

Preliminary Demand Survey for Product Development of Microinsurance in Egypt



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Acronyms and Abbreviations

| | |
|-------|---|
| EFSA | Egyptian Financial Supervisory Authority |
| EGP | Egyptian Pound |
| FGD | Focus Group Discussion |
| FRA | Financial Regulatory Authority |
| FSI | Financial Services Institute |
| GIZ | German Federal Enterprise for International Cooperation |
| IFE | Insurance Federation of Egypt |
| IIE | Insurance Institute of Egypt |
| JICA | Japan International Cooperation Agency |
| KII | Key Informant Interview |
| MFI | Microfinance Institute |
| NGO | Non-Governmental Organization |
| ROSCA | Rotating Savings and Credit Association |
| SUAVE | Simple, Understood, Accessible, Valuable, Efficient |
| WFP | World Food Programme |

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Any errors, misunderstandings, or misinterpretations remain the responsibility of the author.

1. Background

In order to develop an appropriate strategy for microinsurance development, any supply or regulatory actions need to be considered in light of demand.

In order for the supply side (insurers and distributors) and supporting environment (regulations and other policies) to be successful in improving microinsurance, there should be a general understanding of the need for and perception of insurance by the Egyptian low-income population. Ideally, some qualitative research will provide a 'public good' knowledge that informs the sector regarding: i) the risks people perceived they are exposed to (e.g. funeral, health, property, etc.), ii) how households currently cope with these financial risks (e.g. savings, loans, sale of assets, cooperatives, moneylenders, etc.), iii) how households consider and rank these risks, iv) where are the risk management gaps that might be filled by microinsurance, iv) the level of awareness of and attitudes towards insurance among the low-income population.

The needs of insurers and intermediaries for a demand survey have grown significantly, ever since the directive on the microinsurance was issued for the first time in Egypt in November 2016. Given the efforts of the Financial Regulatory Authority (FRA), previously named Egyptian Financial Supervisory Authority (EFSA), Insurance Federation of Egypt (IFE), and international development partners including JICA, GIZ, and others, it is important to begin gathering demand information as soon as possible.

This research was proposed as part of the ongoing cooperation between the FRA and JICA to meet those pressing needs of the supply side and aimed to serve as the preliminary survey to contribute to the coming, full-fledged demand survey. It is important for insurers and intermediaries to understand demand to provide products that the market wants. Its significance was shown in the Microinsurance Event held in May 2017 in Cairo, in which all successful international examples presented, highlighted the importance of understanding clients' needs before product development. Given the growing want for demand study on the low-income segment, the major players in the insurance industry incorporated the demand survey as a key component in the Microinsurance Action Plan, which they developed with assistance of JICA. Moreover, the IFE created the Microinsurance Platform and the major insurance practitioners set up a committee to make use of this survey's results.

2. Outline of Research

2-1 Purpose and Objectives

The research aims at providing the status quo of the risks and coping strategies being experienced and used. In addition, this study seeks to provide critical inputs to key microinsurance product development opportunities and requirements in Egypt. These goals were attained through investigating relevant questions in response to the following objectives:

- (1) Explore the events/risks that this target market faces that cause economic stress and assess the impacts of these events/risks
- (2) Assess and determine the current risk management strategies that people are using to manage the risks
- (3) Explore and identify gaps in these current formal/informal coping mechanisms which might be addressed by microinsurance.

Table 1 presents the key questions that correspond to each objective and links them to microinsurance development and tools used for the study.

Table 1 Links between Research Objectives and Microinsurance Development

| Key Questions for Objectives | Link to Microinsurance Development | Tools ¹ |
|---|--|----------------------------------|
| (1) What are the risks that this target market faces? What are the (financial/non-financial) impacts of these events/risks? | <ol style="list-style-type: none"> i. To identify risks that meet the test of an insurable risk ii. To identify risk events that cause high levels of economic stress iii. To prioritize the types of coverage that will have real impact iv. To identify priority areas of coverage v. To identify the amount of coverage required, also taking the result of (2) ii. into consideration | Tool A (risks) and C (attitudes) |
| (2) What are their current risk management solutions (ex-ante/ex-post) to address these risks | <ol style="list-style-type: none"> i. To identify complementary activities to help reduce and manage risks ii. To identify the amount of coverage required, also taking the result of (1) v. into consideration | Tool B Q1, Q2, and Tool C |
| (3) What are the gaps in these current formal/informal coping mechanisms | <ol style="list-style-type: none"> i. To identify gaps in types, amounts and timeliness of coverage ii. To identify how credit and savings or other risk management options may complement insurance iii. To identify positive attributes of informal insurance mechanisms that can be replicated in microinsurance | Tool B Q3, Q4, and C |

¹ Appendix: Questionnaire

2-3 Research Team Structure

The research team was comprised of a total of seven members; two international and five national as detailed in Table 2.

Table 2 Research Team Structure

| Staff | Role |
|----------------------------------|--|
| Chief Advisor (International) | Management and oversight by remote management, guidance on research design, quality control, analysis |
| Observer from FRA or FSI | Observes the research |
| Researcher (International) | Management on the field, organizing and managing the Focus Group Discussions (FGDs) and the Key Informant Interviews (KIIs), analysis of the collected data, summarizing the report and write-up and presentation of results |
| Organizer (National) | Train and supervise Facilitator, Interpreter, and Rapporteur; mobilize NGOs; organize the FGDs and KIIs with NGOs; manage logistics, procurement, and keeps cashbook |
| Facilitator (National) | Facilitate the FGDs and the IIEs in Egyptian Arabic |
| Interpreter (National) | Interpreting between Arabic and English in all the FGDs and the KIIs for the researcher. |
| Rapporteur (National) | Taking minutes of the both FGD and KII interviews. Proceeding of the audio and video for all sessions. Video and audio recording. |

2-4 Approach

The Researcher and Organizer organized both the focus group discussions (FGDs) and key informant interviews (KIIs) in cooperation with non-governmental organizations (NGOs), most of which are microfinance institutions (MFIs) in each target governorate. Because of security requirements, the survey team could not utilize other channels to organize the FGDs and KIIs. Thus, it is a limitation of the study that the research team only surveyed MFI clients. Because the team first approached NGO-type MFIs, not surprisingly most of the participants ended up being current or former clients of the MFIs. However, this approach did provide the benefit that because of their affiliation with the MFIs, participants were generally from low-income and less privileged groups; typical MFI target segments.

All FGDs and KIIs were audio recorded after receiving the consent of interviewees along with written notes taken by the Rapporteur in the interviews.

2-5 Methodologies

The primary data was collected by qualitative methodologies due to the preliminary nature of this research.

Qualitative data collection was carried out using the following three methods: FGDs, KIIs, and case studies.

The objective of the FGDs was to gather basic information about the market's experience with risks and risk mitigation strategies.

2-5-1 Focus Group Discussions (FGDs)

The FGDs sought to represent low-income people in the community. The groups were composed of adults, whom will be targets of the proposed insurance programs. It was not a requirement that they had prior exposure to insurance, since this study seeks to represent the most common characteristics of local low-income populations.

Participants were identified in collaboration with relevant local authorities or persons familiar with the area, such as village leaders, NGOs, or others engaged voluntarily. The survey team had requested each NGO to cooperate to select the participants according to the following criteria;

- A group of men, or women, but not mixed between 8-12 people in size
- Ages between 20 and 50 living with a spouse or children
- A mix of self-employed or low skilled workers classified as "low-income"

The Researcher and Organizer organized 16 groups, divided by gender and residential area (rural/urban) in the four governorates (Table 3).

Table 3 Framework for FGDs

| | | | |
|-------------------|-------|--------|----|
| Aswan | Urban | Female | 1 |
| | | Male | 1 |
| | Rural | Female | 1 |
| | | Male | 1 |
| Sohag | Urban | Female | 1 |
| | | Male | 1 |
| | Rural | Female | 1 |
| | | Male | 1 |
| Minya | Urban | Female | 1 |
| | | Male | 1 |
| | Rural | Female | 1 |
| | | Male | 1 |
| Monufia | Urban | Female | 1 |
| | | Male | 1 |
| | Rural | Female | 1 |
| | | Male | 1 |
| Total No. of FGDs | | | 16 |

The groups sought to capture any idiosyncrasies of the region. For example, day laborers, smallholder farmers, public employees, etc. Focus group participants were not members of the same family, but could be part of the same community or association. Care was taken to avoid combining socio-economic sectors in one group (for example not having employers with employees, or landholders with day laborers in the same group), to ensure a similar power structure.

The FGDs covered four sets of questions: introductory questions regarding income and financial services, a section on risks, a section on coping mechanisms, and a final section on attitudes towards insurance, if time permitted (Appendix: Questionnaire).

2-5-2 Key Informant Interviews

The objective of this methodology was to provide qualitative information to triangulate and explain some of the results of the FGD questionnaire. The semi-structured questionnaires and the discussion guides contained open-ended questions, permitting variation in response and allowing the evaluators to adapt the questions when a particular topic needed to be explored differently or in more depth. Questions covered the rough composition of the occupation in the community, risks important to families and their impact at the household and community levels, how families and communities cope, and how risk management could be improved.

Interviews were conducted in conjunction with the FGDs one per each of the eight regions targeted in the FDGs.

All of the key informants were either the heads of NGOs or local leaders such as a village mayor.

2-6 Timeline of Survey

The JICA survey team conducted the field survey from December 2 through 16, 2017 following the preparation period of about two weeks, followed by the data analysis and reporting periods (Table 4).

Table 4 Timeline of the Field Research

| Sun. | Mon | Tue | Wed | Thu | Fri | Sat |
|---|---|---|---|---|---------|---|
| Nov. 26 | Nov. 27 | Nov. 28 | Nov. 29 | Nov. 30 | Dec. 1 | Dec. 2 |
| | | | Sharqia Gov. FGD Pilot test Male FGD Pilot test KII Pilot test | | | △ Cairo ▼ Aswan |
| Dec. 3 | Dec. 4 | Dec. 5 | Dec. 6 | Dec. 7 | Dec. 8 | Dec. 9 |
| Aswan Gov. FGD Urban Female FGD Urban Male KII | Aswan Gov. FGD Rural Female FGD Rural Male KII | | △ Aswan ▼ Sohag | Sohag Gov. FGD Urban Female FGD Urban Male KII | | Sohag FGD Rural Female FGD Rural Male KII |
| Dec. 10 | Dec. 11 | Dec. 12 | Dec. 13 | Dec. 14 | Dec. 15 | Dec. 16 |
| △ Sohag ▼ Minya | Minya Gov. FGD Rural Female FGD Rural Male KII | Minya Gov. FGD Urban Female FGD Urban Male KII | △ Mania ▼ Cairo | Monufia Gov. FGD Urban Male FGD Urban Female KII | | Monufia Gov. FGD Rural Male FGD Rural Female KII |

3. Executive Summary of Results

3-1 Characteristics of the Participants

Around 20-30% of the participants of the women's group were heads of households. This observation was supported by the interview with a key informant in Minya, who mentioned roughly 30% of their beneficiaries are women heads of households.

Around half of the participants were receiving government social security such as widow's pension or conditional cash transfers from the *Takaful* and *Karama* programs², especially in the urban Aswan group. Eleven out of 18 total participants reported that their households live only on the social security. Three of those without any source of income reported that their husbands were imprisoned.

The survey team identified that the majority of participants did not have a bank account. They preferred to not borrow from banks in belief that banks charge far higher interest rates than MFIs that offer loans at a rate between 12.5 and 17% monthly.

The majority of participants were between 20 and 60 years of age with some source of household income, with the exception of the female group in urban Aswan. Some participants were totally dependent on small projects such as poultry farming through loans or in-kind assistance by NGOs. The survey team estimated around 70% of male participants earned their income from irregular jobs including income-generating projects offered by NGOs. The other 30% earned regular income as employees of businesses or local governments.

