

# PROJECT STATUS REPORT

JANUARY 2014 - JUNE 2014

## SECTION 1: PROJECT SUMMARY

**PROJECT NAME:** Development and Implementation of Sustainable Microinsurance Solutions in Belize

Project Number: BL-M1008 - Operation Number: ATN/ME-14013-BL

**Result:** The expected RESULT or objective of the project is to provide affordable property/agricultural insurance coverage to the low-income population in Belize, specifically to those rural agricultural members of the CUs.

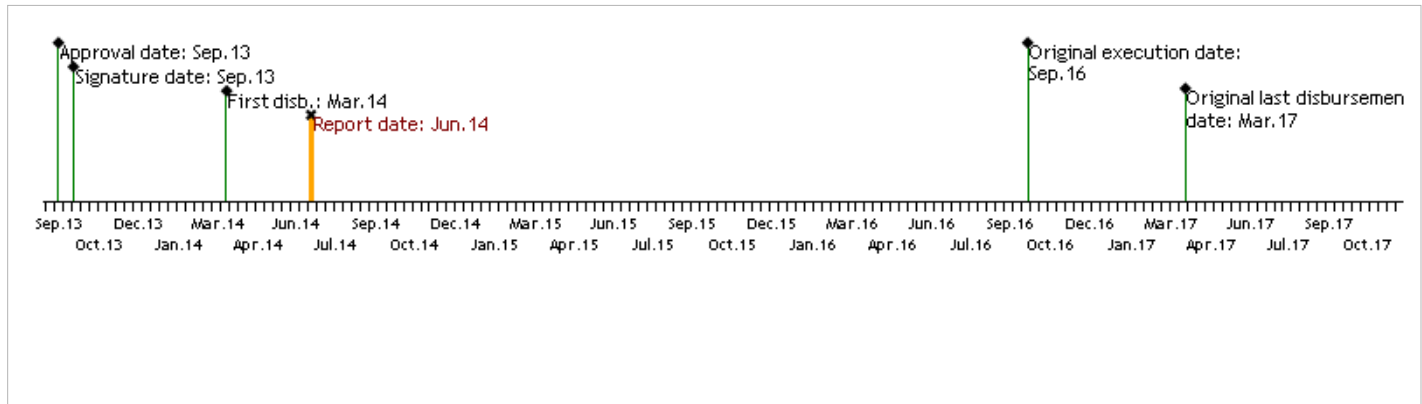
**Country Administrator**  
BELIZE

**Beneficiary Country**  
BELIZE

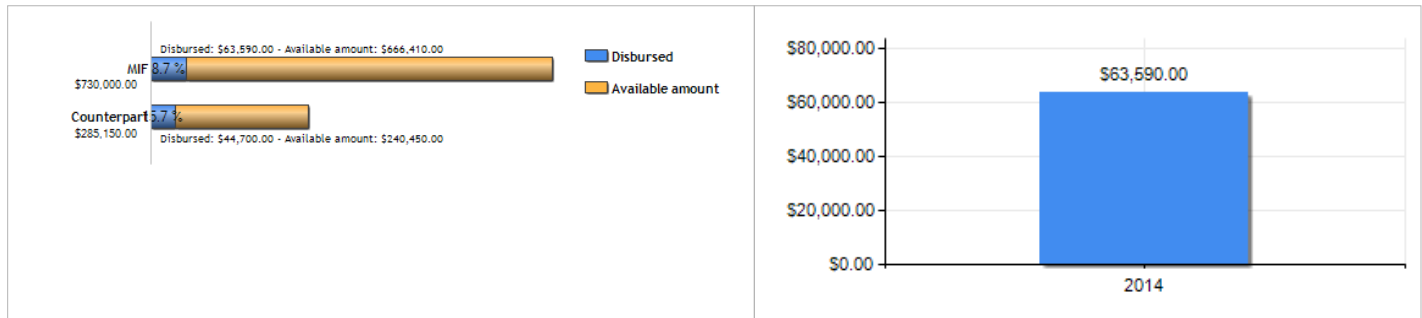
**Executing Agency:** INSURANCE CORPORATION OF BELIZE

