



Bangladesh Insurance Sector Development Project (P156823)

SOUTH ASIA | Bangladesh | Finance, Competitiveness and Innovation Global Practice |
IBRD/IDA | Investment Project Financing | FY 2017 | Seq No: 5 | ARCHIVED on 14-Apr-2019 | ISR36493 |

Implementing Agencies: PEOPLE'S REPUBLIC OF BANGLADESH, Insurance Development and Regulatory Authority (IDRA)

Key Dates

Key Project Dates

Bank Approval Date: 20-Mar-2017

Effectiveness Date: 08-Jul-2018

Planned Mid Term Review Date: 21-Sep-2020

Actual Mid-Term Review Date: --

Original Closing Date: 31-Aug-2022

Revised Closing Date: 31-Aug-2022

Project Development Objectives

Project Development Objective (from Project Appraisal Document)

The project development objective is to strengthen the institutional capacity of the regulator and state-owned insurance corporations and increase the coverage of insurance in Bangladesh.

Has the Project Development Objective been changed since Board Approval of the Project Objective?

No

Components

Name

Improving the Capacity of the Insurance Development and Regulatory Authority (IDRA) and the Bangladesh Insurance Academy (BIA):(Cost \$30.00 M)
Modernization, Strengthening and Increasing the Efficiency of the State-owned Insurance Corporations:(Cost \$45.00 M)
Project Implementation, Management, and Monitoring:(Cost \$5.00 M)

Overall Ratings

Name	Previous Rating	Current Rating
Progress towards achievement of PDO	● Satisfactory	● Moderately Satisfactory
Overall Implementation Progress (IP)	● Moderately Satisfactory	● Moderately Satisfactory
Overall Risk Rating	● Substantial	● Substantial

Implementation Status and Key Decisions

The project was approved by the World Bank's Board on 20 March 2017 and after a one-year delay, was approved by ECNEC and later became effective on 8 July 2018. As a result of this delay, the progress towards achievement of the development objective has slowed down. Consequently, the Project Development Objective rating has been downgraded to Moderately Satisfactory. Given the limited time remaining to implement the project, it is important to speed up the implementation of project's activities and to adhere to the timelines of the action plan and procurement roadmap.



Risks

Systematic Operations Risk-rating Tool

Risk Category	Rating at Approval	Previous Rating	Current Rating
Political and Governance	● High	● High	● High
Macroeconomic	● Moderate	● Moderate	● Moderate
Sector Strategies and Policies	● Moderate	● Moderate	● Moderate
Technical Design of Project or Program	● Moderate	● Moderate	● Moderate
Institutional Capacity for Implementation and Sustainability	● Substantial	● Substantial	● Substantial
Fiduciary	● Substantial	● Substantial	● Substantial
Environment and Social	● Low	● Low	● Low
Stakeholders	● Moderate	● Moderate	● Moderate
Other	--	--	--
Overall	● Substantial	● Substantial	● Substantial

Results

PDO Indicators by Objectives / Outcomes

Project Development Objectives Indicators				
▶ Adoption and Implementation by IDRA of smart risk-based supervision (Percentage, Custom) (Percentage, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	70.00
Date	31-Dec-2015	05-Oct-2018	31-Dec-2018	31-Aug-2022
▶ Number of insurance policy holders (life and non-life) (Number, Custom) (Number, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	17,000,000.00	17,000,000.00	17,000,000.00	22,000,000.00
Date	31-Dec-2015	05-Oct-2018	31-Dec-2018	31-Aug-2022

