

FINANCIAL EDUCATION CAMPAIGN – FACTSHEET

Financial Education Campaign	FEW-21: Financial education campaign to support microinsurance, risk transfer mechanisms and savings-linked malaria insurance
Country / Region	Myanmar
Partner Financial Institution/s	VisionFund Myanmar (VFM)
Grantee	Stonestep Myanmar
Overall Budget	CHF 119'324 (33% self-contribution)
SCBF Contribution	CHF 72'290 (67% SCBF funding share)
Date of Approval	09.07.2019
Duration	07.2019 until 04.2020
Context	<p>Myanmar's 54 million population is almost completely uninsured, with penetration rates in both the life and general segments below 1% of GDP. The lack of understanding of insurance and its benefits is a major obstacle to the expansion of microinsurance in Myanmar. A preliminary customer baseline survey in December 2018 showed that only 3% of VFM clients interviewed knew about or understood what insurance was.</p> <p>Stonestep is changing how insurance is delivered in Myanmar. Stonestep and VisionFund Myanmar have been working together since 2018 to design new risk-transfer products tailored to service low-income people.</p> <p>Stonestep and VFM will start offering a product that will offer cover any VFM client and their family (spouse & children) with an active savings account in the event of a positive Malaria Case. This product comes at no additional cost for the client and is designed to both encourage the habit of saving money and also serve as an introduction to insurance for VFM clients.</p> <p>Insurance education is an integral part of microinsurance schemes, therefore this educational campaign will provide the necessary awareness of risk transfer; a win-win solution that should add value to clients and providers, and contribute to good practices and consumer protection.</p>
Current Status of the MFI	<p>VFM is the 2nd largest MFI serving over 185,000 clients (86% women, 56% from rural areas) in 48 townships in Myanmar. VFM helps small business owners create or develop small businesses with affordable credit.</p> <p>The MFI sector in Myanmar is very competitive and MFIs must focus on their core business – loans & savings. VFM has striven to become profitable 2 years in a row, a government regulatory requirement to be able to offer voluntary savings to its clients. Donor funding is needed to support the financial education of Stonestep's activities, to help Stonestep's partners clients understand how insurance products work and how to use them effectively to protect themselves from shocks.</p>
Objective and Main Activities	<p>To educate VFM Clients on micro insurance products designed by Stonestep this project will use both:</p> <p>a) Traditional training and capacity building methods (ToT for VFM Staff or Group orientation sessions for VFM clients): 30'000 clients trained face to face by project end.</p> <p>b) Digital and mass communication learning tools (Digital animated video stories or mobile e-learning platform): 10'000 clients trained through digital tools by project end.</p> <p>Ultimately, this FE project is about establishing the foundational baseline and understanding around risk transfer, to build awareness and improve capacity building around risk transfer. Upon project completion, VFM should be in a position to expand future insurance product offers to improve sustainability.</p>