

Certificate Course on Micro Insurance

Many interested people working in e.g. NGOs, MFIs or students have little chance to learn about micro insurance. The curriculum focuses more on Micro Finance or Insurance of general public, whereas the needs of the poor are specific. It is in this context, a certificate course of three-month duration is designed by the 'Asian Knowledge Centre for Mutual Insurance (ASKMI)' of Tata-Dhan Academy.

Objectives

The participants gain a thorough understanding on the mechanics of insurance such as actuarial analysis, premium setting, claims settlement, insurance administration etc from their regular curriculum. Therefore this certificate course will focus on enabling the participants:

- To appreciate the broader contours of microfinance and its interface with micro insurance.
- To understand the principles, concepts, theories of micro insurance and the varying perspectives of the communities, the government, NGOs/MFIs and the industry.
- To understand the products and delivery models of micro insurance and to appreciate the concept of mutuality in micro insurance through class-room discussions and field visits.
- To understand the needs of the members in designing and developing appropriate micro insurance products.

Structure

The course will be offered over four days in two splits. In case it is required the first part will be conducted at the participants' location itself, while the second will be conducted at Tata-Dhan Academy at Madurai. When at Madurai, the participants will have an opportunity to visit the field operations of DHAN Foundation and will be exposed to its mutual insurance programmes on the first day. Each day will have four sessions totaling 12 sessions for class-room discussion and learning. The course is arranged into four broad modules which are:

1. Introduction to microfinance and micro insurance - The module will begin with an introduction to DHAN Foundation, touch upon the need for the certificate course and then will deal in detail about poverty and the role of microfinance and micro insurance in poverty reduction. The participants will be provided with an overview of the microfinance and micro insurance sectors highlighting the interface between microfinance and micro insurance. It will also cover risks and vulnerabilities of the poor and the coping mechanisms they adopt. It will conclude with the discussion on concept of mutuality and how the mutual insurance institutions act as an extension of their coping mechanisms.

2. Micro insurance models and products - As a logical continuation of the first day, the second module will deal with existing delivery models of micro insurance and examine the merits and de-merits of each of them and their appropriateness for specific contexts. It will also deal with the micro insurance products that are being currently offered by different mainstream insurance companies and by NGOs / MFIs through mutual solutions, the potential to develop new products and processes and steps involved in product development.

3. Field visit to federation mutuals – This module will provide insights on the mutual micro insurance programmes, the products that are being offered by them, and the administrative aspects on running such programmes. More importantly, the visit will offer an opportunity to

interact with the clients directly and understand their perspectives on micro insurance.

4. Enhancing access and inclusion of poor for Micro insurance – This module will deal with the problems and prospects of both the mutual insurance and the mainstream commercial insurance. The field visits will help in better articulation of this. The module will also cover reinsurance for micro insurance and conclude with the challenges for micro insurance institutions, the regulatory framework and the scope for donor and private sector involvement in the promotion of the micro insurance sector.

Pedagogy

The course will follow lecture and discussion as the predominant method of teaching. Some of the sessions will employ case discussion too. The participants will make field visits in two sub-groups to two of the federation mutuals promoted and supported by 'People Mutuals' of DHAN Foundation – one to Pudur focusing on life insurance product and other to Thirumangalam focusing crop insurance product. The course would expect thorough preparations and a high level of interactions from the participants.