

Learn first, educate later

International Conference on Inclusive Insurance 2023

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25 OCTOBER 2023





Blue Marble

Impact Insurance

www.bluemarblemicro.com

Blue Marble is an Impact InsurTech whose mission is to use innovative solutions to reach un(der)served communities and bridge the global protection gap

We design and implement insurance programs, built on our proprietary digital platforms



Climate / Business Interruption Protection

- Develop parametric climate solutions for underserved to build climate resilience
- Work with Corporates to de-risk value chains and support their sustainability objectives



Personal Lines Insurance

- Develop innovative Personal Lines solutions including Accident and Health policies e.g. maternity complications to improve resilience for individuals, communities and SMEs



We add value through:

- 1) **Consulting & Project Management** - complete needs assessments and manage complete venture set up across multiple stakeholders and complex value chains
- 1) **Modeling & Digital Capability** - deep technical expertise and use of digital solutions to design parametric policies and operate them
- 1) **Risk Transfer** - work alongside owner companies to support in arranging insurance and reinsurance risk transfer

What sets us apart?

- 1) **Customer centric approach** - we fully understand customer risk needs to deliver holistic solutions with maximum impact
- 2) **Significant technical experience** - developing parametric models alongside digital solutions, implementing successful, sustainable programs and working with large multinational organisations (e.g. Food & Beverage companies and Financial Institutions)
- 3) **Global & local approach** - global presence, leveraging owner companies with local “on-the-ground” presence
Current ventures include: Colombia, Guatemala, Honduras, India, Indonesia, Kenya, Kyrgyz Republic, Mozambique, Pakistan, Peru, Zambia and Zimbabwe. Pipeline projects exist across Africa, Asia Pacific and Latin America.

MicroInsurance Centre at Milliman

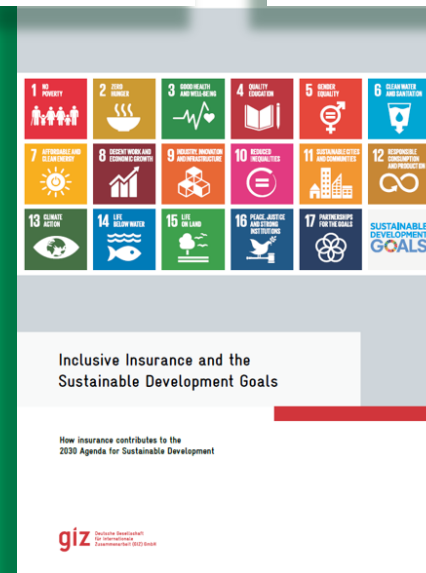
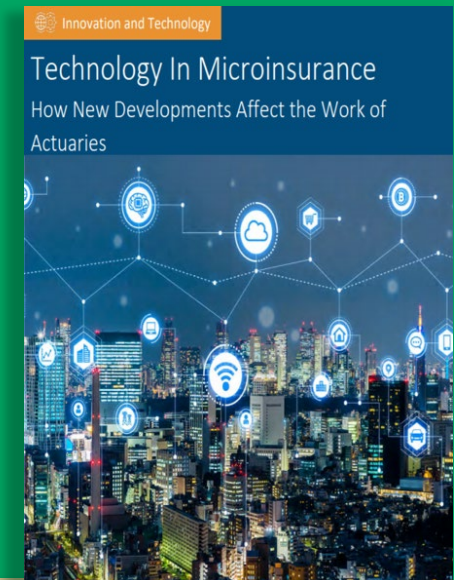
Who we are

The MicroInsurance Centre at Milliman (MIC@M) is a trusted thought leader and implementer of microinsurance and risk management solutions for low-income populations.

Our mission: Low-income people across the globe need effective risk management solutions. As a passionate and interdisciplinary team, we work in partnership with others to develop and advise on creative and valuable risk management solutions covering a full range of risks for low-income populations, and we raise our voices to ensure that low-income people are not left out.

We bring world-class capabilities and local expertise to the specialized area of microinsurance. We have implemented projects in over 75 countries in the last 20 years.

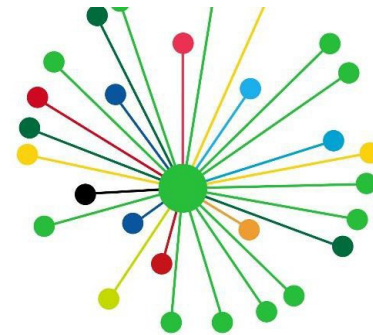
MicroInsurance Centre at Milliman



International Conference on Inclusive Insurance #ICII2023

Parallel session 7 - Learn first, educate later
Hosted by Microinsurance Centre at Milliman

Safeline Companhia De MicroSeguros - Institutional Partners Capacity Building Business Model
:B2B & B2B2C
Case Study : Solar Panel Company & Accumulating Savings and Credit Associations "Ascas"



