QUARTERLY REPORT

1 October – 31 December 2013

INDONESIA DISASTER RISK REDUCTION PROGRAM
FINANCIAL ACCESS

Indonesia Liquidity Facility After Disaster (ILFAD)

Funded by
USAID / Office of Foreign Disaster Assistance (OFDA)

COUNTRY CONTACT	HEADQUARTERS CONTACT	PROJECT SUMMARY
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1. Executive Summary

In this quarter, ILFAD facililtated partnership between ACA Insurance and the rural cooperative, BPR Mutiara Pesisisir, with the aim of combining Disaster Preparedness Savings product[1] and disaster-specific microinsurance product. The partnership agreement was signed at the product launching event on 21 December 2013. A performance summary of Disaster Preparedness Savings products that have been launched to date is available under Annex 1.

The transition process from Bank of Indonesia (BI) to OJK/Otoritas Jasa Keuangan *(Financial Service Authority)* has been the major constraint in creating a disaster liquidity account in West Sumatra and in establishing collaboration with Bank Nagari as an APEX institution. BI supports the idea of creating a disaster liquidty account under an APEX institution, however institutionally, they are unable to provide solutions as this portfolio is no longer under their supervision. BI suggested ILFAD to establish deeper discussions with OJK regarding disaster liquidity facilities through APEX institutions. The ILFAD team has already requestd a meeting with OJK in this regard, as OJK starts functioning actively as a govenment financial agency, fully independent from BI, from January 2014. In the case of West Sumatra, the lengthy liquidity facility process however has caused dissatisfaction among rural cooperatives/banks over the progress with APEX Institution (Bank Negari) and this has triggered several rural cooperatives/banks agreeing to form an association, ABSIGA[2], for the creation of their own disaster liquidity account. ILFAD is part of some of these discussisons, but has not endorsed the ABSIGA process.

The Disaster Management and Liquidity Management training modules have been finalized by ILFAD team and LAPENKOP. The finalized modules are ready to be presented as training materials for MFIs and will be perfected after trainings are held, taking suggestions and recommendations based on the individual MFIs'training needs.

During the reporting quarter, two Disaster Management trainings for MFIs were held in two areas. Training for Zone I was held in Medan, North Sumatra, covering MFIs from Aceh, North Sumatra and West Sumatra. Training for Zone II was held in Denpasar, Bali, covering MFIs from East Java, West Nusa Tenggara (NTB) and East Nusa Tenggara (NTT). Trainees were enthusiastic to partcipate and actively engaged in discussions throughout the trainings.

The ILFAD team has proposed a cost modification to continue the program in to Phase III. Currently under review, Phase III starts from July 2014 to June 2016. Key activities for Phase III are as follows:
1. Development of cloud system for MFIs clients' database.
2. Development of marketing tool for Disaster Preparedness Savings products.
3. Expansion of disaster-specific microinsurance.
4. Support BNPB in development of national project, "Desa Tangguh" *(Resillient Villages)*.

2. Program Overview

See Performance Summary under Annex 2.
The ILFAD team, along with LAPENKOP, finalized the Disaster Management and Liquidity Management training modules through a workshop in Jogjakarta on 7-11 October 2013. ACA Insurance, Mr. Umbul Sawunggaling[3] as well as BNPB/Badan Nasional Penanggulangan Bencana *(National Agency for Disaster Management)* personnel, Mr. Ismed, were invited to provide inputs and suggestions.

[1] Previously referred to as "DRR Product Savings".
[2] ABSIGA/Asosiasi BPR Siaga *(Rural Banks Preparedness Association)*.
[3] Retiree of Bank Indonesia, who once held a position as a Deputy of Bank Supervisory.

a. Training Modules

Disaster Management. This training module discusses materials related to disaster management and concepts before, during and after disasters. In the first section of the module on "Before Disaster", MFIs are expected to be able to locally map out their disaster-prone areas, vulnerable clients, and evaluate MFI's vulnerability analysis, capacity and risks towards natural disasters. MFIs are also expected to develop their mitigation plan and readiness to cope with natural disasters.

The second section of the module, "During Disaster", illustrates MFIs' roles during emergency alert period. They are expected to understand how to form a specially assigned unit of MFIs personnel in response to emergency. The last section of the module, "Post Disaster", explains disaster relief concepts which include rehabilitation and reconstruction for MFIs as well as simulation on drafting the recovery plan.

Disaster Management training in Medan

Liquidity Management. This module provides explanation for the basic concept and definition of liquidity management. It also discusses risk management, which includes rapid response liquidity management and strategies for MFIs in managing assets in order to minimize risks during emergency, collection and utilization of disaster-prepared liquidity scheme, and setting up alternative liquidity fund solutions in response to emergency. The objective of the module is for MFIs to be able to formulate and compile liquidity management strategies and regulations that are responsive to disasters. After the training, MFIs are also expected to develop alternative schemes in collecting funds from communities (through savings products) as well as build networks with external parties, especially local stakeholders from the private sector and their CSR units who provide alternative funding in times of need.

b. Disaster Management Training for MFIs. ILFAD divides the training areas into 5 zones which areas follows: Zone I (Aceh, North Sumatra and West Sumatra), Zone II (DKI Jakarta and West Java), Zone III (Central Java and Yogyakarta), Zone IV (East Java, NTB and NTT), and Zone V (Maluku).

The participants are trained to better prepare themselves for disasters, including minimizing possible risks such as losing the clients' records. During the reporting quarter, two disaster management trainings have been delivered during this quarter. Disaster Management Training for Zone I was held on 10-13 December 2013, at Grand Aston Hotel in Medan, North Sumatra. Twenty-eight participants attended the training. Partcipants were among directors, managers and head of cooperatives from 7 MFIs in Aceh, 4 MFIs in North Sumatra and 17 MFIs in West Sumatra. An opening speech from Mr. Bharat Pathak (Program Director Mercy Corps Indonesia) marked the start of the training. Mr. Pathak's speech highlighted the importance of MFIs' participation in the ILFAD program, such as the commitment to be actively involved in the training, contributions, and feedback to the existing APEX institutions – in terms of a disaster liquidity facility.

During the training, participants were encouraged to be proactive and share experiences between MFIs from different provinces. Each province under Zone I has experienced some major disasters, including earthquakes and tsunamis. Several disaster-related programs have been implemented by local governments and INGOs. Building on this experience and local insights, the training focused on the disaster management for MFIs and how their experiences increase their awareness towards disasters. The training produced several documents such as a DRR map for each MFI, preparedness plans, emergency response plans and post-disaster recovery plans. See Annex 2 for follow-up activities from the training.