Across all Governorates, FGD participants were not only characterized by their low incomes, but also by their uncertain cash flows. The most common sources of household income for participants were daily labor activities in construction sites or mines, repairman, driver, transporter using tricycle, daily labor for farms in harvesting season, running small shops, poultry, cattle rearing, and others. Farmers were few and concentrated in rural Mania. This is probably because the farmers own land and are more likely to be wealthier than those who are clients of MFIs. Around 70% of female participants had some side jobs such as handicraft, poultry, selling food, and others.

Contrary to the original estimate, the survey team met many participants who said they would rather not borrow money even from MFIs, because they were afraid of not being able to keep repaying given the uncertainty of their incomes.

² The Egyptian government's conditional cash transfer program. *Takaful* provides monthly income to the families with children at school ages, given their school attendance and record of use of maternal and child health care services. *Karama* provides monthly income to poor elderly people age over 65 and people with severe disabilities who are unable to work. World Bank assist the program by granting \$400 million.

3-2 Vulnerability to Risks

In addition to low and uncertain incomes, participants turned out to be continuously exposed to the various risks that caused financial shocks. Those risks also accelerate the uncertainty of the household savings, and prevent households from getting out of the poverty.

The importance of risks is a function of risk severity and frequency of risk occurrence. In order to visualize what the participants thought were the most important risks overall in aspects of severity and frequency, the survey team scored each risk in accordance with order of importance in the viewpoints of the participants. In most FGD groups, the participants ranked their two most severe and two most frequent risks. The survey team counted the most severe risk and the most frequent risk as one, and the second ranked ones as 0.5, then summed each point to determine the volume of the importance (Figure 2).

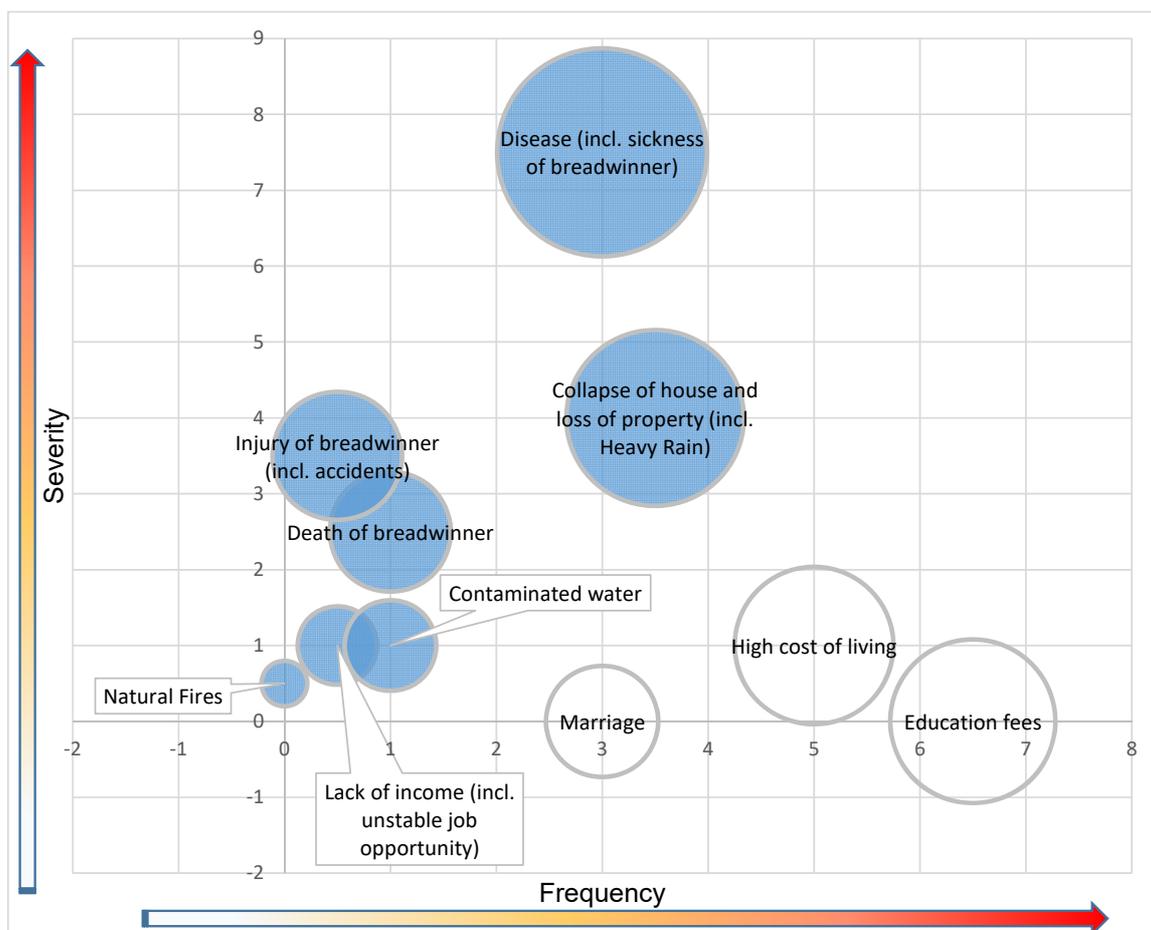


Figure 2 Importance of the Risks

In the figure, each balloon size indicates the risk importance recognized by the participants. Generally, disease and collapse of the house and loss of property turned out to be the most important and most worrisome risks the participants recognized.

Marriage, high cost of living, and education fees were identified as risks by participants; however, those can be defined as life cycle events and clearly distinguished by risks. Those life cycle events are also important for insurance product development since those factors affect their coping mechanisms against risks.

Throughout the series of focus group discussions, most groups raised disease as the most important risk in terms of severity. Seven out of 16 total groups thought disease was the most severe risk. (Table 5). The results also indicate that especially female groups are more concerned about disease, given four female groups recognize it as most important.

Table 5 The Most Severe Risks and the Most Frequent Risks

| | | | Risk with most severe impact | Risk with most frequency |
|---------|-------|--------|--------------------------------|--------------------------------|
| Aswan | Urban | Female | Severe Rain | Severe Rain |
| | | Male | Severe Rain | Severe Rain |
| | Rural | Female | Disease | Disease |
| | | Male | Collapse of house and property | Collapse of house and property |
| Sohag | Urban | Female | Disease | High cost of living |
| | | Male | Disease | High cost of living |
| | Rural | Female | Disease | High cost of living |
| | | Male | Collapse of house and property | High cost of living |
| Minya | Urban | Female | Death of breadwinner | Disease |
| | | Male | Disease of breadwinner | High cost of living |
| | Rural | Female | Injury of breadwinner | Education |
| | | Male | Lack of source of income | Collapse of house and property |
| Monufia | Urban | Female | Death of breadwinner | Marriage of daughter |
| | | Male | Injury (work related) | Disease |
| | Rural | Female | Disease | High cost of living |
| | | Male | Disease/injury of breadwinner | High cost of living |

In most groups, the issues of disease were identified as the risks which directly lead to financial shocks, often to the level where they had to lose all of their savings and income. Throughout the survey, most groups criticized the public hospital, run by the government, of mistreatment, misdiagnosis, and long waiting lists to be treated. Most participants claimed that the quality standards of treatment by governmental hospitals is too low for them. This results in wishes to go to a private hospital for a much higher cost.

Some participants confessed that they borrowed money and went to see private physicians even though they knew it was expensive but still better than being treated in the public hospitals. For example, one participant told the story about his relative who had to cut his leg because of thrombosis after the misdiagnosis by the doctor of a governmental hospital. Another participant shared that a governmental hospital kept his sick mother waiting to be treated for 30 days, then it turned out too late to save her life when the doctor decided to transfer her to another hospital, so he decided to take his mother back home and had her pass away in dignity. The survey team heard dozens of the same kind of tragic tales caused by mistreatment by the governmental hospitals. In contrast, it was common opinion that the medical standard of private hospitals is far better, but they charge too high for most people to afford. One participant shared the experience, in which he managed to pay for a diagnosis and prescription in the private hospital, but could not afford for the medication costs. The other participant, who runs a small business, told of how he would have to provide his sick employee with paid holidays even during which he loses the precious work force, and this incurs a substantial financial loss on his business. Beside the medical treatment cost by itself, the transportation cost to the hospital was also a big worry for the participants. A female participant in the urban Sohag group complained that it cost EGP 25,000 to transport her son to the large hospital. The most common diseases across the survey areas were kidney problems, flu, Hepatitis C, cancers, high blood pressure, diabetes, and others. The survey team also noted many participants who had close relatives who were blind from eye disease.

Severe rain is considered as the most important risk in urban Aswan groups. They raised this as the most severe and the most frequent risk that consequently leads to collapses of houses and properties. Aswan is known as one of the driest areas in the world, but the participants claimed they have had heavy rains almost every year. They said the collapses occur around once every 2 years. Since most of the houses are made of mud, the rain drops weaken the structure, and eventually make walls fall down or rain water leaks from the ceiling and damages home appliances and furniture, they said.

Similarly, the collapse of house and property can be seen in rural Aswan, rural Sohag, and rural Minya, all from male groups. They claimed that houses collapse due to the leakage from the sewage system. Septic tank sanitation system is common in most of those rural areas, and the participants of those areas regarded it as the most important risk that would cause house collapse. They claimed they would be forced to evacuate to their relatives' houses or a community hall for a while once it occurred. However, this is indeed a trouble for the participants, the survey team has to highlight that the leakage of the sewage system by itself cannot be called a risk, because it is something people could

somehow predict and would be able to prevent from occurring by physical measures. The survey team has to admit that this infrastructure problem should not have been identified as a risk in the FGDs.

The same is true with those answers of “high cost of living”. Actually, those answers came from the recent high inflation trends in the whole nation. High inflation is certainly a risk, but it is not an insurable risk. Nevertheless, this inflation risk definitely affects how people are able to prepare for the risk and how they respond when financial shocks take place. According to the participants, their daily necessities costs almost doubled or tripled over the last few years. Surging costs severely affect the households’ finance, making families vulnerable to shocks.

Besides those most important risks listed above, the participants pointed out high cost of marriage of their daughters, unaffordable housing costs, and high expense of education especially private tutors. Most of them distrusted the quality of public schools, so it was not rare to see a parent who stretches their precious income to hire private tutors for their children.

3-3 Risk Coping Mechanism

Across all groups in different governorates the most common answers to the question as to how they prepare for those important risks was “there is no strategical mechanism to cope with.” However, there were some traditional ways people had elaborated to mitigate the possible financial shocks incurred by the risks.

It was observed that almost all participants had experience in rotating savings and credit association (ROSCA) systems called *gam’aya* that is a widely used shock absorbing method among most Egyptians regardless of their income level. It is the saving and credit system inside a small group of persons, typically around 5, where all of the members deposit a fixed monthly amount due to the group, and one of the members receives the total sum for a month. Then next month, another receives the sum and keeps this rotation in turn every month until all the members receive the benefit. The members discuss and decide the order of receiving the sum of money at the time of forming an association group. For example, the person who is expected to hold a marriage ceremony next month and needs a sum of cash may be allowed to receive the sum first. Accordingly, the person who does not want cash soon will come last. Thus, this system is an effective way to enable leveling the cash flows of each household to certain extent and to provide an opportunity to save. This traditional *gam’aya* system functions as the preparation method for expected expenses of life cycle events such as education and marriage, and also, after a financial shock, it serves as an immediate relief method

by moving up the turn of the affected person to receive the sum of cash.