ICII 2023

23–27 October 2023

Company Description

Safeline is a dedicated Micro Insurance Company from Mozambique with the mission to provide a more inclusive insurance through a holistic and localized, human centered service approach, supported by digital and mobile technology

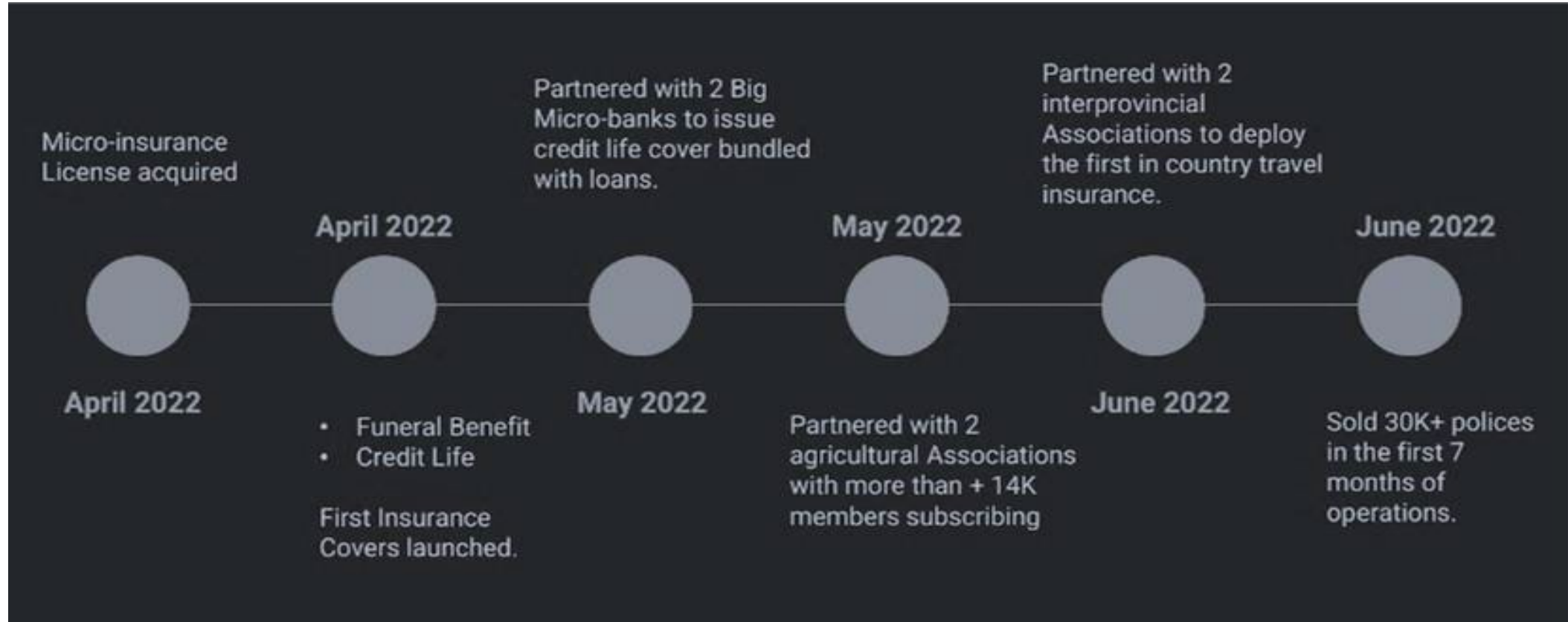
Our solution & value proposition

- ✓ Micro health plans cover
- ✓ Micro Insurance pharmacy covers
- ✓ Family funeral cover (Tsemba)
- ✓ Credit life (VidaCredito)
- ✓ Hospital Cash

Additional Benefits

- ✓ Free blood sugar tests
- ✓ Free hypertension tests
- ✓ Free HIV tests
- ✓ Discounts in school fees

What we have done so far



03 / 2023 : development of a micro insurance APP for freelancers ,agents ,partners and back-office operations Currently available at google store “Safeline Insurance Platform”

The problems we want to help solve

Main

Reduce poverty via micro insurance covers

More than 60% of pop. concentrated in rural areas with no social or financial assistance.

Expensive and limited medical assistance

Financial micro insurance and finance literacy

Key institutional partner capacity building

We believe in successful partnerships, predictable operations, and growth. We are constantly training and sharing with our partners our knowledge and understanding of microinsurance and risk mitigation tools.



Case Studies: Extreme Heat Insurance in India

Who: Approx. 21k women members of SEWA based in Ahmedabad, India.

