

PRODUCT UP-SCALING INTERVENTION – FACTSHEET

Product Up-scaling Support	SCBF 2014-10: Launching first commercial microinsurance product with Enda Tunisia
Country / Region	Tunisia
Partner Financial Institution	Enda inter-arabe , rue de l'assistance, cité el Khadra, 1003 Tunis
Grantee	MicroInsurance Centre Roland Steinmann, Stationsstrasse 21, 8003 Zurich, Switzerland
Overall Budget	CHF 147'210 (48% self-contribution)
SCBF Contribution	CHF 76'800 (52% SCBF funding share)
Date of Approval	17.12.2014
Duration	01.2015 until 05.2016, suspended since July 2015 due to disabling regulatory framework
Context	<p>Tunisia's microfinance sector is relatively underdeveloped, but set to grow quickly. So far, Enda inter-arabe is the only Tunisian MFI reporting to the MIX market. However, in the course of 2014, several MFI-networks have created local affiliates and started operations. There is no evidence of microinsurance through regulated insurance companies yet. Since 2011, a new microfinance law is in force, which allows MFIs to offer insurance in partnership with a regulated insurance company, once the association of MFIs has signed a framework contract with the association of insurance companies and the Ministry of Finance has approved a list of products. This is expected to happen within Q1 2015.</p> <p>Enda is the clear market leader in the Tunisian microcredit industry. This project will build Enda's capacity to offer formal microinsurance, too, starting with an extended credit-life plus product and laying the foundation to add other products in the near future. Beyond that it will be a ground-breaking activity in Tunisia, hopefully spurring similar projects by the start-up MFIs.</p>
Current Status of the MFI	<p>Enda was founded in 1990 as an international NGO, offering a range of services. Since 2000, Enda concentrates on the provision of microcredit and reached financial self-sufficiency in 2003. Enda's mission is "To economically empower marginalized households, and particularly women, by providing a full range of high quality financial services and fostering micro-entrepreneurship." With 1'100 employees and 70 branches covering all 24 governorates, it currently serves well over 245'000 clients.</p> <p>Enda targets both urban and rural people excluded from mainstream financial services and having a lower standard of living than the national average. It proposes a range of loan products, including agriculture; microenterprises; education; housing; socio-political opportunities and threats; disasters. Enda strives to offer a full range of financial services, including insurance, but is inexperienced in introducing microinsurance services in partnership with an insurance company. In consequence it will greatly benefit from capacity building in this area.</p>
Objective and Main Activities	<p>The main objectives of this project are two-fold:</p> <ul style="list-style-type: none"> i) design, test, launch and up-scale the first commercial microinsurance product with Enda; ii) build internal capacity in the respective areas so that in the future Enda requires far less external input for adding other microinsurance products. <p>Key activities include: HR training; Product development; Insurance partnership development; Process development; IT development; Front staff training; Sales incentives development; Marketing and communication; Pilot testing; Country-wide roll-out. This formal microinsurance product will allow Enda to phase out its current internal solidarity fund solution. Upon project completion, Enda should be in a position to efficiently handle the microinsurance product, develop additional products with limited external assistance and successfully negotiate with the partnering insurance company.</p>