At the last day of the training, ACA Insurance presented materials on general insurance, the importance of insurance, as well as existing disaster-specific microinsurance products. An ACA representative also explained the benefits of microinsurance coverage, both for MFIs and individuals.

The training was closed with a speech from Head of BPBD/Badan Penanggulangan Bencana Daerah *(The Regional Disaster Management Board)* for North Sumatra, Colonel Asrin Nasution[4]. He mentioned that BPBD North Sumatra is currently occupied with Sinabung Mountain that has been spewing smoke and rain of ash. He is very impressed with ILFAD's concept and action plans. He considers the new concept as a solution to post-disaster funding problems that might have not been thought of by BPBD or even BNPB. He recommended the program to be adopted in PERKAP/Peraturan Kepala *(Regulation Principal)* BNPB and implemented by all BPBDs across Indonesia. ILFAD welcomes the idea and follow-up meetings with Mr. Nasution, as well as with BNPB personnel, which will be held in the next quarter.

Training in Zone IV was held on 26-29 November 2013 at Attanaya Hotel in Kuta, Bali. Nine participants (including management level) attended the training from 3 MFIs in East Java, 1 MFI in NTB and 5 MFIs in NTT. Due to end-of-the year business activities, 10 MFIs were unable to attend the ILFAD training, but will attend the same training in another region. These MFIs will attend the training in other region to be conducted in the frst quester of 2014. The training began with a presentation regarding ILFAD program's overview and plans. This was important because MFIs from East Java and NTB have yet to be impacted by disasters. Hence, facilitators started the training by providing a basic understanding about disaster management and increase participants' awareness toward disasters through disaster-related short videos. The training was interactive as participants were enthusiastically involved and contributed well to the training objectives. Annex 3 lists discussion notes from participants.

During this quarter, ILFAD also collaborated with our local affiliate Mercy Corps Indonesia Foundation's Microinsurance Learning and Education Support (MILES) program to provide Financial Literacy Training for 26,278 clients of MFIs in North Sumatra and Central Java. Further details of the training are discussed under Annex 4.

c. Product Launch: Bundled Disaster Preparedness Savings and disaster-specific microinsurance in BPR Mutiara Pesisir, District Agam, West Sumatra. The product was launched on 21 December 2013 and named KASIGA/Kacio Siaga *(Preparedness Savings)*. Communities' leaders and VIP guests attended the launching event, such as:

- Representative of General Director, Ministry of Marine Affairs and Fisheries of Indonesia[5]
- The Head of Economy Division for West Sumatra Province
- The Head of Social and SMEs for District Agam, West Sumatra
- The Head of Regional Parliament
- Representative of OFDA
- The Head of Office for Mercy Corps West Sumatra
- Director of ACA Insurance
- Directors of rural banks in West Sumatra

Tambua hitting by VIP guests.

Around 700 guests attended this successful event. Mr. Syafril, Director of BPR Mutiara Pesisir, expressed his upmost gratitude to OFDA/USAID and Mercy Corps Indonesia for all the support

[4] Acting official and currently serving in the Indonesian army.
[5] The MFI was established by Ministry of Marine Affairs and Fisheries, Republic of Indonesia.

provided in the development of the bundled product. As mentioned in his opening speech, Mr. Syafril believes the product will be an excellent solution for MFIs and communities in District Agam because they are located on the coast and the area is prone to earthquakes and tsunamis. On behalf of BPR Mutiara Pesisir, clients and communities of District Agam, Mr. Syafril extended his appreciation to OFDA/USAID, Mercy Corps Indonesia, local government, ACA Insurance as well as all other parties concerned in reducing impact of disasters that might strike them any time. The launching of the product was officially marked by Tambua[6] hitting altogether by VIP guests and hosted byNazar Azis, a famous singer in West Sumatra.

Right after the launch, Mr. Muljadi Kusuma, Director of ACA Insurance, and Mr. Syafril, BPR Mutiara Director, signed the MoU of the bundled product. See the MoU template in Annex 5 and Media coverage in Annex 6. The signing ceremony was witnessed by all guests and community members. The product launching event was covered by local newspaper, Padang Ekspress.

d. Idea to form ABSIGA/Asosiasi BPR Siaga *(Rural Banks Preparedness Association)*.

In this quarter, ILFAD intensively facilitated several follow-up meetings between PERBARINDO *(Rural Banks Association)*-MFIs[7] and Bank Nagari as an APEX institution in West Sumatra. Several non-formal meetings were held to get perception regarding the plan to add a "natural disaster" clause as one of the triggers to activate the liquidity funding from Bank Nagari as the APEX Institution.
The discussion led to an official meeting on 17 December 2013 between PERBARINDO; ILFAD team members; the Promotional Director of Bank Nagari, Mr. Indra Wediana, and the bank's Head of Legal Division. Bank Nagari stated that, after internal discussions and scrutinizing the function of APEX bank, the mandate given as per Bank Indonesia's rules and regulations does not permit them to disburse liquidity facility for purposes other than mismatch[8]. Bank Nagari suggested ILFAD and PERBARINDO discuss the matter with OJK to help revise the regulation. The result of the meeting left most members of PERBARINDO disappointed and after several meetings and discussion, they agreed to form ABSIGA (technically, a local Foundation/Yayasan) as an alternative solution for the realization of liquidity account among them. As many as 20 rural cooperatives/banks involved in ILFAD program have signed a commitment to be part of ABSIGA and contribute on all expenses to be incurred by forming the association.

A follow-up meeting was held on 20 December 2013, attended by ILFAD's Program Manager and ILFAD's Monitoring & Database Officer along with three directors of rural cooperatives/banks as representatives of ABSIGA. The meeting discussed several concepts for ABSIGA, taking into account suggestions and inputs from Bank Indonesia personnel. In the end, it was decided that the ABSIGA concept be discussed further in the next meeting expected to be held in January 2014.

Coordination

The ILFAD team had several meetings and socializations with stakeholders, as detailed below:

- **Meeting with Lapenkop in Jogjakarta (7-11 October 2013)**
  The meeting discussed the finalization of the training modules and execution plan for Disaster Management and Liquidity Management training for MFIs. The ILFAD team, LAPENKOP, Mr. Ismed (representative of BPBD), Mr. Jakub Nugraha (Snr. Assistant Vice President of ACA Insurance) and Mr. Umbul Sawunggaling (external source) attended the meeting.