Nevertheless, all the participants who mentioned the *gam'aya* system remarked that the sum of money they receive is not enough in the event of financial shocks especially such unexpected events as disease, heavy rains, or others. It was also common to hear participants saying they would not use this system because they were afraid of being unable to keep paying monthly dues.

It was also commonly observed among all the groups that they put aside some part of their income for future risks or life events such as educational costs for children and marriage costs.

Similarly, another common way to prepare for shock events was to reduce their consumption. This method includes cutting down on proteins such as meat and chicken and get by on more flour, wheat, and rice.

3-4 Response to Financial Shocks

In response to disease, the most common answer seen was borrowing money, taking loans from NGOs, selling their properties, but those are all highly stressful methods except for borrowing from NGOs. Nevertheless, the participants complained that NGOs loan opportunities and amounts are limited.

Donation from religious charities was a widely used coping mechanism, but that support usually covers only part of the financial loss. For example, a participant in the urban Minya group mentioned the support from Church covers only 50% of the surgery costs.

Another female group in Sohag was recognizing the importance of the early detection of critical diseases, but pointed out the doctor's diagnosis costs EGP600 which is not affordable. Once they had to go through treatment in the hospital, they would sell household assets. In the rural areas, the responses to financial loss because of disease turned out to be borrowing money from relatives or friends, selling their properties or livestock, making their children work, donations or loans from NGOs or charity organizations.

Borrowing money from relatives or friends was also frequently heard from the participants as a response to events such as death of a breadwinner, injury, disease, and education, but this response was always remarked as "very shameful" by most of the participants. They said they would like to avoid borrowing from friends and relatives as much as possible.

Seeking assistance from the mosque or church is also a possible response to financial shocks incurred from disease, education, and marriage, but as mentioned in

the above paragraph, most participants claimed it's not enough at all.

The most common response to heavy rains and collapse of the house and property was to seek for shelters in their relatives' houses or community halls. The key informant and participants pointed out the financial impact of collapse is very severe. It costs around EGP 5,000 (around USD280) alone to repair the ceiling and it costs more for rebuilding walls and lost furniture. Usually, they have to stay in their relatives' house for a few months to get back home after rehabilitation to a certain degree.

In any case, because of the unavailability or shortcomings of the coping mechanisms, the survey results indicate that most responses have certain degrees of stress, and those stress levels keep affecting their financial life for long after (Figure 3).

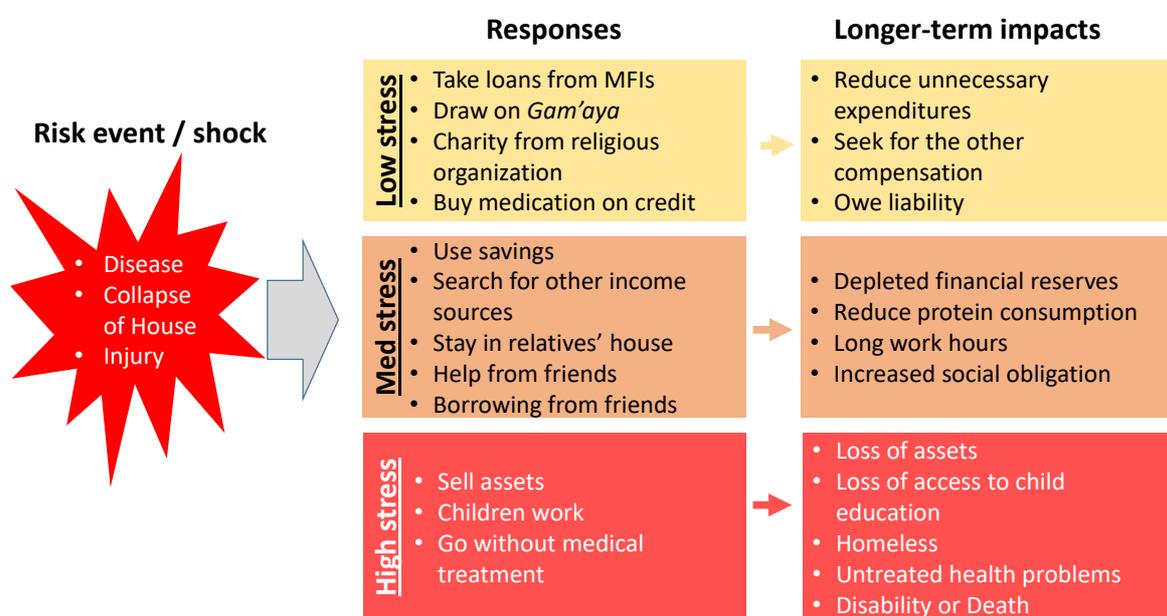


Figure 3 Stressfulness of Responses and Long-term Impact

3-5 Perception about Insurance

Across the governorates surveyed, around 95% of all participants and 100% of female participants have never taken out private insurance.

Around 90% of all participants knew about the basic concept of insurance in a way that it requires regular premiums and provides benefits afterwards, but the most common recognition about insurance is actually what is defined as “pensions” in other countries. Indeed, the first thing they envisage when they hear the term insurance is the national retirement pension program offered only for public servants in Egypt. This program also

would make monthly payments for the widows in case of death of her husband before the retirement age. In terms of the degree of knowledge about insurance, there was no substantial difference between urban and rural areas except for rural Monufia, where none of the women had any idea about insurance.

In response to the question as to why they do not take out insurance, the most commonly heard answer was that they simply think they cannot afford the premium. Most of those also said they would like to take out insurance only if the premium is affordable. The products that most participants wished to have were health and life insurance.

Most of the participants think that all insurance programs cost a lot, and that's why they don't think to apply for it. The survey team concluded that the participants do not have access to the affordable insurance products, but not that they are not caring the risks or illiterate on insurance.

4. Conclusion

4-1 Potential opportunities for microinsurance

Throughout this survey, it became clear that disease and the collapse of the house and property are regarded as the most important risks which cause severe financial loss and those that are most likely to occur. Once those risks are realized, the consequences are so harsh that people have to sell assets, abort children's education and make them work, and in the most serious cases, the result would be death or disability of the patient. Those risks were key problems preventing the households of participants to build better financial conditions.

This survey also revealed the fact that the participants had a robust strategy based on a strong sense of community to protect themselves from financial shocks. Those strategies consist of rotating savings and credit associations called *gam'ayat*, donations from religious charity organizations, and borrowing from friends and relatives. However, every strategy also had its own shortcomings that were fear for monthly due payments, inadequate coverage, and shamefulness, respectively. However, those are the spaces that some other services like microinsurance products may be able to fill and be embraced by the community.

As opposed to originally hypothesized by the survey team, the results of the FGDs told us that the perceptions of insurance were already prevalent and the people's image to insurance was not as bad as often quoted in the street interviews of the TV news programs showing people saying insurance cheats them. It was found that low-income people just do not have access to affordable products. People wish to take out insurance no matter where they live. These are surprising and encouraging facts resulting from this survey.

High inflation rates should be highlighted as a concern here as many of the participants were struggling with them.

The law of national health coverage was signed and put into effect in Feb. 2018. This should be also taken into account when it comes to new product development.

4-2 Implications for the Concept of Microinsurance Product and Delivery

The most recommended microinsurance products based on the results of the survey are hospital cash, property insurance, and insurance with saving function such as education endowment.

When we contemplate possible microinsurance products, we should look at whether a risk is insurable or not. It is the nature of insurance that the more severe and more

frequent the risk is, the harder to insure it becomes (Figure 4).

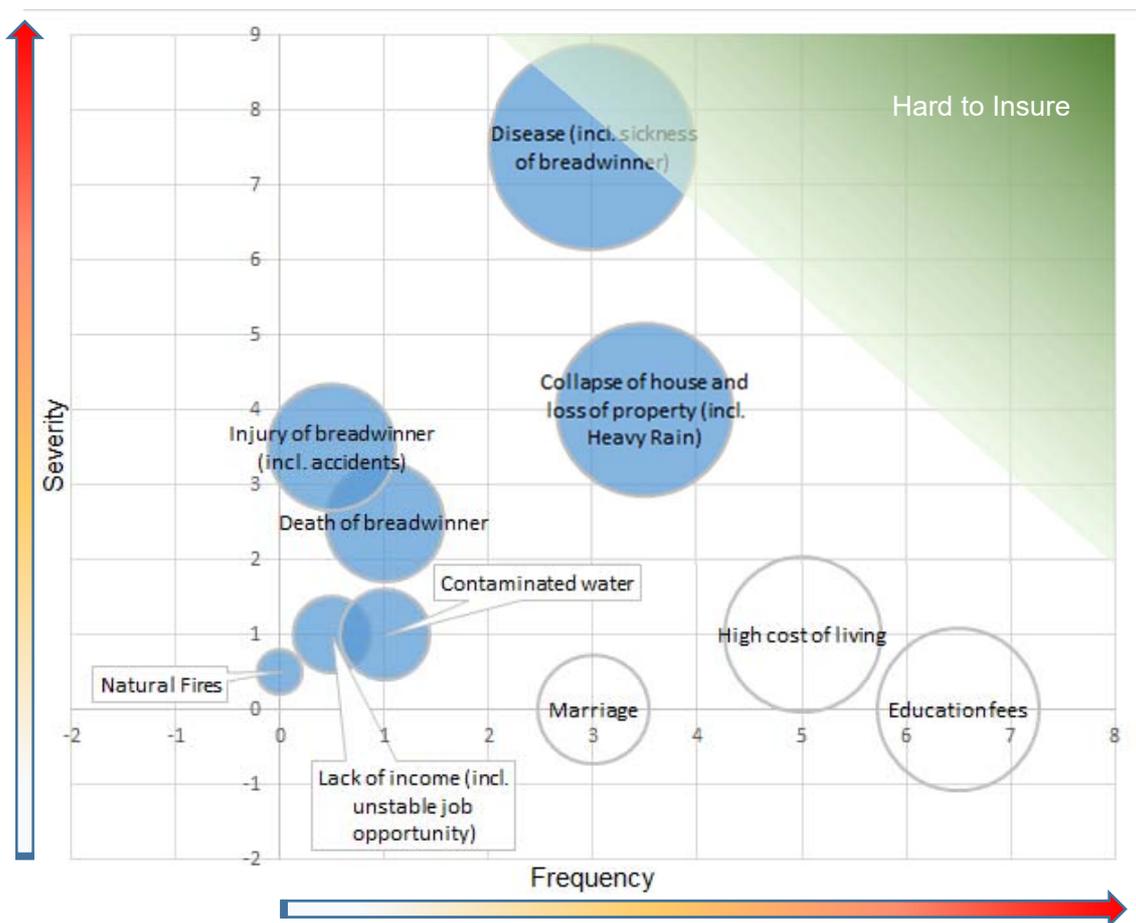


Figure 4 Importance of Risk and Insurability

Since disease causes serious consequence on the participants' financial lives, setting the premium low enough to cover those events might be very difficult for some cases. In contrast, there will be a favorable situation between insurers and clients in other events such as collapse of house and loss of property, injury, and others.

Hospital cash might be a promising product because it works as a substitute for health insurance. The medical cost for serious diseases or surgery might reach to the uninsurable point, but because hospital cash insures a fixed amount per night, the claim amount will be affordable for insurers. Moreover, the national health coverage program is supposed to cover those medical costs, so that hospital cash will nicely complement it by covering other medical-related expenses such as loss incurred from absence from a business, transportation to the hospital, and others. This survey revealed there were a variety of surrounding costs related to hospital treatment. Employers are forced get by on less workforce if his/her employee is hospitalized, patients sometimes have to pay

transportation to the large hospitals. Those expenses can only be covered by hospital cash. Furthermore, for those with slightly more income, the hospital cash will help clients to seek medical treatment in private hospitals.

