



Insurance &  
Risk Finance  
Facility



# The UNDP ICMIF Insurance Innovation Challenge (IIC)



## Guidelines for applicants

[www.icmiffoundation.org/insurance-innovation-challenge](http://www.icmiffoundation.org/insurance-innovation-challenge)

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# Glossary

**Application** - Set of documents with a pre-defined format, including an application form and annexes submitted to the IIC in a timely manner and in accordance with the *Guidelines for applicants*.

**Applicant** - Entity submitting an application to the IIC. In the case of consortia or joint ventures, this refers to the lead applicant with which the IIC project team will engage and possibly sign an IIC Agreement.

**Award** - The financial amount (up to USD 100,000) received by the awardee for the implementation of the project.

**Awardee(s)** - The successful applicant(s) – The entity which signs the IIC Agreement and is responsible for implementing the project.

**IIC Project Team** – the team consisting of representatives from the UNDP Insurance & Risk Finance Facility (IRFF) and The ICMIF Foundation tasked with the oversight and management of the IIC.

**IIC agreement** - The agreement between the awardee and The ICMIF Foundation governing the financial award and responsibilities of the awardee during the implementation of the project.

**Project** - The project implemented by the entity according to the application and financed by the IIC. The project shall consist of all the required steps to scale up an inclusive insurance programme and produce the required deliverables as defined in the IIC Agreement. The objective of this project will be to scale up inclusive insurance.

**Project budget** - The total budget of the project, comprising of up to USD 100,000 from the award, and any matching funds from other sources, eg, in-kind contributions, submitted as part of the application. Fifty percent co-funding is mandatory. The IIC will support up to four projects.

**Project document** – Includes the agreed upon hierarchy of project objectives, including measurable and verifiable indicators, activities and a detailed budget. The project document will be co-developed with the IIC Project Team after selection.

**Project plan** - Detailed description of the project activities included in the application form, as part of the application.

**Selection Committee** - Chaired by the UNDP Insurance & Risk Finance Facility, the Committee evaluates eligible applications and makes the awards.

**Simple insurance products** – The IIC will focus on scaling up simple inclusive insurance products in low and middle-income economies.

**Sustainable Development Goals (SDGs)** - SDGs refer to 17 Sustainable Development Goals adopted by all United Nations Member States in 2015. They provide a shared blueprint for peace and prosperity for people and the planet, now and into the future. They recognise that ending poverty and other deprivations must go hand-in-hand with strategies that improve health and education, reduce inequality, and spur economic growth – all while tackling climate change and working to preserve our oceans and forests.

To learn more about the SDGs, you can visit the website: [Sustainable Development Goals \(SDGs\)](#)

**UNDP ICMIF Insurance Innovation Challenge (IIC)** - Established by the UNDP Insurance & Risk Finance Facility and The ICMIF Foundation with the purpose of supporting mutual and cooperative insurers to scale up innovative, affordable and inclusive insurance products which specifically serve the needs of currently under served households in developing economies.

# 1. The UNDP ICMIF Insurance Innovation Challenge (IIC)

## 1.1 Rationale and objective

Both the UNDP Insurance & Risk Finance Facility and The ICMIF Foundation have a common goal of expanding inclusive insurance coverage.

The overarching objective of the IIC is to boost the financial resilience of under served communities in developing economies through cooperative and mutual insurers, given their closeness to social and community organisations, and to contribute to the achievement of the Sustainable Development Goals (SDGs) notably:

**SDG 1 on No Poverty**

**SDG 2 on Zero Hunger**

**SDG 3 on Good Health & Well-being**

**SDG 5 on Gender Equality**

**SDG 8 on Decent Work and Economic Growth**

**SDG 10 on Reduced Inequalities**

**SDG 11 on Sustainable Cities and Communities**

The immediate objective of the IIC is to scale up existing inclusive insurance programmes, particularly those with a focus on women, innovation, sustainability and which have demonstrable impact on under served communities.