[6] A traditional drum-like instrument.
[7] Some directors of MFIs are also in the management of PERBARINDO for West Sumatra.
[8] In the banking world, it refers to a situation pertaining to asset and liability management. A mismatch occurs when assets that earn interest do not balance with liabilities upon which interest must be paid.

During the three-day meeting, discussions were intense and after several considerations, ILFAD and LAPENKOP agreed to deliver the training and perfecting it as it goes based on MFIs' case studies. Therefore, the module will be a guideline for users.

- **Meetings with ACA in Jakarta (03 December 2013)**
  The meeting discussed the collaboration between ILFAD and ACA Insurance. The results of the meeting are: 1) MoU finalization between ACA Insurance and BPR Mutiara Pesisir, 2) Elaboration and mechanism on ACA Insurance's fund within the disaster liquidity fund, and 3) Agreement between Mercy Corps and ACA insurance to jointly share the cost incurred from the product launching event in BPR Mutiara Pesisir.

- **Meetings between PERBARINDO-MFIs and Bank Nagari in West Sumatra (November-December 2013)**
  Several meetings were held between the ILFAD staff and PERBARINDO-MFIs, discussing the strategy in forming the liquidity account and Bank Nagari's role as the APEX bank for West Sumatra. Eventually, an official meeting with Bank Nagari was held on 17 December 2013 where the APEX bank stated that an APEX bank is not allowed to facilitate liquidity for purposes other than mismatch, as mandated by Bank of Indonesia. Any changes to the law will come under OJK's purview and require a continued follow up with the new financial agency. In this regard, a meeting with OJK has already been requested by ILFAD team.

  A follow-up meeting was held by ILFAD's Program Manager with ABSIGA initiators - Mr. Yerismal, Mr. Jalius Raden and Mr. Zulkifli Yusuf - to understand the concept of ABSIGA, legal process, as well as roles and responsibilities of the association under discussion.

Challenges

- **Training and meetings schedules.**
  October to December is a busy quarter for MFIs due to the-end-of year activities. As such, the ILFAD team struggled for the right schedule for MFIs trainings and meetings with their managerial level personnel. As a result, only two out of four planned trainings were delivered in this quarter and the other two trainings will be held in the next quarter.

- **End-of transition period from Bank Indonesia to OJK**.
  OJK will officially start its supervisory role of all banks and financial institutions (including MFIs and rural cooperatives) in Indonesia on 1 January 2014. Closer to the authorities' transition period, scheduling a meeting with Bank of Indonesia, OJK, and rural banks was a challenge. Bank of Indonesia has been occupied with meetings with directors of rural banks in different provinces to minimize negative issues and ensure a smoother transition for OJK.

Activities for Next Quarter:

- Conduct three Disaster Management trainings in Zone II for DKI Jakarta and West Java, Zone III for Yogyakarta and Central Java, and Zone IV for Maluku province.
- Conduct Liquidity Management trainings in five zones within ILFAD's working areas.
- Plan for developing a training manual book on Diaster Management training for MFIs.
- Coordination meetings with: 1) OJK, regarding APEX's roles during emergency siatutions; 2) BPBD/North Sumatra, on liquidty facility with the Head of the institution; 3) ACA Insurance, to follow up partnership between ACA and BPR Mutiara Pesisir, as well as to explore the possibilities for the microinsurance partnering with other MFIs; and 4) Ministry of Cooperatives and SMEs, regarding cost sharing mechanism for training cost of MFIs (cooperatives).

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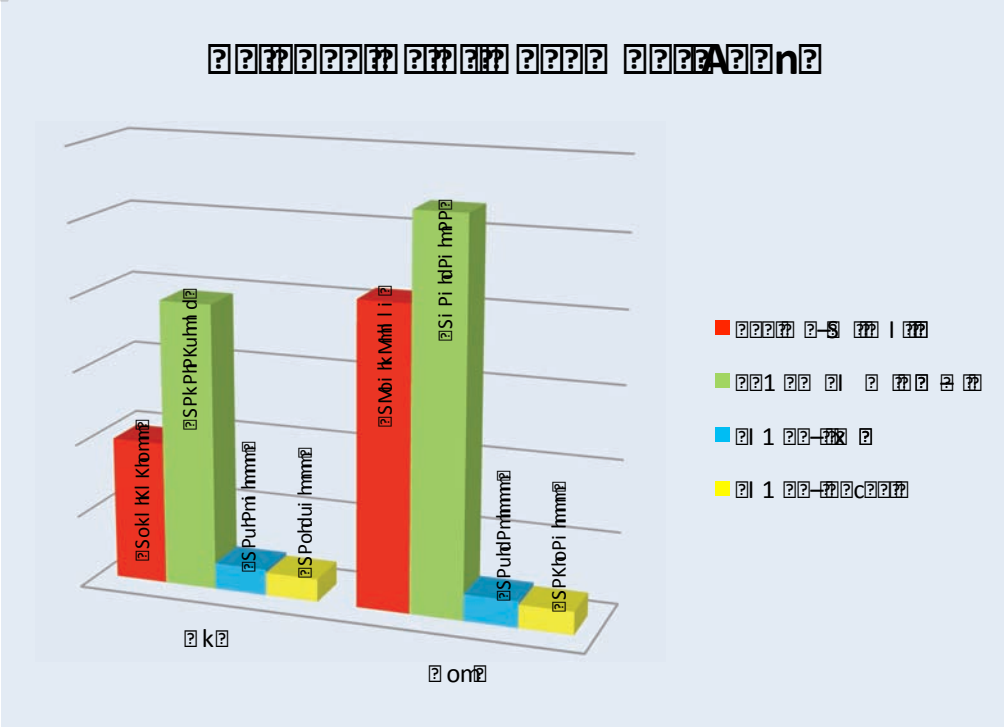
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marketing and the inclusion of the Disaster Preparedness Savings product in their business plan for 2013.

Conversely, Women Cooperatives, Sumber Jaya and Sumber Rezeki have been experiencing a slow balance increase. A high level of rainwater in Jakarta caused flooding in the Penjaringan area where the cooperatives are located, even when other parts of Jakarta were not affected by the rain. Customers are experiencing an increase in their daily expenses due to the flood and customers prefer to have cash than depositing the money into their accounts. Moreover, the cooperatives' offices are closed intermittently as the staff are worried about the possibilities for a flood. This also contributes to customers' preference to hold onto their cash, as an anticipation for flood.

