



ALLIANCE FOR INDONESIA INSURANCE EDUCATION

JUNE 2007

PROJECT OBJECTIVES

1. Create a sustainable national educational institution of international caliber that serves as the center of education, training & research in the risk management and insurance sectors in Indonesia;
2. Create a bachelor's degree program in risk management and insurance conforming to international standards and make such a program available for the first time in Indonesia;
3. Provide Indonesians opportunities to increase their knowledge & skills in risk management and insurance and prepare them to sit for and pass professional certification exams;
4. Promote job creation in risk management & insurance industry sectors;
5. Promote an increase in availability in insurance products and coverage for the average Indonesian citizen

PROJECT COMPONENTS

The project is a grant to the Southeast Consortium for International Development (SECID) to support long-term & short-term technical assistance & limited commodity support

CONTACT INFORMATION

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BACKGROUND

Indonesia's insurance industry is very underdeveloped, resulting in less than 10% of Indonesians covered by insurance products, coverage that is desperately needed in a country prone to natural disasters and whose government is financially unable to provide protection.

Reasons include a critical shortage of qualified employees who are educated in risk management and insurance and inadequate government regulations over the industry that need to be reformed. To address these reasons, in September 2003 a memorandum of understanding to establish an **Institute of Risk Management & Insurance (STIMRA)** was signed between the Southeast Consortium of International Development (SECID), the Ministry of Finance & the Federation of Indonesian Insurance Associations (FAPI), with academic support from the University of Connecticut (UConn) and funding from USAID & the Starr Foundation.

RECENT ACCOMPLISHMENTS

1. Launching of STIMRA

- On October 31, 2005, the Ministry of National Education issued a license to STIMRA to conduct S1 level programs in insurance & risk management – the first such S1 program in Indonesia
- On February 16, 2006, Prof. Gerald F. Murphy (UConn) arrived to take up residence as fulltime faculty advisor/instructor
- On March 23, 2006, STIMRA was formally launched at ceremony by USAID Mission Director William Frej, SECID Director Harry Wheeler, Dr. Darmin Nasution and other Indonesian officials

2. S1 Programs: Providing Qualified Graduates for the Indonesian Insurance Industry

- 3-semester S1 program began April, 2006; 32 students, all D3 holders with work experience in insurance; graduation 2007
- Second intake of 3-semester S1 program began February 2007
- Designed curriculum for full-time 4-year S1 degree in insurance and risk management; program began September 2006
- "Magang" apprentice program for Indonesian S1 students from underprivileged backgrounds; to be launched in 2007

3. Short-Term Training Workshops: Upgrading Knowledge & Skills of Current Industry Employees

- Three-day workshop in "Bank Insurance (banks selling insurance products), June 5-7, 2006 with 30 attendees
- 9 workshops in "Risk Management of Catastrophic Natural Disasters" in Jakarta, Medan & Solo for over 725 attendees
- First-ever five-day "Underwriting Certification" workshop held February 2007 for 38 attendees; second intake late March 2007
- Rigorous workshop for ASEAN Insurance Council's "School for Young Insurance Managers;" 61 students from ASEAN countries