

Global Index Insurance Facility

MANAGED BY
WORLD BANK GROUP

April Newsletter



TEAM NEWS

Compensation Ceremony for Cotton Farmers Under GIIF Agriculture Insurance Project



Click the left picture to watch local media coverage; Click the right picture to access the activity snapshot.

On February 4, 2020, GIIF clients in Cameroon AXA Cameroon and ACTIVA Assurances, held the first compensation ceremony for insured cotton farmers who experienced production losses during the 2019 cropping season. Supported by GIIF, the event was organized together with the umbrella association of Cameroonian cotton farmers (CNPCC) and SODECOTON, the main cotton company of Cameroon. The ceremony was chaired by the Governor of the Northern Region and was marked by an impressive turnout of close to 100 participants, including staff from the Ministry of Agriculture (MINADER), the Prefect of the Northern Region, the Management of SODECOTON, AXA Cameroon, ACTIVA Assurances, and representatives of cotton farmers. [Read more.](#)

GIIF EVENT

GIIF in the 44th Annual General Assembly of the African Federation of Insurance Companies (FANAF)



GIIF BLOG

Smallholder Farmers are Increasingly at Risk As COVID-19 Pandemic Continues



By mid-April 2020, COVID-19 had taken more than 180,000 lives, infecting over 2.6 million people globally. Given the fact that many countries are already undergoing economic and social hardships (e.g. a locust invasion severely disrupting agricultural production in several African countries, prolonged conflicts in the Middle East), the additional burden of the COVID-19 on the livelihoods of smallholder farmers necessitate prompt response to mitigate the compound risks for this vulnerable group. [Read More.](#)

GIIF INTERVIEW

Pioneering Digital Transformation of Insurance Business in Sri Lanka -- An Interview with Kasundari Dissanayake, Agricultural and Agrarian of Insurance Board



Photo: Geospatial Mapping in the Digitalization of Agriculture Insurance Project in Sri Lanka

The Agricultural Agrarian and Insurance Board (AAIB), Sri Lanka's national agricultural insurer, partnered with the

The African Federation of Insurance Companies (La Fédération des Sociétés d'Assurances de Droit National Africaines - FANAF) held its [44th Annual General Assembly](#) in Libreville, Gabon, between February 17-20, 2020. This year's high-level event provided a platform to approx. 1100 participants from (re) insurance companies, regulators, brokers, financial institutions to discuss the development of the sector in the continent in general, and their main challenges in operations, in particular. The event is also recognized internationally and praised for its technical panels on innovation, technology and policy components of the insurance industry.

During this year's event, the World Bank Group's (Global Index Insurance Facility (GIIF) and Disaster Risk Financing and Insurance Program (DRFIP), organized a session presenting their activities on the continent focusing on CLIMATE RISKS and FINTECH solutions applicable to the agricultural insurance. The session was attended by over 35 participants, among which CEOs and Heads of Departments of Africa Re, SCR, AXA Cameroon and Cote d' Ivoire, Africa Insurance Organization, CNAAS as well as the Secretary General of the CFA franc Zone Insurance Regulatory Body CIMA were present. The presentations triggered broad interest, specifically on innovative use of technology: on aspects such as Insurtech for product distribution, cost-efficient use of satellite technology for claims management, crop mapping, risk understanding/modelling. Click [here](#) to watch a short video (in French) to recap the meeting. Moreover, click [here](#) to watch the interviews (in French) with GIIF's public private partners.

Tenin Fatimata Dicko, Financial Sector Specialist, GIIF, delivered a presentation at the plenary session on "GIIF: leveraging technology solutions to tackle challenges in agriculture insurance." Click the video [here](#) to recap the presentation and her post-event interview (in French). Antoine Bavandi, Senior Financial Sector Specialist, DRFIP, made a presentation on current work jointly done with the European Space Agency (ESA) focused on leveraging the use of satellite data for strengthened risk finance operations.

