



# Agriculture Insurance: GIZ Experience





# Scope of GIZ support and services



## Level



**Policyholder**



**Service provider**



**Insurer**



**Regulator**

## Services

Insurance literacy

Client protection & complaints mechanisms

Training & capacity building

Business model development

Partnerships for data collection

Market-driven product design

Postgraduate programmes

Regulatory framework development

**Risk  
Management  
Systems and  
Markets**



## **Innovative Insurance Products for the Adaptation to Climate Change (IIPACC) GHANA**

**Core Partners:** BMUB and IKI (the International Climate Initiative), National Insurance Commission Ghana, Ministry of Finance, Ministry of Food and Agriculture, Ghana Insurers Association, Ghana Meteorological Agency

**Country:** Ghana

**Term:** Dec ember 2009 to June 2014

**Volume:** EUR 3.8 million



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## **Public private cooperation for the development of agriculture insurance products**

### **Approach**

**The insurance sector in Ghana to develops a sound agricultural insurance system**

- Development of demand-oriented and viable insurance products
- Pilot an area-yield index, weather index and multi-peril crop insurance in selected districts

### **Results**

**Functional training and capacity development** for the insurance industry, banking sector, public sector, farmer associations, input suppliers, etc.

**Weather-index insurance products** sold to over **5,000 farmers**.



# Steering Committee

*Policy & Advocacy*

## Public Sector

e.g.: National Insurance  
Commission (NIC), Ministry of  
Food & Agriculture (MOFA)

## Private Sector

e.g.: Ghana Insurance  
Association, Banks

## Development Sector

German Development  
Cooperation (GIZ)



# Ghana Agricultural Insurance Pool

*Governance & Management*

<b>Governance:</b>	19 Pool Member Companies
<b>Management:</b>	Management Board
<b>Operations:</b>	Technical Management Unit



## Rural Insurance Services Programme (RISP)

### INDIA

**Core Partners:** Ministry of Finance,  
Department of Financial Services,  
(Insurance Division) of the Government of  
India

**Country:** India

**Term:** January 2014 – to December 2016

**Volume:** EUR 4 million



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## Strengthening insurance services for rural households

### Approach

- Improve agricultural insurance products and knowledge
- Integrate insurance solutions with other risk management approaches for rural households
- Improve microinsurance knowledge generation, dissemination and management

### Results

The programme's beneficiaries are **rural households and agricultural enterprises in India** and, in particular, those with no or insufficient access to insurance services.



# Evolution of Agriculture Insurance in India

- public MPCl insurance programme since 1985
- National Agriculture Insurance Scheme established in 1999
  - area yield index insurance for major crops, indices defined and tracked at sub-district levels
  - compulsory for loantakers - 16 million insured farmers (2011/12)
- Modified NAIS (2010)
  - insurance unit reduced to village cluster; broader coverage (failed planting, post-harvest loss, yield loss)
  - actuarially based premiums with subsidy - 3m insured (2012/13)
- Weather-based crop insurance scheme (WBCIS) - 2007
  - 40 insured crops, 5000 reference weather stations, premium subsidy of 30-75%
  - offered by private insurance companies - 14.5m insured (2012/13)
- 2013: Merging of NAIS and WBCIS -> NCIP
- 2014: reinstatement of NAIS, parallel to NCIP



## Adaptation to Climate Change and Insurance (ACCI) KENYA

**Core Partners:** International Climate Initiative (ICI), German Ministry for the Environment, Nature Conservation, Building and Nuclear Safety (BMUB), Ministry of Agriculture, Livestock and Fisheries and Ministry of Environment and Mineral Resources in Kenya

**Country:** Kenya

**Term:** January 2011 to May 2015

**Volume:** EUR 2.8 million



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## Enabling farmers, cooperatives and other value chain actors to adapt to climate change

### Approach

#### Pilot programmes on adaptation strategies that led to scaling-up

- support to agricultural service providers
- promotion of agricultural insurance

### Results

The project worked with around **5,500 farming households**, reaching out to about **30,000 people**. More than **250 extension service providers**.

Various feasibility studies and background research to inform design of pilot schemes (Homa Bay, Kasigau); support to Ministry of Agriculture in development of agriculture insurance policy / strategy.



## Contact

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