During this quarter, several areas in Jakarta were struck by flood. However, from information gathered through MFIs in Penjaringan area, there is no indication for rush. The ILFAD team will keep monitoring and coordinating with MFIs in order to minimalize unexpected risks.

Annex. 2 – Performance Summary

Sector #1 Economic Recovery/ Market System				
Beneficaries targeted	90 MFIs, 270,000 households; 1,350,000 individuals			
IDP Beneficaries Targeted	135,000 individuals			
Beneficaries reached	0			
Geographic area	Aceh, North Sumatera, West Sumatera; West Java/DKI Jakarta, Yogyakarta/Central Java, East Java; West Nusa Tenggara, East Nusa Tenggara, Maluku			
Sub-Sector 1.1.: **Microfinance Institutions (MFIs)**				
Objective 1: providing emergency financial services to disaster affected clients				
Indicators	**Baseline**	**Target**	**Progress to Date**	**Date**
#of disaster affected households replacing household and livelihood assets using loans and savings from MFIs benefiting from the ILFAD	N/A	135,000	Nil	Will be determined
#of MFI clients in disaster-prone areas reached with new post-disaster loan products	N/A	Will be determined	Nil	Will be determined
#of MFIs receiving time-deposits	N/A	45	Nil	Will be determined
#of new specialized products offered for emergency recovery	N/A	9	1	December 2013
#of MFIs trained on disaster risk reduction and recovery practices	N/A	90	37	December 2013
% progress toward full capitalization of the Emergency Liquidity Facility Indonesia	N/A	50%	**More than** 100% $2,000,000	31st March,2013

Sector Summary:

Indicator Progress Update
#of disaster affected households replacing household and livelihood assets using loans and savings from MFIs benefiting from the ILFAD

- During this quarter, several areas within ILFAD working areas were struck by disasters, such as floods in Jakarta, Mount Sinabung's eruption in North Sumatra as well as floods and landslides in West Java. However, from information gathered through MFIs in each area, there is no indication for rush[1]. The ILFAD team will keep monitoring and coordinating with MFIs in order to minimalize unexpected risks.

#of MFI clients in disaster-prone areas reached with new post-disaster loan products

[1] Massive savings withdrawals by clients, all at the same time.

- Two Disaster Preparedness Savings loan products have been developed and launched by Merapi Mulia Cooperatives in Yogyakarta province. The loans cover renovation of "parts" of the house and re-starting business.

  MFIs believe that the Disaster Preparedness Savings products are still major needs in comparison to loan products. LAPENKOP is preparing to develop products, both savings and loans products, and an in-depth partner province (West Sumatra) during the next quarter.

#of MFIs receiving time-deposits

- This indicator has no progress to report because no disaster occurred in the project areas.

#of new specialized products offered for emergency recovery

- During this quarter, in partnership with ACA Insurance, ILFAD has launched Disaster Preparedness Savings product at BPR Mutiara Pesisir, District Agam in West Sumatra. The product is the first to be bundled along with disaster-specific microinsurance. Product features, SOPs and follow up collaboration with ACA Insurance will be reported in details on the next quarter.

#of MFIs trained on disaster risk reduction and liquidity management

- Disaster Management Training for MFIs has been held in two zones. In Zone I, 29 MFIs were involved and 9 MFIs in Zone IV were involved in the training.

#% progress toward full capitalization of the Emergency Liquidity Facility Indonesia

- This indicator was achieved in Phase 1, but plans to be increased in Phase 2.

Annex. 3 - Financial Literacy Training

The training is part of the Microinsurance Learning and Education Support (MILES) Program, initiated by Mercy Corps Indonesia Foundation in collaboration with Prudential Indonesia. The aim of the training is to train MFIs' clients through ToT/Training of Trainers mechanism. In this quarter, ILFAD is working cooperatively with MILES, providing Financial Literacy Training to 26,278 clients of MFIs in North Sumatra and Central Java. Benefits from this collaboration are:

- Ease of access for MFIs in distributing their products, including KASIGA products.
- Communities and/or MFIs' clients gained knowledge on how to manage their household financial well, including putting aside portion of their income into savings.
- The account balance will increase and NPL/Non Performance Loans will decrease[1] since households with good financial management often pay their credits on time and have savings value that gradually increase.
- MFIs have the potential to increase the number of clients as the training is also provided for wider communities, including prospective clients.
- MILES covered some of ILFAD's activities such as trainings and meetings.

[1] As explained by Commissioner of OJK, Mr. Dumoli Pardede during ILFAD's Roundtable Meeting in September 2013.

Annex. 4 – Discussion notes (thoughts and expectations) from trainings.

Some follow-up activities from the training in Zone I – Disaster Management Training - are as follow:

- Committed to share the training materials with other staff at each and every MFI.
- Participants are expecting some possible assistance in implementing and integrating the Disaster Management program within their own MFIs.
- Improvement in the training module to provide ease of understanding.

Some thoughts and expectations from participants on Zone IV - Disaster Management Training - are:

- For ILFAD and LAPENKOP to provide similar training in each province to attract more MFIs' representatives to attend.
- ILFAD should expand and socialize the program to MFIs outside the team's working areas in order to increase awareness toward the importance of disaster management. As mentioned by participants, economic impact on one MFI might affect other MFIs.
- To integrate disaster management concept into MFIs' rules, regulation and plannings.
- To identify Disaster Preparedness Savings products as well as to gradually equip MFIs with disaster management tools, such as emergency kits, communication tools, evacuation routes and shelters and so on.

To identify and coordinate with BPBD, Red Cross and other actors involved in disaster management within MFIs' working areas.

Annex. 5a - Partnership between ACA Insurance and BPR Mutiara Pesisir

The MoU signed between the two parties discusses the following:

- BPR Mutiara Pesisir has the rights to sell and promote disaster-specific microinsurance product.
- BPR Mutiara Pesisir is entitled for 25% commissions from the sale of disaster-specific microinsurance product.
- ACA Insurance is responsible in providing BPR Mutiara Pesisir with trainings and socialization of disaster-specific microinsurance products.
- KASIGA Disaster Preparedness Savings product that has been developed and launched at BPR Mutiara Pesisir is covered by disaster-specific microinsurance. Premium is paid by the MFI by compensating interest of the savings product.

Mr. Syafril and Mr. Muljadi Kusuma after signing the MoU.