**Design Team Leader:** Saenz-Samper, Maria Victoria  
**Supervision Team Leader:** Beecher, Wayne

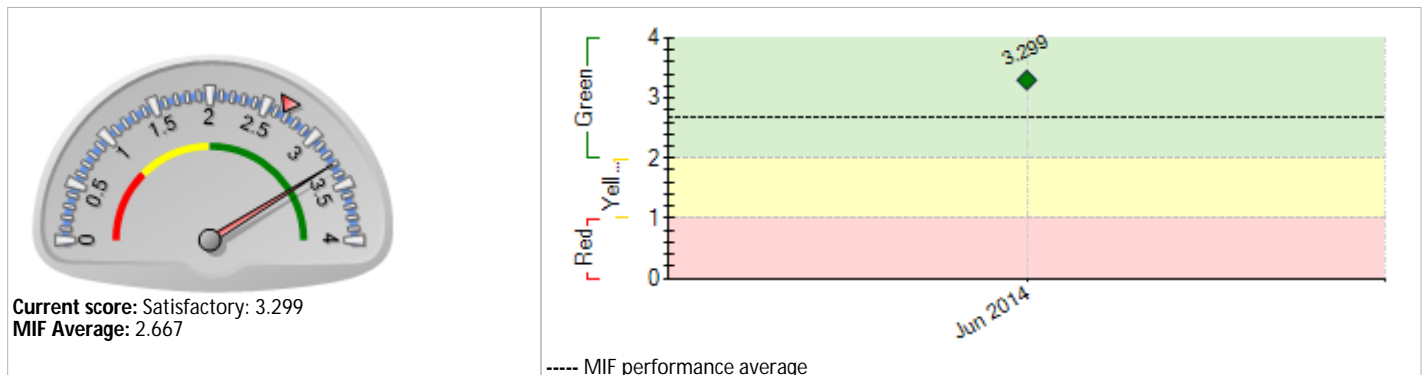
### TIMELINE



### FUNDS



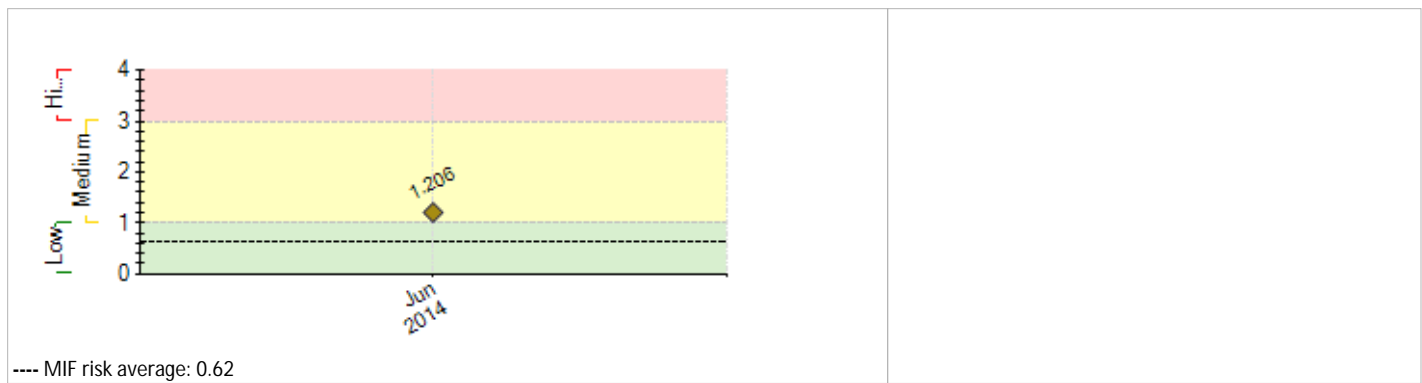
### PERFORMANCE SCORE



### EXTERNAL RISKS

#### INSTITUTIONAL CAPACITY

**Risk**  
**Financial Management:** Medium  
**Procurement:** Low  
**Technical Capacity:** Low



## SECTION 2: PERFORMANCE

### Summary of project performance in the last six months

Results of Semester 1 of the project's performance are:

#### Component 1

- Selected a consultant to conduct the market validation study. The consultant completed an inception report, finalized the data collection instruments, and is currently conducting key informant interviews and focus group discussions.

- Selected a consulting firm to design a microinsurance product. This consultancy assignment will also result in the delivery of the study on financial solvency analysis and potential requirements for microinsurance activities.

#### Project Coordination

- Met conditions for first disbursement.

- Project Coordinator presented the project to potential distribution partners that included 7 credit unions (CU), 1 micro credit institution, 2 farming associations, a non-government organization that works with farmers, and the national development finance corporation. All potential partners except 1 CU expressed interest in participating in the project however, would make a decision after the product is designed.

- Formalized Project Steering Committee and conducted first meeting.

#### Evaluation & Audits

- Selection of a consultant to conduct the baseline study. The consultant completed an inception report, finalized the data collection instruments, and is currently conducting key informant interviews and focus group discussions.

#### Next Steps

- Completion of market validation & baseline studies.
- Start of product design consultancy.
- Design of monitoring & control system.

#### Comments from the Supervision Team Leader

Agree with the Executing Agency comments

## SECTION 3: INDICATORS AND MILESTONES

Indicators		Baseline	Intermediate 1	Intermediate 2	Intermediate 3	Planned	Achieved	Status
<b>Result:</b> The expected RESULT or objective of the project is to provide affordable property/agricultural insurance coverage to the low-income population in Belize, specifically to those rural agricultural members of the CUs.	R.1	Number of low-income people covered by a general insurance policy	540 Sep 2013	4000 Dec 2015		10000 Sep 2016	1409 Jun 2014	
	R.2	Percent of beneficiaries who are female-headed single-parent families, women entrepreneurs, rural farmers, or low-income urban families	0 Sep 2013	30 May 2015	30 Dec 2015	30 Sep 2016	0 Jun 2014	
	R.3	Percent of beneficiaries that report satisfaction with the price of the insurance product at project end.	0 Sep 2013			75 Sep 2016	0 Jun 2014	
<b>Component 1:</b> Microinsurance Product designed and commercialized  <b>Weight:</b> 35%  <b>Classification:</b> Satisfactory	C1.I1	Market validation through focus groups, completed				Sep 2014	No Jun 2014	On Course
	C1.I2	Basic insurance IT platform requirements and adaptations, bought and installed in participating CUs				Sep 2015	No Jun 2014	On Course
	C1.I3	Product designed, adjusted to beneficiary needs and rolled out in a pilot					No	On Course