The IIC will also contribute towards the aspirations of the [InsuResilience Global Partnership 2025](#).



## 1.2 Award and budget

The IIC Project Team will solicit innovative ideas and solutions to scale up existing inclusive insurance programmes which strengthen the financial resilience of people in low and middle-income economies who do not currently have access to insurance protection.

The IIC Selection Committee will award up to USD 100,000 per selected project. Applicants are expected to complement these funds with in-kind and/or financial co-funding of 50% for the project.

The award and co-funding shall be used by the awardee to fund the scaling up of an existing inclusive insurance programme. Typical costs that can be covered by the IIC may include, but are not limited to:

- Member education and training on insurance and risk reduction.
- Establishing new distribution channels.
- Salaries of full-time direct project staff on a phase-out basis.
- Travel costs, office supplies and other expenditures directly related to project implementation.
- Software, digital and technology infrastructure expenditures with a demonstrable efficiency and impact in scaling up the project.

The expenses shown above should be captured in the *project budget* (using the provided template – Annex 2) and should be clearly justified in accordance with the project objectives.

The IIC's contribution to the project budget cannot exceed USD 100,000. Eligible expenditures are those in accordance with the project budget and completed by the end of the project. All payments will be made in advance on a quarterly basis subject to adequate information being provided in a timely manner as per the IIC Agreement.

If the awardee requires the services of subcontractors to perform any obligations as part of the project, the awardee shall obtain the prior written approval of IIC Project Team. All agreements with subcontractors or third parties must contain provision that the subcontractor(s) or third parties will not retain ownership of any new intellectual property or know-how that may be created during the implementation of the project.

Expenses that will not be considered for IIC financing include but are not limited to:

- Costs associated with product development or pilot schemes.
- Payments of premiums, claims and reinsurance.
- Payments of commissions or incentives.
- Purchasing of fixed assets.
- Costs associated with seminars and conferences not related to the project implementation.
- International travel.
- Advocacy-related activities.
- Taxes and levies of any kind.
- Research.

Applicants will be required to submit a project budget (using the provided template - see Annex 2) with their applications.

## 1.3 Duration

The support period for the project must be completed within 24 months. A project will be deemed completed when the deliverables as defined in the IIC agreement are completed.

For each project, the key deliverable will be an end of project report presenting the attainment of the project objectives and the lessons learnt.

## 1.4 Target countries and beneficiaries

As stated in the Eligibility Criteria (See 1.7), the IIC Project Team accepts applications from any cooperative and mutual insurer located in a country with Official Development Assistance (ODA) status.

Organisations (and/or individuals of the organisation) must not be on the United Nations Sanctions List or undertaking activity that violates UN sanctions.

Applicants must be able to demonstrate an existing inclusive insurance programme which has run for at least one year and which has the potential for scaling up.

The IIC will support projects that have a focus on under served/uninsured households or micro, small and medium-sized enterprises (MSME), and specifically on women, as their primary beneficiaries in developing economies.

## 1.5 Focus areas

When drafting the application, applicants should pay particular attention to **innovation, scale and replicability, developmental impact, gender and sustainability**.

This is reflected in the eligibility criteria (See 1.7) and evaluation criteria (See 2.2)





## 1.6 Eligibility criteria

### Who can apply?

An organisation qualifies if it meets the following criteria:

- Located in a country with Official Development Assistance (ODA) status. The organisation (and/or individuals of the organisation) are not on the United Nations (UN) Sanctions List or undertaking activity that violates UN sanctions.
- Registered as a cooperative/mutual or any other entity that follows the mutual structure and principles.
- Legally allowed to sell mutual/cooperative inclusive insurance or provide mutual aid type products to their membership.
- Operated for at least three years and shows sustained financial stability.
- The organisation will support the project beyond the funding period to attain financial sustainability.