Benefits for MFIs and clients signed up for the partnership are as follows:

- Client's house or business is covered by disaster-specific microinsurance.
- Improve communities' understanding and knowledge regarding insurance products, and also provide comfort and reduce anxiety for those who live in coastal areas.
- Reducing the impact of rush within MFIs, due to disasters-related reasons.

PERJANJIAN KERJASAMA PROGRAM BUNDLING
PRODUK TABUNGAN KASIGA DAN PEMASARAN ASURANSI MIKRO
antara
PT ASURANSI CENTRAL ASIA
dengan
PT BPR MUTIARA PESISIR

No. 008/DIR/MK/XII/2013

Pada hari ini Sabtu 21 Desember 2013 (tanggal dua puluh satu bulan desember tahun dua ribu tiga belas), di Padang, telah dibuat dan ditandatangani Perjanjian Kerjasama (selanjutnya disebut "**Perjanjian**"), oleh dan antara :

I. **PT. ASURANSI CENTRAL ASIA**, suatu perseroan terbatas yang didirikan dan diatur berdasarkan hukum Negara Republik Indonesia, berkantor pusat di Gedung Wisma Asia, Jl. Letjend. S. Parman Kav 79, Jakarta Barat 11420, yang diwakili oleh **Muljadi Kusuma,** dalam jabatannya selaku Kepala Direktorat Agency, Retail Business dan Asuransi Syariah yang bertindak berdasarkan Surat Kuasa Direksi No. 029/DIR/TH/XI/09 tertanggal 9 November 2009 oleh karena itu sah dan berhak bertindak untuk dan atas nama PT. Asuransi Central Asia, yang didirikan berdasarkan Akta Pendirian nomor 163 tertanggal 29 Agustus 1956 yang dibuat dihadapan Raden Kadiman, Notaris di Jakarta dan akta tersebut telah berkali-kali mengalami perubahan dan terakhir diubah dengan Akta Pernyataan Keputusan Sirkular Para Pemegang Saham PT ASURANSI CENTRAL ASIA Nomor 30 tertanggal 13 Juni 2013, dibuat di hadapan Popie Savitri Martosuhardjo Pharmanto, Sarjana Hukum, Notaris di Jakarta, dan telah diberitahukan kepada Kementrian Hukum dan Hak Asasi Manusia Republik Indonesia sebagaimana tertuang dalam Surat Penerimaan Pemberitahuan Perubahan Data Perseroan Nomor AHU-0070111.AH.01.09 Tahun 2013 Tanggal 23 Juli 2013 selanjutnya disebut "**ACA**".

II. **PT BANK PERKREDITAN RAKYAT (BPR) MUTIARA PESISIR**, suatu Perseroan Terbatas yang berkedudukan di Tiku, Kecamatan Tanjung Mutiara, Kabupaten Agam, yang Anggaran Dasarnya telah mengalami beberapa kali perubahan dan terakhir dirubah dengan Akta Pernyataan Keputusan Rapat tanggal 19-10-2011 Nomor 32 yang dibuat dihadapan Yulvia, Sarjana Hukum Notaris pengganti dari Dra. Butet, Sarjana Hukum Notaris di Padang, dalam hal ini diwakili oleh **Syafril**, Sarjana Sosial dalam jabatannya selaku Direktur Utama oleh dan karena itu sah dan berhak bertindak untuk dan atas nama PT BANK PERKREDITAN RAKYAT (BPR) MUTIARA PESISIR, selanjutnya disebut "**BPR MUTIARA PESISIR**".

Selanjutnya dalam Perjanjian ini ACA dan BPR Mutiara Pesisir secara bersama-sama akan disebut sebagai "Para Pihak" dan secara sendiri-sendiri disebut sebagai "ACA" dan "BPR Mutiara Pesisir"

Para Pihak terlebih dahulu menerangkan hal-hal sebagai berikut:

1. Bahwa ACA merupakan badan hukum yang bergerak dalam bidang jasa asuransi umum dan bermaksud untuk memasarkan asuransi mikro.
2. Bahwa BPR Mutiara Pesisir merupakan lembaga keuangan mikro yang beroperasi di Kabupaten Agam, Sumatera Barat.

Bahwa untuk meningkatkan pelayanan terhadap Nasabah BPR Mutiara Pesisir, maka masing-masing Pihak sepakat untuk mengadakan kerjasama yang saling menguntungkan dengan syarat-syarat dan ketentuan sebagai berikut :

Pasal 1
PENUNJUKAN

ACA dengan ini setuju dan mengikatkan diri dengan BPR Mutiara Pesisir dalam Perjanjian Kerjasama sehubungan dengan Kerjasama Program bundling produk tabungan KASIGA, dan BPR Mutiara Pesisir setuju untuk memasarkan produk milik ACA kepada Nasabah BPR Mutiara Pesisir.

Pasal 2
DEFINISI

Setiap istilah yang digunakan dalam Perjanjian mempunyai arti sebagai berikut :

1. "**Asuransi Mikro**" adalah program asuransi yang ditujukan untuk masyarakat kelas ekonomi lemah dengan ciri-ciri produk : risiko yang dijamin sederhana dan jelas serta tidak multi tafsir, pengecualian seminimal mungkin, bahasa yang digunakan mudah dipahami target pasar dan tidak ada multi tafsir, harga premi asuransi terjangkau, proses pendaftaran peserta asuransi mudah, proses pengajuan klaim mudah dengan jumlah dokumen klaim mudah didapat serta tidak lebih dari 3 jenis, dan biaya administrasi yang dikeluarkan serendah mungkin baik oleh pihak mitra yang menjual produk asuransi mikro maupun ACA.
2. "**Produk Asuransi Mikro**" adalah produk-produk asuransi mikro yang dikeluarkan ACA, misalnya asuransi mikro gempa bumi, asuransi mikro kebakaran, asuransi demam berdarah, dan lainnya.
3. **"Tabungan Kasiga"** adalah Salah satu produk tabungan BPR Mutiara Pesisir untuk kesiap siagaan bencana yang akan dibundling dengan produk asuransi mikro.
4. "**Program bundling**" adalah produk gabungan yang dipasarkan oleh BPR Mutiara Pesisir kepada nasabahnya, terdiri dari Tabungan Kasiga dan Produk Asuransi Mikro, dimana pada saat seseorang terdaftar sebagai nasabah Tabungan Kasiga maka secara otomatis orang tersebut terdaftar sebagai Peserta Asuransi.
5. **"Peserta Asuransi"** adalah Nasabah BPR Mutiara Pesisir yang telah membuat tabungan Kasiga dan namanya tercantum dalam Daftar Peserta Asuransi atau membeli voucher asuransi mikro dan mendaftarkan diri melalui sms ke sistem ACA.
6. "**Daftar Peserta Asuransi**" adalah daftar para Peserta Asuransi yang telah dikirim oleh BPR Mutiara Pesisir kepada ACA melalui sarana email.
7. "**Premi**" adalah sejumlah uang yang wajib dibayarkan oleh Peserta Asuransi melalui BPR Mutiara Pesisir kepada ACA yang tarif dan ketentuannya sudah ditetapkan sejak semula oleh ACA.
8. **"Santunan Asuransi"** adalah sejumlah uang yang dibayar oleh ACA kepada Peserta Asuransi atau ahliwarisnya, yang diberikan akibat musibah yang menimpa peserta

