Countries

Program Content *(continued)*

Content will include

- Understanding the basic insurance theory
- Introduction to micro-insurance and other household risk management mechanisms
- Comparison of micro-insurance providers; MFI's, NGO, mutuals, stand-alone insurers, etc.
- Designing micro insurance products for health, weather, livestock, and catastrophe
- Underwriting; mitigating moral hazard and adverse selection
- Pricing micro-insurance with limited data

Program Contributors

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Denis Garand, Independent Consultant, CGAP Working Group on Micro-insurance

Mosleh Uddin Ahmed, CEO, Microinsurance Research Centre
Vijayasekar Kalvakonda, World Bank

Robert Palacios, World Bank
Harini Kannan, Vice President (Insurance), Swiss Re India

Pompy Sridhar, Product Head, ICICI Lombard

Who Should Attend

The program is directed at risk carriers and product designers (insurers, reinsurers, large community agencies, technical support agencies, brokers etc) of developing countries.

Application Process

The applicants are required to e-mail the application form on or before March 31, 2009 to cirm.training@ifmr.ac.in. Qualified participants will be notified by April 2, 2009. Following the notification, the payment should be made. Last date for receiving the payment is April 10, 2009. If you are seeking scholarship, please mention the same at the time of registration.

About CIRM

The Centre for Insurance and Risk Management (CIRM) at the Institute for Financial Management and Research (IFMR) is undertaken as a sectoral effort to act as an enabler to ensure that a range of customized products, processes offer risk management solutions and social security for low income households. It is an action research, product development group focused on developing and delivering market ready micro insurance and risk management services for vulnerable sections in India. The centre collaborates with Insurers, Reinsurers, Research Institutes, Community Based Financial Institutions, International Organizations and the Regulator to develop insurance program that build an enabling environment in the country to ensure outreach and efficient delivery. The Centre adopts a Systems view in identifying risks faced by vulnerable communities through technical collaborations with key partners and disseminates its learning's from product customization designed for different geographies through our website, workshops, seminars and publications.

About the Wharton School

The Wharton School of the University of Pennsylvania founded in 1881 as the first collegiate business school is recognized globally for intellectual leadership and ongoing innovation across every major discipline of business education. Informed by in-depth academic research and extensive industry experience, Wharton Executive Education programs offer a supportive and challenging context where participants gain the skills necessary for their next level of executive development. In open enrollment and customized programs, participants from a diverse range of industries interact with Wharton faculty, who are the most cited, most published faculty of all top-tier business schools. With a profound influence on global business, Wharton faculty are the trusted advisors of corporations and governments

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