### What projects can be funded?

A project qualifies for funding if:

- The target beneficiaries are under served/ uninsured households or micro, small and medium-sized enterprises (MSMEs)
- The product is simple, easily accessible, and affordable.
- The product has been tested in the market and shows evidence that the initiative will become financially sustainable in the long term.
- It has been established for at least one year and demonstrates potential for scaling up.
- The project makes a demonstrable impact on the lives and livelihoods of the target population, particularly women, and builds community resilience.
- The project involves a degree of innovation in its approach.
- The support required for the initiative does not exceed two years (24 months).
- The funds requested do not exceed USD 100,000 over the two-year period.

# 2. Application & selection process

## 2.1 How to apply

Follow [this link](#) to access the application package.

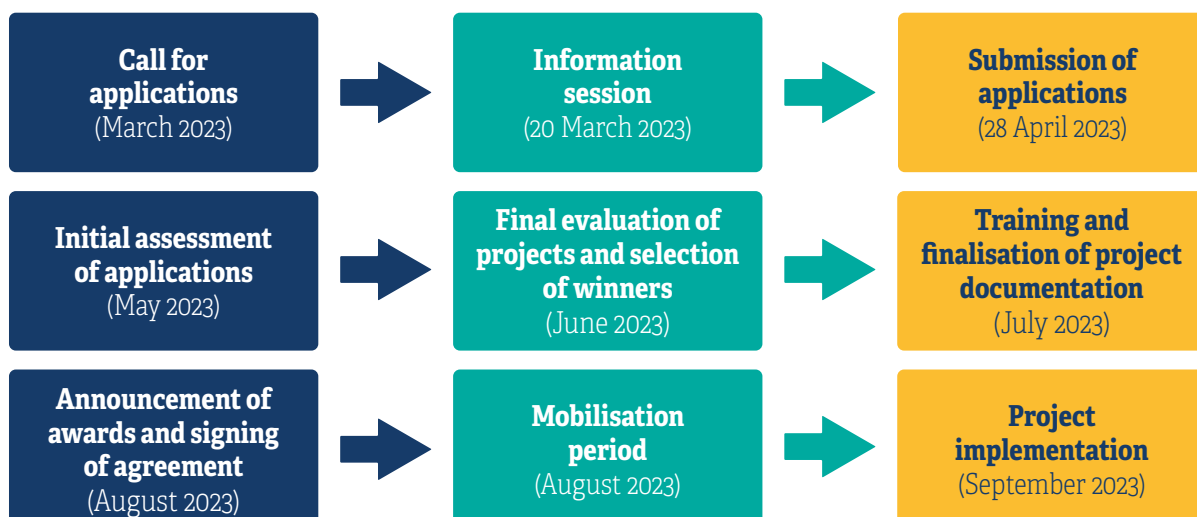
Read the *guidelines for applicants* carefully and follow the instructions to complete and submit an application before the deadline.

The deadline for submissions of applications is 28 April 2023 at 12:00pm BST.

### General rules for applications:

- A. Each entity may submit more than one application but only one per entity can be selected for an award in that round of funding.
- B. Submissions received after the deadline will not be considered.
- C. Applications should be submitted using the provided application form and budget template. Applications submitted in a different format will not be considered.
- D. Applications that exceed the maximum number of pages (12 pages excluding attachments) will not be considered.
- E. All required documents and annexes must be submitted together with the application form before the deadline. Documents submitted after the deadline or incomplete applications will not be considered.
- F. The application and supporting documents must be provided in an electronic format. Hard copies of supporting documents may be requested.
- G. Additional due diligence of applicants may be required prior to award decision.

## 2.2 Selection and evaluation process





The project selection process consists of two stages.

### **Stage 1: Pre-selection**

All completed applications submitted before the deadline will be reviewed against the eligibility criteria (See 1.7). For applicants that fail to pass this initial review, the selection process ends here. They will be notified of the decision via email. Applications meeting the eligibility criteria are endorsed to stage two.

