

2006 | ASIAN DECENT  
2015 | WORK DECADE



International  
Labour  
Organization

**SERIES:**

**SOCIAL SECURITY EXTENSION  
INITIATIVES IN ASIA**

A large rectangular graphic with a vibrant, multi-colored background of orange, purple, green, and blue. The text is centered on the right side of this graphic.

**ASIA:  
ASIAN MICRO-INSURANCE  
NETWORK  
(AMIN)**

**“FROM LOCAL INITIATIVES TOWARDS NATIONAL SOLIDARITY SYSTEMS”**

**ILO Subregional Office for South Asia**



*Decent Work for All*

Asian Decent Work Decade

## INTRODUCTION

The fourteenth Asian Regional meeting of the ILO recently organized in Busan, Republic of South Korea (August 29th – September 1<sup>st</sup>) endorsed an Asian Decent Work Decade (2006-2015), during which concentrated and sustained efforts will be developed in order to progressively realize decent work for all in all countries. During the proceedings, social protection was explicitly mentioned as a vital component of Decent Work by a number of speakers including the employers and workers representatives. The need to roll out social security to workers and their families in the informal economy, to migrant workers and to non regular workers in the formal economy was also perceived as a major national social policy objective. The need to enter into a more intensive dialogue with respect to the design and financing of national social security systems to equip them to cope with the new requirements and challenges of a global economy also emerged as a major outcome of the meeting.

The challenge of providing social security benefits to each and every citizen has already been taken up in various Asian countries. Several Governments have already introduced a set of new objectives in their policies aimed at ensuring through various social assistance or social insurance mechanisms, a progressive extension of social security benefits to all workers, and most particularly those operating in the informal economy and the most disadvantaged groups of the population. In line with this commitment, several new initiatives were already taken by some Governments, focusing mainly on the promotion of new health protection mechanisms, considered as the pressing need of the day. At the same time, and given the huge social protection gap and the pressing demand from all excluded groups, health micro-insurance schemes driven by a wide diversity of actors have proliferated across all Asia. While a wide diversity of insurance products has already been made available to the poor, health insurance is still found lagging behind in terms of overall coverage and scope of benefits, resulting in the fact that access to quality health care remains a distant dream for many.

Given this context, the ILO's strategy was to develop an active advocacy role aiming at facilitating the design and implementation of the most appropriate health protection extension strategies and programmes. Since any efficient advocacy role has to rely on practical evidence, the ILO first engaged a wide knowledge development process, aiming at identifying and documenting the most innovative approaches that could contribute to the progressive extension of health protection to all. One such innovative and promising approach is the first regional network set up by a group of micro-insurance practitioners willing to play a more active advocacy role in order to extend social security benefits to all.

## BACKGROUND

Micro-insurance schemes serve one of the crucial needs of the community. Far more than a simple financial arrangement, they have to be seen as an efficient empowerment instrument and as a social inclusion mechanism.

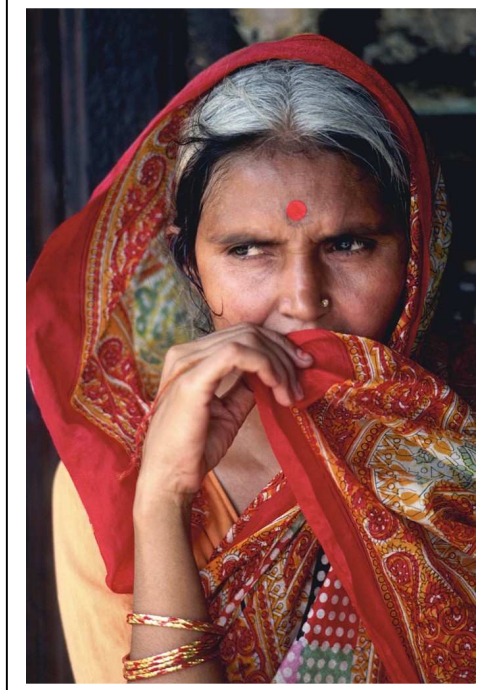
Micro-insurance schemes have the potential to ensure that equity-based, gender-sensitive, comprehensive, affordable and viable social protection services can reach out to the various excluded groups and most disadvantaged groups of the population.

