

# New Initiatives Country

## Perspective

Agriclimate Offer by Syngenta East Africa Ltd

Agnes Gitonga , 4<sup>th</sup> Dec 2017.

Global Index  
Insurance Facility

MANAGED BY  
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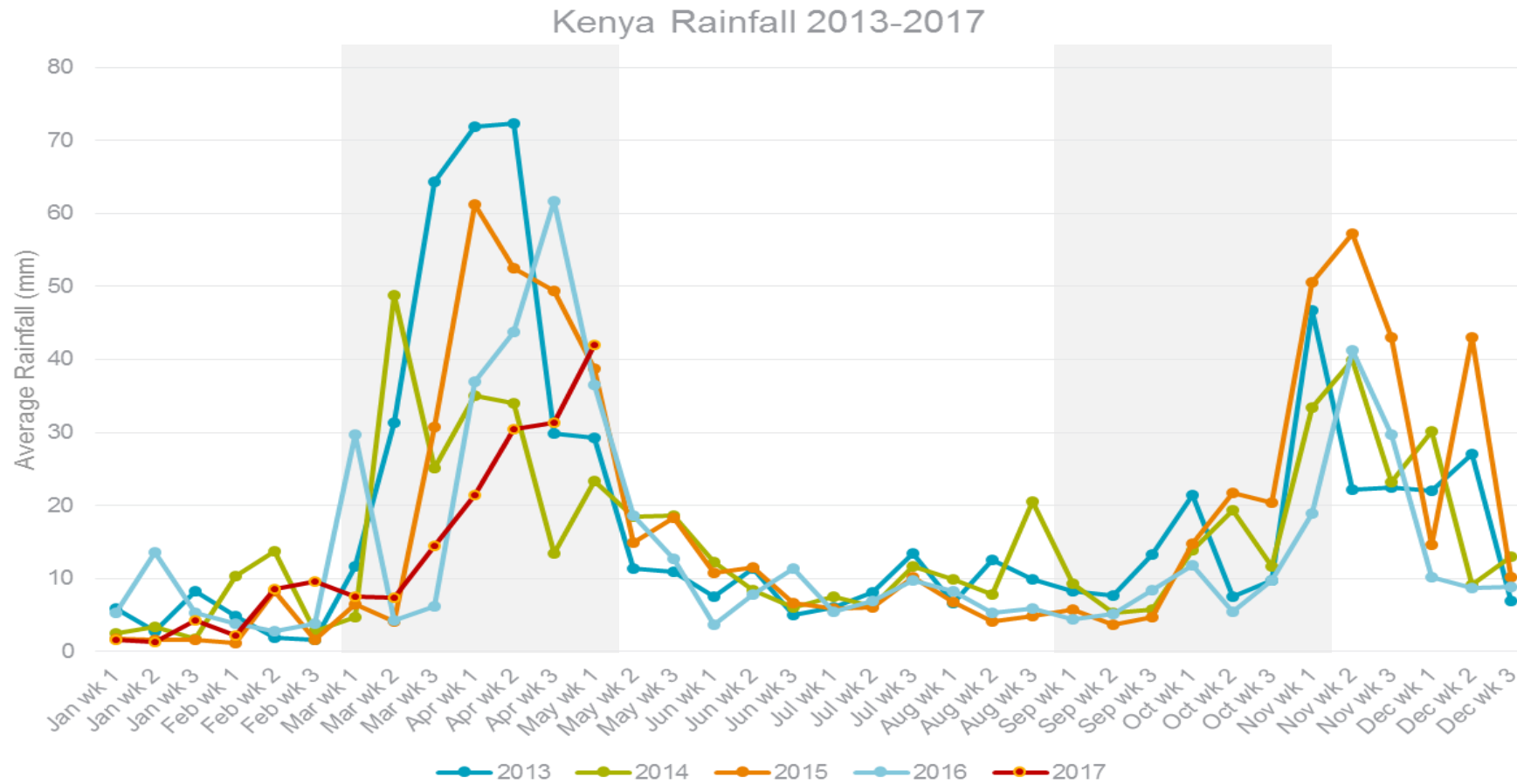


# Agricultural Overview In Kenya

- The Kenyan population, standing at ~ 47 million, will continue growing at a projected 3% p.a. Feeding this population will require investments and technology adoption in agriculture.
- Projected GDP 2017 is at 5.2% down from 5.8% 2016 - due to the prolonged drought from October 2016 but is expected to rise to 5.8% in 2018.
- New pests and diseases will continue becoming a challenge for the country – MNLD, FAW, *Tuta absoluta*, etc.
- Fluctuating commodity prices
- Challenging credit access
- >90% of agriculture in Kenya is rain fed
- Erratic weather patterns remain a challenge



