

The Microinsurance Innovation Facility

*A collaboration between the ILO and
the Bill and Melinda Gates Foundation*



Background

- The creation of the CGAP Working Group on Microinsurance in 2002
- “Good and Bad Practices” project funded by DFID, GTZ, ILO and SIDA produced 25 case studies covering 40 microinsurance schemes
- *Protecting the Poor: A Microinsurance Compendium* published by the ILO and Munich Re Foundation
- Proposal to the Bill and Melinda Gates Foundation to implement recommendations and stimulate innovations



Key Themes

1. Support the development of **valuable insurance products** for low-income and rural households
2. Encourage the emergence of **institutional models** and partnerships that effectively deliver insurance to large volumes of low income households
3. Promote **market education** to help low-income consumers appreciate the utility of insurance and identify high value products



Four Pillars

Microinsurance Innovation Facility

**Innovation
Grants**

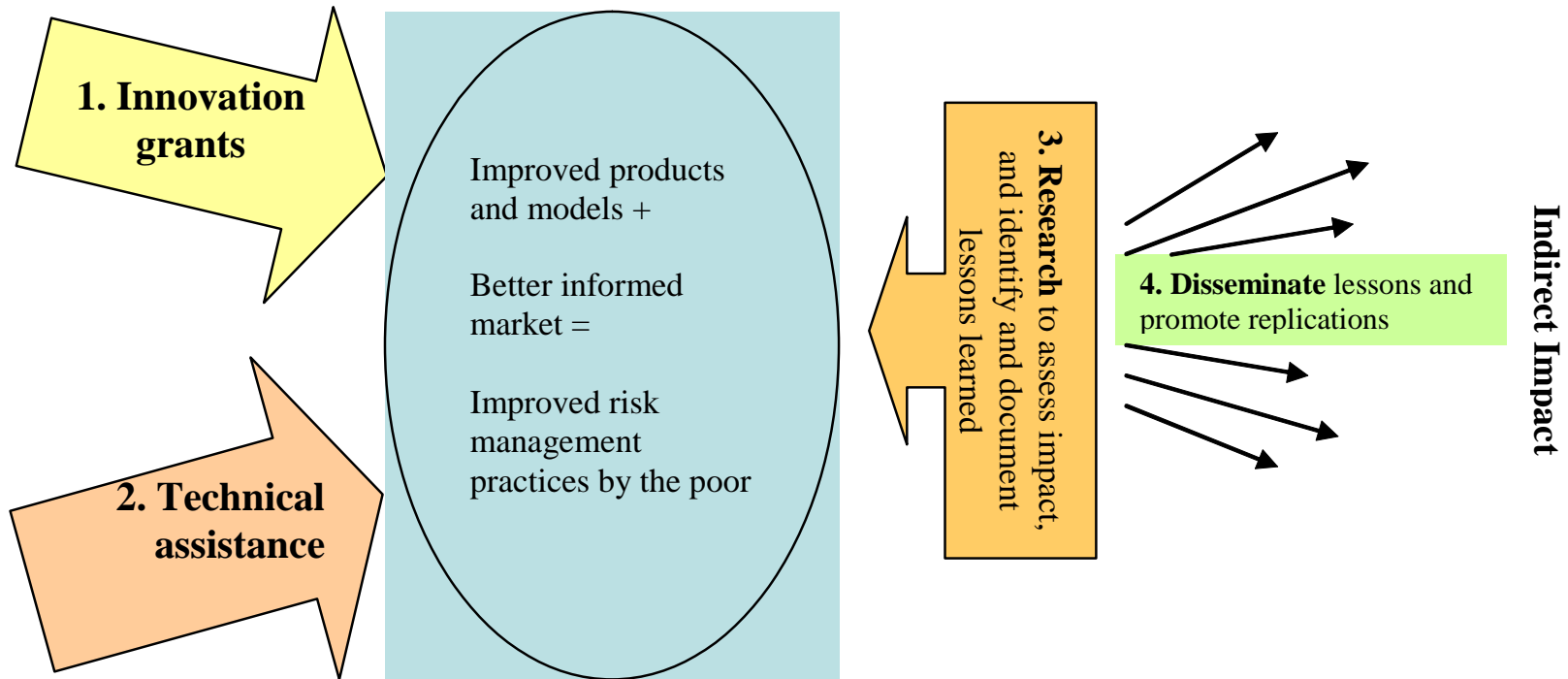
**Technical
assistance**

Research

Dissemination



Microinsurance Innovation Facility in Action



Innovation Grants

- **Grants:** \$50,000 to \$2,000,000 (50 grants averaging \$350,000)
- **Frequency:** 5-10 issued every 6 months for first three years
- **Purpose:** To test new products, models or approaches to consumer education (the 3 themes)
- **Organizations eligible** include insurance companies, semi-formal microinsurers, labour unions, cooperatives, NGOs and other people's organizations, and other distribution channels



Technical Assistance

- **TA matching grants** for microinsurers to buy technical assistance from **certified TA providers** (100 grants for short-term assignments over 5 years)
- **Monitoring** for certification
- **Interns:** 30 long-term (6 to 12 months) assignments in microinsurance providers
- **TA and management tools:** a) inventory and needs assessment, b) develop 5 to 10 tools
- **Workshops** for TA providers 1 or 2 per year



Research

- Collaborate with a university (or academic consortium) to review research proposals and support researchers
- Issue 40 research grants of \$10,000 each focusing on impact and 3 themes
- Publish individual research papers
- Publish an annual peer-reviewed journal of the best papers
- Conduct a series of case studies and/or thematic analyses
- Maintain a database of institutional performance information
- Maintain a database of relevant donor activities



Dissemination

- Channel key lessons and publications through the Working Group's annual conferences, newsletters and website
- Organize additional workshops, virtual conferences, etc (1-2 per year)
- Issue 2-4 topical briefing notes per year
- Submit articles to other journals for publication
- Engage with the media (e.g. press releases, interviews)



Thank you!

Craig Churchill
Social Finance Programme, ILO
+41 22 799 6242
churchill@ilo.org