Intermediate Results Indicators by Components



Improving the Capacity of the Insurance Development and Regulatory Authority (IDRA) and the Bangladesh Insurance Academy (BIA)				
► Insurance companies follow off-site monitoring templates issued by IDRA (Percentage, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	70.00
Date	31-Dec-2015	05-Oct-2018	31-Dec-2018	31-Aug-2022
► On-site inspections of insurance companies performed annually by IDRA (Number, Custom) (Number, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	10.00	10.00	10.00	60.00
Date	31-Dec-2015	05-Oct-2018	31-Dec-2018	31-Aug-2022
► Solvency margin rule for insurance companies issued by IDRA and implemented (Yes/No, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	No	No	No	Yes
Date	31-Dec-2015	05-Oct-2018	31-Dec-2018	31-Aug-2022
► Corporate governance regulations issued by IDRA are followed by insurance companies (Percentage, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	60.00
Date	31-Dec-2015	05-Oct-2018	31-Dec-2018	31-Aug-2022
► Insurance Companies follow Claims Management Methodology issued by IDRA (Percentage, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	70.00
Date	31-Dec-2015	05-Oct-2018	31-Dec-2018	31-Aug-2022
► Insurance companies issue key facts statements to policy holders following new Consumer Protection regulations issued by IDRA (Percentage, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	80.00
Date	31-Dec-2015	05-Oct-2018	31-Dec-2018	31-Aug-2022
► Mortality and Morbidity tables produced (Yes/No, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target



Value	No	No	No	Yes
Date	31-Dec-2015	05-Oct-2018	31-Dec-2018	31-Aug-2022
►National Social Insurance Scheme (NSIS) Study conducted (Yes/No, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	No	No	No	Yes
Date	31-Dec-2015	05-Oct-2018	31-Dec-2018	31-Aug-2022
►Number of people who receive ABIA Diplomas and Certificates (Number, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	50.00	50.00	50.00	600.00
Date	31-Dec-2015	05-Oct-2018	31-Dec-2018	31-Aug-2022

Modernization, Strengthening and Increasing the Efficiency of the State-owned Insurance Corporations				
►Life Insurance policies that lapse after one year at JBC (Percentage, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	50.00	50.00	33.39	30.00
Date	31-Dec-2015	05-Oct-2018	31-Dec-2018	31-Aug-2022
►Total number of policy holders at JBC and SBC (Number, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	463,000.00	463,000.00	515,436.00	550,000.00
Date	31-Dec-2015	05-Oct-2018	31-Dec-2018	31-Aug-2022
►Net Claims ratio at JBC (Percentage, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	66.00	66.00	65.18	80.00
Date	31-Dec-2015	05-Oct-2018	31-Dec-2018	31-Aug-2022
►Net Claims ratio at SBC (Percentage, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	35.00	35.00	35.00	60.00
Date	31-Dec-2015	05-Oct-2018	31-Dec-2018	31-Aug-2022



►Premium growth rate at JBC (Percentage, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	7.00	7.00	9.40	15.00
Date	31-Dec-2015	05-Oct-2018	31-Dec-2018	31-Aug-2022
►Premiums growth rate at SBC (Percentage, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	7.00	7.00	7.00	15.00
Date	31-Dec-2015	05-Oct-2018	31-Dec-2018	31-Aug-2022
►Solvency margin rule issued by IDRA is implemented by JBC and SBC (Yes/No, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	No	No	No	Yes
Date	31-Dec-2015	05-Oct-2018	31-Dec-2018	31-Aug-2022

Project Implementation, Management, and Monitoring				
►Direct project beneficiaries (Number, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	500,000.00
Date	31-Dec-2015	05-Oct-2018	31-Dec-2018	31-Aug-2022
▲Female beneficiaries (Percentage, Custom Supplement)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	30.00
►Direct project beneficiaries who feel that project investments reflected their needs (Percentage, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	80.00
Date	31-Dec-2015	05-Oct-2018	31-Dec-2018	31-Aug-2022

Data on Financial Performance

Disbursements (by loan)