asuransi sehingga peserta asuransi mengalami kerugian yang sesuai dengan syarat ketentuan asuransi, yang besarannya telah ditetapkan sejak semula oleh ACA.

9. **"Klaim"** adalah laporan terjadinya musibah yang menimpa Peserta Asuransi sehingga Peserta Asuransi mengalami kerugian akibat terjadinya musibah tersebut.

Pasal 3
HAK DAN KEWAJIBAN ACA

(1) **ACA** berhak untuk:

a. Menerima dan menyimpan data Peserta Asuransi yang dikirim oleh BPR Mutiara Pesisir

b. Menerima premi nett asuransi sebesar 75% (tujuh puluh lima persen) dari premi yang dibayarkan oleh Peserta Asuransi melalui BPR Mutiara Pesisir.

c. Melakukan evaluasi per 1 (satu) tahun terhadap kerjasama dengan BPR Mutiara Pesisir

d. Menghubungi BPR Mutiara Pesisir untuk melakukan validasi data peserta atau rekonsiliasi jumlah data peserta atau verifikasi dokumen klaim yang diajukan Peserta Asuransi atau ahli waris Peserta Asuransi

e. Menolak klaim yang diajukan apabila terdapat pelanggaran terhadap prinsip itikad sangat baik (utmost good faith) atau kerugian yang dialami Peserta Asuransi disebabkan karena hal-hal yang dikecualikan dalam syarat ketentuan polis.

f. Membuat program reward bagi karyawan BPR Mutiara Pesisir untuk memberikan penghargaan atas pencapaian penjualan yang memenuhi target yang ditetapkan ACA

g. Mempublikasikan Perjanjian ini untuk kepentingan memasyarakatkan asuransi mikro kepada masyarakat luas

(2) **ACA** diwajibkan untuk:

a. Mengirimkan materi presentasi mengenai Produk Asuransi Mikro kepada BPR Mutiara Pesisir

b. Menyiapkan materi edukasi Program bundling produk tabungan Kasiga dan asuransi mikro dalam bahasa yang sederhana, mudah dipahami, dan dapat digunakan oleh Pegawai BPR Mutiara Pesisir untuk menjelaskan kembali kepada para Peserta Asuransi yang ingin mengetahui produk lebih lanjut. Isi materi edukasi mencakup: fitur produk, proses pendaftaran kepesertaan, teknis pengiriman data peserta, proses rekonsiliasi jumlah peserta, teknis pembayaran premi asuransi, proses pelaporan klaim berikut dokumen klaim yang diperlukan serta berapa lama santunan klaim dibayarkan kepada Peserta asuransi.

c. Menerbitkan polis untuk Peserta asuransi yang ikut dalam program bundling produk tabungan Kasiga sebagai bukti kepesertaan kepada Peserta Asuransi.

d. Menyiapkan voucher untuk penjualan produk asuransi mikro lainnya.

e. Memberikan komisi sebesar 25% (dua puluh lima persen) dari premi yang dibayarkan oleh peserta asuransi.

f. Menjawab setiap pertanyaan yang diajukan oleh BPR Mutiara Pesisir ataupun Peserta Asuransi mengenai Program bundling.

g. Menindaklanjuti setiap laporan klaim yang diajukan Peserta Asuransi baik langsung atau pun melalui BPR Mutiara Pesisir.

h. Membayar santunan kepada Peserta Asuransi dalam waktu yang ditetapkan sesuai syarat ketentuan polis.

i. Mengkomunikasikan, baik secara lisan maupun tertulis, setiap hal yang berupa informasi, data, dan/atau peristiwa, termasuk tetapi tidak terbatas pada hal-hal yang dapat atau diduga dapat merugikan pihak lainnya, berkenaan dengan Produk Asuransi atau pelaksanaan Perjanjian termasuk tetapi tidak terbatas untuk melakukan pencocokan data atau rekonsiliasi pada waktu disepakati oleh Para Pihak.

j. Melakukan dengan itikad baik setiap tindakan yang dianggap perlu oleh pihak lainnya untuk melaksanakan kewajiban berdasarkan Perjanjian.

k. Menghadiri pertemuan apabila diminta secara wajar oleh salah satu pihak untuk meninjau dan membicarakan kelangsungan serta membahas setiap permasalahan berkenaan dengan produk asuransi mikro.

Pasal 4
HAK DAN KEWAJIBAN BPR MUTIARA PESISIR

(1) **BPR Mutiara Pesisir** berhak untuk:

a. Menerima materi presentasi mengenai produk asuransi mikro untuk disampaikan lebih lanjut kepada Nasabah.

b. Menerima komisi sebesar 25% (dua puluh lima persen) dari premi asuransi yang dibayarkan oleh Peserta asuransi.

c. Menghubungi Petugas Administrasi ACA baik untuk kepentingan customer service untuk membantu Peserta Asuransi melengkapi dokumen klaim yang diperlukan.

d. Mendapat penjelasan perihal penolakan klaim yang diajukan Peserta Asuransi atau ahli waris apabila ACA menolak membayar santunan klaim, untuk kemudian disampaikan kepada Peserta Asuransi.

e. Melakukan survey klaim apabila terjadi musibah yang dijamin polis yang menimpa obyek yang diasuransikan, dan melaporkan hasilnya kepada ACA untuk dianalisa lebih lanjut.

f. Mempublikasikan kerjasama ini untuk kepentingan memasyarakatkan asuransi mikro kepada masyarakat luas

(2) **BPR Mutiara Pesisir** diwajibkan untuk :

a. Mengikuti program edukasi dan sertifikasi keagenan khusus Asuransi Mikro yang dilakukan oleh ACA.