Although it may be nonsense to even think about pricing before considering the various related factors, given implications from the participants, the possible premium might be in a range from EGP5 to EGP15 per month for every type of microinsurance product including health, hospital cash, or property assistance.

Medical microinsurance will face difficulties as previously mentioned, but this does not mean it is impossible. Medical microinsurance might be possible if the insurer sets the limit to the maximum benefit and would be able to keep the costs as low as possible by mass selling of SUAVE (simple, understood, accessible, valuable, efficient) products through partner distribution channels. Insurance covering just regular medical checkup fees of private hospitals might make substantial changes in the lives of participants. Although the universal health coverage program will launch in some cities of Port Said and Suez Governorate in Jun. 2018, it will take as long as 14 years to cover the whole nation. Some participants said that they borrowed money and went to see private physicians even though they knew it was expensive but still better than being treated in the public hospitals. For those people, medical microinsurance will be a big support in accessing quality medical treatment.

Bundling a service of medical checkup to an insurance product can be also good idea. Should clients be aware of their disease earlier by medical checkup, the total medical cost would be way less. This would bring the benefit either to insurance providers by reducing amount of claim payment.

The property assistance would help clients rebuild their houses. Again, setting the maximum benefit would ramp up the probability of successful business. Given the average house and land price in urban Sohag that is USD300 per square meter, and supposing the collapse of one wall affecting the floor with an area of one square meter, the favorable benefit for damage of the house might be somewhere around USD300. According to the key informant, fixing the ceiling costs EGP 5,000 (approx. USD280), so this might be a close figure for a claim.

The survey also revealed people excluded from formal savings, and this factor used to amplify the financial shocks caused by risks, sometime to the point where the parents give up the education of their children and have them working to sustain the household's finances. The participants, who identified marriage as a risk, often explained about the difficulty in saving due to a local practice, where a father of the son or daughter expecting her marriage competes to buy luxurious furniture and home appliances just to show off.

Hence, microinsurance products combined with a saving portion might be needed in the market. For example, education endowment might be an indicative product. In any case, the product designer should take the inflation trends into account when considering the savings portion.

Those products would be successful only if the mass distribution system was set up. One of the most promising ways in distributing microinsurance products in Egypt may be through MFIs, as many experts point out, since they have already branch offices and community workers in the local communities and they deal with clients on a daily basis. When community workers or the branch office transact loans, they would be able to cross sell the microinsurance products. MFIs would cooperate with sales of health, hospital cash, or property assistance products because those products should attract more clients to MFIs and enlarge their presence in the region. Furthermore, since the microinsurance products tend to increase the credibility of loan clients in most case, the microinsurance would also encourage MFIs to loan more clients, and help boost the outreach of MFIs.

Another possible distribution method might be the use of mobile phones for premium collections, customer interface, ID confirmation for claim settlement, and others. The number of cellular subscriptions in Egypt was 113.7 per 100 persons according to the World Bank in 2016.

All above-mentioned products and delivery methods are just indications, but the demand for microinsurance was proven to be high in Egypt throughout this survey. It is now that the insurance practitioners, intermediaries, MFIs, regulators, and the international development partners must work together with the people, such as the participants of the survey, to develop the these microinsurance products.

5. Survey Result

5-1 Overall Observation

Through this microinsurance preliminary demand study, many types of risks and potential risks have been identified among participants. There are common risks facing participants according to their region and gender. Most commonly observed risks are disease and heavy rain, both of which lead to severe financial impact on their households.

In most groups, the issue of disease was raised as the risk which directly leads to a financial shock, often to the level where they lose all of their savings and income.

Heavy rain and house collapse were key property risks. The participants explained that rain and bad sewage infrastructure cause the house collapse, death of livestock animals, and crop failure, which lead to loss of shelter and source of income for most people. The survey team thinks that the participants are exposed to the risk of house collapse by even a small quantity of rain, as their houses are made of mud, not concrete. The participants added that they cannot afford to build concrete houses or decent shelter for their farming animals.

Furthermore, the Participants clarified that they spend much money on weekly basis to empty the septic tank (180EGP/month). They claimed that the reason behind death and disability in that community is the lack of good healthcare services. They even highlighted that most of the people do not have enough money for treatment or medications.

Some participants viewed death of the breadwinner as a risk, because it leaves the rest of family members without income. Other types of risks raised were those predictable throughout life cycle, such as education fees and marriage expenses. In like manner, increased inflation rate was also mentioned as a big threat. These factors make lives unsustainable and more vulnerable to other types of risks.

Furthermore, the main observed attitude of the participants is that they are struggling to make ends meet every day. Some participants confessed there is no time for thinking about the future. Most of the participants told the survey team that they didn't know how to secure their future against risks. Most of the participants admitted they are lack of the basic knowledge about insurance programs as they only hear about insurance from their employers, media or friends. They think that all insurance programs cost a lot, and that's why they don't think to apply for it. The survey team concluded that the participants do not have access to the affordable insurance products, but not that they are not caring the risks or illiterate on insurance. Affordable products followed by the public awareness of insurance are required to mitigate future risks.

5-2 Observation by Region

5-2-1 Aswan

The sources of income for all participants, whether in urban or rural areas, don't fulfil the family daily expenses. Broadly speaking, there are many sources of income in that community like farming, cattle breeding, construction workers, crafts, and for a few, employment in a governmental organization. In fact, most women earn their living from selling homemade products in the market such as bakery and hand-made bags, as well as sewing of clothes and poultry breeding. Moreover, most of participants receive, beside their temporary income, Takaful and Karama salary (300-500 EGP) which is calculated based on the number of family members. In addition, few of them receive pension of a deceased husband or father. In general, the average income ranges from 600 EGP to 1200 EGP per month and the average number of family members are from 4 to 7 members.

It is noteworthy that the high-income seasons are "feasts" time as many people tend to buy new clothes in that period; additionally, winter season is the best time for farming and gaining more crops. On the other hand, some participants are suffering from high education fees.

Participants who live in urban areas have more than one source of income. They also have a weekly market in the region at which they can sell many home made products, so they have a more open market than rural areas. Also, they are exposed to fewer natural risks than rural areas.

The economic level in both urban and rural areas is very low unless there is a chance to work more with available industries in the area like dates industry, manual carpets, food industry and clothing industry. There is available non-educated labor force, as the average age is suitable for hard working.

Income is mostly stable throughout the year for all participants. However, incrementally rising prices affect their cost of living. Some people cope by buying on credit, while others tend to borrow from their parents or brothers.

The household monthly income ranges between 600 to 1200 EGP, and there is a fluctuation in the income according to seasons. The income is higher in the season of harvest in winter, while in summer the high temperature causes crops harm and the presence of plant pests increase.

In time of insufficient income, some participants clarified that they can buy from grocery on credit and repay when they have money. Likewise, others highlighted the possibility to borrow from family members or relatives, while in other cases they

explained that they can sell the cattle or poultry they owned to make up for the insufficient income. Few of them take loans from NGOs as it is not easy for them to repay, while others emphasized that they receive flour free of charge from an NGO which they use to bake their own bread. Additionally, some NGOs provide cattle to the people to breed them and get benefit from selling the cattle products (e.g. cheese, milk and butter). Some NGOs give monthly food supply for families like rice, oil and butter. It is worth mentioning that some of people in that community feel shame to get help from NGOs.

The NGOs in Aswan give loans to people through the help of banks without collateral and with very low interest rate. Thus, it is easier for people to take loans from NGOs than Banks. The NGOs study the financial status of the persons who want to take a loan to know his/ her ability to repay the loan. In addition, the NGOs provide medical support for sick poor people through volunteer physicians and pharmacists, who help around 10,000 families yearly.

The most common diseases are kidney failure and tumours. Moreover, one of the NGOs highlighted that they distribute Zakat (A term used in Islamic finance to refer to the obligation that an individual has to donate a certain proportion of wealth each year to charitable causes) among approximately 200 to 250 persons per yearly. In addition, the NGOs support many orphans, through monthly financial assistance after they research the families who need help. In fact, the NGOs have big database for these families.

At the time of the interview, the head of an NGO suggested an idea for an insurance program, starting from the birth of the new born. They highlighted that the parents will be asked to pay 5 EGP daily to protect their child against any future risks. Another point raised by the NGOs was the high transportation cost of goods from Cairo to Aswan, which increases the cost of supporting the needy people in Aswan. Furthermore, some NGOs provide sewing machines for people with no source of income in addition to providing adequate training, so they can make and sell clothes. In some cases, the NGOs may give them non-refundable loans. In the same fashion, some NGOs encourage people to make small projects through providing them with required training and financial assistance to implement the project successfully (supported projects for 14 crafts). Equally important, the NGOs follow up those projects to ensure that they are on the right track.

Bothe male and female participants in urban Aswan knew about insurance from media (television), as no insurance company offered them any insurance products. They mentioned property insurance, life insurance, social insurance and health insurance. Some of them are covered by governmental health insurance and take monthly chronic medications. They see that the disadvantage of insurance is that they will not be able to

pay the premium. They hope to have good insurance programs for non-working people with low premium. They don't have properties to serve as a collateral for insurance.

In the rural groups, both female and male participants have quite good knowledge about insurance. There are some private insurance companies that offered them insurance products such as life insurance. They also mentioned property insurance, life insurance, social insurance and health insurance. Some of them are covered by governmental social insurance through their employers. They see that the disadvantages of insurance are that they will not be allowed to take takaful and karama salary, the health insurance doesn't cover all medical treatment expenses, and they don't have enough money to pay the premium. One person is covered by life insurance from a private company, as he is working as a driver and is exposed to risk of death most of time. Finally, they mentioned that they don't think about insurance, as they want to be secured in the present more so than in the future.

Table 6 Risk and Risk Coping Mechanism of the Groups in Aswan

| Risk | Rank ³ | | Impact of the risk | Coping Strategy | | Response | | Implications |
|----------------------------------|-------------------|-----------------|---|--|---------------|--|--|--|
| | (S) | (F) | | Precautionary Measures | Effectiveness | Managing loss after it occurs | Effectiveness | |
| Urban (Women Group) Aswan | | | | | | | | |
| 1-Heavy Rain | 1 st | 1 st | Loss of house and become homeless | There are no precautions | NA | Stay in public hospitals or neighbor's concrete houses. Take financial help from NGOs | Secure themselves in others houses till building new house after the end of sever rain | Most houses of participants are built of mud and not concrete, so it easily collapses by heavy rain |
| 2-Education fees | | 2 nd | <ul style="list-style-type: none"> • Loss of a big part of income • Stop educating their children | Supporting children education through making their children attend low cost private lessons at NGOs. | | <ul style="list-style-type: none"> • Search for another job to make up for the high education fees. • Use money taken from Zakat. • Form rotating savings and credit association (Gam' aya) | Help many in buying school books, supplies and providing private teaching sessions | <ul style="list-style-type: none"> • Increase education fees especially in the beginning of studying year due to buying school supplies. • Tutors in governmental schools don't teach students in a proper way, so students always need to take private lessons. |
| 3-Bird flue | | | Death for all chicken | There are no precautions | NA | Buying new chicks and breed them | Financial loss (500 to 2000 EGP) once that happens. | It happens in winter only |
| 4-Diseases | | | Regular loss of part of income to buy medications | There are no precautions | NA | Go to public hospitals and health insurance hospitals | These hospital support only small part of the | Diseases in that community are (chronic diseases) Kidney failures |

