

Index Insurance Training

Distribution channels and aggregators

Checklist for assessing distribution channel related factors for index insurance distribution

- Insurable interest for aggregator and use of product as insurance instead of derivative
- Roles and responsibilities between insurer/aggregators/brokers/loss-adjustors and others.
- Method used to enroll farmers for other business and for insurance.
- Compatibility with other regulations (e.g. mobile regulator/ministry of agriculture/ministry or department in charge of information and communications technology).
- Policy wording used for group policy and compatibility with any individual policy certificate.
- Business case for aggregator (e.g. reducing credit exposure, farmer incentive, marketing tool).
- Method used to pay premium – pre-financing/collection from farmers/subsidy.
- Incentives used for enrolling policies – commission, administrative fee, profit-share and so on.
- Scope for delegation of claims payment to aggregator.