



9th September 2019

To all Member Insurance Companies

RE: REQUEST FOR PROPOSALS

Project Name or Description: Increasing Uptake of Insurance Services Using Digital Platforms

Company Name: The Insurance Institute of Uganda

Address: Plot 6-9, Okot Close, Victoria office park, Bukoto

P.O Box 4184, Kampala, Uganda

Procurement Contact Person (PCP): Jonan Kisakye

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1. Introduction

The Insurance Institute of Uganda (IIU) was established in 1964 as the training arm of Uganda's Insurance sector with a mandate to carry out Education, Training and professional development in the Insurance Sector. The above mandate is recognized under the Insurance (amendment) Act 2011, and also the Insurance Act 2017 which transforms the Institute into a college, the Insurance Training College Uganda (ITCU). The Institute in fulfilling its mandate creates linkages, affiliations and partnerships locally, regionally and globally.

2. About the Project

The Institute in 2018 signed an MOU with the International Labour Organisation (ILO) with the support of Financial Sector Deepening Uganda (FSDU) to develop capacity within the industry in the area of microinsurance / inclusive insurance. The two year project aims at equipping the insurance industry with skills on the development and management of microinsurance through a certified training program that includes a total of 8 different microinsurance modules. It is hoped that by the end of the project members will have an opportunity to better understand microinsurance which is currently an untapped area of growth and one that can impact on the current low uptake of insurance.

The Institute has received funds from aBi Finance Limited to undertake a project entitled “Increasing Uptake of Insurance Services Using Digital Platforms”. Through this project it is hoped that industry practitioners who have been taken through inclusive insurance training under the ILO-IIU and FSDU project can now have an opportunity of designing microinsurance products and use the digital platform as a channel of distribution through Financial Service Providers (FSPs) as intermediaries in a two year pilot project with a potential for scaling.

2.1 The project’s key objectives are;

- i) Developing a digital Platform that could be used by Insurance providers to onboard clients, support payments for policies and settlement of claims mainly targeting the uninsured market in rural areas.
- ii) Use Digital platforms in creating awareness and spreading knowledge about Insurance.
- iii) Develop a digitized client interface that can be used in handling complaints and managing client centricity by key stakeholders who include but are not limited to FSPs, Insurance Companies, Development partners and the Regulator.
- iv) Training of the target market in the use of the digital platform and also in the role of insurance as an important risk management and mitigation tool.

2.2 Description of the Digital Platform Processes:

- a) **Onboarding Clients/Members of FSPs:** Insurance Companies will offer insurance products and services through the platform, various FSPs will be linked to the platform as intermediaries to onboard their members and other clients using tablets or point of sales machines.

- b) **Payments, claims and Reconciliations:** The platform will also enable payments for the policies and claim settlements with the ability to offer reconciliation with insurers.
- c) **Insurance literacy and Complaints handling:** The system will also be designed to allow for providing knowledge or literacy in insurance to policyholders and other members of the public.
- d) **Quick training guide:** FSPs will be able to refer to a guide that will provide answers to FAQs and other relevant training materials around the products offered and insurance in general.

2.3 The Expected Project Key Performance Indicators / deliverables:

The project aims to achieve the following during the two year pilot / testing phase;

| Key Performance Indicator | Details | Target |
|--|---|-----------------|
| Number of Insurance companies enrolled on the platform | 2 General Insurance Companies 2 Life Insurance Companies 2 Microinsurance Companies | 6 |
| Number of FSPs using the Platform | SACCOs MFIs | 10 |
| Number of FSP clients enrolled | Accessing insurance through the platform | 10,000 |
| Number of FSP clients trained | Insurance Training | 10,000 |
| Number of Insurance staff trained | In the use of the digital platform | 12 |
| Number of FSP staff trained | In the use of the digital platform and insurance | 30 |
| Gross Written Premiums | For all classes | Ushs. 1 billion |

3. Call for Proposals

The Institute now seeks proposals from the different member insurance companies to develop microinsurance products to be delivered through the digital platform. The platform will be developed by a firm selected through a different procurement process that is currently ongoing.