What: Weather index insurance to supplement women's income during periods of extreme heat. This insurance is complemented by the provision of tools and resources (such as shade tents, solar lamps, coolers, etc.) to protect against extreme heat

When: May 1- June 30, 2023

Product Design:

- Data source: NASA POWER
- Peril: Heat Wave
- Index: Maximum of moving sums of the maximum daily temperature over 3 consecutive days
- Weather parameter: Daily Maximum Temperature (as a proxy of heat wave)
- This design applies to phase 1 pilot of the project due to the tight time frame. Following this pilot, Blue Marble will then focus on developing a forecast-based heat stress product, so that the payout can be ex-ante rather than ex-post

Payouts: Blue Marble will monitor the triggers and alert the local insurance company underwriting the product when a payout is to be made. Payouts will go directly into women's bank accounts via SEWA.



How the partners worked together to achieve success

Strong partnership delivered pilot project in a record 90 days due to the strength of the partnership




Critical success factors of the project

- Active, engaged sponsorship by Arsht-Rock
- Fast mobilization of funds by Arsht-Rock
- Adaptability of Arsht Rock/SEWA to the dynamic requirements of the project
- Access to global reinsurance capacity via Zurich Insurance, one of Blue Marble's owners
- Fast onboarding of a leading local insurer i.e., ICICI Lombard, leveraging Zurich's network available to Blue Marble
- Technical competence, flexibility and project management by the Blue Marble design and operations team
- Education and onboarding of the 21,000 pilot participants by SEWA

Project stakeholders

Project sponsor

The Pacific Insurance and Climate Adaptation Programme (PICAP)