In order to effectively contribute to the ambitious role of providing social protection to all, the various micro-insurances operating in Asia have now joined hands in undertaking a new regional initiative that could enhance all actor's technical capacities while helping them to come up more efficiently with the issue of extension of social protection at the policy level in each concerned country.



In Asian developing countries, it is clear that many other actors than the State have a role to play and evidence already suggests that new forms of collective promotion of interest such as micro-insurance schemes addressing the priority needs of the members may be a first and necessary step for the design and implementation of efficient nation-wide systems of social protection.

Facing the huge gap of social protection a wide diversity of civil society actors (cooperatives, women's group, trade unions, micro-finance institutions, NGOs, micro-entrepreneurs association, etc.) have already begun to experiment with innovative solutions to meet their needs.



Various micro-insurance schemes that were tailor made to answer the needs of their members are found to be proliferating in all countries. Some of these schemes have already succeeded in linking up with insurance companies, banking institutions, health providers and even pharmaceutical companies.

In some Asian countries such as India where there is now a critical mass of membership based schemes and where these have started to organize into networks, it is already apparent that micro-insurance has already increased the voice of the excluded groups and is beginning to influence the policy and legal context that governs social protection.

However, and although having already successfully demonstrated their positive effect at the local level, these multiple micro-insurance schemes remain often isolated and insufficiently documented, resulting in the fact that they are still not taken into account into national policies, strategies and programmes that could achieve a widespread positive impact on the excluded groups.

Another related concern, is that being not linked with national systems of social protection, these schemes still cannot rely on effective national solidarity redistribution mechanisms. Hence, the social protection challenge that remains to be taken up in Asia: **“From local initiatives towards national solidarity systems”**.

## THE ASIAN MICRO-INSURANCE NETWORK (AMIN)



### AMIN AT A GLANCE

**22 Permanent Members  
Representing 7 Countries**

Bangladesh, Cambodia, India, Nepal, Pakistan, the Philippines, Sri Lanka

**Some 350 schemes Operating in  
10 Countries**

Identified and documented

**Some 500 Associate Members  
Informed on any activity and event**

**Some 60 Major Reference  
Materials**

Inventories, surveys, studies and case studies conducted within the region

## AMIN OBJECTIVES

AMIN has the following main objectives:

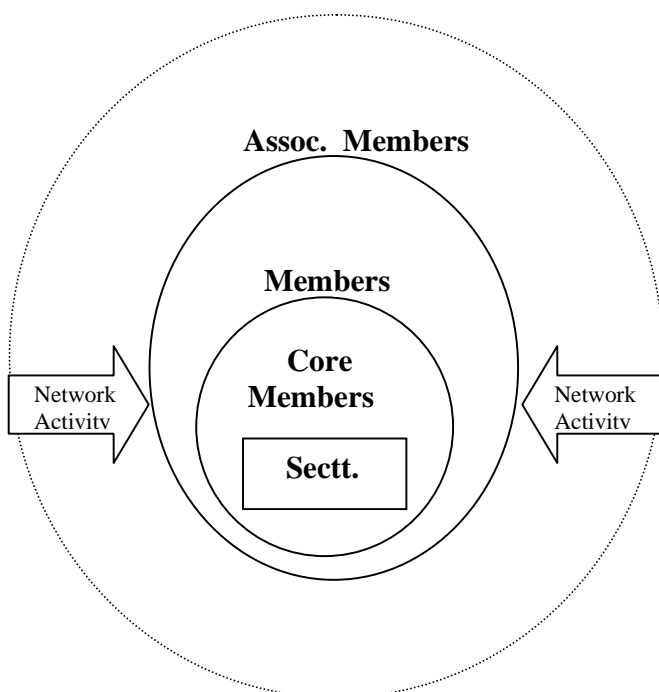
- Set up an efficient mechanism allowing for the regular sharing of information and experience among practitioners from different countries
- Develop the documentation process of various on-going micro-insurance initiatives, innovations and achievements
- Build up new technical capacities for the various actors involved in micro-insurance activities
- Strengthen the collaboration and active partnership among the various membership-based micro-insurance schemes
- Highlight and clarify issues, challenges and opportunities related to the contribution of micro-insurance schemes to the extension of social protection
- Organize new initiatives aiming to create a wider awareness and a stronger commitment on the need to extend social protection

## AMIN ACTIVITIES

AMIN activities are organized according to the following bottom-up approach:



## ORGANIZATION



- ✚ **Members:** All organizations that have developed and run micro-insurance schemes in Asia
- ✚ **Core members:** Organizations active in the implementation of micro-insurance schemes and willing to provide regular information on their activities, while also playing a dynamic role in the development of the network activities
- ✚ **Associates:** Organizations or individuals, who, although not directly involved in the running of a scheme, are interested in the development of micro-insurance
- ✚ **Core associates:** Organizations who provide financial or technical to micro-insurance schemes or are encouraging the development of the whole sub-sector

## LIST OF CORE MEMBERS

1	Bangladesh	<ul style="list-style-type: none"> <li>■ Grameen Kalyan (GK)</li> <li>■ Bangladesh Rural Advancement Committee (BRAC)</li> <li>■ Delta Life Insurance Company Ltd.</li> </ul>
2	Cambodia	<ul style="list-style-type: none"> <li>■ Groupe de Recherche et d'Echanges Technologiques (GRET)</li> <li>■ Cambodian Organization for Assistance to Family and Welfare (CAAFW)</li> </ul>
3	India	<ul style="list-style-type: none"> <li>■ Emmanuel Hospital Association (EHA)</li> <li>■ DHAN Foundation</li> <li>■ Self Help Promotion for Health and Rural Development (SHEPERD)</li> <li>■ Self-Employed Women's Association (SEWA)</li> <li>■ Narayana Hrudayalaya Asia Heart Institute (Yeshasvini)</li> <li>■ PLAN International</li> <li>■ SKS Microfinance</li> <li>■ Healing Fields Foundation (HFF)</li> </ul>
4	Nepal	<ul style="list-style-type: none"> <li>■ General Federation of Nepalese Trade Unions (GEFONT)</li> <li>■ B.P. Koirala Institute of Health Services (BPKIHS)</li> <li>■ Public Health Concern Trust (PHECT-Nepal)</li> </ul>
5	Pakistan	<ul style="list-style-type: none"> <li>■ Kashf Foundation</li> <li>■ National Rural Support Programme (NRSP)</li> </ul>
6	Philippines	<ul style="list-style-type: none"> <li>■ Coop Life Mutual Benefit Services (CLIMBS)</li> <li>■ PAKISAMA Mutual Benefit Association</li> </ul>
7	Sri Lanka	<ul style="list-style-type: none"> <li>■ Sanasa Almao Insurance Company Ltd.</li> <li>■ Yasiru Mutual Provident Society Ltd.</li> </ul>



## A FOCUS ON HEALTH MICRO-INSURANCE...

For a variety of reasons, being the lack or misallocation of resources, the structure of the health systems as well as inequalities that are deeply rooted in the prevailing social arrangements that extend beyond the health sector, many Asian countries have failed in addressing the health exclusion phenomena through public delivery of health care which generally remains under-financed, insufficient, ill-equipped and poor in quality.

	Total Popul. (million)	HPI Rank (out of 177)	% Pop. Living < \$1 a day	T. Pop. Living < \$1 a day	% Pop. Living < \$2 a day	T. Pop. Living < \$2 a day	Public H. Expend. (% GDP)	% Births attended by SHP
Bangladesh	136,6	86	36.0	49,2	82,8	113,1	0.8	14
Cambodia	13,5	81	34.1	4,6	77,7	10,5	2.1	32
India	1,070,8	58	34.7	371,6	79,9	855,6	1.3	43
Laos	5,7	72	26.3	1,5	73,2	4,2	1.5	19
Nepal	26,1	74	37.7	9,8	82,5	21,5	1.4	11
Pakistan	151,8	68	13.4	20,3	65,6	99,6	1.1	23
Philippines	80,2	35	14.6	11,7	46,4	37,2	1.1	60
Sri Lanka	20,4	42	7.6	1,5	50,7	10,3	1.8	97

UNDP Human Development Report - 2005

The lack of social protection in health disproportionately affects women. Because of their lower status in society, women generally suffer greater degrees of exclusion from systems of social protection than men. Women are also more affected because of their traditional role of caregiver within the family. They also have specific reproductive health needs. The fact that they are not met contributes to the unacceptably high rates of infant and maternal mortality in many Asian countries



