

# GLOBAL INDEX INSURANCE FACILITY



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## GIIF EVENTS

### A Decade of Agriculture Index Insurance in Africa: Looking Back, Looking Forward



Photo Provided by: Global Index Insurance Facility  
Radisson Blu Hôtel, Dakar, Senegal

In August 2020, the GIIF team [commissioned a study](#) by the [Wageningen University and Research \(WuR\)](#) to generate lessons learned in perception, adoption, and understanding of agriculture index insurance by firms and smallholders in Kenya, Senegal, and Zambia. The study was recently concluded. A review of the portfolios and experiences among three companies – ACRE Africa (Kenya), Compagnie Nationale d'Assurance Agricole du Sénégal ([CNAAS](#)), and [Mayfair Zambia](#) – reveals successes, opportunities and challenges yet to be overcome in mainstream agriculture index insurance (AI) among farmers across Africa.

The three case studies show that thanks to the GIIF Program's technical assistance, training, and financial support, the agriculture index insurance sector in these three countries has evolved as evidenced by firm portfolio growth, a number of actors involved, and diversification of products, as well as several farmers, insured. Click [here](#) to read post event key messages.

## GIIF ACTIVITY SNAPSHOT

### DRC: Creating crop insurance market and protecting smallholders' farmers



Photo Provided by: Global Index Insurance Facility  
Guinea delegation reunited with the Minister of Agriculture of Senegal Monsieur Pr Moussa Baldé (center) during the study trip.

## GIIF DISSEMINATION WORKSHOP

### Madagascar Agriculture Insurance Diagnostic

Monday, July 25, 2022

08:00 to 16:00 EAT

Hotel Carlton, Ravinala A, Antananarivo

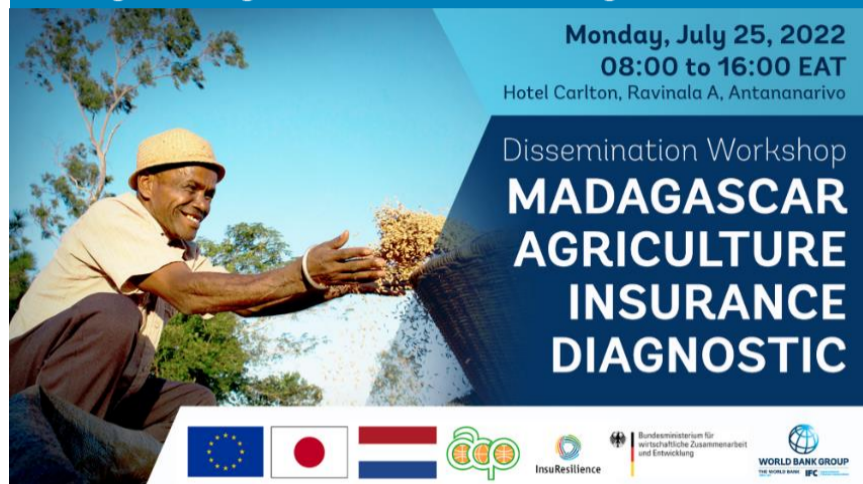


Photo Provided by: Global Index Insurance Facility  
Hotel Carlton, Ravinala A, Antananarivo, Madagascar

The agriculture and agro-processing sectors are the mainstay of Madagascar's economy, accounting for about 24 percent of GDP in 2020. **About 80 percent** of the country's population is involved in agriculture. However, due to its geographical location, Madagascar is largely affected by natural disasters, including droughts, cyclones, and floods, which threaten agricultural productivity.

The International Finance Corporation (IFC) organized a workshop to disseminate key results of the Madagascar Agriculture Insurance Diagnostic in partnership with the [Ministry of Agriculture and Livestock \(MINAE\)](#) in Madagascar and other key stakeholders. The workshop took place last Monday, July 25, 2022, at the Hotel Carlton, Ravinala A, in Antananarivo, Madagascar.