						Nov 2015	Jun 2014	
<b>C1.I4</b>	Monitoring and control system designed and implemented						No	On Course
						Jun 2015	Jun 2014	

**Component 2:** Training and Financial Education, implemented**Weight:** 50%**Classification:** Satisfactory

<b>C2.I1</b>	Financial education methodology, tools and materials adapted to the product					Jan 2015	No	On Course
							Jun 2014	
<b>C2.I2</b>	Number of trainers of trainers trained in the microinsurance product	0				1	0	On Course
		Sep 2013				Sep 2014	Jun 2014	
<b>C2.I3</b>	Number of ICB and CUs' staff trained in the microinsurance product.	0	10	20		45	0	On Course
		Sep 2013	Sep 2014	Sep 2015		Sep 2016	Jun 2014	
<b>C2.I4</b>	Number of credit union members trained in financial literacy and microinsurance.	0	500			2500	0	On Course
		Sep 2013	Sep 2015			Sep 2016	Jun 2014	

**Component 3:** Knowledge developed and strategic communications implemented**Weight:** 15%**Classification:** Satisfactory

<b>C3.I1</b>	Number of knowledge events with media and policy makers	0	1	6		11	0	On Course
		Sep 2013	Aug 2014	Jul 2015		Sep 2016	Jun 2014	
<b>C3.I2</b>	Number of international experts on microinsurance presented at a Belize Chamber of Commerce and Industry business mixer	0	1			2	0	On Course
		Sep 2013	Jul 2015			Sep 2016	Jun 2014	
<b>C3.I3</b>	Number of case studies completed on the project's experience	0				1	0	On Course
		Sep 2013				Sep 2016	Jun 2014	
<b>C3.I4</b>	Number of credit union members trained in financial literacy and microinsurance who can explain the concept of microinsurance and the specific product in simple language	0	250			2250	0	On Course
		Sep 2013	Sep 2015			Sep 2016	Jun 2014	

Milestones	Planned	Due Date	Achieved	Date achieved	Status
<b>M0</b> Conditions Prior	8	Mar 2014	8	Mar 2014	Achieved
<b>M1</b> Validation of demand for catastrophe product received.	1	Sep 2014			
<b>M2</b> Design and implementation of a monitoring and control system.	1	Mar 2015			
<b>M3</b> At least 5 information sharing workshops with different stakeholders.	5	Sep 2015			
<b>M4</b> Product designed to clients' needs & at least 7,500 policies sold.	1	Mar 2016			
<b>M5</b> At least 18 training sessions and 1,000 persons trained on financial education.	18	Sep 2016			
<b>M6</b> Production of a knowledge report on the experience and results of the project	1	Nov 2016			

**CRITICAL ISSUES THAT HAVE AFFECTED PERFORMANCE***[None reported in this period]***SECTION 4: RISKS****MOST IMPORTANT RISKS AFFECTING FUTURE PERFORMANCE**

	Level	Mitigation action	Responsible
1. Participating CUs are not committed to the sustainability of the program.	Medium	Sharing of monitoring data with credit union	Project Guest
2. Belize's market is proven too small for formal property insurance to be viable through local credit unions.	Medium	N/A	Project Guest
3. Market demand is limited.	Medium	Financial Education, working collaboratively with the credit unions and limit duplication of efforts.	Project Guest
4. Credit unions are an inappropriate channel for marketing property microinsurance.	Medium	Train CUs and identify additional partners (development finance corporation and farming associations)	Project Guest
5. There is low support for the project from the public sector and public authorities.	Medium	Dialogue with Public authorities especially the Supervisor of Insurance.	Project Guest

**PROJECT RISK LEVEL:** Medium **TOTAL NUMBER OF RISKS:** 13 **IN EFFECT RISKS:** 13 **NOT IN EFFECT RISKS:** 0 **MITIGATED RISKS:** 0**SECTION 5: SUSTAINABILITY****Likelihood of project sustainability after project completion:** P - Probable**CRITICAL ISSUES THAT MAY AFFECT PROJECT SUSTAINABILITY***[None reported in this period]***Actions related to sustainability which will be or have been implemented:**

None.

**SECTION 6: PRACTICAL LESSONS**

	Relative to	Author
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1. In developing the microinsurance product, we must be mindful that we are working in a low density populated country. This will require microinsurance expertise in low density populated countries to assist in designing the microinsurance index product. A microinsurance product that might work in Mexico might not work in Belize however, if it works in Belize it might work anywhere else.

Implementation

Usher, Miguel Alexander