

## OVERVIEW OF THE ORGANIZATIONS SELECTED TO RECEIVE AN INNOVATION GRANT

### AFRICA

#### CIDR, Guinea

##### *Health product diversification and improvement of institutional efficiency*

The project involves improving the existing family health product and adding two new mandatory products: maternity coverage and, for school children, accident insurance. It also seeks to improve training, communication and marketing in the mutuals and to provide them with reinsurance mechanisms. It should contribute to understand of how to get the balance right between coverage and price and to provide effective health insurance within the context of a poor health service infrastructure and how to improve the sustainability of health mutuals.

#### The Hollard Insurance Group, South Africa

##### *Developing home and contents insurance policies for the poor and distributing them through new channels*

The project includes using mobile phones and GPS technology to facilitate sales, creating a cadre of microinsurance claims assessors and developing education and brand awareness strategies. This initiative will help to show whether home-owner insurance is viable in the low-income market and how effective new technologies can be in enhancing sales and efficiency. It should also shed light on how to design education strategies, train microinsurance claims assessors and process microinsurance claims.

#### PlaNet Guarantee, Mali

##### *Developing crop insurance for farmers*

The project aims to protect cotton farmers, their assets and their crops by developing a crop insurance programme based on a weather index. As a stepping stone, the Facility is supporting a feasibility study to assess the demand for crop insurance in Mali, identify the risks that poor farmers have most difficulty coping with, and establish whether the infrastructure is strong enough to support a reliable index to be formulated. It should provide useful information on how to develop index insurance and on the role of the broker in this type of insurance, as well as how to build an understanding among farmers of the benefits of crop insurance.

#### Swedish Cooperative Centre (SCC), Kenya

##### *Launching a composite product through new delivery channels*

The product covers inpatient health care, accidents and funerals. It has an education component and include building the CIC's capacity to manage the product, strengthening the delivery channels and creating product awareness. The project could help establish whether composite insurance products for the working poor add value and are popular, easily understood and used correctly. It could also provide valuable information about education campaigns and how to 'massify' microinsurance through member-based organizations such as co-operatives.

#### Union des Assurances du Burkina Vie (UAB), Burkina Faso

##### *Improving the delivery of a life and disability microinsurance product*

UAB plans to roll out its existing savings plus life insurance product, customized for informal sector entrepreneurs, on a large scale with the use of new technologies. The project tackles key challenges - including premium collection security, high costs of daily collections and fraud - by equipping clients with smart cards and market collectors with terminals. It should provide the Facility with useful information on how new technologies contribute to increase outreach and efficiency and on how to build trust among low-income people.

## ASIA AND THE PACIFIC

### Calcutta Kids, India

#### *Enhancing and sustaining health microinsurance through outpatient counselling*

Supported by the MicroEnsure, Medicare TPA and United India Insurance, Calcutta Kids is launching an inpatient health insurance scheme in 2009. It will use the innovation grant to explore the value to the scheme of offering outpatient counselling services to non-claimants. The project will demonstrate whether providing free services for non-claimants will enhance client satisfaction and lead to increased renewals of insurance cover. It also aims to measure the impact of outpatient counselling on the use and cost of inpatient care, and to assess the overall cost-benefit of this intervention and whether it contributes to the financial viability of the insurance product.

### Centre for Insurance and Risk Management (CIRM), India

#### *Mapping microinsurance products and best practices in India*

The project involves conducting an online microinsurance inventory and mapping exercise among a variety of stakeholders, to document innovations emerging in India and learn more about the players implementing them. The aim is to provide a clear picture of the microinsurance sector; the maps will help insurance companies to plan their strategies for entering the low-income market in India. The project should demonstrate the usefulness of a mapping system analysing microinsurance products in terms of such variables as innovation, growth potential and delivery channels in order to identify best practices, challenges and potential solutions for providing insurance to the working poor.

### Développement International Desjardins (DID), Sri Lanka

#### *Developing a strategy for indexed agricultural insurance*

This project involves conducting a feasibility study to assess demand and identify the risks that poor farmers have most difficulty coping with, and to establish whether the infrastructure is suited to providing index insurance. Bringing together expertise from the developed and developing worlds to address the need to protect poor rural households should offer valuable lessons. The project will also provide an opportunity to see if the BASIX experience can be replicated, what delivery channels suit rural populations and what mechanisms can be used to promote South-South technical assistance.

### ICICI Prudential Life Insurance, India

#### *Offering term life insurance with a savings component*

The pilot focuses on tea plantation labourers in north-eastern India, using intermediary agencies (the tea plantations) to deliver the product and using technology to improve efficiency, reduce transaction costs and improve customer service. The project should shed some light on how to reach large numbers of low-income workers and create a microinsurance culture among them. It should also provide valuable information on how to leverage third-party delivery channels and technology in improving product affordability, value and delivery.

