

The Micro Insurance of SIFFS

An introduction to SIFFS

South Indian Federation of Fishermen Societies (SIFFS) is a leading NGO and an apex body of the self managed fishermen federations. It has been working in coastal villages of Kerala, Tamil Nadu, Andhra Pradesh and Pondicherry states of India. It was registered as three tier co-operative structure in 1980, under the Travancore Literary, Scientific and Charitable Societies Act of 1955. Primary societies and district federations form the two tiers of the organisation.

The village level primary societies take care of the local fish marketing, credit and saving needs of over 7000 fishing units of 120 primary societies which benefit 30,000 fishermen. The total fish sale by this network was around INR450 million in 2005-06. These societies are affiliated to the federations which provide various support services to the societies including monitoring, input supply, credit services and welfare measures in eight districts of southern peninsular India.

SIFFS as the overall apex has a wide range of activities, both commercial and developmental. These include running a network of boat yards manufacturing marine plywood/fibreglass boats for artisanal fishing, supply of out board motors, a network of motor service centres, ice plants, a large micro-finance programme, R&D in fishing technology, promotion of fishermen societies in new areas, policy research and advocacy. SIFFS also provides technical, professional and financial support to fisherwomen's organisations. Some of the SIFFS services are available in the state of Karnataka also.

Today, over 50,000 fish workers including non-members are availing these services, in their numerous endeavours to assume collective control over their own destinies. It has played major role in Tsunami relief, rehabilitation, livelihood restoration and support to neighbouring agricultural, labouring communities on the east-coast of Tamil Nadu. A community based fisheries management programme has also been launched in select locations. SIFFS is committed to constructing 2500 houses with the technical support of a number of institutions and with the participation of the affected communities. With support from UNDP, SIFFS set up coordination mechanisms for the organisations working on tsunami rehabilitation as NCRC (NGOs Coordination Resource Centre).

Micro Insurance

Comparing to the rest of the world contexts, the fishing community is always leading vulnerable livelihoods and there has been much potential to offer services of the social security to them. In achieving this, as part of the social security initiative of SIFFS, diversified micro insurance products are developed to extend the micro finance services. At present all of its micro insurance products have been implemented under partner-agent model in association with various mainstream insurance companies of India. In this model SIFFS acts as a not for profit nodal agency.

1. Non-life insurance category – OASS (Old Age Security Scheme)

This scheme mainly aims to provide the security assistance to the members of primary societies at the time their retirement. This has been made as a compulsory saving product and SIFFS offers an interest rate of 9% calculated quarterly on members savings. At present, 2600 members are enrolled in OASS with a total savings outstanding of INR 3.5 millions.

During the current financial period (2007-08) SIFFS has been working out to launch a customised Asset insurance scheme in association with National Insurance Company (NIC) to **insure fishing equipments** of the artisanal fishermen under this category. Also, a **micro pension scheme** is being worked out for the members of SIFFS.

2. Life Insurance category

There are two schemes under life insurance plan for its members.

2.1 Janshree Bhima Yojana (JBY)

For boat owners, the life insurance is offered through Janshree Bhima Yojana in association with the Life Insurance Corporation of India (**LIC-India**), initiated in the financial year 2001-02. For this policy the [REDACTED]. The coverage is for either natural death or accidental death in any case.

A total number of 7049 craft owner members are insured under this policy at present. There is a scholarship programme also offered by social security wing of LIC under JBY scheme. Under this scholarship, INR 1200 per head will be given to the children of the members who are pursuing in 9th to 12th standard. A total sum of INR 1.24 millions has been granted to 1164 students during this year.

2.2 Un-named Crew members Insurance scheme:

For the welfare of crew members (labour), a unique scheme named as Un-named Crew Insurance has been implemented in association with the United India Insurance Company (**UIIC**), initiated in the financial year 2005-06. A unit of 5 members is a crew (for a single unit, total sum insured would be INR 250,000 i.e. INR 50000 per head). The policy will be basically taken in the name of craft owner and he maintains a register daily for the crew on his boat for ensuring the un-named crew men on his craft while fishing. The policy covers only accidental death while fishing. Till now 16585 members were enrolled under this scheme.

Around 60 claims have been settled under both the above schemes since inception. The features of the two life insurance schemes are as shown below.

Types of risks Covered	Name of Insurance	No. of clients Covered	Premium value (Average)	Sum insured (Risk compensation)
Life (Natural/accidental death, disability)	JBY	7049	INR 200 per head (INR 100 Subsidized)	1. INR 30,000 for natural death 2. INR 75,000 for death or total permanent disability due to accident 3. INR 37,500 for partial permanent disability
	Unnamed crew Insurance	16585	(INR 150 + 12.24% service tax) per crew of 5 @ INR 30	1. INR 2, 50.000 per crew unit 2. Coverage is only for accidental death while fishing.

Note: Data as on 31st March '07

-----XXX-----

For any information please contact:

Ramesh Kumar Maturi
Programme Consultant (mF),
South Indian Federation of Fishermen Societies (SIFFS),
Karamana, Thiruvananthapuram – 695002, Kerala, India.
Email: rameshmaturi@gmail.com; admin@siffs.org;

Web: www.siffs.org;