

RESULT STORIES

Global Index Insurance
Facility | GIIIF

SENEGAL

Featuring **Mr. Ndianko Sakho, former president of the Rural Council** (interview conducted in Wolof).

As GIIIF partners for the development of index insurance in Senegal, **PlaNNet Guarantee and the National Insurance Company of Senegal** (Compagnie Nationale d'Assurance Agricole du Sénégal, or CNAAS) have implemented a range of authorized index insurance solutions responding to the demand of agricultural producers to have access to drought-risk coverage for their rain-fed crops. In Senegal, PlaNNet Guarantee supports agricultural cooperatives in their risk management strategies by offering climate-related insurance policies, as well as by providing technical training for their staffs, and raising awareness of index insurance among their members. Its partnership with the Mabo Millet Network is a concrete example of its activities in Senegal.

Ndianko Sakho, former President of the Rural Council, was born Mabo in the Kaffrine region. Located in the Sudano-Sahelian climate, which is comprised of a rainy season from June to October and a dry season from November to May, this part of Senegal is characterized by sandy Dior soils on flat terrain. The region is affected by monsoons and the Harmattan, a dry and dusty northeasterly wind which blows from the Sahara Desert over the West African subcontinent.

Mr. Sakho is one of 152 members of the Mabo Millet Network who subscribed to index insurance in 2016. **'The land never lies'** he says. *'When it is threatened by human or natural factors, it shows. Promotion of good agricultural practices could change human behavior. The transfer of insurable natural risks would not only contribute to food security, but would also stabilize our incomes. In the context of rainfall deficits and long dry spells beyond our control, there is an urgent need for agricultural producers to purchase insurance, like stakeholders in other sectors do.'*



Mr. Ndianko Sakho, millet producer, subscribed to agricultural Index-based Insurance in 2015 and 2016.

Photo credit : PlaNNet Guarantee / Sébastien WEBER & Amath Diama COBAR.

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The state subsidizes close to 50% of the index insurance premium paid to cover millet production against drought risks. With that in mind, it is important that the process management is transparent and inclusive to the miller producers. 'In the past, farmers had no tools for climate risk management' says Mr. Sakho. 'Today, with the introduction of agricultural insurance, some of our concerns are taken into account. The real challenge now is to set up a national network of coverage in order to allow all Senegalese farmers to have access to agricultural index microinsurance.'

IMPACT STATEMENT

According to Mr. Sakho, subscribing to agricultural index insurance index has had the following positive impacts in Senegal:

- Credibility of the Economic Interest Group (EIG)'s financial structure, since its agricultural credit portfolio is now secured (with a low default rate) in case of drought;
- It is now easier to obtain the funding needed for good agricultural performance;
- There is much less psychological stress related to rainfall deficit for those who are insured;
- Additional source of income for our network thanks to commissions earned after sales;
- Increased investments in agriculture among almost all members of the EIG, which will undoubtedly have a considerable effect on food security



Automatic rain gauge

Photo credit: PlaNet Guarantee / Sébastien WEBER & Amath Diama COBAR.

Index insurance is an important lever of socio-economic development for agricultural producers.