# Climate volatility impact on ~90% rain-fed Kenyan agriculture market



Source: [http://dataviz.vam.wfp.org/Agroclimatic\\_Charts#](http://dataviz.vam.wfp.org/Agroclimatic_Charts#)



# Syngenta Partnering With Growers In All Situation



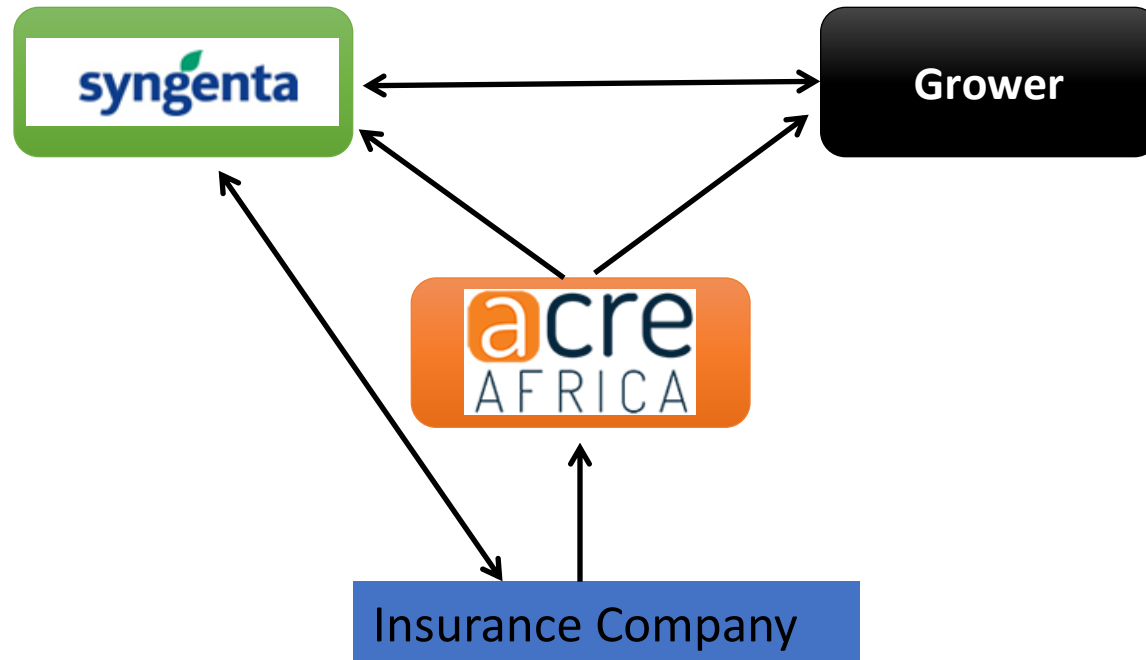
- ❖ Weather Index guarantee - satellite data MET / NASA
- ❖ Drought & excess rain cover
- ❖ In a good season assured higher yields
- ❖ In a bad year a product guarantee

**syngenta** → Weather based index insurance

**Growers** → A weather based Syngenta products guarantee



# Key Players in the Offer



- ACRE Africa provides commercial/technical support and offer structuring
- Growers have no interaction with the insurance company



# Crops & Growers Segment

## Target Crops

- Maize
- Wheat
- Barley

## Target Customers

Large scale growers

## Why Large Scale Growers

- Easy of management
  - Coordinates collection
  - Sales tracking
  - Ease of communication and contract signing
- Better technology adoption rate



# Benefits To Syngenta & Farmers

- Customer loyalty
- Allow growers to use quality products season on season
- Guaranteed partnership
- Buffers growers for the next season incase of drought or excess rain



# Challenges

- Growers practices
  - Land lease – changes season by season
  - Reluctant sharing of information critical to the success of the offer e.g. planting dates
- Satellite distances limiting farmers we can sign on with accuracy
- Technology- data capture & Sign up
- Cost to Syngenta
- Growers attitudes and biases towards insurance





# Way Forward

- Venture into other growers segments
- Scaling up the offer in the largescale sector
- Partnerships in the smallholder sector
- Technology for easy of data collection , sign up and relay of information to growers
- Enrich offer by sharing weather information with farmers as a decision making tool
- Explore more innovative approach by sharing experiences with other countries



# THANK YOU

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