³ S = severity, F = frequency

| Risk | Rank ³ | | Impact of the risk | Coping Strategy | | Response | | Implications |
|----------------------|-------------------|-----|----------------------------------|--|--|--|---|--|
| | (S) | (F) | | Precautionary Measures | Effectiveness | Managing loss after it occurs | Effectiveness | |
| | | | | | | for treatment | medications required for treatment, also these hospitals delay treatment for most people in that community, so result in more complications of the disease which lead to disability or malfunctioning of body organs. | and neurological diseases. |
| 5- Marriage expenses | | | Loss of a big part or all income | Taking financial help from some NGOs (Orphan Care Association) assist in case of marriage | assist with small portion in marriage expenses | Buying most of household appliances using installment system | Have a lot of debt and installments to be paid | Some of participants delay the marriage timing as they don't have enough money to buy household appliances |
| 6- Natural fires | 2 nd | | House and crops burning | Turning off cookers and shutting off electric switch at the time of speedy winds or high temperature | Reducing the incidence of house burning but couldn't prevent the fire at all | Building new houses and planting new crops | Loss of big amount/ all of money. They can also borrow from relatives or take loans from NGOs to build a house | This fire happens in May (once a year) when the temperature is very high with the speedy winds |

| Risk | Rank ³ | | Impact of the risk | Coping Strategy | | Response | | Implications |
|--------------------------------|-------------------|-----------------|---|---|---|--|--|---|
| | (S) | (F) | | Precautionary Measures | Effectiveness | Managing loss after it occurs | Effectiveness | |
| Urban (Men group) Aswan | | | | | | | | |
| 1 – Heavy Rain | 1 st | 1 st | Loss of house and homelessness | Putting metallic boards on roof to prevent leaking during heavy rain. | NA | Stay in public hospitals or at neighbors' concrete houses. Take financial assistance from NGOs | Secure themselves in others houses till building new house after the end of heavy rain | Most houses of participants are built of mud and not concrete, so collapse easily by heavy rain |
| 2- Hospitalization expenses | | | Complications of the disease | There are no precautions | NA | Go to Public hospital to receive treatment "free service" | -Delayed and, inadequate treatment | Someone lost his leg due to delayed treatment in public hospital |
| 3- Education fees | | | <ul style="list-style-type: none"> •Loss of a big part of income •Stop educating their children | Form rotating savings and credit association (Gam' aya) | Help to pay part of education fees | -Search for another job to make up for the high education fees | Help many in buying school books and supplies | Stop educating their children is mostly common in that community. |
| 4-House collapse | | 2 nd | Loss of house and homelessness. | Borrow to be able to use blocks in building houses as it costs more. | They secure themselves from future risk of collapse, but have many debts to be paid | Stay with their neighbors who have concrete houses and get financial help from NGOs | Secure themselves in others houses till building new house to prevent future collapse | Most houses of participants are built of mud and not concrete, so it is easily collapsed |
| 5- Diseases | | | Regular loss of part of income to buy medications | There are no precautions | NA | Go to public hospitals and health insurance hospitals for treatment | These hospital support only small part of the medications | Common diseases they have are neurological diseases. |

| Risk | Rank ³ | | Impact of the risk | Coping Strategy | | Response | | Implications |
|----------------------------------|----------------------------------|-----------------|---|---|---|---|---|---|
| | (S) | (F) | | Precautionary Measures | Effectiveness | Managing loss after it occurs | Effectiveness | |
| | | | | | | | required for treatment | |
| Rural (women group) Aswan | | | | | | | | |
| 1- Diseases | 1 st | 1 st | Make the person unable to work, so will lose income | - Prevention of disease complications through taking prompt medications | Prevent only simple acute diseases like flu | Saving money through minimizing daily life expenses. | Ability to pay for disease treatment | Diseases that participants commonly have are Heart diseases and high blood pressure. "One of the participants borrowed the surgery expenses "eye surgery" from neighbors (12,000 EGP)" |
| | | | | Search for additional job to save money for treatment in case of diseases | Ability to pay for disease treatment | | | |
| 2- Accidents | We didn't go deeper in this risk | | | | | | | |
| 3-Divorce | We didn't go deeper in this risk | | | | | | | |
| 4-House collapse | 2 nd | | Loss of house and become homeless | There are no precautions | NA | Stay at their neighbors who have concrete houses or stay in tent. They try to build concrete houses, but they don't have enough money | Secure them till they can find another source of income e.g. work in sewing or poultry breeding, then build a new house | Causes of house collapse in that community are irrigation system of the farms and heavy rain |
| 5- | We didn't go deeper in that risk | | | | | | | |

| Risk | Rank ³ | | Impact of the risk | Coping Strategy | | Response | | Implications |
|--------------------------------|-------------------|-----------------|-----------------------------------|---|--|--|---|--|
| | (S) | (F) | | Precautionary Measures | Effectiveness | Managing loss after it occurs | Effectiveness | |
| Educational fees | | | | | | | | |
| 6-Death of breadwinner | | 2 nd | Loss of the main source income | There are no precautions | NA | The wives searched for another source of income | Help in paying family daily expenses | Wife or son took the responsibility of the family |
| 7-Poultry death | | | Death of all poultry | There are no precautions | NA | There are no management of loss happened | NA | Poultry breeding is not usually successful in that community because they didn't take training and didn't have vaccinations |
| 8-Marriage expenses | | | Loss of big part or all income | Form rotating savings and credit association (Gam' aya) | Help with small part in buying home appliances | Marriage delay or receive help /loans from NGOs | Give ability to buy the required home appliances, but cause stress. | |
| Rural (Men group) Aswan | | | | | | | | |
| 1-House collapse | 1 st | 1 st | Loss of house and become homeless | Try to save money as possible as they can | Saving is not enough to build concrete houses | Stay in a tent or at neighbors' houses and sell any of his properties also decrease their daily expenses | Given the chance to build new house | Main cause of house collapse in that community is the lack of sewage system also, 75% are built from mud, so it easily collapsed |
| 2-Marriage expenses | | 2 nd | Loss of big part or all income | Make rotational association (Gam' aya) | Help in buying house appliances | Take loan from NGO (5000-10,000EGP) | Give ability to buy the required home appliances, but have debts. | |

| Risk | Rank ³ | | Impact of the risk | Coping Strategy | | Response | | Implications |
|------------------------|-------------------|-----|-----------------------------------|--------------------------|---------------|---|---|--|
| | (S) | (F) | | Precautionary Measures | Effectiveness | Managing loss after it occurs | Effectiveness | |
| 3-Death of breadwinner | | | Loss of the main source of income | There are no precautions | NA | Sons search for another source of income and quit schools | Help in paying family daily expenses | They didn't worry about that risk as there are other persons in the family will work and take the responsibility of all family |
| 4-Diseases | | | Loss of a big part or all income | There are no precautions | NA | Go to public hospitals and health insurance hospitals for treatment | These hospitals support only small part of the medications required for treatment | Diseases happened Due to leakage of contaminated water of sewage to drinking water |
| 5- Crops harm | | | We didn't go deeper in that risk | | | | | |

5-2-2 Sohag

The participants' source of income varied and included sewing, grocery, farming, crafts, mining, cattle breeding and few employed in governmental organizations. In terms of farming, corn, cotton, wheat and sugar cane represent 80% of agriculture crops in Sohag. People who work in mining and farming take daily wages. Work in mining gives higher income than cattle breeding. Most other men of Sohag are working abroad outside Egypt and in other cities like Suez and Alexandria.

Most of the participants receive financial assistance from Takaful and Karama program (300-500 EGP) according to the number of family members, which adds to their temporary income from the projects they implement. It is noteworthy that the Takaful and Karama program was introduced in the year 2015 as the Ministry of Social Solidarity (MoSS) started the process of strengthening social safety nets by targeting the poorest households and the most marginalized people across Egypt and implementing a new conditional and non-conditional cash transfer program "Takaful & Karama" (Solidarity & Dignity). To be specific, Takaful is an income support program for families with children (0-18 years), designed to produce positive human development outcomes. This entails commitments to families regarding child health and nutrition (0-6 years), school enrolment and 80% attendance for children (6-18 years), and maternal care for pregnant and lactating mothers. Karama is a social inclusion program for persons who cannot work, specifically the elderly (65+ years of age) and persons with disabilities (50% disability and above) and is designed to provide social protection and decent life for these most vulnerable populations. During the discussion with the participants, 2 of them clarified that Takaful and Karama support program stopped at the time they were employed.

Because of the high cost of living, many people can't save money to face a shock. There are many participants who can't buy meat to eat. People make rotational association (*Gam'aya*) as a tool of saving to be used in cases of marriage, funeral, illness, or building houses.

The majority of women in Sohag don't work and they highlighted that they need to start a project or work at home to be able to pay their daily living expenses. In the case of low-income participants, they try to reduce their daily living expenses. Family members may reach as many as 10 members (2 parents and 8 children) as they prefer to have many children. Notably, the people in that community don't prefer to take loans from NGO because they cannot afford to repay due to their unstable, irregular income.

The participants emphasized that the NGOs require many documentations to provide donation for treatment. Moreover, most male participants in urban areas are

employed and have another job beside their main job. In addition, few of them work in farming and construction. Notably, for farming, the highest income is during the winter season, while for people who work in sewing, summer season is considered to be the highest income period due to the fact that many wedding parties take place. Likewise, animal breeders “cattle, goat, sheep” get more income during Eid al-Adha, the sacrifice feast time. Conversely, the employed participants have constant level of income all over the year.

In case of insufficient income, some participants take loans from the NGOs or banks. Similarly, many NGOs, churches and businessmen provide free medical services for poor sick people. The NGOs in Sohag give loans to people through the help of banks and businessmen. One of the NGOs highlighted that they serve more than 700 clients, through providing many soft loans. In general, the main purposes for loan are education and business launching. One of the NGOs in that community emphasized that they allocate 100,000 EGP/year for loans, regardless of the fact that many people don't know how to apply for a loan, and they added that the average loans size is 5,000 EGP (loans size ranges from 2,000 EGP to 10,000 EGP, according to the client's payment capability). The NGO retains 2% of the loan amount from clients to ensure the repayment of the loan. Equally important is the fact that most of the NGOs clarified their intention to increase the loans size because of inflation.

Some other services provided by NGOs in that community includes;

- Providing tricycles with low interest, two-year-instalment system.
- Providing entrepreneurial Training Programs for clients.
- Providing cattle for people who don't have source of income to breed it and sell cattle products.

In fact, and during the KII, one claimed that Sohag is considered the biggest governorate in upper Egypt with a sewage system problem (only 18% of rural areas in Sohag have sewage system), and the governorate is trying to establish proper sewage system with the help of big companies.