### Max Vijay, India

#### *Reducing costs and educating the market to bring insurance to the poor*

The model is based on distributing a simple, tangible savings and insurance product through established channels (e.g., retailers and NGOs) and using IT, including handheld terminals, to manage payments that are likely to be low and irregular. Max Vijay started piloting this 'unlapseable' product in July 2008 and with the Facility grant, it will increase the number of terminals available, to test the effectiveness of this mechanism. The project should provide valuable information on the extent to which technology improves efficiency and boosts policyholder trust, on the effectiveness of segmenting the market and using different distribution channels, and on the capacity of low-income households to pay an up-front premium. It should also show how to make insurance something the poor will buy because they want it, not because it has been sold to them.

## People's Insurance Company of China (PICC), China

*Providing migrant workers with personal accident and accidental medical insurance*

The project pilots new channels (local village committees, sales outlets and labour organizations) for distributing the insurance product, allowing insured workers to claim in regions other than the one where they bought the policy. The project will explore providing policyholders with cashless services and negotiated medical fees. Much could be learned from this project about the needs of migrant workers, how best to reach and serve them, which of the three delivery channels is the most effective and how to supply cross-regional services. The project will also shed some light on how to better educate migrant workers on the benefits of insurance.

## Vimo SEWA, India

*Measuring the impact of integrating community health activities with health insurance*

Building on SEWA's community health programme, this project plans to conduct action-research among insured households in urban and rural locations, and test the impact of health education and simple treatment interventions and care co-ordination for common preventable illnesses on the overall performance of the health insurance programme. In particular, the project will assess the impact of the interventions on inpatient claim cost and frequency. The project will provide a model for integrating health prevention and basic treatment activities with health insurance. It should also provide valuable feedback on what education messages are effective in reducing the frequency and intensity of hospitalization, and whether community health programmes help reduce insurance claims and illness expenditure and contribute to the viability of health insurance.

## Alternative Insurance Company (AIC), Haiti

*Launching a funeral insurance product on a mass scale*

The project involves a large retail bank, Banque Nationale de Cr dit, and a network of funeral houses in Haiti. It builds on a successful microinsurance project in 2007 with the MFI Fonkoze and on a comprehensive market research, which provided evidence that funeral costs are one of the most important risks faced by low-income households in Haiti. The project should help in understanding the benefits of using a popular bank as a delivery channel, effective consumer education approaches, and what other products could be added to funeral insurance.

## Asociaci n Mexicana de Uniones de Cr dito del Sector Social (AMUCSS), Mexico

*Developing an institutional model to provide microinsurance to marginalized rural communities*

Working with insurance companies and more than 65 rural agencies, and acting essentially as a broker between the two groups, AMUCSS aims to construct a microinsurance network integrating key players, research and education components, and product development and delivery. The major learning will be from creating large organizational structures for developing and delivering microinsurance. The project is also likely to produce valuable information on the potential replicability of the model and on the microinsurance needs and attitudes of marginalized rural communities.

## Guy Carpenter, Latin America

*Setting up a micro-reinsurance facility*

The project seeks to encourage microinsurers, many of which are MFIs, to include catastrophic risk, as well as microinsurance-specific risk transfer, in their portfolios by giving them the access to reinsurance that most of them lack. The access mechanism will be a Multi-line Micro-reinsurance Facility that the company will develop over 12 months and then implement, mainly in the Americas. The project should demonstrate the extent to which the availability of reinsurance improves insurance products, expands access

to insurance and addresses the regulatory issues facing many microinsurers today. Its work on structuring reinsurance products that are both affordable for microinsurers and profitable for reinsurers should also provide valuable information.

**La Positiva Seguros y Reaseguros, Peru**

*Designing and delivering microinsurance products to farmers via rural water boards*

La Positiva will collaborate with an IT company and the national consumers association for rural water rights to research and develop life, health, personal accident and funeral insurance products for farming families, with the premium payments being added to families' water bills. There should be much to learn from the innovative ideas in this project, such as its novel premium collection system, its research on farmers' insurance needs and perceptions, the involvement of an IT company and the effectiveness of using new technology to transmit data and accelerate claims payments.

**Seguros Argos, Mexico**

*Creating mutual insurance schemes for rural and semi-rural women*

The project objective is to create 10 mutual insurance schemes offering a term life product, aimed mainly at vulnerable women and implemented through organizations already working in the target areas. The schemes would include sending a doctor into the community to record the death and a lawyer to help with administrative matters, to ensure prompt payment of the covered amount. The project should demonstrate the advantages and disadvantages of models that combine commercial and mutual insurance, and whether such models overcome poor people's distrust of commercial insurance. It will also provide information on the efficiency of the delivery model and on the best ways to administer claims.

FOR MORE INFORMATION, PLEASE VISIT THE GRANTEE COMMUNITY PAGE ON [WW.ILO.ORG/MICROINSURANCE](http://WW.ILO.ORG/MICROINSURANCE)

