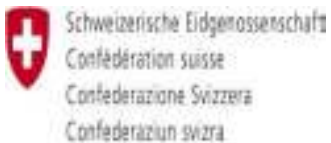




SYMBOL OF SECURITY
Pragati Insurance Limited

Swiss Re



Swiss Agency for Development
and Cooperation SDC



**Weather
Index Based
Loss of
Wages Flood
Insurance in
Bangladesh**

**Sirajgang
2013-2015**



Description of the Concept

- Weather index based Contingent loss of Earning Insurance is an insurance which provides Financial Support to the insured worker who encounters with the loss of wages due to operation of risks related to Weather/Flood.
- Financial Support is given through payouts triggered by pre-specified pattern of indices related to flood levels.



Weather Index Insurance – Pragati Experience

- Weather Index Insurance comes into operation for the first time in Bangladesh initiated by Pragati Insurance Company effective Flood Season 2013.
- Objective was to provide financial support to day laborers who encountered losses from flood.
- This insurance scheme was operated in Siirajgong area near the Bank of Jamuna River on pilot basis to be scaled up to more locations of Bangladesh.
- Payout from this insurance was triggered at points of variation between the pre-specified flood index and the observed index calculated by IWM.

Weather Data

- Availability of weather data – the prerequisite for the development of index based insurance.
- Historical and Real time data.
- Flood Hazard Model and IWM.
- Data obtained via Flood Hazard Model used by Swiss-Re for Index Preparation, Product Structuring Pricing and claim settlements.
- 10 Villages chosen for pilot that included the beneficiaries of MMS.

Name of Insurance Policy: Contingent Loss of Earning Insurance

Name of Insured	: Manab Mukti Sangstha (MMS)
Beneficiary	: 1661 Householders (Members of MMS)
Sum Insured	: BDT 8,000.00 each house holders
Premium Charged premium	: 13.96% plus 15% Govt. VAT on basic premium
Premium paid by	: Oxfam, SDC
Data Provider	: IWM (Institute of Water Modeling)

Reference Area

Sl	Reference Area	Water Level Trigger	Insured Units	Limit of Indemnity
1	Village Fulbari	12.85	119	952,000
2	Aknadiqhi	14.35	148	1,184,000
3	Boro Chouhali	11.35	56	448,000
4	Choto Chouhali	11.10	105	840,000
5	Chakbayra	12.70	54	432,000
6	Fulhara	11.00	168	1,344,000
7	Khasboroshimul	12.80	98	784,000
8	Muradpur	10.90	379	3,032,000
9	Mollikpara	14.35	200	1,600,000
10	Phanchasona	12.75	334	2,672,000
			1661	13,288,000

Claim Payout Methodology

- Policyholder eligible for compensation for only one flood event in each reference area
- In case of more than one flood event, the longest flood event to be considered for compensation.

a)	Continuous 10 or lesser days of flood	Tk. 0/-
b)	Continuous 11 days of flood	35% of capital sum insured per household (i.e. Tk.2,800.00)
c)	Continuous 21 days of flood	55% of capital sum insured per household (i.e. Tk.4,400.00)
d)	Continuous 26 days of flood	Capital sum insured per household (i.e. Tk. 8,000.00)

Breaking News

**BREAKING
NEWS**



Flood situation in the northern regions of the country has worsened further as fresh areas in Kurigram, Sirajganj and Gaibandha districts were inundated leaving nearly 2.60 lakh people marooned.

Flood Affected Areas & Claims Payout

Sl.No.	Name	No. of Household
1	Choto Chouhali	56
2	Boro Chouhali	105
3	Fulhara	168
4	Muradpur	379

Sl.No.	Name	No. of Household	Loss of per household	Assessed amount (BDT)
1	Choto Chouhali	56	2800	156,800
2	Boro Chouhali	105	2800	294,000
3	Fulhara	168	2800	470,400
4	Muradpur	379	2800	1,061,200
Total : (100%) BDT.				1,982,400



Thank You



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