In the urban groups, there was a clear gap between male and female in terms of perception about insurance. Most of women participants didn't know insurance except for two participants whose husbands are covered by social insurance through their employers. No insurance company offered them any of insurance products. They mentioned that they only know social insurance and healthcare insurance, but public hospitals provide very bad healthcare services, wrong diagnosis and delayed medical treatment. In contrast, most of men participants have the knowledge of insurance, and some of them are covered by social insurance through their employers. One of the male

participants is covered by private health insurance paid by his employer. They have mentioned life insurance, social insurance, property insurance and health insurance. Some insurance companies offered them life insurance. All urban participants see that the disadvantage of insurance is the expensive premium, and that insurance doesn't cover all the cost in case of incidents. They hoped to have a good insurance programs for non-working people with low premium. Most of them see that retirement pension is more important than any other type of insurance.

| Risk | Rank ⁴ | | Impact of the risk | Coping Strategy | | Response | | Implications |
|----------------------------------|-----------------------|-----------------------|--|--|--|---|---|--|
| | S | F | | Measure | Effectiveness | Measure | Effectiveness | |
| Urban (Women Group) Sohag | | | | | | | | |
| 1- High cost of living | | | Saving money | Can use them when there is income deficit | | | | |
| 2-House collapse (Heavy Rain) | 2nd | | Loss of house and become homeless | We didn't go deeper in this risk | | | | We didn't go deeper in this risk |
| 3-Education fees | | 1st | Loss of a big part of income | There are no precautions | NA | Borrow money from relatives. | Help in buying school books, supplies and providing private teaching sessions | •Tutors in governmental schools didn't teach students in a proper way, so students always need to take private teaching sessions. |
| 4- Diseases | 1st | | loss of part of income to buy medications or loss all income in case of urgent surgery | There are no precautions | NA | Buy medications on credit | Have a lot of debts which should be paid. | Common diseases in this community are Kidney failures and liver cirrhosis (chronic diseases). Diseases happened Due to leakage of contaminated water of sewage to drinking water |
| 5-Marriage cost | | 2nd | Loss of a big part or all income | Buying some home appliances when they have available money | Help with small portion in marriage expenses | ♦Buying most of household appliances using installment system | Have a lot of debts and installments should be paid. | Some of participants delay the marriage time for their daughters as they don't have money to buy home appliances. |

⁴ S = severity, F = frequency

| Risk | Rank ⁴ | | Impact of the risk | Coping Strategy | | Response | | Implications |
|--------------------------------|-------------------|---------------------|---|---|--|--|---|--|
| | S | F | | Measure | Effectiveness | Measure | Effectiveness | |
| | | | | | | <ul style="list-style-type: none"> ♦ Taking money as a help from mosques and churches (for orphans only) (very low amount of money) | | |
| Urban (Men group) Sohag | | | | | | | | |
| 1-Education fees | | 2 ⁿ d | <ul style="list-style-type: none"> •Loss for a big part of income | <ul style="list-style-type: none"> •Search for another source of income beside the main one •Make rotational association (<i>Gam'aya</i>) | Help in paying education fees Help in paying around 75% of education total cost | -Educate their children in cheaper schools | Lower education fees. | Private educating sessions are costly. |
| 2- High cost of living | | 1 st | | | | Take loans from NGOs | Help in paying daily cost of living | Most men (breadwinners) make their wives and sons search for work to help in their cost of living |
| 3-Diseases | 1 st | | loss of part of income to buy medications or loss of all income in case of urgent surgery | Buy some preventive medications | Usage of those medications to prevent the disease complication | Go to public hospitals and health insurance hospitals for treatment | Those hospitals support only small part of the medications required for treatment | There is no space in public hospitals for treatment, also participants pay part of costs required for their treatment in public hospitals. |

| Risk | Rank ⁴ | | Impact of the risk | Coping Strategy | | Response | | Implications |
|----------------------------------|-------------------|---------------------------------|--|---|--|---|-----------------------------------|--|
| | S | F | | Measure | Effectiveness | Measure | Effectiveness | |
| 4-Marriage expenses | | 2 nd ^d | Loss of a big part or all income | Buying some home appliances when they have available money | Help with small portion in marriage expenses | <ul style="list-style-type: none"> •Search for another source of income beside the main one •Buy cheaper home appliances. | Help in paying marriage expenses | Many participants delay their marriage time due to high marriage cost |
| 5-Death of breadwinner | | | We didn't go deeper in that risk | | | | | |
| Rural (women group) Sohag | | | | | | | | |
| 1-Diseases | 1 st | | <ul style="list-style-type: none"> •Loss of part or all income to buy medications | Purifying drinking water. periodical checkup (specially to prevent tumors) | Help in some diseases prevention Early detection of the disease | <ul style="list-style-type: none"> •Borrow money / take loans from bank or NGOs / sell some of their properties. •Make their children go to work •Few take donations from NGOs | Help in paying treatment expenses | <ul style="list-style-type: none"> •Leakage of sewage system contaminates into drinking water and irrigation water which cause diseases, cattle death in that community •There are no places in public hospitals for treatment, also participants pay part of cost required for their treatment in public hospitals. •Lack of vaccination against some diseases for children in that community. •Public hospitals and health insurance hospitals provide very bad medical services, also only few people benefit |

| Risk | Rank ⁴ | | Impact of the risk | Coping Strategy | | Response | | Implications |
|---------------------|-------------------|--------------------------------|-----------------------------------|--|---|--|---|---|
| | S | F | | Measure | Effectiveness | Measure | Effectiveness | |
| | | | | | | | | from those medical services there. •Dental services are very expensive. |
| 2-House collapse | | | Loss of house and become homeless | Saving money through rotational association (<i>Gam'aya</i>) | Help with a part of building concrete house | Stay at their neighbors who have concrete houses or stay in tent. They try to build concrete houses, but they don't have enough money | Secure them till they can find another source of income and build a new house | Causes of house collapse in that community are •Heavy rains as their houses are built of mud not concrete. •Sewage system leakage (e.g. house has collapsed from 2 months and caused death of 7 individuals) •Heavy rain may have happened once a year and rarely cause house collapse |
| 3-Education fees | | 1 st | Loss of a big part of income | Make rotational association (<i>Gam'aya</i>) | Help with small part in paying education fees | Borrow money | | Buying school books, private educating sessions and school meals are the main part of education high cost |
| 4-Marriage expenses | | 2 ⁿ ^d | Loss of a big part or all income | Make rotational association (<i>Gam'aya</i>) | Help in buying home appliances | •Buy home appliances with installment system •Take loans from NGOs | Give ability to buy the required home appliances, but cause stress. | Home appliances became very expensive nowadays |

| Risk | Rank ⁴ | | Impact of the risk | Coping Strategy | | Response | | Implications |
|--------------------------------|-------------------|---|--|---|--|--|---------------------------------------|---|
| | S | F | | Measure | Effectiveness | Measure | Effectiveness | |
| 5-Death of breadwinner | 2 nd | | Loss of the main source of income | There are no precautions | NA | The divorced wife search for another source of income or take takaful and karama salary | Help in paying some of daily expenses | Wife takes the responsibility of the family |
| 6-Divorce | 3 rd | | Loss of the main source of income | There are no precautions | NA | The divorced wife search for another source of income Or take takaful and karama salary | Help in paying some of daily expenses | |
| Rural (Men group) Sohag | | | | | | | | |
| 1-Heavy rain | | | <ul style="list-style-type: none"> •Loss of house •Crops harm •Animal death | Try to save money as possible as they can | Not saving enough money to build concrete houses | Staying at neighbors' houses and selling of properties also decrease their daily expenses | Given the chance to build new house | |
| 2-Fire or electricity risk | | | •Fire or explosion where electricity could be the source of ignition in a potentially | There are no precautions | NA | | | Participants need earth cables |

| Risk | Rank ⁴ | | Impact of the risk | Coping Strategy | | Response | | Implications |
|---------------------|-------------------|---|--|--|--------------------------------|---|---|---|
| | S | F | | Measure | Effectiveness | Measure | Effectiveness | |
| | | | flammable or explosive atmosphere •People and animal death •Electricity cut for two days | | | | | |
| 3-Diseases | 1 st | | Loss of part or all income | There are no precautions | NA | Go to public hospitals and health insurance hospitals for treatment | Those hospitals support only small part of the medications required for treatment | Diseases happened due to leakage of contaminated water to sewage with drinking water which cause kidney failure |
| 4-Death | | | Loss of the main source of income | There are no precautions | NA | Son search for another source of income and leave his education | Help in paying family daily expenses, but Non-educated person | |
| 5-Marriage expenses | | | Loss of a big part or all income | Make rotational association (<i>Gam'aya</i>) or buy home appliances using installment system | Help in buying home appliances | Some NGOs help poor people in marriage expenses | Provide money to buy the required home appliances | |

| Risk | Rank ⁴ | | Impact of the risk | Coping Strategy | | Response | | Implications |
|------------------|-------------------|-----------------|------------------------------|--|--------------------------------|--------------|---|---|
| | S | F | | Measure | Effectiveness | Measure | Effectiveness | |
| 6-Education fees | | 1 st | Loss of a big part of income | Make rotational association (<i>Gam'aya</i>) | Share in paying education fees | Borrow money | Help with small part in paying education fees | Buying school books, private educating sessions and school meal are the main part of education cost |

5-2-3 Minya

In general, one of the most remarkable facts during the FGDs is the diversity of source of income. The survey team found out that most of participants' source of income is from mining, farming (corn, wheat), poultry breeding, cattle breeding (sell its products like milk, cheese and butter) and small shops (e.g. cloths, chicken, grocery, small restaurant, supermarket and barber shops). Few participants are employed in public sector (2 participants in rural area and 5 participants in urban area). Some of participants receive Takaful and Karama salary, and most of female participants don't work, especially in urban areas.

However, quarries are considered the main source of income for most people in Menia. The large number of the participants used to work in mining and others transporting stone from quarries. Most of the quarries in Menia are closed by legal action because they don't have licenses, and this resulted in loss of source of income for many people in Menia. Daily wage for work in mining ranges from 150 to 200 EGP/day/worker (about six persons of participants were working in mining). Most of participants have one job, except for people who work in farming, who breed cattle and poultry besides just farming.

Causes of unstable work in that community are:

- Closure of quarries which affected the income of many people
- Crops loss due to by pests and strong winds
- High inflation rate which lead to increased wages, decreased work flow, decreased demand and increased cost of some industries like construction

The old are working mainly in farming (20%), but young people work in mining (10-15%). Crafts in Menia are electricians, painters, carpenters, steel constructors and plumbers. Average income level in that community is 2000 EGP /month and income deficit reaches 30%

The participants emphasized that they find difficulty in finding a better job abroad, which may affect the level of income for some families in that community.

The highest income is in the beginning of summer season (wheat and sesame harvest season is in May, and also poultry breeding is better in summer), in addition, feasts time is coupled with higher income for clothiers, restaurant owners and barber shops.

In the case of low-income participants, they try to reduce their daily living expenses, breed poultry, sell some vegetables in the market, search for work in capital city, form rotating savings and credit association which is called "(*Gam 'aya*) in colloquial Arabic, or even borrow money from relatives and neighbors. It is noteworthy that some of the participants pointed out the possibility of borrowing from NGOs, though they don't prefer

to due to high interest rate, which is a real burden for them. They also noted the money they pay on a monthly basis to empty the septic tank due to lack of sewage system.

Loan purposes in that community are primarily:

- Launching business
- Paying for medical treatment
- Paying for Education
- Paying for marriage expenses
- Building a concrete house

Surprisingly, veterinary services are offered with low cost and good quality as well as a continuous follow up for animals.

In some other cases, people take loans from NGOs to repay another loan. By and large, the loan size ranges anywhere from 1000 to 10,000 EGP with interest rates depending on repayment period (14% within one year and 16% within more than one year). In addition to that, one of the NGOs claimed that the percentage of repayment is approximately 99% due to good screening before giving loans.

Furthermore, the NGOs in Menia have various activities to help the poor, such as the following:

- Helping people with cattle breeding.
- Introducing resource efficiency programs (electricity and water saving).
- Helping in the recruitment of jobless people.
- Establishing saving funds to provide small loans.
- Providing loans without collateral with 17% interest rate for business loans, 13% for divorced / Widow / breadwinner women, 12% for education loans and 17% for buying new Eco-friendly bakery ovens to help in saving the environment.
- Providing all necessary equipment and feed for poultry breeders.
- Teaching kids in kindergarten how to help their mothers and encourage gender equality.
- Helping in education fees through providing stationary and school uniform.
- Establishing small medical centres to provide free medical services and preventive health education.
- Assigning social specialists to help in solving social problems of women in that community.

Urban participants have some knowledge about insurance, though no insurance company offered them any insurance products. Some of participants take pension and

are covered by public health insurance, but public hospitals provide very bad healthcare services, delayed medical treatment and don't cover all types of treatments. Some of the male participants are covered by social insurance and life insurance through their employers. All participants see that the disadvantage of insurance is the expensive premium. They think that saving money in a bank is better than paying insurance premiums. On the other side, urban participants see that life insurance is useful because they can take loans or fund after third year of subscription in the insurance program. They hope to be covered by health insurance, social insurance and life insurance.