b. Mensosialisasikan produk asuransi mikro ACA yang akan dipasarkan di BPR Mutiara Pesisir kepada nasabah.

c. Memberikan penjelasan mengenai asuransi mikro kepada nasabah dan Peserta Asuransi serta meneruskan setiap pertanyaan yang tidak bisa dijawabnya kepada ACA

d. Membantu ACA melakukan survey apabila terjadi musibah yang merusak obyek yang diasuransikan, membantu Peserta Asuransi atau ahli warisnya mengumpulkan

dokumen klaim sesuai syarat ketentuan polis dan membantu mengirimkan dokumen-dokumen klaim ke ACA.

e. Menunjukkan bukti kepesertaan asuransi baik berupa polis induk berikut lampiran daftar nama kepesertaan kepada peserta asuransi.

f. Tidak mengambil sebagian atau seluruh santunan yang menjadi hak ahli waris atau peserta asuransi, dengan alasan apa pun.

g. Mengirimkan kepada ACA setiap kali terdapat penambahan Peserta Asuransi yang baru, agar segera dapat didaftarkan sebagai peserta asuransi mikro.

h. Mengkomunikasikan, baik secara lisan maupun tertulis, setiap hal yang berupa informasi, data, dan/atau peristiwa, termasuk tetapi tidak terbatas pada hal-hal yang dapat atau diduga dapat merugikan pihak lainnya, berkenaan dengan Produk Asuransi atau pelaksanaan Perjanjian termasuk tetapi tidak terbatas untuk melakukan pencocokan data atau rekonsiliasi pada waktu disepakati oleh Para Pihak.

i. Melakukan dengan itikad baik setiap tindakan yang dianggap perlu oleh pihak lainnya untuk melaksanakan kewajiban berdasarkan Perjanjian.

j. Menghadiri pertemuan apabila diminta secara wajar oleh salah satu pihak untuk meninjau dan membicarakan kelangsungan serta membahas setiap permasalahan berkenaan dengan produk asuransi mikro.

Pasal 5
BUKTI KEPESERTAAN ASURANSI

1. Nasabah sudah dinyatakan sebagai Peserta Asuransi sejak pada saat BPR Mutiara pesisir mengirim daftar peserta asuransi kepada ACA.

2. Bukti kepesertaan asuransi adalah Polis yang akan diberikan kepada masing-masing Peserta Asuransi.

Pasal 6
FORCE MAJEURE

(1) Yang dimaksud dengan Force Majeure dalam Perjanjian ini adalah kejadian-kejadian yang terjadi diluar kemampuan dan kekuasaan Para Pihak sehingga mempengaruhi pelaksanaan Perjanjian ini antara lain :
   1.1 Gempa bumi, angin topan, banjir, tanah longsor, sambaran petir, kebakaran dan bencana alam lainnya.
   1.2 Perang, huru-hara, terorisme, sabotase, embargo dan pemogokan massal.
   1.3 Kebijaksanaan ekonomi dari Pemerintah yang mempengaruhi secara langsung

(2) Dalam hal terjadi kejadian Force Majeure sebagaimana dimaksud di atas sehingga mempengaruhi pelaksanaan kewajiban salah satu pihak, maka pihak yang mengalami keadaan Force Majeure berkewajiban untuk memberitahukan secara tertulis/lisan kepada pihak lainnya dalam Perjanjian ini selambat-lambatnya 14 (empat belas) hari kerja terhitung sejak terjadinya keadaan Force Majeure tersebut, untuk diselesaikan secara musyawarah.

(3) Apabila pihak yang mengalami Force Majeure tersebut lalai untuk memberitahukan kepada pihak lainnya dalam kurun waktu sebagaimana dimaksud dalam ayat (2) Pasal ini, maka seluruh kerugian, resiko dan konsekuensinya yang mungkin timbul menjadi beban dan tanggung jawab pihak yang mengalami Force Majeure tersebut.

Pasal 7
DOKUMENTASI DAN KERAHASIAANNYA

(1) Para Pihak diwajibkan menyimpan semua data-data mengenai Perjanjian ini dan data-data mengenai Peserta Asuransi, dan diwajibkan untuk tidak memberikan data-data tersebut baik secara lisan maupun tertulis kepada pihak lain tanpa persetujuan dari Para Pihak.

(2) Para Pihak tetap wajib mematuhi ketentuan Pasal 8 ayat (1) Perjanjian ini walaupun Perjanjian ini telah berakhir.

Pasal 8
KETENTUAN TAMBAHAN DAN ADDENDUM

(1) Pajak-pajak yang timbul sehubungan dengan pelaksanaan Perjanjian ini menjadi beban dan tanggung jawab masing-masing Pihak dan wajib dibayarkan oleh Pihak yang bersangkutan sesuai dengan ketentuan hukum perpajakan yang berlaku

(2) Lampiran-lampiran dalam Perjanjian ini berikut catatan-catatannya serta perubahannya merupakan bagian yang tidak terpisahkan dari Perjanjian ini.

(3) Apabila di kemudian hari terdapat hal-hal yang belum diatur, baik berupa penambahan dan/atau pengurangan atas Perjanjian ini maupun Lampiran-lampirannya, maka hal tersebut berdasarkan kesepakatan Para Pihak akan ditetapkan dalam suatu perjanjian khusus atau tambahan yang dibuat secara tertulis dan ditandatangani oleh Para Pihak (Adendum) dan merupakan satu kesatuan dan tidak dapat dipisahkan dari Perjanjian ini.

Pasal 9
MASA BERLAKU DAN PEMBATALAN PERJANJIAN

(1) Perjanjian ini mulai berlaku sejak tanggal ditandatangani oleh Para Pihak untuk jangka waktu 1 (satu) tahun dan apabila Para Pihak akan mengakhiri Perjanjian ini sebelum jangka waktu berakhir, maka salah satu pihak wajib memberitahukan secara tertulis kepada pihak lainnya dalam waktu 30 (tiga puluh) hari kalender sebelum tanggal pengakhiran yang dimaksudkan.

(2) Segala kewajiban dan tangungjawab yang masih ada pada saat berakhirnya Perjanjian ini akan tetap diselesaikan oleh Para Pihak sampai dengan akhir jangka waktu Perjanjian ini.

(3) Pihak Pertama dan Pihak Kedua dengan ini sepakat untuk mengabaikan ketentuan-ketentuan yang diatur di dalam Pasal 1266 Kitab Undang-Undang Hukum Perdata sehingga untuk mengakhiri Perjanjian ini tidak diperlukan suatu putusan Pengadilan/Hakim.