Given the fact that women are generally found more sensitive to health issues than men, the promotion of gender equality may be more systematically encouraged through health micro-insurance schemes. Many of these schemes are in fact already run by women's associations and emphasize the specific health concerns of women. And those focusing on health can contribute to decrease the high rates of maternal morbidity and mortality. Various case studies conducted on health micro-insurance schemes show that they strengthen the capacity of women to raise and address their health needs. The different stages in the process of establishing health micro-insurance schemes provide the opportunity to discuss and take these needs into account:

Various ILO studies conducted in Asia have shown that through health micro-insurance schemes the priority concerns raised by both women and men were problems linked to pregnancy and delivery and to ensure that these were covered by the benefit package. A recent survey aiming at identifying the social protection needs amongst cooperative societies, conducted in ten Indian states confirmed that maternity protection benefits stood very high in the priorities expressed by their members.

ILO has also explored how maternity protection could be extended to women in the informal economy. A research work was carried out on how maternity benefits were included in different community-based health insurance schemes. For all eight schemes analyzed in India, Bangladesh, Nepal and the

Philippines, there was either a great demand for maternity protection or the comprehensiveness of the package for maternity care offered, already demonstrated the importance attached to this issue.

HIV/AIDS is also being increasingly taken into consideration since of the 16,000 new infections that occur everyday, up t 60% are now among women. There is a general consensus today that the most effective strategies to combat the pandemic are community-based. The social role of such health micro-insurance schemes promoted through women's groups strengthens community capacity to take collective action related to prevention and care.

Although there is already an important number of health micro-insurance schemes addressing women's specific needs, the issue of gender-sensitivity remains to be addressed in many insurance products, especially those provided by insurance companies. A greater focus on gender concerns is also necessary while trying to scale up the coverage of these various health micro-insurance initiatives.



## AMIN PROMOTERS

AMIN activities, at the regional level, are currently supported by the following international organizations:



The Strategy and Tools against social Exclusion and Poverty global programme (STEP) of the International Labour Organization (ILO) is active in two interdependent thematic areas: the extension of social protection to the excluded and integrated approaches to social inclusion.

STEP's approach to social protection is based on three human rights principles – human dignity, equity and social justice – that lie at the core of ILO's mandate and of its decent work agenda. STEP supports the design and implementation of innovative systems intended to extend social protection to excluded populations, particularly in the informal economy where the conditions of workers and their families are typically more precarious. Indeed, social protection has a key role to play in enabling the poor to retain their income – however small it may be – so as not to fall into severe debt or destitution in case of a simple emergency. Social protection systems can also be important motors for preventive actions. Promotion of innovative systems of social protection among those who presently have no such coverage thus complements other poverty alleviation strategies such as employment creation.

It focuses in particular on systems based on the participation and organization of the excluded. STEP also contributes to strengthening links between these systems and other social protection mechanisms. In this way, STEP supports the establishment of coherent national social protection systems, based on the values of efficiency, equity and solidarity. The development of social protection systems that are appropriate to developing country contexts and conform to the vision above is a long-term process. Bringing them about requires the involvement of a variety of actors at the local, sub-national, national and international levels. STEP's action in the field of social protection is placed in the broader framework of combating poverty and social exclusion. It gives special emphasis to improving understanding of the phenomena of social exclusion and to developing integrated approaches and methodological tools that may address this problem. STEP pays special attention to the relationship between the local and national levels, while at the same time contributing to international activities and agenda.



PlaNNet Finance is an international network of non-profit organizations, dedicated to the development of micro-finance as a strategy against poverty. Established in 2001, PlaNNet Finance India (PFI) has developed and implemented innovative need based programmes and technologies to improve the sustainability and transparency of various micro-finance institutions while promoting the creation of a more inclusive financial sector. Functioning as networking platform and information hub, capacity building and technical assistance provider, PFI focuses on the impact of microfinance on micro-entrepreneurs and excluded segments of the population. In 2005, PFI launched a monthly commercial magazine on micro-business titled "Small Change". This effort was initiated due to the need and demand for information exchange and dissemination as gauged from the microfinance industry in India.