International Finance Corporation (IFC) to modernize agricultural insurance provision in the country. Kasundari, the Team Lead for the project, joined us to share their experience in digitizing agricultural information as part of this project. The IFC's project is funded by GIIF. [Read More.](#)

GIIF Interview with Ingrid-Gabriela Hoven, Director General at Germany's Federal Ministry for Economic Cooperation and Development (BMZ)



Photo: Ingrid-Gabriela Hoven sitting in the UN meeting.

Ingrid-Gabriela Hoven, Director General at Germany's Federal Ministry for Economic Cooperation and Development (BMZ) reflects in an interview with GIIF on Germany's commitment to fight climate change. At COP25, Germany pledged more than EUR 100million to support climate risk finance and insurance solutions under the InsuResilience Global Partnership, EUR10million of which are to support GIIF in 2020-2022. [Read more.](#)

LEARNING

[Working Paper] Financial Risk Management in Agriculture



The ability to manage financial risk is especially important for people earning their living through agriculture. Many farmers only get paid once or twice annually, and households need to stretch their earnings across the year by saving or borrowing money. Price fluctuations, extreme weather, and crop or livestock diseases threaten their livelihoods. Households engaged in agriculture may thus benefit from formal financial services, which can facilitate farm investments and make it easier to manage financial emergencies.

Check out the [WBG paper](#) which explores the topic of financial risk management in agriculture—how adults who rely on growing crops or raising livestock as their household's main source of income manage financial risk and use financial services. The paper summarizes new data based on a nationally representative survey of about 15,000 adults in 15 lower-middle- and low-income Sub-Saharan African economies collected as part of the [World Bank's Global Findex database](#). The majority of these adults reported suffering a bad harvest or significant livestock loss in the past five years, and most bear the entire financial risk of such a loss. Most adults in agricultural households lack the financial tools -- such as insurance, accounts, savings, and credit -- that could help them manage financial risks. [Read more.](#)

CLIMATE INSURANCE PUBLICATION

The Future of Disaster Risk Pooling for Developing Countries: Where Do We Go From Here?



Developing countries require greater access to finance to respond quickly and effectively to disasters. Multiple tools are available to enable this, including national disaster funds, contingent credit lines, and parametric insurance products. This paper analyzes how a portion of the current disaster risk finance architecture is serving developing countries. It focuses on the three regional risk pools— CCRIF SPC (formerly the Caribbean Catastrophe Risk Insurance Facility) (referred to throughout as "CCRIF"); African Risk Capacity (ARC); and Pacific Catastrophe Risk Insurance Company (PCRIC)—that offer parametric disaster insurance to developing countries. [Read more.](#)

First Insights: Landscape of Climate and Disaster Risk Insurance (CDRI) in Asia and the Pacific

GIIF HIGHLIGHT

GIIF's Agriculture Insuretech Forum Awards Updates



GIIF organized an agriculture Insuretech innovation challenge/competition as a part of an Insuretech fair, which was hosted in Mumbai, India in July 2019. Through this innovation fair, the GIIF aims at improving the understanding of Insuretech, supporting the integration of different technology solutions with agriculture insurance, and applying innovation with actual programs on the ground. Click [here](#) to watch the event highlight videos. The event was closed with the announcement of the Agri Insuretech Challenge winners. The Awards recognized some of South and South-East Asia and Pacific's most promising entrepreneurs who are using technology to address challenges in providing agricultural insurance to farmers. The awards were given under three categories of an insurance product's lifecycle -- Data & Analytics, Sales and Distribution, and Premiums & Claims. To read more about the 9 winners and the challenge, please visit [here](#).

Agriculture Insuretech Innovation Challenge – Winner in Data & Analytics Category: Stellapps



[Stellapps](#) is a Bangalore-based Internet of Things (IoT) firm serving the dairy industry with core mission of “significantly increasing the income of dairy farmers by improving milk productivity, ensuring better milk quality, prices and financial inclusion” through its end-to-end dairy technology solutions. Read more about [MooFarm](#) (1st runner-up) and [Niruthi](#) (2nd runner-up) under this category.