The selected Insurance Companies will offer insurance products and services through the platform, various SACCOs will be linked to the platform as intermediaries to onboard their members and other clients using tablets or point of sales machines. An insurance policy will be issued by the SACCOs on behalf of the insurer; the insured will also receive a message (SMS) on their phone triggered by the system signifying existence of cover and details of the insurer amongst others.

3.1 Some of the tasks to be undertaken by selected insurers will include;

- i) Development of microinsurance products.
- ii) Product Training for the SACCO management staff.
- iii) Other communications and/or marketing-related assistance as required.

4. Preparation of Proposals

The submission must, at a minimum, include the following elements:

- i) Description of the insurance company including the relevant licenses.
- ii) Key staff and their qualifications including the IT Manager / Officer and their professional membership.
- iii) Evidence of microinsurance license from the Insurance Regulatory Authority of Uganda or ability to process one.
- iv) Details outlining the firm's strengths and distinguishing skills or capabilities as they might relate to the project.
- v) Details of the proposed product(s) to be piloted on the digital platform.
- vi) Evidence of participation in the ILO Microinsurance Training and other IIU short Term Training programs for the year 2019.
- vii) A brief description of the current IT system used by the insurer.
- viii) Proposed structure of the project team.
- ix) Proposed process flows in underwriting, claims and premium payments.
- x) Board authority to undertake the project and willingness to commit funds in product development.

4.1 Budget

The insurance company must be willing to invest in research and development of new microinsurance products and should have a budget item in the proposals for this activity. The

Institute is in advanced stages of negotiations with other development partners and successful companies will have an opportunity to access up to 50% funding for product development subject to availability of funds, viability of their proposals and other specific terms and conditions as will be provided.

4.2 Evaluation Criteria

The successful company will be selected as per criteria for preparation of proposals under 4 above, in addition respondents will be evaluated on the following;

- a) Demonstration of strong IT capabilities and the ability of the current system of the insurer to easily integrate with the proposed platform.
- b) The experience of the insurer in providing microinsurance products.
- c) The experience, knowledge, skills, and qualifications of the company and the individuals who will be available to undertake this project.
- d) Simplified process flows in the key areas of interaction with all stakeholders.
- e) Product design viability in view of the targeted market.
- f) The expertise of the company in working with similar customers / excluded customers..

5. Anticipated Selection Schedule

The Request for Proposal timeline is as per Table below:

| Details | Timeframe |
|---|---------------------------------|
| Request for Proposals: RFP | 9 th September 2019 |
| Deadline for Applicants to Submit Inquiries | 16 th September 2019 |
| IIU Responds to Applicants' Inquiries | 20 th September 2019 |
| Submission of Proposals | 30 th September 2019 |
| Selection of Proposals | 5 th October 2019 |
| Notification of the selected proposals | 10 th October 2019 |

6. Time and Place of Submission of Proposals

Respondents to this RFP must submit one original and two copies of their proposal in one envelope. Responses must be received no later than close of business Tuesday October 15th 2019

and they should be clearly marked “RFP- Increasing Uptake of Insurance Services Using Digital Platforms” and mailed or delivered to the contact person listed above.

7. Important Notice for Applicants

The insurance institute of Uganda is currently in the process of transforming into the Insurance Training College Uganda (ITCU). This transformation awaits the approval of the college guidelines and as such companies should be aware of that this may bring about changes in the trade name and other processes during or after the selection process.

8. Confidentiality.

All information received in the proposals will be held with utmost confidence and will only be shared with other key stakeholders like the IRA Uganda and other development partners related to this project and will only be used for selection purposes. Applicants will be duly informed at the stage of sharing this information.

Yours Sincerely,

For and on behalf of The Insurance Institute of Uganda

A handwritten signature in black ink, appearing to be 'Saul Sseremba', with a stylized flourish at the end.

Saul Sseremba

Chief Executive Officer