Recognizing the need for insurance to become as easily available to the poor as credit, PFI recently joined hands with ING Insurance to institute the Micro-insurance Awards which aim to support the development of a stronger micro-insurance platform as an extension of microfinance in order to offer a better protection to the poor against the various risks they face on a daily basis. Through the MI Awards, PFI and ING plan to build a comprehensive inventory and identify the best practices in needs assessment, product design and delivery channels implemented by the various micro-insurance schemes already being operated in the country and to generate a market-oriented enthusiasm towards micro-insurance. This initiative also intends to promote the development of new products, to explore innovative delivery mechanisms and to build appropriate technical capacity in order to foster the rapid growth of micro-insurance in India. As a very first step towards achieving these goals, several field roadshows will be organized, spanning the entire country, which will also help building awareness for the need for micro-insurance. PFI is also adapting its technical assistance and consulting tools to assist various institutions providing micro-insurance services and is currently involved in support activities in various Asian countries.

## AMIN FIRST REGIONAL FORUM

### First AMIN Regional Meeting 11th – 12<sup>th</sup> December 2007 New Delhi, India



#### a) Programme

In the last two years, some key trends that have emerged in the sector of Micro Insurance in Asia are:

1. A proliferation of MI schemes e.g. from a total of 58 schemes documented in the combined (Health and non-health) India inventory of 2005 to the new updated inventory exercise of 2007 that has about 100 schemes listed in the Health insurance volume.
2. The players in this emerging sector have been many and there has especially been an increased interest and involvement of Commercial Insurance Companies
3. The development of new linkages mechanisms with the state.
4. The setting up of new networks and partnerships e.g. the Communities-Led Association for Social Security (CLASS) initiative in India

Keeping the above developments in mind, AMIN plans to hold its first forum meeting on 11<sup>th</sup> and 12<sup>th</sup> December 2007 in New Delhi, India to bring together the permanent members in order to define a coordinated action for the network. On day one, participants will review the present situation and plan for collective new advocacy initiatives in the current scenario. On day two they will join a group of Micro Insurance practitioners attending a National Workshop jointly organized by ILO/SRO, ILO/ITC and GTZ looking at the critical issue of Monitoring and Evaluation of Micro Insurance schemes.

#### b) Objectives

The objectives of the AMIN Forum meeting therefore were two fold:

1. To bring together the AMIN permanent members (key practitioners/actors in micro insurance from Asia) in order to
  - Review the current functioning of AMIN
  - Identify and plan for priority AMIN activities for 2008-2009
  - Establish linkage with International Knowledge platforms
  - Plan for effective collective advocacy activities for the network
  
2. To interact and learn from international experiences through participation in national technical workshop *“Improving Performances and Outreach: Monitoring and Evaluation of Health Micro-Insurance Scheme”* which would enable participants to
  - Interact with and learn from other initiatives
  - Enhance their technical capacities on the issue of evaluation and monitoring of MI schemes
  - Develop partnerships

## AMIN 2008 ACTION PLAN

Main activities planned for 2008 include the following:

- Consolidate the Network activities
  - ✚ Incorporate the feedback from the AMIN Forum into the finalization of the newly launched AMIN website
  - ✚ Develop the online membership directory and knowledge map
  - ✚ Prepare information briefs (2-pager) on important micro-insurance schemes
  - ✚ Develop partnerships with key schemes who agree to provide regular information on their activities in order to update the information briefs
  
- Develop the Network
  - ✚ Coordinate the following National Micro-insurance Inventories:
    - Bangladesh
    - Pakistan
    - Sri Lanka
    - India (Non-health)
  - ✚ Affiliate the new contacts made during the national inventory exercise
  - ✚ Launch e-mail discussions on “key micro-insurance issues” and consolidate the information shared in the form of five-pager documents
  - ✚ Launch collaborative project space with AMIN core members on “Improving health micro-insurances indicators and processes
  - ✚ Organize a health micro-insurance workshop in Sri Lanka in collaboration with ILO/ITC Turin, Planet Finance and Agricultural and Agrarian Insurance Board (AAIB) of Sri Lanka
  - ✚ Organize AMIN 2008 Forum (December 2008)
  
- Enhance the visibility of the Network
  - ✚ Finalize AMIN information brochure
  - ✚ Prepare e-news bulletins
  - ✚ Publish AMIN quarterly Newsletter
  - ✚ Establish the linkage between AMIN and GIMI (Global Information on Micro-Insurance) knowledge platform through regular updates on AMIN and micro-insurance publications
  - ✚ Link up with new countries witnessing some development in the micro-insurance field
  - ✚ Develop partnership arrangements with other regional and international networks



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