



WORLD BANK GROUP

PARTNER PROFILES



PlaNNet GUARANTEE

Benin, Burkina Faso,
Mali, Senegal

GLOBAL INDEX
INSURANCE FACILITY

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Country	Benin
Market launch	2013
Clients	1,099 (2014)
Partners	Insurers: AMAB Reinsurers: Swiss Re Delivery Channels: MFIs, MFI Network Product design: EARS
Products	Weather satellite-based index insurance (maize and cotton)
Insured Perils	Drought
Total Insurance Portfolio	\$134,056 (2014)
Insurance Payouts	\$2,223 (2013)
Average Cost of Insurance	10.6 % and 12% of value of insured inputs
Development Impact	No data available yet
Background	The project started in Benin in 2012. Awareness-raising sessions were held by the GEA for clients of FECECAM. Despite huge interest for the product there were no sales in 2012 due to the non-timely authorization of the index product by the DNA.
Project Description	PlaNet Guarantee has designed three drought index products in partnership with EARS: early maize, late maize and cotton. The products are insured by AMAB.
Success Factors	The project's success will depend on the partnership with the national insurance company and the dedication to provide agricultural insurance in Benin.
Challenges	Despite all efforts, training provided for AMAB and the regulator; research of reinsurance capacities for all the crop insurance contracts of AMAB; campaign awareness activities among the farmers on a large scale, the launch of the campaign was very much below the expectations. This is often the case in the first year of a pilot.
Opportunities	PG is partnering with the largest MFI in Benin, with a large network of branches throughout the country, and PG is strengthening its partnership with AMAB (insurer) for the next campaign.
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Country	Burkina Faso
Market launch	2011
Clients	8,281 (2014)
Partners	Insurers: Allianz Reinsurers: Swiss Re, Africa Re, Cica Re, Hannover Re Delivery Channels: Agribusiness Product design: EARS (maize), I4 (cotton)
Products	Satellite-based weather index insurance (maize), area yield index insurance (cotton)
Insured Perils	Drought, decrease in yield
Total Insurance Portfolio	\$672,609 (2014)
Insurance Payouts	\$960 (2013, maize)
Average Cost of Insurance	10.8% of value of insured inputs (maize), 11,200 FCFA / ha (cotton)

Development Impact	No data available yet.
Background	PG activities in Burkina Faso started in 2010 with funding from AECF.
Project Description	PlaNet Guarantee has designed three index insurance products: satellite index insurance for early maize and late maize in partnership with EARS and average yield index insurance for cotton in partnership with I4. The product is insured by Allianz Burkina Faso. The average yield index product was piloted for the first time this year. The claims will be settled for the average yield index beginning of 2014.
Success Factors	The variety of distribution channels that support the pilot are the key to the project's success – microfinance institutions (MFIs), banks, agro-dealers, and cooperatives. Secondly, developing a product for cotton was important as it is a more profitable crop (average hectares cultivated are greater among cotton growers). Thirdly, PG has developed a strong partnership with the Ministry of Agriculture that will support the scaling-up in Burkina Faso.
Challenges	Agriculture in Burkina Faso is relatively under-financed. Banks and large MFIs are reluctant to finance agriculture through small MFIs and cooperatives. Input loans are usually disbursed too late for the planting season leading to a late sowing phase for farmers and higher risk exposure.
Opportunities	The cotton sector is quite large in Burkina Faso and offers a potential 200,000 insurable farmers.
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Country	Mali
Market launch	2011
Clients	17,481 (2014)
Partners	Insurers: Allianz Reinsurers: Swiss Re, Africa Re, Cica Re Delivery Channels: Cooperatives, MFIs Product Design: EARS
Products	Satellite-based weather index insurance
Insured Perils	Drought (maize)
Total Insurance Portfolio	\$2.5 million (2014)
Insurance Payouts	\$7,615 (2013)
Average Cost of Insurance	11.5% of value of insured inputs
Development Impact	No data available yet
Background	PG activities in Mali started in 2010 based on funding from AECF (Africa Enterprise Challenge Fund) and ILO (Microinsurance Innovation Facility).
Project Description	PlaNet Guarantee has designed three drought index products in partnership with EARS for early maize and late maize. The product is insured by Allianz Mali.
Success Factors	PG is partnering with a large and highly committed cooperative that pays the premiums on behalf of its members.
Challenges	Mali has been facing until recently a severe political and financial crisis with the current conflict in the North. Banks and microfinance institutions are running out of cash, and agricultural financing is scarce.
Opportunities	The potential of scaling up with the actual partners is quite high. The predicted upcoming stability should bring back business, investors and donors.
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Country	Senegal
Market launch	2012
Clients	4,035 (2014)
Partners	Insurers: CNAAS Reinsurers: Swiss Re, Delivery Channels: MFIs, Cooperatives Product design: CIRAD
Products	Weather station-based index insurance (maize, groundnut)
Insured Perils	Drought
Total Insurance Portfolio	\$458,304 (2014)
Insurance Payouts	\$31,215 (2013)
Average Cost of Insurance	5.17% to 13.5% of value of insured inputs
Development Impact	No data available yet.
Background	PG activities started in 2012 with weather station-based index insurance (maize, groundnut). Nevertheless the first year the price of the product was very high, and few farmers bought the product. The product was reviewed with farmers' organizations, and CIRAD, in 2013.
Project Description	The index insurance product covers maize and groundnut against drought. It was designed in partnership with CIRAD, based on rainfall data collected by the Met services via 33 automatic rain gauges purchased by USAID and the World Bank. The product is insured by CNAAS.
Success Factors	The index product has been tested and accordingly adjusted and adapted to meet the demand and needs of the farmers in Senegal.
Challenges	It is difficult to scale up weather station-based index insurance because of the costs involved in installing a network of weather stations.
Opportunities	There is strong commitment from the farmers' organization (Asprodeb) in the conception of the product and its marketing. There is also good potential for scaling up through large microfinance institutions, banks, farmers' organizations and agri-businesses.
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