

Microinsurance Conference 2007
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**CGAP Working Group on Microinsurance and the
Munich Re Foundation with the support of the
IRDA**

**Microinsurance Product to Reduce Rural Risk
Disaster Risk Management by Poor**

Presentation:

Sunil Silva

Chairman, Yasiru Mutual Provident
Society Ltd, Sri Lanka

COOPERATION TOWARDS A BETTER FUTURE



Yasiru

Oase

Interpolis

Rabobank

YASIRU DISASTER RISKS

Two points of view:

- Individual and/or family disaster
- Group disaster (ex: Tsunami)



YASIRU MAIN FEATURES

- MUTUALITY
- SOLVENCY
- MEMBER BASED
- CONFIRM SENSE OF OWNERSHIP
- RISK MANAGEMENT BY POOR
- DEMOCRATIC MANAGEMENT
- PACKAGE OF BENEFITS
- REINSURED PACKAGE
- COMPUTERIZED SYSTEM DEVELOPMENT



YASIRU PRODUCT COVERAGE

Individual disaster

FOR THE WHOLE FAMILY

To MEMBERS

TO CHILDREN < 18 YRS OF MEMBERS

THE SPOUSE OF THE MEMBERS

TO DEPENDANTS > 18 YRS OF THE MEMBERS

RISK COVER

LIFE – NATURAL DEATH

LIFE - ACCIDENTS / CALAMITIES

PERMANENT OR PARTIAL DISABILITIES

HOSPITALIZATION



YASIRU PROVISIONS

Group disaster

■ Reinsurance Agreement

with Eureka Re, The Netherlands

In case of death and permanent disability:

80 % quota share w/maximum 120,000 per risk

w/Annual limit: **14,800,000.00**

■ Yasiru Risk Funds **6,408,212.23**

(bank deposits)



Reinsurance Agreement

with Eureka Re, The Netherlands

Yasiru Reinsurance 2006

100% Yasiru premium-income	7,075,167.33
24% reinsurance premium	1,689,040.16
Reinsurance claims 80% of <u>424,100</u>	339,280.00 -/-
Sub balance (positive!)	1,358,760.16
70 % profit commission	951,132.16 -/-
Net reinsurance premium 2006	407,628.00



Yasiru group disaster (1)

example AS IF in 2006

Yasiru Reinsurance 2006

100% premium-income	7,075,167.33
24% reinsurance premium	1,689,040.16
Reinsurance claims 80% of <u>10,000,000.00</u>	8,000,000.00 -/-
Sub balance (negative!)	6,310,959.84
70 % profit commission	0,00 -/-
Net reinsurance premium 2006	0,00
Yasiru receives from Eureka Re	6,310,959.84



Yasiru group disaster (2)

example AS IF in 2006

Yasiru disaster claims 2006	10,000,000.00
(i.e. 400 people dead by accident)	
From reinsurer Eureko Re	6,310,959.84
From Yasiru Risk Funds	<u>3,689,040.16</u>
Total benefits	10,000,000.00

All other claims (not w/reinsurance), operational costs and positive result 2006 still the same.

Hereafter Risk Funds should be about **2,700,000.00**



Yasiru Conclusions

- Day by day claims of individual disasters are paid from regular collections in any year.

In case of a group disaster:

- Yasiru has the reinsurance agreement with Eureko Re in the Netherlands
- Yasiru has the own Risk Funds (deposits in bank accounts)
- Risk funds are build up from the yearly positive results
90 % to Risk Funds
10% to Welfare Fund



Thank you

Sunil Silva
Chairman, Yasiru Mutual Provident
Society Ltd, Sri Lanka