The diagnostic examined the feasibility and suitability of agricultural insurance solutions to protect Malagasy smallholder farmers from climate shocks. Click [here](#).

## GIIF INTERVIEW

### Developing Agriculture Insurance to Protect Smallholder Farmers in Zimbabwe

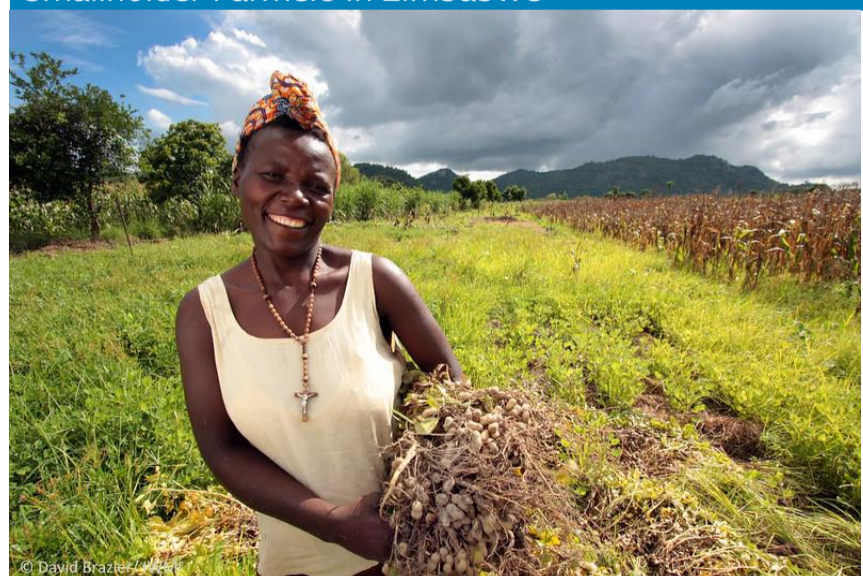


Photo Credit: Harvesting groundnuts in Zimbabwe by David Brazier  
International Water Management Institute (IWMI)

Well-designed insurance programs can help to improve farmers' resilience, access to finance, and high-quality inputs. To this end, IFC and Zimbabwe's insurance regulator, the Insurance and Pensions Commission (IPEC), issued a [press release](#) highlighting their collaboration to create a market for agricultural insurance products in Zimbabwe. The goal is to protect smallholder farmers against weather-related crop damage and other shocks.



Located in the heart of Africa, with a land surface area of 2.3 million km<sup>2</sup>, the Democratic Republic of Congo (DRC) is the largest country in Sub-Saharan Africa (SSA) with rich soil and subsoil; over 80 million ha of fertile and arable land, and 52 percent of all freshwater resources in SSA. Agriculture accounts for about 20 percent of GDP and employs some 70-75 percent of the economically active population. DRC could potentially feed the entire African continent, yet it is currently unable to adequately feed its own population.

Closing the protection gap in the agricultural sector will contribute to improving the performance of the agriculture and insurance sectors and requires the implementation of several simultaneous actions, which the GIIF is supporting as part of FCI' Financial Sector Development Programmatic ASA. This program aims to contribute to the stability, integrity, inclusivity, accessibility, and sustainable development of the financial sector in the Democratic Republic of Congo through four main pillars: Financial Stability in DRC; Financial Sector Vulnerabilities Diagnostic; Development of Agriculture Insurance; and Harnessing Innovation for Financial Inclusion.

Under the Agriculture Insurance pillar, GIIF is working to set up the building blocks for a sustainable development of crop insurance market targeting smallholders' farmers in DRC through reforms and technical assistance. Read more about these initiatives [here](#).

