

# Symposium on Index Insurance and Disaster Risk Financing for French-Speaking Countries

## ACTIVITY SNAPSHOT



12-15 SEPTEMBER, 2023

PREPARED BY

**Global Index  
Insurance Facility**



IN COLLABORATION WITH

**Disaster Risk Financing  
& Insurance Program**



# Introduction

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Over 120 participants from 14 African nations gathered in Dakar from September 12 to September 15, 2023, to attend the symposium on index insurance and disaster risk financing for French-speaking countries. The symposium brought together experts and representatives from countries such as Senegal, Mali, Burkina Faso, Niger, Côte d'Ivoire, Togo, Djibouti, Benin, Madagascar, the Democratic Republic of Congo, Mauritania, Burundi, Zambia, Kenya, Uganda, and the DRIVE project. These participants generously shared their experiences and ideas, enriching the discussions and contributing to the global dialogue on index-based agricultural insurance and disaster risk financing. This symposium was organized by the Global Index Insurance Facility (GIIF) of the World Bank Group. GIIF provides small-scale farmers, rural populations, micro-entrepreneurs, and microfinance institutions with access to financing through the development and implementation of index insurance. This symposium is part of GIIF's capacity-building initiatives.

## Understanding Index-Based Agricultural Insurance:

Index-based agricultural insurance is a financial product that helps farmers protect themselves against losses caused by specific perils, such as drought, floods, or extreme temperatures. Unlike traditional insurance, it relies on predefined indices, such as meteorological data, to trigger indemnities. This innovative approach has gained popularity in recent years, helping farmers manage risks and enhance their resilience to climate change.



**Fatimata Dicko**

Senior Financial Sector Specialist,  
FCI West Africa Region, World Bank Group (WBG)



# Symposium Highlights

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## Role of Financial Institutions:

One of the central themes of the symposium was the development of more accurate and relevant index designs. Experts discussed how technological advances, such as satellite data and remote sensing, improve the accuracy of index insurance products. ACRE AFRICA, one of GIIF's partners, uses its technological solutions throughout the index insurance value chain, enabling farmers to receive faster compensation for losses. This strengthens the resilience of agricultural communities to climate-related risks.

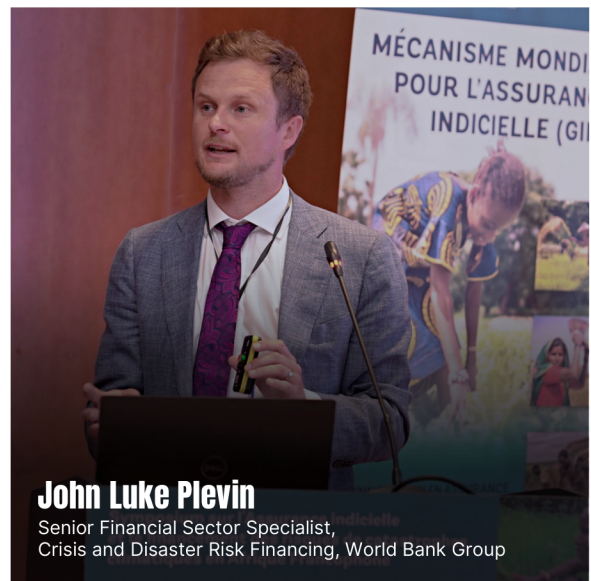
## Public-Private Partnerships:

Discussions within the symposium highlighted the crucial importance of partnerships between governments, the private sector, and international organizations. These partnerships were at the heart of the discussions and essential for expanding and sustaining index-based agricultural insurance programs. A notable example of this successful collaboration was presented by the National Agricultural Insurance Company of Senegal (CNAAS). CNAAS played a key role in making index insurance accessible to nearly 600,000 small-scale farmers in Senegal. This public-private partnership demonstrated that "smart" public support can leverage private sector efforts, promoting greater financial inclusion for vulnerable farmers.



**Fatou Assah**

Global Head, Financial Institutions Group Advisory,  
International Finance Corporation (IFC)



**John Luke Plevin**

Senior Financial Sector Specialist,  
Crisis and Disaster Risk Financing, World Bank Group

## Role of Financial Institutions:

The symposium underscored the importance of financial institutions, such as microfinance institutions and banks, in distributing index insurance products to farmers. These institutions can help bridge the gap between insurers and rural communities, making insurance more accessible to those who need it most.

# Symposium Highlights

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## **Affordability of Insurance Premiums and Premium Subsidies:**

Throughout the week, it became evident that many agricultural insurance programs, whether in developing or developed countries, heavily rely on subsidies to operate and be accessible to vulnerable farmers. This raised considerations about the strategic allocation of these subsidies to maximize their impact, particularly in light of government budget constraints and the benefits they bring to farmers. Suggestions were made to make these subsidies "smart," including segmenting subsidies based on factors such as farm size and higher-risk areas.





# Conclusion

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**From left to right: Bassirou Sarr, Fatou Assah, and Olivier Mahul**

(1) Technical Advisor to the Minister of Finance and Budget (MFB), Government of Senegal; (2) Global Head, Financial Institutions Group Advisory, International Finance Corporation (IFC); (3) Practice Manager, Disaster Risk Finance and Insurance Program, Finance, Competitiveness and Innovation Global Practice, WBG

The Symposium on Index Insurance and Disaster Risk Financing for French-Speaking Countries witnessed the growing recognition of index insurance's importance in strengthening farmers' resilience. As climate change continues to present challenges to agriculture, innovative financial solutions like index insurance are crucial for livelihood protection and food security.

The event concluded with a call to action, urging governments, insurers, financial institutions, and development organizations to work together to expand the reach of index-based agricultural insurance. By doing so, we can ensure that farmers are better prepared to face the uncertainties of our changing world.

GIIF will continue to provide a platform for stakeholders to learn from each other and collaborate on sustainable solutions for index insurance development.

The Global Index Insurance Facility (GIIF) will also continue to promote innovative approaches to help vulnerable populations enhance their resilience to climate-related disruptions.



**Colonel Rolland Andriamanalinarivo**

1st Deputy to the Executive Secretary Prevention and Emergency Management Support Unit (CPGU)/Prime Minister's Office, Madagascar

# About GIIF

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The Global Index Insurance Facility is a specific program of the World Bank Group that facilitates access to financing for small-scale farmers, micro-entrepreneurs, and microfinance institutions by providing solutions for catastrophic risk transfer and index-based insurance in developing countries. Funded by the European Union, the governments of Germany, Japan, and the Netherlands, the GIIF has facilitated approximately 13 million contracts, covering nearly 65 million people worldwide, and has facilitated at least 2 billion dollars in financing, primarily for farmers in sub-Saharan Africa, Asia, Latin America, and the Caribbean.

In closing, this symposium stands as a shining example of international collaboration and innovation. With the steadfast partnership of the Disaster Risk Financing and Insurance Program (DRFIP), the Global Index Insurance Facility (GIIF), and the African Risk Capacity (ARC) Group, we embarked on a journey to empower French-speaking Africa to manage the challenges of unforeseen disasters. The gathering of over 100 dedicated delegates and stakeholders from more than 15 African countries showcased the shared commitment to building resilient communities and safeguarding livelihoods. As we reflect on these four days in Dakar, Senegal, and the rich discussions held, we are inspired to continue working together, bridging the gap, and forging a path towards a more secure and prosperous future for all. Thank you for being a part of this important initiative.



From left to right: Salome Nadege Abomo Amougou, Rishi Raithatha, Noxi Nyathi, Sonal Chinchwadkar, Fatimata Dicko, Selin Konrat, and Thelma Ayamel

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