

Making Insurance Work for the Poor

Munich, 20 October 2005

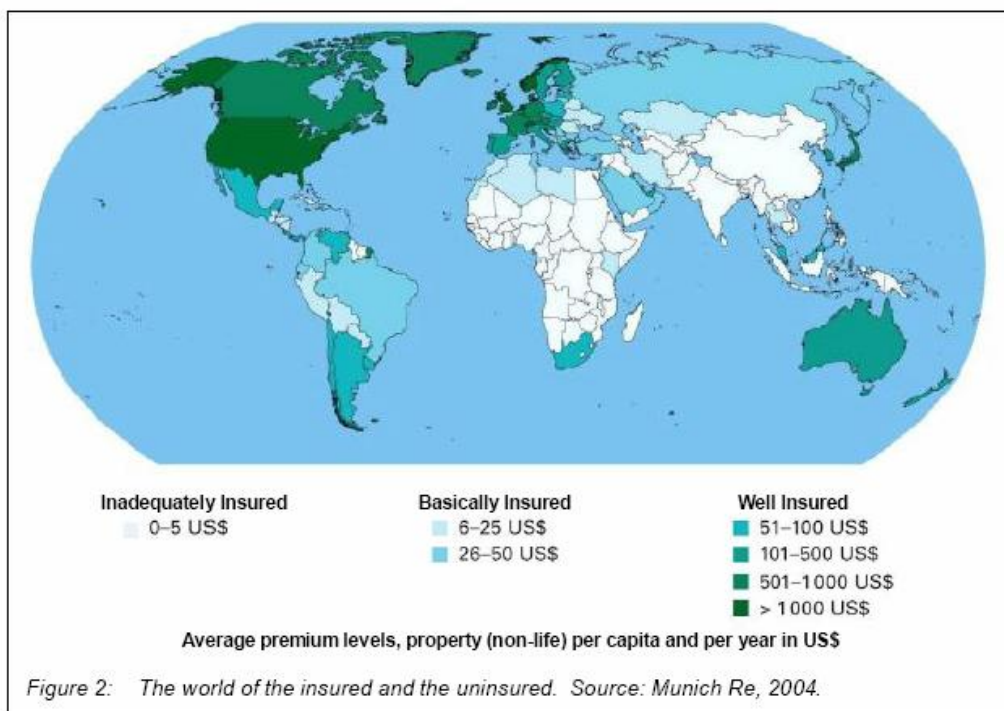


How can donors most effectively contribute?

Alexia Latortue



Few people are insured



“Life is one long risk”



What is the role of donor subsidy?

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Preliminary donor guidelines for supporting microinsurance

Section 1. Strategies for Donor Support

- 1.1 Rationale for Intervention
- 1.2 Donor Prerequisites
- 1.3 Donor Objectives.
- 1.4 Types of Support
- 1.5 Regulatory Systems
- 1.6 Conclusion

Section 2. What Donors Should Be Looking For

- 2.1 MFIs without Microinsurance Products
- 2.2 MFIs with Insurance Operations
- 2.3 Insurance Company Partners
- 2.4 Social Protection Programmes
- 2.5 Conclusion

Section 3. Monitoring

- 3.1 Quarterly Report
- 3.2 Actuarial Review
- 3.3 Annual Report
- 3.4 Periodic Appraisals
- 3.5 Conclusion



Includes 12 key
recommendations

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- Partnership model interesting, but not always feasible
- Criteria for selecting both MFIs and countries to work in are not always realistic
- Strict caution against working on regulatory/policy issues may not be warranted
- Reinsurance is very difficult to access
- Consensus on need for “skill-building” at all levels – clients, providers, donors, and government