UNITED NATIONS UNIVERSITY
UNU-EHS
Institute for Environment and Human Security

UNDP

UN CDF
Impact Capital for Development

Technical assistance

MicroInsurance Centre at Milliman

Insurer



Key product implementer



Umbrella organizations

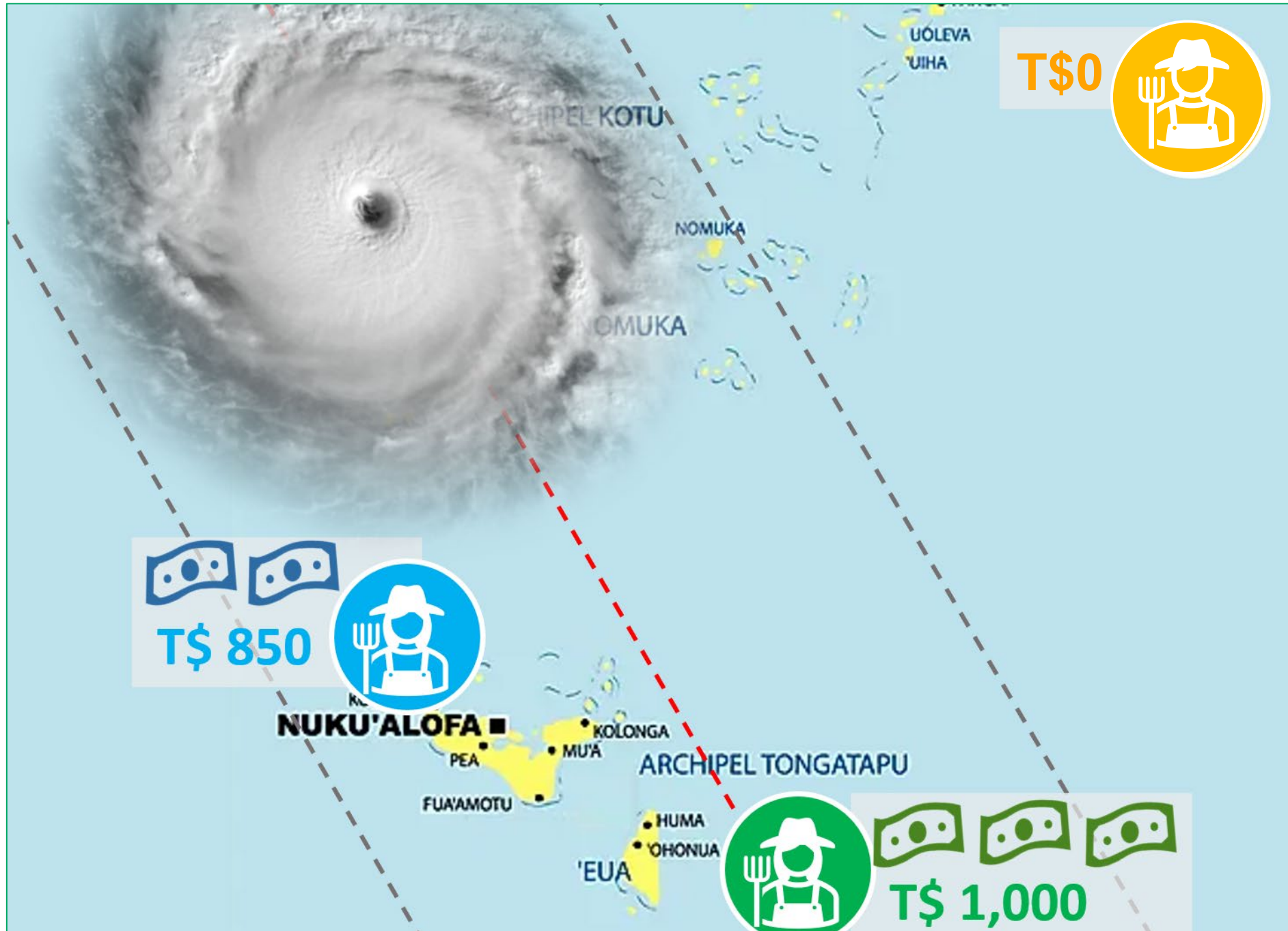
TONGA NATIONAL WORKERS' COUNCIL



Target segment members



Prototype video: Explaining the benefit



Relatable insurance terms list

No.	Current insurance Terms (Internal terms used at TDB)	Relatable words / symbols for the target market (Standardized terms for trainings and marketing collateral)
1	Parametric Insurance Product	Cyclone Protection Insurance
2	Premiums	Insurance Fee / “What you pay”
3	Cover	Weather event
4	Sum Insured	Maximum Insurance benefit amount
5	Index / Triggers	Factors that determine your benefit (i.e. distance from the eye of the storm, cyclone category)
6	Policy	Contract / Agreement
7	Segments / Target Beneficiaries	“Who it’s designed for”
8	Smallholder farmers	Independent farmer, Self-reliant farmer
9	MSMEs	Smaller Business owner
10	Resilience	“Bounce Back” / “Build back better”
11	Vulnerable	At Risk

Prototype: Parametric insurance board game



Category 4 Cyclone
All players earn 2 less at end
You are within 100km of the storm cell (the 50km 50 100km)
For 4 For 5

Sunny Day!
Skies are clear and the sea is calm



Cyclone Protection Parametric Microinsurance

Cyclone Protection Parametric Microinsurance

Benefit Table

Distance from the eye of the cyclone

Benefit Table

Benefit Table

Partnership Resumed Details

Solar Panel Company		Micro bank (Accumulating Savings and Credit Associations)	
Applied business model		B2B & B2B2C	B2B & B2B2C
Product category		life & non-life	life & non-life
Projected GWP (USD)		838,095.24	2,095,238.10
Average yearly GWP per customer(USD)		17.46	10.27
Projected Policy Holders		48,000.00	120,000.00
Actual Policy's		pilot	650.00
Partnership Status		active	active
Date initiated		2023	2022
Pilot done		ongoing	done
Capacity Building		ongoing	ongoing
Company Pains (Partner own assessment)	reduction of installments payment new customers	high level of PAR	customers without health assistance no credit life cover
Safeline identified risks after field Trip	<p>Sample of defaulted portfolio and performing portfolio</p> <p>From visited sample in Beira (6) only two customers had un-defaulted loans, the remaining 4 defaulted due to the following observed reasons: children disease (1) , Faulty kit (1), no commitment to pay (1), no resources (1)</p> <p>From visited sample in Nampula (7) only 3 customers had un-defaulted loans, the remaining 4 defaulted due to the following observed reasons: no commitment to pay (1), no resources (3)</p> <p>Warehouse storage conditions storage conditions of the kits is not adequate for electronic devices;staff repairing the kits were not using ANTISTATIC BRACELET while repairing the kits;the storage area was loaded with with faulty kits approximately 150 (main branch and service center)which represents a potential portfolio of 1 500 000 MT + of customers in arrears</p> <p>Branch arrears collection procedures lack of collection procedure and staff understanding</p>		N/A

Solar Panel Company

Micro Bank (Accumulating Savings and Credit Associations)

	<p>HR - Staff training in collection procedures and customer financial capacity assessment HR/Business/Risk – establish a deadline for each Branch PAR reduction ,aligned with proper sales and collection guidelines. HR - refrain from posting staff to home areas to reduce the opportunity and temptation to collude HR - rotate staff regularly within service center HR – verify if staff salaries and commissions are next to competitors in other to find appropriate measures /balance (incentives, etc); RISK /Internal Audit - establish a minimum quarterly inspection unit that perfoms random operations check that performs random operational checks Business Introduction at Branch level and education campaign to encourage clients to make payments regularly. Encourage sales to small business owners Pilot group credit loans to reduce the risk of default Insurance Activate insurance tailor made cover for all performing book and new customers According to the attached document ref XXX Portfolio Analysis</p>	
<p>Projected Loss before proposed solutions (USD)</p>	<p>2,365,079.00</p>	<p>N/A</p>
<p>Projected Loss after proposed solutions (USD)</p>	<p>709,523.70</p>	<p>N/A</p>

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