

Questionnaire for a national-level rapid diagnostic on inclusive insurance

Notes on process

- 1) Before diving in, go through list to see to what extent desktop research and unstructured interviews can answer the questions. Sources:
 - a. Local: regulator and ministry websites, national economic, labour force and demographic surveys, statistical bureau, development roadmaps
 - b. Internal: past A2ii or partner interactions with the supervisor
 - c. Research, surveys and databases by development organisations: UNCDF, UNDP, World Bank, ILO, other specific ones active regionally and locally
 - d. Journals and academic papers
 - e. 'What people are saying': Unstructured interviews with industry, local and regional newspapers
- 2) For ideas of what KPIs to look for, refer to the [Supervisory KPIs Lexicon](#) – mainly market development pillar.
- 3) The questionnaire is intended to be flexible and reduced/increased depending on availability of information and thematic focus.
- 4) To fill remaining info gaps, find other ways of getting a best estimate short of commissioning a full study.
- 5) The questions are designed to guide analysis of the assessor – for an interview with the regulator, questions might need to be made fit-for-purpose e.g. open-ended, simplified.
- 6) Decide how much information, and in what form, to present to local regulator to deliver information effectively without information overload. Not all information needs to be presented.
- 7) If too much information is unavailable, this approach might not be feasible.

Questions were developed for the purpose of the pilot capacity building project with Beema Samiti Nepal and UNCDF. They are distilled from the A2ii Country Diagnostic Toolkit I, adapted to include questions on digital, gender and disaster risk. This does not cover the regulatory capacity building needs aspect.

Part 1: Questionnaire

No.	A) Country context	Source
	Economic context	
1.	What is the current economic outlook?	
2.	What drives economic output and foreign exchange in the country (GDP)?	
3.	What do people do for a living (employment)?	
4.	Which sectors employ the most women?	
5.	How large is the SME sector and in which sectors are they active?	
6.	Who, where and how large are the informal, low-income or precarious employment sectors?	
	Political economy	
7.	What are the key aspects that could affect the insurance market?	
	Vulnerability to shocks	
8.	How vulnerable is the country in economic and human terms to shocks (natural disasters, oil and gas, foreign exchange, trade, pandemic etc.)?	
	Broader financial sector:	
9.	Generally how well-functioning is the banking sector (including MFI), capital markets and payments infrastructure?	
10.	What is the state of technology and innovation in the financial sector (e.g. size and depth of fintech scene, presence of hubs, partnership opportunities)?	
11.	Any known vulnerabilities or strengths and particularly linkages impacting the insurance sector?	

No.	B) Demand side	Source
	Big picture	
12.	How big is the population and how is it growing?	
13.	What is the age and gender distribution?	
14.	How and how much do they earn?	
15.	Where do they live (urban vs. rural)?	
16.	What is the level of education?	
17.	How accessible are ICT, media and the internet (access, usage, literacy) ?	
18.	What are the noticeable gender patterns?	
	Coping with risk and emergencies	
19.	What are the risks faced or people's biggest financial worries?	
20.	What social protection schemes are there, who and how many are covered vs. fall between the cracks?	

21.	What community structures and social support networks are there that play a role i.e. informal insurance?	
22.	What are people's personal strategies pre- and post-shock e.g. savings, borrowing, working more?	
23.	Overall are these strategies good enough?	
	Broader financial sector:	
24.	What is the level of financial inclusion and usage of savings, loans, payments, remittances, and insurance?	
25.	What is level of inclusion and usage of digital financial services?	
26.	To what extent does informal financial services play a role?	
27.	What is their perception and awareness of insurance?	
	Zoom in on financially vulnerable:	
28.	Using all these characteristics above as descriptors: Who are the financially vulnerable and how many are they?	
29.	How does the financially vulnerable sector compare to overall population in all the ways above?	
30.	Out of the financially vulnerable: Who is or isn't reached by insurance? Who needs it most? Who is most feasible to reach first?	