Much more dissemination is needed with feedback loops to working group

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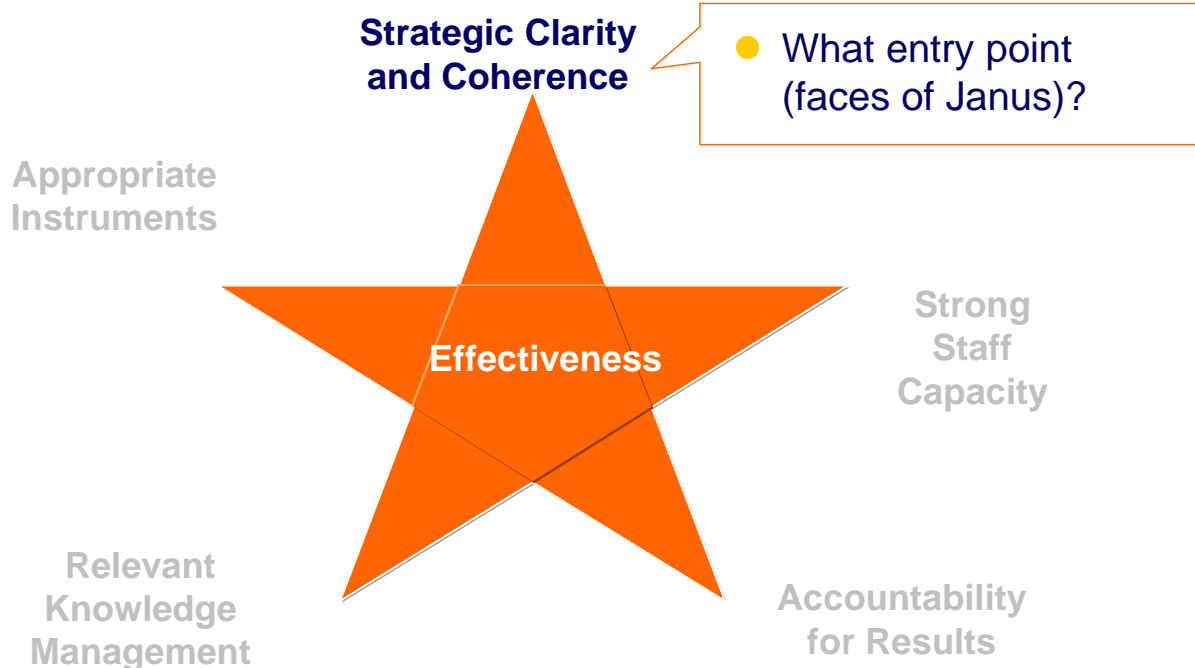
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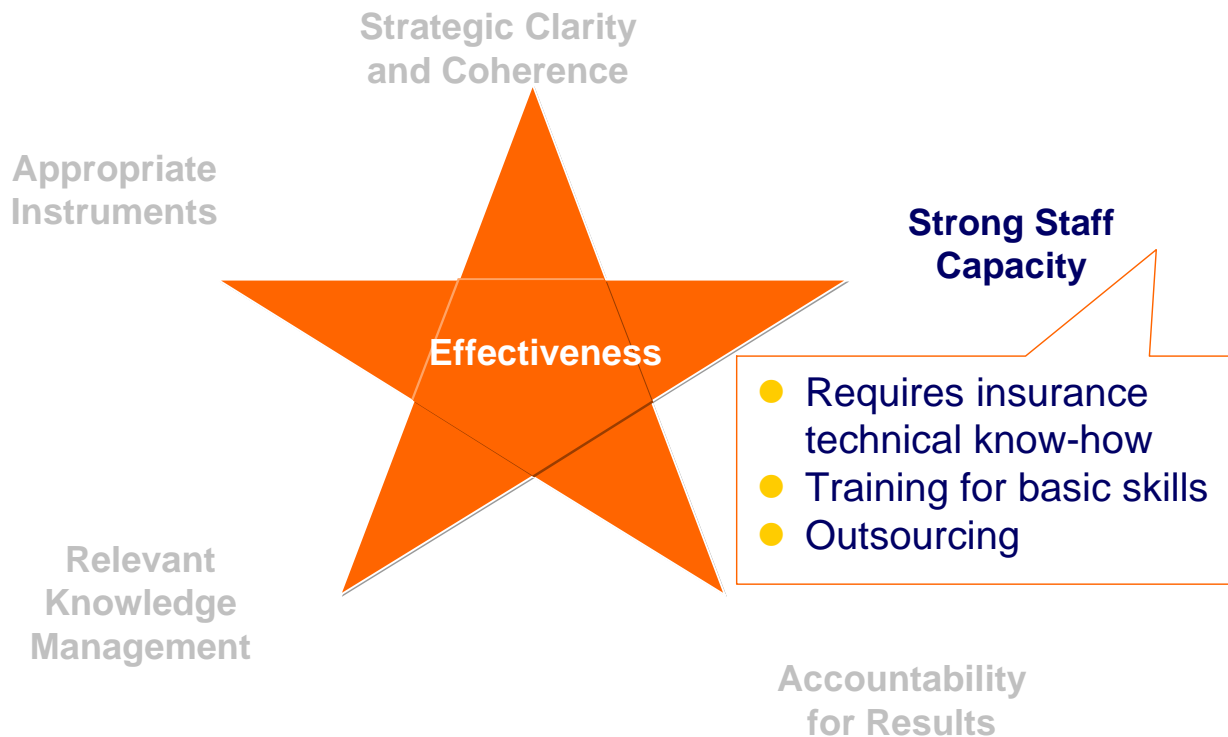


