



FEED THE FUTURE

The U.S. Government's Global Hunger & Food Security Initiative

Village Insurance Savings Accounts

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2024 International Conference on Inclusive Insurance



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FEED THE FUTURE INNOVATION LAB
FOR MARKETS, RISK & RESILIENCE

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Markets, Risk & Resilience Innovation Lab

The Feed the Future Innovation Lab for Markets, Risk and Resilience (MRR) is a research program based at the University of California Davis. Our Lab develops and tests financial and market innovations that take the most promising agricultural tools for families in developing economies from the lab to the field.

The mission of the MRR Innovation Lab is to generate and transfer knowledge and innovations that promote resilience and empower rural families, communities and markets to share in inclusive agricultural growth.



The VISA Model

Farmers make small deposits at regular group meetings toward purchase of insurance. Savings are stored in a lock box.



Field staff/agents attend monthly group meetings, educate on insurance, and collect saved premium payments.



Optional
Outreach staff deposit funds into individual savings accounts in the branch office.



Purchases are aggregated and submitted to the insurance company.



The VISA model was fielded and tested as part of a larger intervention designed to make insurance more fully available to women.

Field Testing

- The initial pilot project is working with 430 savings groups across five pastoralist counties in Kenya.
- Consistent with common savings group processes, these groups meet regularly and contribute a fixed amount of money that is stored in a lockbox kept by the group's treasurer. This money is usually loaned to group members that want to expand their business or need to cover emergency expenses and then paid back to the group with interest.
- To test the VISA model, these savings groups are divided:
 - One half of the savings groups participate in the VISA model. Facilitators regularly visit these groups in the lead-up to a sales period to deliver informational sessions and promote the adoption of an insurance-specific savings fund.
 - The other half of the savings groups do not participate in the VISA model. Facilitators visit these groups only twice – once to announce/promote the product, and once several months later for sales/purchase (these groups will not have any additional information sessions).



INSURANCE ACCOUNT CONTRIBUTION RECORD

NAME OF SAVINGS GROUP: *Name of the savings group*

LOCATION: *Location of the savings group*

DATE	NAME OF GROUP MEMBER	CONTRIBUTION AMOUNT
<i>April 15</i>	<i>Group member 1 name</i>	<i>KSH 860</i>
<i>April 15</i>	<i>Group member 2 name</i>	<i>KSH 1,100</i>
<i>May 15</i>	<i>Group member 1 name</i>	<i>KSH 800</i>
<i>May 15</i>	<i>Group member 3 name</i>	<i>KSH 700</i>
<i>May 15</i>	<i>Group member 6 name</i>	<i>KSH 1,300</i>





Promising Impacts

While we're still conducting a rigorous impact evaluation, we do have some preliminary data available on uptake and sales. There are also some additional sales periods ongoing that will provide additional insights.

Take up is significantly higher under VISA than under the traditional sales model

Notably, this impact was seen primarily when there was little or no discount available. When large discounts were given, this model did not seem to have a significant impact on uptake, **but when there were no or low discounts, there were significant positive impacts.**





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Thank you



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