No.	C) Supply side	Source
	Big picture	
31.	How many (re)insurers, intermediaries, types of distribution channels, serving what % of the population? Cover both formal and informal.	
32.	Any notable market dynamics? Role of insurance associations, relationship with the regulator, involvement of Government?	
33.	What are the issues of the day according to commentators, industry and regulator? E.g. concentration or fragmentation, reinsurance, others?	
	Players	
34.	How is the sector growing in terms of premiums and profitability?	
35.	What is the overall state of prudential soundness, market conduct and governance?	
36.	Who are the top players: by asset size, premiums, no. of policyholders, and/or footprint (e.g. no of agents or branches)?	

37.	Who are other non-industry partners working in risk financing and inclusive insurance (international development organisations, Ministries, NGOs)?	
	Products	
38.	What is the product mix e.g. by premiums or no. of policyholders in the past 3-5 years?	
39.	Are there compulsory products and how have they impacted the market (sector performance and local insurance culture)? What are the most profitable or popular product lines, and growth trends?	
40.	How diverse or complex is the current offering compared to the most developed markets?	
	Processes	
41.	How do people typically perform key insurance tasks: buy insurance, pay for premiums, make a claim (e.g. walk into a branch?)?	
42.	Are processes still largely manual, any signs of digitalization and emerging innovations?	
43.	Any major challenges?	
	Distribution landscape	
44.	What is the current distribution mix e.g. by premiums or no. of policyholders in the past 3-5 years?	
45.	What are the most dominant distribution channels?	
46.	Are there signs of emerging or alternative channels, especially digital?	
	Zoom in on inclusive insurance:	
47.	To what extent does the sector reach the vulnerable and what is the potential?	
48.	Which products are typically targeted at low-income groups or channels?	
49.	Which channels are inclusive?	
50.	Who are the key inclusion or innovation champions – association, insurers, others?	

No.	D) Regulatory and Government	Source
	Supportiveness of regulatory environment	
51.	Who supervises and what is the mandate?	
52.	Are prudential and market conduct regulations and supervision in place and well-functioning?	
53.	Are supervisory processes and infrastructure in place and well functioning e.g. product approvals; ability to issue various regulatory instruments e.g. regulations,	

	circulars, individual letters; data reporting; public consultations; supervisory capacity?	
54.	Are there development policy objectives or roadmaps in place e.g. financial inclusion, climate change, digital economy?	
55.	Are there any particular thematic regulatory approaches in place e.g. inclusive insurance regulations, disaster risk, sandboxing and innovation?	
56.	Who are the key policymakers who have influence over or are actively involved in the insurance sector?	
57.	What are the stakeholder dynamics – between regulator and industry, regulator and other regulators, regulator and policymakers in question 56 (e.g. collaborative, hierarchical, consultative, signs of coordination issues)?	
	Moving pieces:	
58.	What are key regulatory efforts so far and how is it working (roadmaps, regulations, PPPs, others)?	
59.	What are key Government efforts so far and how is it working (roadmaps, budget, public schemes, taxes, subsidies, compulsion, PPPs, others)?	
60.	What are regulatory challenges separately according to industry and regulator point of view?	
61.	What are plans and targets for the future?	
	Zoom in on inclusive insurance:	
62.	How easy is it to introduce new products or modify existing product features?	
63.	How easy is it to introduce new distribution channels?	
64.	How easy is it for new market entrants to operate? Consider both existing licensing/authorisation regimes and new players that do not fit in existing categories.	
65.	How easy is it to introduce new processes e.g. outsourcing, cloud, digital back-office processes?	
66.	How easy is it to sell and service inclusive insurance products?	
67.	What are key strengths/enabling factors and weaknesses/barriers for inclusive insurance?	

Part 2: Synthesis

1. Sum up the departure point (Where the market is today).
 - Salient features of the current state of the market
 - What's working? What's not working?
2. The drivers (what needs to change for you to get there).
 - Review the diagnostic component findings. Identify key drivers of development of inclusive, digitally-driven insurance.
 - Be on the lookout for the undercurrents, dynamics and megatrends that impact these drivers.
3. The destination (where do you want it to go),
 - Impact and outcomes (concrete indicators – baseline and targets)
 - Scale (Identify the likely size of the potential market / people you will affect)
 - Sequence (which ones need to come first)
 - Low-hanging fruit (what are some immediate opportunities/areas you can change)
 - Hurdles (what is preventing you from getting there)
4. The roadmap (What you need to do now).
 - Based on the above, formulate initial strategic recommendations or solutions for market development.