Use for decision-making about potential interventions.

1. Strategic clarity & coherence

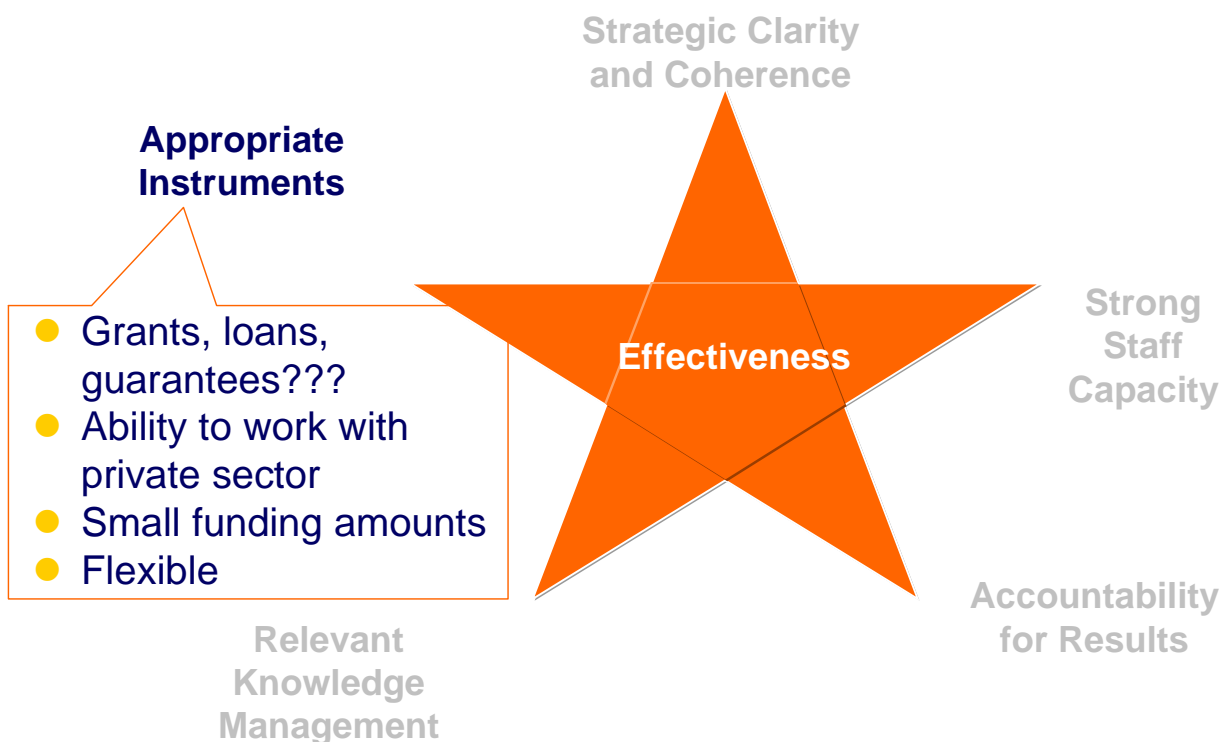