Agriculture Insuretech Innovation Challenge – Winner in Sales & Distribution Category: IFA



[IFA](#) is an agriculture technology (AgTech) company based in Nepal, providing localized agriculture extension services enabled by Information Communications Technology (ICT). Its mission is to scale digital solutions for the agricultural last mile and improve smallholder's financial inclusion, livelihood and climate resilience. Read more about [HARA](#) (1st runner-up) and [HF Mlog](#) (2nd runner-up) under this category.



Disasters affect the poor and vulnerable people in the developing world adversely. These people suffer disproportionately due to their higher vulnerability and exposure and lower ability to cope and recover. The study focuses on 22 countries located in Asia and the Pacific region - Afghanistan, Bangladesh, Bhutan, Brunei, Cambodia, India, Indonesia, Laos, Malaysia, Maldives, Mongolia, Myanmar, Nepal, Pakistan, Philippines, Singapore, Sri Lanka, Thailand, East Timor, Vietnam, Fiji, and the Republic of Marshall Islands. Out of these, the study identified four key markets of Bangladesh, Indonesia, the Philippines, and Vietnam for greater focus because of their high vulnerability to disasters in general, while offering a contrast in approaching disaster risk financing given that the different nature of disasters that afflict these markets. [Read more.](#)

Ecosystem-based Adaptation and Insurance: Success, Challenges and Opportunities



Both Ecosystem-based Adaptation (EbA) and Climate Risk Financing and Insurance (CRFI) are gaining attention as complementary approaches for climate change adaptation. Integrating approaches from EbA-CRFI has the potential to enhance adaptation and disaster risk reduction strategies. However, the synergies from these concepts have not been examined previously. Therefore, this study aims to close that gap and to present some first insights into how these mechanisms have been and could be combined better. [Read more.](#)

Integrating Gender Considerations into Different Models of Climate Risk Insurance (CRI)



The case for integrating gender considerations into CRI starts with the assumption that women and men can be differentially impacted by, and engaged in, diverse CRI models. It builds on the evidence of the commercial benefits of integrating women as corporate clients, leaders, employees, and investors into private sector business models. This is complemented by growing evidence of the benefits of women's financial service provider

Agriculture Insuretech Innovation Challenge – Winner in Premiums & Claims Category: Gramcover



[GramCover](#) is a digital insurance platform company that co-creates, with insurers, simple and easy to understand insurance products at affordable price points and uses its technology platform to deliver these products to the rural Indian population to mitigate their production risks. Currently the company is exploring and refining Blockchain application in insurance to better serve farmers. Read more about [Aquaconnect](#) (1st runner-up) and [Dhwani RIS](#) (2nd runner-up) under this category.

leadership, and economic participation as employees and entrepreneurs. [Read more.](#)

From Global Ambition to Local Action: A Multi-Year Vision for Enhanced Resilience – InsuResilience Global Partnership Annual Report 2019



Photo Credit: Benedikt Signer, World Bank

The InsuResilience Global Partnership has built on the High-Level Consultative Group's urgent call for scaling up and accelerating risk financing in 2019 and beyond, and developed its ambitious Vision 2025. This shapes a unique platform to power a substantial scale-up in the use of pre-arranged risk-finance and insurance mechanisms embedded within comprehensive disaster risk management, and complementing broader resilience and adaptation efforts. It adopts a people-centred, gender-responsive and needs-based approach to the design and implementation of Climate and Disaster Risk Finance and Insurance solutions (CDRFI). [Read more.](#)

ABOUT GIFF

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 7.6 million contracts, covering close to 38 million people, primarily in Sub-Saharan Africa, Asia, and Latin America and the Caribbean. The facility is part of the World Bank Group's Finance, Competitiveness, and Innovation Global Practice.

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