

### Session 3

#### PWP 3.1



### 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**

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**PLANET FINANCE INDIA**  
**[www.microinsurance.net](http://www.microinsurance.net)**