Pasal 10
PEMBERITAHUAN DAN KORESPONDENSI

(1) Setiap pemberitahuan dan/atau korespondensi akan dilakukan oleh petugas masing-masing pihak yang yang ditunjuk.

(2) Alamat yang digunakan untuk korespondensi adalah:

PT ASURANSI CENTRAL ASIA
Business Development Division I
Mal Ambasador Ruko No.2 & 3
Jln. Prof. Dr. Satrio, Jakarta, 12940
Telepon : (021) 5760608
Fax : (022) 5760605
e-mail : jakub.n@acains.com
Up. : Jakub Nugraha

PT BPR MUTIARA PESISIR
Jl Raya Tiku, Kec. Tanjung Mutiara,
Kab. Agam, Sumatera Barat
Telepon : (0751) 699045
Fax : (0751) 699274
E-mail : bprmutiarapesisir@yahoo.co.id
Up. : Elsa Andrian/ Resi Prima

Pemberitahuan dan/atau korespondensi sebagaimana dimaksud dalam ayat (1) Pasal ini hanya berlaku jika pemberitahuan tertulis atas perubahan tersebut telah diterima oleh Para Pihak.

Pasal 11
PENYELESAIAN PERSELISIHAN DAN DOMISILI HUKUM

(1) Apabila timbul persengketaan atau perselisihan antara Pihak Pertama dengan Pihak Kedua sebagai akibat pelaksanaan dan/atau penafsiran Perjanjian ini maka Para Pihak sepakat akan terlebih dahulu menyelesaikan secara musyawarah dan dengan itikad baik.

(2) Apabila dalam jangka waktu 30 (tiga puluh) hari kalender jalan musyawarah yang ditempuh tidak mencapai kata mufakat dalam menyelesaikan permasalahan yang ada, maka Para Pihak sepakat bahwa persengketaan atau perselisihan tersebut akan diselesaikan melalui, Pengadilan Negeri Jakarta Barat.

Pasal 12
PENUTUP

(1) Untuk Perjanjian ini berlaku dan harus ditafsirkan sesuai dengan ketentuan hukum yang berlaku di Republik Indonesia;

(2) Surat Perjanjian ini dibuat dalam 2 (dua) rangkap masing-masing bermeterai cukup, yang masing-masing mempunyai kekuatan hukum yang sama serta mengikat Para Pihak dan ditandatangani oleh Para Pihak.

PIHAK PERTAMA	PIHAK KEDUA
METERAI TEMPEL 6000	
MULJADI KUSUMA	**SYAFRIL**
Kepala Direktorat Keagenan dan Syariah	**Direktur Utama**
PT Asuransi Central Asia	**PT BPR Mutiara Pesisir**

Annex. 6 – Media Coverage

Padang Ekspres
SELASA • 24 DESEMBER 2013

EKONOMI BISNIS 3

Pasokan BBM Dijamin Aman

Setahun Grand Zuri di Padang

LAUNCHING TABUNGAN KASIGA DAN GEBYAR UNDIAN

Tabungan Kasiga, Tekan Risiko Bencana

The product launching event at BPR Mutiara Pesisir was covered by the Padang Ekspress newspaper on Tuesday, 24 December 2013. The coverage highlighted the benefits of Disaster Preparedness Savings product to reduce risks of disasters. As stated in the newspaper, Mr. Syafrin, Director of BPR Mutiara Pesisir, mentioned that the bank is aiming to push micro economy in District Agam, and hope that communities and government are welcome and support the newly launched savings-insurance product.

The newspaper also underlined ACA Insurance's commitment in providing microinsurance to further reduce the impact of disasters in disaster-prone areas in Indonesia. Certificate of appreciation was also given to West Sumatra's MFIs that have been involved in the ILFAD program. The certificate was presented by Ms. Felisia Setyastuti, a representative of OFDA/USAID as the donor.

Annex. 7 – Success Story

PT. BANK PERKREDITAN RAKYAT MUTIARA PESISIR

PT. BPR MUTIARA PESISIR was born from the Economic Empowerment Program for Coastal Community by Ministry of Marine Affairs and Fisheries Republic of Indonesia in 2004, 2005 and 2006. The company was established through the acquisition of BPR LPN Tiku Selatan.

Located at Jl. Raya Tiku, Sub-District Tanjung Mutiara in District Agam, the bank aims to provide access to capital for coastal communities in particular as well as the general public to promote a better welfare for all. Having an initiatl 5 billion rupiah invested, BPR Mutiara Pesisir started their business strong and quickly gained support from coastal communities who were having difficulties in accessing capital through other formal financial institutions. Before the establishement of the bank, the communities were forced to borrow money from loan sharks with a high interest rate of more than 10% monthly.

In 2009, a massive earthquake of 7.6 struck the area. Around 7 districts/cities were heavily impacted, including District Pesisir Selatan and District Agam which are the working areas of BPR Mutiara Pesisir. As much as 1,117 people died, 1,214 people were injured, 1,688 casualities and 1 person were reported missing. Meanwhile, 135.448 houses were seriously damaged, 65.380 houses were moderatly damaged and 78.604 houses were impacted with minor damages[1]. The bank was very much impacted by the earthquake with the increase of NPL/Non Performing Loan and increase in savings withdrawals. Although it did not led to "rush"[2], such event created anxiety amongst directors and the staff. It took about one year before the bank was able to operate normally.

On 21 December 2013, BPR Mutiara Pesisir launched a Disaster Preparedness Savings product, called KASIGA. The product has been bundled along with disaster-specific microinsurance, therefore clients will be automatically receive microinsurance coverage (for house or business) – provided by the insurance company. The KASIGA savings is the first Disaster Preparedness Savings product in Indonesia that has an added feature of microinsurance for the clients. Around 700 guests among various circles, including General Director for Ministry of Marine Affairs and Fisheries Republic of Indonesia, wish "good luck and may the bank prosper". Everyone involved in the bank received the wishes with smiles and excitement.

BPR Mutiara Pesisir has a total current asset of IDR 13, 346,506,000 and serves roughly 13,000 clients who are more confident and feeling comfortable about their future financial activities. KASIGA product is believed to be one of the points that will increase the value of BPR Mutiara Pesisir.

[1] Based on data from Satkorlak PB – BNPB.
[2] Massive withdrawals by clients, all at the same time.