Like urban participants, rural participants also had basic knowledge of insurance. They heard about insurance from their relatives and friends who are covered by insurance. No insurance company offered them any insurance products. They mentioned social insurance and health insurance. No female participants are covered by any type of insurance, but few of the male participants (six individuals) work in mining are covered by life insurance as they are exposed to high risk of death. Some participants are covered by public health insurance and social insurance through their employers. They see that the disadvantage of insurance are expensive premium and the amount of the pension will be inadequate for living cost. Some of them see that insurance is important because it will help in case they are exposed to accidents or when they grow old. They hope to have health insurance and life insurance because they are subjected to risk of injury and death.

| Risk | Rank ⁵ | | Impact of the risk | Coping Strategy | | Response | | Implications |
|----------------------------------|-------------------|---|---|--|---|--|--|--|
| | S | F | | Measure | Effectiveness | Measure | Effectiveness | |
| Rural (Women group) Menia | | | | | | | | |
| 1- Death of breadwinner | | | Loss of income | Try to make social insurance (for employed people only) | Take pension | <ul style="list-style-type: none"> •Borrow money from relatives •Take help from churches (in feast time only) | Help with small part in living expenses. | |
| 2- Injury of breadwinner | 1 st | | Loss of income (most participants take daily wages) | Try to make social insurance (for employed people only) | Take pension in case of retirement | <ul style="list-style-type: none"> •Borrow money from relatives •Wives search for work | <ul style="list-style-type: none"> •Help with small part in living expenses •Help to Make small projects | Most of injuries happened to people who work in mining (they may lose one of extremities causing disability, so most of workers are covered by life insurance through private insurance companies) |
| 3-Fires | | | Loss of assets and may lead to death of family member | There are no precautions | NA | Takaful between people in the community to help this person through giving him money | Help in continuing his life and compensate loss of assets | <ul style="list-style-type: none"> -Explosion of butane tube in houses - Lack of safety in workshops |
| 4- Liquidation of a business | | | Loss of a big source of income | Try to search about constant jobs or travel abroad to work | Help in gaining fixed income for the family | <ul style="list-style-type: none"> - Search for another source of income - Take loan from NGO and make small project | Help in paying living cost | Many quarries were closed their business due by legal action |

⁵ S = severity, F = frequency

| Risk | Rank ⁵ | | Impact of the risk | Coping Strategy | | Response | | Implications |
|--|-------------------|-----------------|--|---|--|--|---|---|
| | S | F | | Measure | Effectiveness | Measure | Effectiveness | |
| 5- Car accidents | | | Car accidents happened in that community due to unsafe means of transportation in highways and individuals are riding with high load. This mainly happens when transporting workers to quarries. | | | | | |
| 6- Education fees | | 1 st | Regular loss of part of income | <ul style="list-style-type: none"> Most of participants stop educating their children after secondary level of education | Children then search for work in capital city to help in paying cost of living | Participants enter their children cheaper schools also stop educating their children after completing secondary education level | Decreased cost of education | <ul style="list-style-type: none"> Tutors in governmental schools didn't teach students in a proper way, so students always need to take private teaching sessions |
| 7- House collapse | | | | Search for another source of income (most participants search for jobs in city or try to work abroad) | Increase the income level (enable them building concrete house) | <ul style="list-style-type: none"> Take loan from NGO Make rotational association (<i>Gam'aya</i>) | Help in building concrete houses (they put isolating material to prevent any leakage) | The main cause of house collapse in that community is sewage system leakage |
| 8- Contaminated Water (sewage leakage) | 2 nd | | Cause many diseases, may lead to death of humans or animals | Try to make water filtration | Help in decontaminating the water | <ul style="list-style-type: none"> Hepatitis C is the main disease in that community due to drinking contaminated water (due to sewage system leakage) One of participants' daughter has kidney stones because of unclean drinking water Water filters are expensive about 7000EGP/filter | | |
| 9- Diseases | | 2 nd | loss of part of income to pay for medications | Buy some preventive medications | Usage of this medications prevent the disease complication | <ul style="list-style-type: none"> Sell their properties even cattle Borrow money from neighbors | Help in paying treatment expenses especially in surgeries | <ul style="list-style-type: none"> Hepatitis C is the main disease in that community due to drinking contaminated water (sewage system leakage) |

| Risk | Rank ⁵ | | Impact of the risk | Coping Strategy | | Response | | Implications |
|---|-------------------|-----------------|--|--|--------------------------------------|--|-------------------------------|--|
| | S | F | | Measure | Effectiveness | Measure | Effectiveness | |
| | | | | | | •Take loans from NGOs | | <ul style="list-style-type: none"> •One of participants 'daughter has kidney stones because of unclean drinking water •Water filters are expensive about 7000EGP/filter |
| Rural (Men group) Menia | | | | | | | | |
| 1- Contaminated Drinking Water (sewage leakage) | 2 nd | 1 st | <ul style="list-style-type: none"> •Cause chronic diseases e.g. hepatitis C, diabetes •Cattle death/diseases | Same as women group | | | | <p>In that community, they are suffering from</p> <ul style="list-style-type: none"> -Bad sewage system -Bad treatment in public hospitals •Sewage leakage contaminate and spoil cattle drinking water and food |
| 2-Fires | | | Only one case happened, we didn't go deeper in this risk | | | | | <p>Fires caused by</p> <ul style="list-style-type: none"> -Explosion of butane tube in houses - Lack of safety in workshops |
| 3- Lack of income | 1 st | | Loss of income and sometimes assets | No precautions | | Search for another source of income | Help in paying cost of living | Many quarries closed their business because of legal action |
| 4- House collapse | | | Loss of house and become homeless | <ul style="list-style-type: none"> • Decrease water consumption •Use isolating material when building their houses | Decrease incidence of house collapse | <ul style="list-style-type: none"> •Stay at neighbors' houses till they find new home •People collect money to help the person who | Help in building new house | <ul style="list-style-type: none"> •House collapses due to sewage system leakage <p>It is expensive to establish septic tanks because It requires digging deeply in the ground.</p> |

| Risk | Rank ⁵ | | Impact of the risk | Coping Strategy | | Response | | Implications |
|--|-------------------|-----------------|--|--|--------------------------------------|---|------------------------|--|
| | S | F | | Measure | Effectiveness | Measure | Effectiveness | |
| | | | | •Make small septic tanks for each family (expensive) | | is homeless to build new house •Some NGOs give money and hire building workers to people who don't have houses | | •Lack of drainage allow rain water to enter the houses and cause its collapse |
| 5- Diseases (chronic and viral diseases) | | | Same as women group | | | | | <ul style="list-style-type: none"> •The main cause of diseases in that community is drinking of contaminated water (due to sewage system leakage) • Work in mining cause chest diseases due to breathing of dust |
| 5- Car Accidents | | | Same as women group | | | | | Many people working as drivers (transporting goods) are exposed to risk of accidents |
| 6- High cost of living | | 2 nd | Many people try to take Takaful and Karama salary to help them in the cost of living Some NGOs help people through many ways (mentioned in the rest of report) to manage their cost of living | | | | | |
| Urban (Women group) Menia | | | | | | | | |
| 1- Housing problem | | | Late marriage | Try to take economic housing offered by government | Help to have house with cheaper cost | Take loans or make rotational association | Help in building house | Houses in that community are very expensive |
| 2- Unemployment | | | Fresh graduates don't find jobs, youth try to run small projects, but most of them don't succeed (mentioned by one of the participants) | | | | | |

| Risk | Rank ⁵ | | Impact of the risk | Coping Strategy | | Response | | Implications |
|---------------------------|-------------------|-----------------|----------------------------|---|--|--|---|---|
| | S | F | | Measure | Effectiveness | Measure | Effectiveness | |
| 3- Disease of breadwinner | 2 nd | | Loss of part or all income | There are no precautions | NA | Wives search for work | | Disease in that community are cancers and hepatitis C •One of participants' husband lost his sight and lost his job |
| 4- Diseases | | 1 st | Loss of part or all income | Make periodical check up | Help in early detection of disease and avoid its complications | •Go to public hospitals and health insurance hospitals for treatment •Take loans from NGOs (in case of high treatment cost) | These hospitals provide bad and delayed treatment for most people in that community also they suffer from deficit in medical supplies | Some churches in that community support third or half of treatment expenses for the poor and sometimes provide all treatment cost for few cases after screening his/her financial status. |
| 5- Death of breadwinner | 1 st | | Loss of income | Try to find a job includes social insurance | Family Take pension after death | Wives and sons search for work •Take Takaful and Karama salary | Help in paying cost of living | |
| 6- Hospitalization cost | | | Loss of part or all income | There are no precautions | NA | Go to public hospitals for treatment | Bad and late treatment and wrong diagnosis | Private medical centers are very expensive and the public hospitals provide very bad medical services |
| 7- High cost of living | | 2 nd | Loss of income | -Use of governmental food supplement system | Help in getting the monthly food with lower cost | - Decrease daily expenses - Make small project or search for another job to increase the income level | Ability to survive and pay living expenses | |

| Risk | Rank ⁵ | | Impact of the risk | Coping Strategy | | Response | | Implications |
|-------------------------------------|-------------------|-----------------|----------------------------------|--|---------------------------------------|---|---|--|
| | S | F | | Measure | Effectiveness | Measure | Effectiveness | |
| 8- Education fees | | | Loss of part of income | Make rotational association (<i>Gam'aya</i>) | Help in paying part of education cost | Some NGOs help in Paying school expenses | Help in paying education cost | There are no churches help in paying education cost |
| 8- Marriage cost | | | Loss of part of income | We didn't go deeper in this risk | | | | |
| Urban (Men group) Menia | | | | | | | | |
| 1- Diseases | 2 nd | | Loss of a big part or all income | Periodical health checkup | Help in early detection of disease | Sell any property they own or take loan from NGOs | Help in paying medical treatment expenses | Government medical treatment is very difficult and takes long time and many procedures |
| 2- Unstable job (in private sector) | | 2 nd | Loss of source of income | Saving money | Use it in living expenses | <ul style="list-style-type: none"> •Decrease living expenses •Search for another job •Take Takaful and Karama salary | Help in paying cost of living | |
| 3- Death of breadwinner | | | Loss of source of income | | | If the breadwinner has social insurance, his family takes pension otherwise, they try to take Takaful and Karama salary | Help in paying daily living expenses | |

| Risk | Rank ⁵ | | Impact of the risk | Coping Strategy | | Response | | Implications |
|----------------------------|-------------------|-----------------|----------------------------|--|---|--|--|--|
| | S | F | | Measure | Effectiveness | Measure | Effectiveness | |
| 4- Marriage expenses | | | Loss of part or all income | Saving money in bank | Help in paying marriage expenses | Take loan from NGOs Make rotational association (<i>Gam'aya</i>) | Help in paying marriage expenses | The main phenomena in that community is late marriage time due to inability to pay marriage expenses |
| 5- High cost of living | | 1 st | Loss of income | -Try to search for additional source of income | Help in paying daily living expenses | - Decrease daily expenses - Make small project or search for another job to increase the income level | Ability to continue living and pay living expenses | |
| 6- Sickness of breadwinner | 1 st | | Loss of part of income | <ul style="list-style-type: none"> •Saving money •Buy assets (to be sold in the future when money is needed) | Help in paying medical treatment expenses and daily living expenses | <ul style="list-style-type: none"> •Sell assets (property) •Take loans from NGOs | | Participants mentioned that public hospitals provide bad quality medical services and they don't have in that community specialized medical centres for early detection of cancers |

5-2-4 Monufia

In Monufia governorate, most of the participants' main income source was transportation by tricycles that are granted by the NGO. They use it to transport goods, furniture and building materials (note: the participants claimed that they find some difficulties to get the tricycle license), moreover, some of the participants were craftspeople (sewing, building). Equally important is the fact that most of the female participants don't work, and they depend on their husbands.