## GENEVA ASSOCIATION & IDF EVENT SUMMARY

### Insurance Development in Emerging Markets: The Role of Public Policy and Regulation

RESEARCH SUMMARY  
Insurance Development in Emerging Markets: The role of public policy and regulation



Dennis Noordhoek, Director Public Policy & Regulation, The Geneva Association  
Bill Marcoux, Member of the Operating Committee and Chair of Law, Regulation & Resilience Policies (LRRP) Working Group, Insurance Development Forum  
Kai-Uwe Schanz, Deputy Managing Director and Head of Research & Foresight, The Geneva Association

Over the past few decades, the economies of many emerging markets have grown rapidly, lifting millions out of poverty and creating a growing middle class. Insurance is critical to economic development as it enables economic activity by protecting lives, livelihoods and assets against insurable risks. Insurance also acts as a shock absorber of adverse events, provides critical risk mitigation services and helps attract private capital to economies. With climate-change-related events, COVID-19 and other catastrophes increasing societal vulnerability, it is of great concern that insurance penetration in emerging markets remains low.<sup>1,2</sup>

Photo taken from: [genevaassociation.org](http://genevaassociation.org)

Why is it relevant to look into the role of public policy and regulation in insurance market development? Over the past 10 years the economies of many emerging markets have grown significantly and during the same period insurance markets in those countries have also experienced growth, however this growth was primarily driven by expanded middle class populations and strong economic growth. Despite this growth insurance penetration in the market in the scope of this study only reaches about 35%.

To fully understand the drivers for low insurance in emerging markets it is important to also understand the interaction between public policy and insurance regulation in development markets, which is precisely what this paper analyzes. Click [here](#) to read full summary moderated by Dennis Noordhoek, Director Public Policy & Regulation, The Geneva Association.

Through this project, the team will assess the risks faced by smallholder farmers, and their coping mechanisms, and also evaluate the farmers' appetite for agricultural insurance to protect their livelihoods. The team will also help IPEC develop a regulatory framework and enabling environment for agricultural insurance and determine the features of insurance products appropriate for Zimbabwe's farmers. In this interview we are talking with the Team Leader, [Sharon Adhiambo Onyango](#), to get her views on the project in general, and on the agriculture insurance component in the country in particular. Click [here](#) to read full interview.

## ACCELERATE EQUALITY INITIATIVE

### Let her Grow: Addressing the productivity gap in agriculture—Barriers and promising interventions

Photo taken from: WBG Open Learning Campus

Gender gaps in agricultural productivity are a common issue among many developing countries: women farmers are mostly engaged in subsistence farming and are less productive than their male counterparts. [UFGI](#) supported studies show large productivity gaps, ranging from 15 percent in Timor-Leste to 26 percent in Democratic Republic of Congo. But **what are the most binding constraints faced by women and what kind of interventions can help address them?** This session presented evidence on the main drivers behind the observed gender gaps in Timor-Leste and examples of interventions that can help relax women's constraints and improve their welfare, including interventions in Côte d'Ivoire and Democratic Republic of Congo to increase households' access to mechanization technologies and childcare services.

Each of the studies (1. Measuring and Explaining the Gender Productivity Gap in Timor-Leste; 2. Improving farming productivity through mechanization in Cote d'Ivoire; 3. How does access to childcare impact women farmer's productivity in the DRC), presented last May 18, examined different aspects of this issue and presented learnings that can also be applied to our work in supporting the productivity and livelihoods of women smallholder farmers in the work of the GIIF and beyond. Click [here](#) to read the full summary.

## ABOUT GIIF

The Global Index Insurance Facility (GIIF) is a dedicated World Bank Group's program that facilitates access to finance for smallholder farmers, micro-entrepreneurs, and microfinance institutions through the provisions of catastrophic risk transfer solutions and index-based insurance in developing countries. Funded by the European Union, the governments of Germany, Japan, and the Netherlands, GIIF has facilitated approximately 12 million contracts, covering close to 60 million people, primarily in Sub-Saharan Africa, Asia, and Latin America and the Caribbean.

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