2. Strong staff capacity



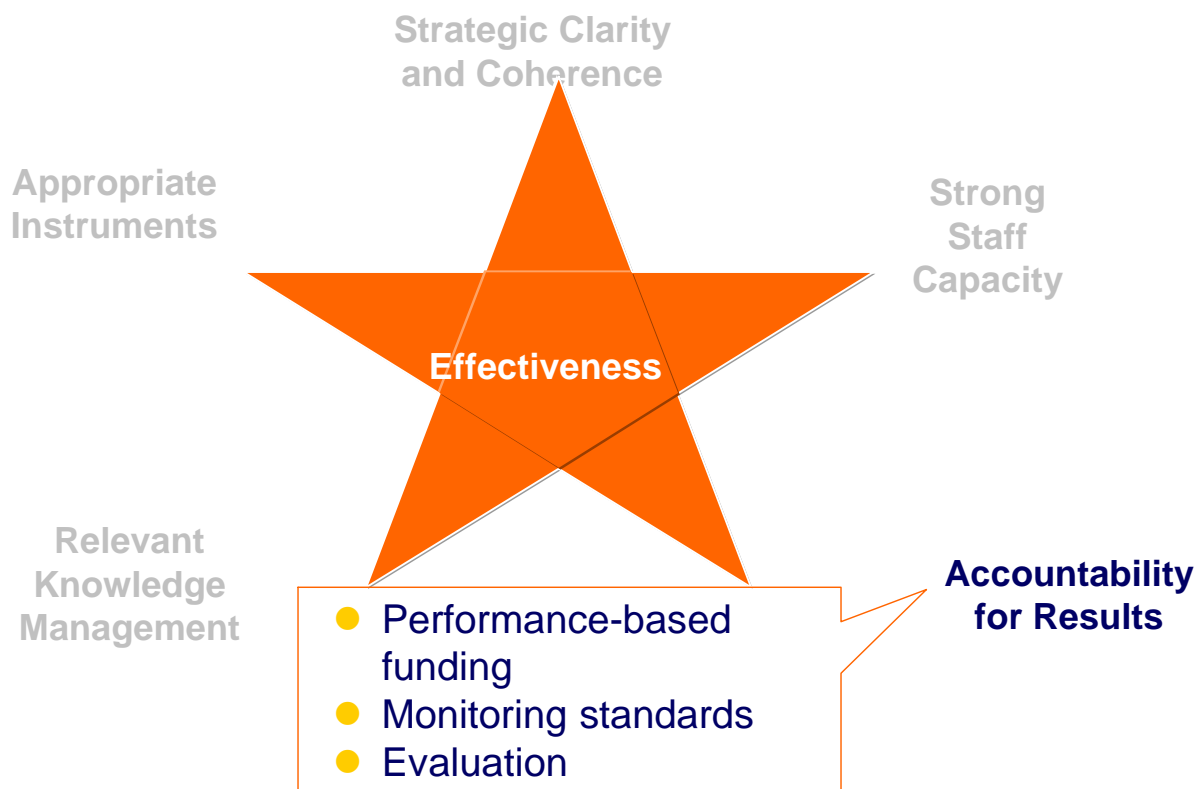
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3. Appropriate instruments