### **Stage 2: Project assessment and funding decision.**

Only eligible and complete applications will be evaluated by a five-member Selection Committee which will be chaired by the UNDP IRFF. These will be evaluated against the following evaluation criteria:

- Scale up and replication 20%
- Gender 20%
- Developmental impact (social, economic and environmental) 15%
- Sustainability 15%
- Degree of innovation 15%
- Project management capability 10%
- Budget & value for money 5%

The four highest ranking applicants above 60% are given priority for potential funding.

## **2.3 Awarding decision**

Duly completed applications, submitted before the deadline, and passing the eligibility check will be evaluated (see 2.2) and ranked based on the evaluation score by the Selection Committee.

The Awards are made by the Selection Committee according to the ranking list. A maximum of four projects will win an award, dependent on the quality of the submitted applications.

Winners will receive training and support to develop a project document.

Upon satisfactory completion of the project document, the IIC Agreement will be signed and the award announced. If the project document is inadequate or the organization uncooperative, the award will be passed on to the next entity on the UNDP Selection Committee ranking list above 60%.

Applications not selected for an award will be notified of the decision via email once the evaluation and awarding decision have been completed.



## 3. Implementation and monitoring of the projects

### 3.1 Implementation of the projects

The awardee must implement the project carefully and efficiently in accordance with the project plan and project budget, respecting the provisions of the IIC Agreement.

Any significant deviation from the project plan (eg changes of timetables, proposed milestones to be achieved) requires prior written consent of the IIC Project Team.

### 3.2 Monitoring of the projects

The purpose of the monitoring is: (i) to assess the progress of project implementation in terms of activities envisaged and the project objectives, and (ii) to assure that financial expenditures are in accordance with the project budget for the given period.

Methods of monitoring include quarterly reports submitted and quarterly calls between the awardee and IIC Project Team to provide updates on the project implementation.

The monitoring will also ensure that key information is collected and tracked so the IIC project progress can be measured.

The awardee must:

- Adhere to all UNDP, ICMIF Foundation, data protection, communication and visibility requirements.
- Submit quarterly reports and participate in quarterly calls.
- Accommodate assessment visits every six months.
- Participate and accommodate project annual review meeting prior to end of Year 1.
- Prepare an end of project report.
- Share knowledge and experiences of implementing the project through regular reporting and communications.

### 3.3 Disbursement

Disbursement of funds will be made on a quarterly basis for forthcoming planned activities as outlined in the project document and in consideration of actual budget usage.

The awardee is allowed up to ten percent (10%) expenses variations from the total project budget within any of the major budget categories. Should the expenses variations related to any major budget category be expected to exceed ten percent, a written request for funds reallocation must be submitted to the IIC Project Team for approval. The total award amount cannot exceed USD 100,000.

In the case that the awardee fails to perform any of its obligations under the IIC Agreement, the IIC Project Team shall be under no obligation to issue any further payment upon termination of the IIC Agreement, and may, at its sole discretion, require that all or any part of the payments made by the IIC Project Team to the awardee be repaid to the IIC Project Team.



# 4. IIC Evaluation

All information collected throughout implementation of the projects will be analysed and used to measure the success of the IIC. All information, and especially lessons learnt will be collected, analysed and aggregated.

## List of documents in the application package

**01** – Call for applications flyer

**02** – Guidelines for applicants (this document)

**03** – Application form (Includes instructions as well as Annex 1 – Declaration)

**04** – Annex 2 Budget template

All documents can be [downloaded here](#).

## Any questions?

Please contact us by email ([foundation@icmif.org](mailto:foundation@icmif.org)) for any problems or questions, we will do our best to reply in a timely manner.

Please include “IIC” and the name of the applicant in the subject line. We will consider incoming questions until 26 April 2023 at 12.00pm BST.

Check this web page for updates and announcements:

The Frequently Asked Questions (FAQ) section will be compiled after the online information session.

The IIC Project Team will host an online information session on the IIC on 20 March 2023 at 09.00am GMT ([click to register](#)).



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