Average monthly expenses per family are 1500-2000 EGP. Some women don't have a source of income and live at their families' (father/mother) who pay for their living expenses.

NGOs give free food during Ramadan, also collect money as donations from businessmen and donors at Ramadan, these NGOs collect donations through tele sales, social media and volunteers (200-300 volunteers). Last Ramadan they have collected 2.5 million EGP from Monufia, and 18 million EGP from all over Egypt. NGOs bought 115 tricycles for people who don't have a source of income. Women mentioned that they couldn't make rotational association (*Gam 'aya*) as they pay monthly expenses for electricity and water consumption. There is no sewage system in rural area of Monufia and participants spent money on weekly basis to empty the septic tank. Participants tend to wash their plates and cloths in the Nile River to avoid water accumulation in septic tanks and save water consumption. Most people in that community don't have money to buy meat.

Most participants don't work in farming as nowadays people are using machines in farming, so most of participants didn't have experience in farming. NGOs have many activities to help poor people as follows:

- 1- Running small projects from donations money to help people who don't have a source of income. The follow up on these projects to ensure progress and success. NGOs select people who should be helped based on criteria:
 - Not employed in public sector
 - Not covered by insurance
 - Breadwinner
 - Not owning properties
 - Not taking drugs (though drug testing)
- 2- Providing free medical services and free medications for sick people
- 3- Providing free monthly food
- 4- Providing free blankets in winter
- 5- Building free house roof for people who didn't have concrete roof (all over Egyptian

governorates)

6- Helping youth to implement their innovative ideas

7- Providing free literacy classes

8- Providing free preventive health education

9- Encouraging blood donation and provide free blood bags for people who couldn't buy blood for treatment

For those participants, summer is a high-income season because of many wedding parties and house building projects, which need transportation by tricycle. Winter is a low-income season (school season). In this season, they try to search for another source of income to cover education-related costs. In some cases, they buy on credit from grocery. In addition there is a Takaful between people (sometimes translated as "solidarity" or mutual guarantee) which is a co-operative system of reimbursement or repayment in case of loss, under takaful members and companies concerned about hazards, make regular contributions ("donations") to be reimbursed or repaid to members in the event of loss.

In those focus group discussions, the survey team concluded that most of participants cannot take loans as they have uncertainty to repay and the loans have high interest rate. Urban participants emphasized that they can decrease spending in anything except for education which they cannot control.

All of male and female participants in urban groups have knowledge about insurance, although none of them has ever purchased insurance. They mentioned life insurance, social insurance, and property insurance. All participants see that the disadvantages of insurance are the expensive premium, and they believe it has low value and takes long time to get money from insurance in case of incidents. Thus it is better to save money or gold to be easily used.

In contrast, in the rural area, most of the female participants didn't know about insurance, but most of the male participants have some knowledge about insurance. No insurance company offered them any of insurance products. None of participants are covered by any type of insurance except for one of the men who is covered by social insurance through his employer. They mentioned life insurance, social insurance, property insurance and health insurance. They see that insurance does not substitute for the presence of a source of income. Also, health insurance doesn't cover all medical treatment expenses. They hope to have social insurance.

| Rural (Men group) Monufia | | | | | | | | |
|---------------------------|-------------------|-----------------|--|--|----------------------------------|---|--|---|
| Risk | Rank ⁶ | | Impact of the risk | Coping Strategy | | Response | | Implications |
| | S | F | | Measure | Effectiveness | Measure | Effectiveness | |
| 2-Accidents | 1 st | | Loss of source of income e.g. Tricycle | There are no precautions | NA | - Husband search for another source of income - Take loans from NGOs | Help in paying medical treatment expenses and find another work. | |
| 3-Unemployment | | | We didn't go deeper in that risk | | | | | They are working in transporting goods by tricycle also work in crafts instead of searching for a job |
| 4-Marriage expenses | | 2 nd | Loss of a big part of income and may be all income | Saving money | Help in paying marriage expenses | Buy home appliances using installment system | Can pay marriage expenses | They mentioned that they couldn't breed cattle because it is expensive. |
| 5-House Collapse | | | Loss of house and become homeless | Search for another source of income beside the current one | Try to build concrete houses | Stay at neighbors or relatives house and use rotational association (<i>Gam'aya</i>) or search for another work | Help in building a new house | Houses collapse due to heavy rain, as houses made of weak bricks |
| 6-Housing Problem | | | •Late marriage time | There are no precautions | NA | •Borrow money from relatives | Help in building a new house | Fathers unable to buy houses for sons to get married |

⁶ S = severity, F = frequency

| Rural (Men group) Monufia | | | | | | | | |
|-----------------------------|-------------------|-----------------|--|--------------------------|---------------|---|---|--|
| Risk | Rank ⁶ | | Impact of the risk | Coping Strategy | | Response | | Implications |
| | S | F | | Measure | Effectiveness | Measure | Effectiveness | |
| | | | •Live in non-concrete houses | | | • Using installment system in buying building materials | | |
| 7- High cost of living | | 1 st | Loss of income | There are no precautions | NA | Buy on credit from grocery | Help in buying food but have many debts | Participants may breed some poultry and sell them in the market in case of high cost of living |
| 8- Education fees | | | Loss of a big part of income | There are no precautions | NA | | | They mentioned that education is less important than finding a source of income for their children |
| 9-Death of breadwinner | | | Loss of source of income | There are no precautions | NA | | | |
| 10- Diseases | | | Loss of a big part of income | There are no precautions | NA | Go to public cheap hospitals | Help in taking medical treatment with low cost | They don't have enough money for medical treatment |
| 11- Having debts/loans | | 1 st | That risk added after hearing the recording of FGD: participants mentioned that they have many debts due to taking many loans and buying things using installment system | | | | | |
| Rural (Women group) Monufia | | | | | | | | |
| 1-Housing Problem | 2 nd | | Loss of house and become homeless | There are no precautions | NA | Stay in rented house | Find shelter till they can buy/build new house, but rent is expensive | •One of participants, her house collapsed because the house was built of mud (old house) |

| Rural (Men group) Monufia | | | | | | | | |
|---------------------------|-------------------|-----------------|--|--------------------------|---------------|---|---|---|
| Risk | Rank ⁶ | | Impact of the risk | Coping Strategy | | Response | | Implications |
| | S | F | | Measure | Effectiveness | Measure | Effectiveness | |
| | | | | | | | | <ul style="list-style-type: none"> •They don't have enough money to build concrete house •Participants primarily pay the marriage expenses for their daughters before building a concrete house |
| 2-Marriage expenses | 3 rd | 2 nd | Loss of a big part or all income | There are no precautions | NA | Buy home appliances through installment system | Able to pay marriage expenses but have many debts | |
| 3-Diseases | | | Loss of a big part or all income | There are no precautions | NA | •Go to public hospitals for treatment | Help in getting medical treatment with low cost | Diseases in that community are high such as blood pressure, diabetes, flue and headache due to stress and continuous thinking in high cost of living Other types of diseases (viral) caused by sewage system leakage |
| 4- High cost of living | 1 st | 1 st | Inadequate income for paying daily living expenses | There are no precautions | NA | Decrease daily living expenses through eating cheaper food and stop eating meat | Help in paying daily living expenses | |

| Rural (Men group) Monufia | | | | | | | | |
|-----------------------------------|---|-----------------|---|--------------------------|---------------|---|--|---|
| Risk | Rank ⁶ | | Impact of the risk | Coping Strategy | | Response | | Implications |
| | S | F | | Measure | Effectiveness | Measure | Effectiveness | |
| 5- Education fees | | | •Few participants stopped educating their children | There are no precautions | NA | They stopped giving children private educating sessions | Their children failed in the school | Participants couldn't pay for private educating sessions |
| 6-Debts | | | | There are no precautions | NA | We didn't go deeper in that risk | | Paying marriage expenses and paying many installments are the main causes of debts among participants |
| Urban (Men group) Monufia | | | | | | | | |
| 1-Diseases | 2 nd | 2 nd | Loss of part /all income | There are no precautions | NA | <ul style="list-style-type: none"> •Borrow money and go to cheaper private physicians •Some NGOs provide free medical treatment | Take better medical treatment at private clinics than treatment in public hospitals. | •Public hospitals provide very bad medical services, delayed treatment and wrong diagnosis. So, they go to private clinics (Expensive treatment cost) |
| 2- Work injuries | 1 st | | Loss of income (most participants take daily wages) | There are no precautions | NA | •Some NGOs provide help for injured people | Help with small part in living expenses | The work injuries may lead to disability. One of participants (a building worker) had a work injury affected his leg |
| 3-House collapse (caused by rain) | They mentioned that house collapse caused by rain doesn't happen in urban areas only happened in rural areas. In that community: Heavy rain may affect their furniture only and doesn't cause house collapse. | | | | | | | |

| Rural (Men group) Monufia | | | | | | | | |
|-----------------------------|-------------------|-----------------|---|--------------------------|---------------|--|--|---|
| Risk | Rank ⁶ | | Impact of the risk | Coping Strategy | | Response | | Implications |
| | S | F | | Measure | Effectiveness | Measure | Effectiveness | |
| 4-Marriage cost | | | | There are no precautions | NA | We didn't go deeper in this risk | | |
| 5-Housing Problem | | | Lead to HH problems may lead to divorce | There are no precautions | NA | <ul style="list-style-type: none"> •Try to take economic housing from the government •Take loans from NGO | Help in having better house | Houses are very expensive and it is very hard to take economic house offered by government |
| 6-Education fees | | 1 st | Loss of a big part of income | There are no precautions | NA | Some NGOs help people to pay education fees | Help with very small part in paying education fees | Buying school books, private educating sessions and school meals are the main parts of education fees |
| Urban (Women group) Monufia | | | | | | | | |
| 1-Diseases | | | We didn't go deeper in that risk | | | | | |
| 2-Injury of breadwinner | 2 nd | | Loss of income (most participants take daily wages) | There are no precautions | NA | <ul style="list-style-type: none"> •Go to public hospitals •Use savings •Search for another source of income •Decrease living expenses | Help in living cost | 40-50 % of people in that community work for daily wages system |
| 3-Firing of breadwinner | | | We didn't go deeper in that risk | | | | | Most of jobs in private sector companies are unstable and employees may be fired anytime. |

| Rural (Men group) Monufia | | | | | | | | |
|---------------------------|-------------------|-----------------|--|--------------------------|---------------|---|--|--|
| Risk | Rank ⁶ | | Impact of the risk | Coping Strategy | | Response | | Implications |
| | S | F | | Measure | Effectiveness | Measure | Effectiveness | |
| 4-Death of breadwinner | 1 st | | Loss of a source of income | There are no precautions | NA | <ul style="list-style-type: none"> •Use savings •Search for another source of income •Decrease living expenses | Help in cost of living | Daughters or sons search for jobs to pay daily family expenses |
| 5-Marriage expenses | | 1 st | Loss of a big part of income and may cause late marriage | There are no precautions | NA | <ul style="list-style-type: none"> •Borrow money •Use installment system to buy home appliances •Use rotational association (<i>Gam'aya</i>) | Help in paying marriage expenses, but lead to many debts | Some NGOs help in marriage expenses through buying them some electric machines |
| 6-Education fees | | 2 nd | Loss of a big part of income | There are no precautions | NA | <ul style="list-style-type: none"> •Borrow money •Use rotational association (<i>Gam'aya</i>) | Help in paying education fees | Participants see that education is very important in that community |