



## **14th International Microinsurance Conference**

**The road to developing and implementing  
bundled insurance in the South Pacific.  
- Key Lessons Learned**

**Peter McPherson, Managing Director, FijiCare Insurance Limited**

# BULA FROM FIJI



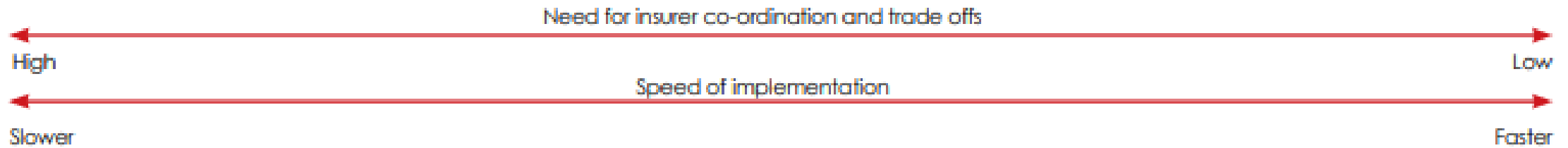
# BUNDLED INSURANCE: THE DEVELOPMENT JOURNEY

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- The Fiji National Financial Inclusion Taskforce Inclusive Insurance Working Group
- An industry consortium approach
- Designed to be a commercially viable, scalable business model.
- Launched in 2017

# PROTOTYPING PRODUCTS

## Insurance product types and the ease of launch



Product variants	Product A	Product B	Product C	Product D
Insurance classes	Life and General	Life and General	Life	Life and General
Coverage	Group Life Funeral Expenses Personal Accident House Buildings Hospital Cash	Group Life Funeral Expenses Personal Accident	Group Life Funeral Expenses	Group Life Funeral Expenses Personal Accident House Buildings
Number of Insurer	Seven	Five	Three	One
Existing product	No	No	No	No
Government incentives required	Yes	Yes	No	No

# FIJICARE'S BUNDLED INSURANCE

## \$10,000 COMBINED COVER LIMIT



FUNERAL EXPENSES  
\$1,000



PERSONAL ACCIDENT  
\$3,000



TERM LIFE  
\$3,000



FIRE ON MAIN  
DWELLING HOUSE  
\$3,000

# THE RESULTS SO FAR

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Clients:  
Sugar, Rice.  
Dairy, Copra

Fiji Government Scheme at  
a higher premium  
F\$ 70 pa, with higher ages

77,000 Social welfare  
recipients - pensioners,  
disabled, unemployed,  
single mothers

40,000 – government  
employees, nurses,  
teachers, police, military,  
ministry workers

“While FijiCare’s Insurance may not have extensive coverage, from the Government’s perspective, we are ensuring that we are helping people who fall into hardship and they can receive some help.” Aiyaz Saiyad Khaiyum, Attorney General - Fiji

# BUNDLED MICRO INSURANCE PRODUCT – PAYOUT STATISTICS

*(As at 31 October, 2018):*

Policy Holder	Main Clients	Total Insured Members	No. of Claims	Type of Claim	Amount (FJD)
Fiji Govt	Civil servants, Welfare Recipients	106,700	127	Life &/or Funeral (119), Fire (8)	287,000 24,000
SCGF	Sugarcane farmers	11,606	124	Life &/or Funeral (110), Fire (14)	436,000 42,000
FCDCCL	Dairy farmers	258	1	Life &/or Funeral	4,000
FRL	Rice farmers	197	-		
CMFL	Copra farmers	173	-		
<b>TOTAL</b>		<b>118,934</b>	<b>252</b>		<b>793,000</b>

# BENEFICIARY TESTIMONIALS





# MAIN LESSONS

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- 1. Build Collaboration and Consensus**
- 2. Support from the industry regulatory and supervisory body is critical.**
- 3. Manage Stakeholder Expectations on Deliverables**
- 4. Dare to Innovate – Try new thinking and innovative solutions**
- 5. Be aware of Externalities that can delay or stop the project**



# MAIN LESSONS

6. Focus on the Business Case: Design for profitability, viability and scalability
7. Assess business models and product variants
8. Fit with an evolving insurance company strategy
9. Use external resources where available – e.g. the Pacific Financial Inclusion Programme (PFIP)





THANK YOU

# EXTRA: BENEFICIARY VIDEOS YOUTUBE LINKS

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The Bundled insurance (beneficiary) videos:

<https://www.youtube.com/watch?v=2F4qoH1FkLM>

[https://www.youtube.com/watch?v=2G\\_FfnOCfF4](https://www.youtube.com/watch?v=2G_FfnOCfF4)

<https://www.youtube.com/watch?v=QaqRac86elk>

<https://www.youtube.com/watch?v=vXnYO9MljH0>

Govt signs on the bundled insurance:

<https://www.youtube.com/watch?v=bmHg0ZnDlh0>