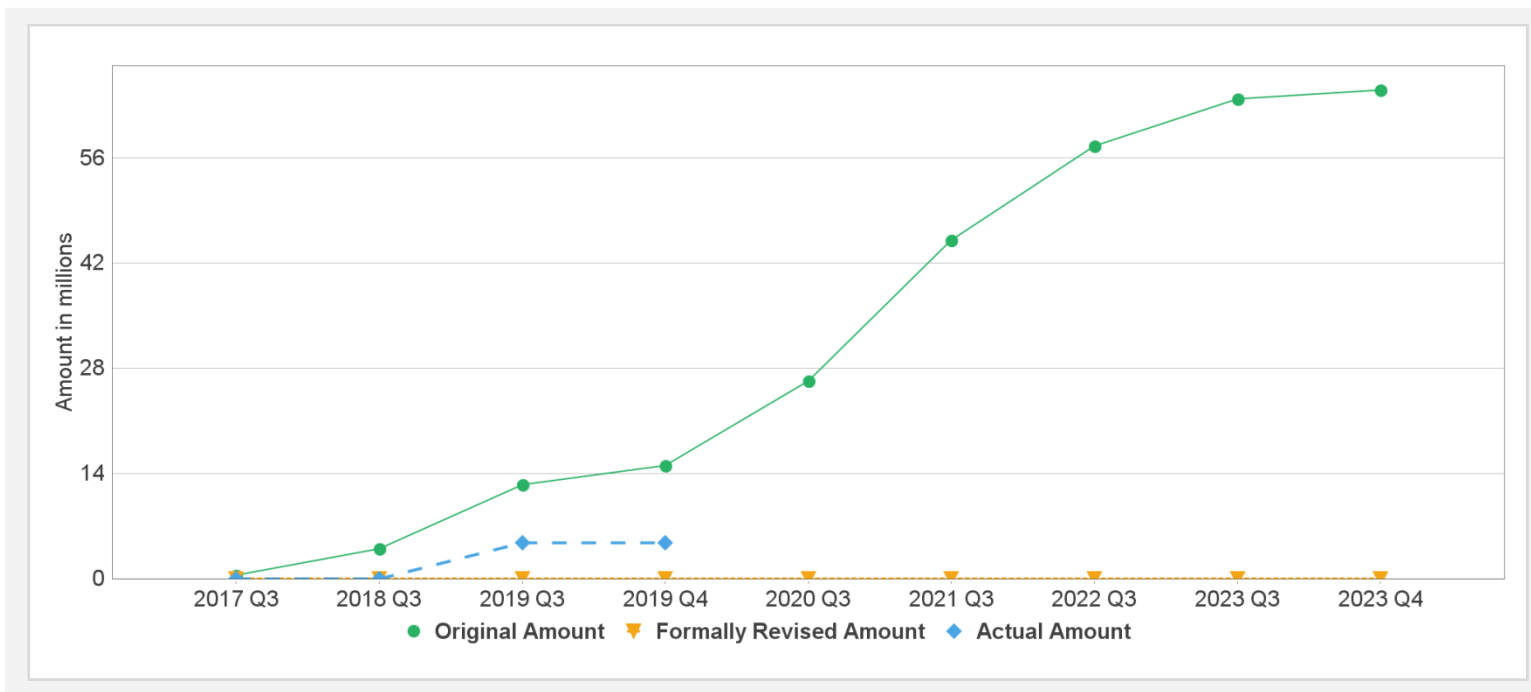


Project	Loan/Credit/TF	Status	Currency	Original	Revised	Cancelled	Disbursed	Undisbursed	% Disbursed
P156823	IDA-59720	Effective	USD	65.00	65.00	0.00	4.77	61.87	7.2%

Key Dates (by loan)

Project	Loan/Credit/TF	Status	Approval Date	Signing Date	Effectiveness Date	Orig. Closing Date	Rev. Closing Date
P156823	IDA-59720	Effective	20-Mar-2017	10-Apr-2018	08-Jul-2018	31-Aug-2022	31-Aug-2022

Cumulative Disbursements



Restructuring History

There has been no restructuring to date.

Related Project(s)

There are no related projects.