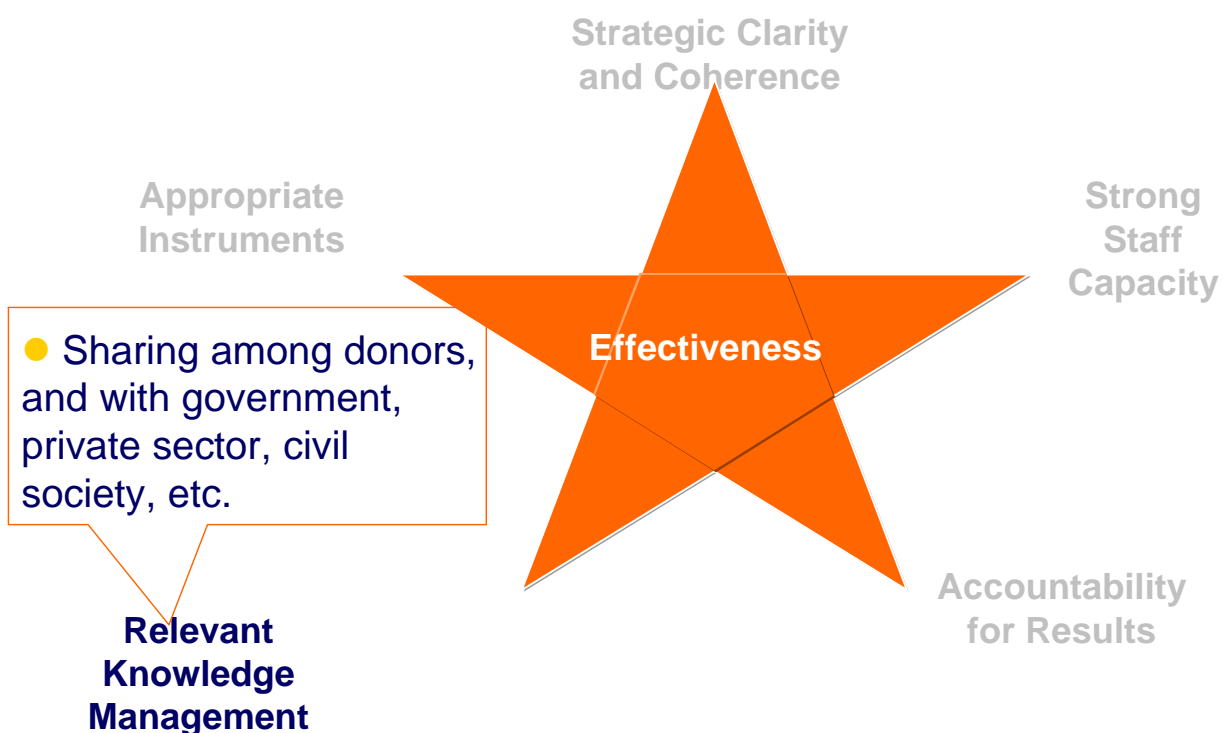
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4. Accountability for results



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5. Relevant knowledge management



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Key role #1: funding technical assistance

Content

- Client education
- Market research
- Feasibility studies/pilots
- Business planning
- Operations (procedures, manuals)
- Product development/refinement
- Marketing

Mechanisms

- On-site advisors
- Short-term consultants
- Management contract
- Training
- Study visits
- Tools
- Multi-donor fund?

Are there sufficient, quality technical assistance providers?

- Fixed assets for start-up
- Operating losses
- Facilitating reinsurance

How to institute the right incentives?
For how long? When to exit?

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- Government advocacy (health, finance, social ministries)
- Identifying obstacles in regulatory framework
- Consumer protection

Yet again, the two faces of Janus...

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- Monitoring standards/ indicators → benchmarking
- Management information systems (MIS)
- Data management clearinghouse
- Tools development (e.g.; feasibility studies, clients needs assessment)
- Training modules
- Research on clients
- Key messages for advocacy with government
- Guidelines

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- Obtain more feedback (interviews, case studies, etc.)
- Revise, incorporating experiences
- Focus on potential donor contributions, less on models
- Packaging is important

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Building Financial Systems for the Poor

Thank you !
Danke !