

FEASIBILITY STUDY FACTSHEET

Title of Feasibility Study	SCBF FSW-05: Micro-insurance – Strategic Business Development for ENDA Interarabe
Country / region	Tunisia
Financial Intermediary(ies)	Enda inter-arabe, rue de l'assistance, cité el ghadra, 1003 Tunis
Competence Centre mandated for execution	MicroInsurance Centre, Roland Steinmann, Stationsstrasse 21, 8003 Zurich, Switzerland
Overall project budget	CHF 158'180 (37% self-contribution by partner)
SCBF contribution	CHF 100'400 (63% SCBF funding share)
Date of project approval	16.09.2013
Project period	11.2013 until 03.2014
Context	<p>Tunisia's microfinance sector is relatively underdeveloped, but set to grow quickly. So far, Enda Interarabe is the only Tunisian MFI reporting to the MIX market and there is no evidence of microinsurance through regulated insurance companies yet. Since 2012, a new microfinance law is in force, which allows MFIs to offer, among other services, insurance in partnership with a regulated insurance company.</p> <p>The planned feasibility study will lay the foundation for Enda to broaden its product offering and to introduce regulated microinsurance services to the Tunisian population. Enda's strong relationship with the low-income population and its customer base is likely to attract the interest of the insurance industry.</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 200.000 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.</p> <p>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 overarching goal of the feasibility study is to develop a micro-insurance strategy for ENDA. Key activities include: institutional analysis of Enda; assessment of IT infrastructure; strategy workshop; demand research; analysis of existing data relevant to MI; assess potential partners among the insurance industry; clarify regulatory implications; draft MI business plan; develop a set of performance indicators. Upon project completion, Enda should be in a position to take a decision on whether, and if yes, how to develop and introduce microinsurance services.</p>
Next steps	<p>If the feasibility study shows reasonable potential and Enda decides to further pursue this path, then the following next steps are planned:</p> <ul style="list-style-type: none"> • Implement organisational changes • Select an insurer; develop a joint product strategy and adapt IT infrastructure - or • Define product strategy and then identify an insurance partner through a competitive process • Set up research plan • Pilot test first product