

# INSURANCE OF FRUITS AND VEGETABLES IN UZBEKISTAN

Feasibility Study



## OBJECTIVE OF THE STUDY

The broad purpose of this assignment was to get a solid basis and assess the feasibility to develop and introduce a new insurance scheme that can serve as a starting point for a national agricultural scheme focusing on poor and vulnerable smallholder farmers, including (among others) the following:

- Identify the most suitable crops, regions, and target group for a pilot, which sets the basis for a national insurance scheme;
- To better define the target group, which should at least reflect 50% of farmers of Uzbekistan with less than USD15 PPP per day;
- Willingness of farmers to buy insurance and identify the risks that are most critical;
- To provide insights into the current agriculture insurance market;
- Readiness of the government to support a new agricultural insurance program.

## MAIN RESULTS

- Crops such as apricots, cherries and grapes are recommended as first priority for a new indemnity-based insurance product.
- Fergana valley with its 3 oblasts – Fergana, Namangan, Andijan – are recommended as pilot regions.
- Alongside credit institutions, other farm aggregators, such as cooperatives and the Council of Farmers, could be considered as a channel for agricultural insurance distribution.
- Up to 470,000 of dehqan farmers and 21,000 commercial farmers could potentially benefit from horticulture insurance program and stabilize their income fluctuation in front of climate change.
- The government of Uzbekistan is willing to support agriculture insurance



**Project**  
Feasibility Study



**Partners**  
Swiss Re, Axis Capital,  
UNDP Uzbekistan



**Region**  
Uzbekistan (Andijan, Namangan,  
Fergana oblasts)



**Main risks**  
Yield loss/deficiency due to climate risks:  
spring frost, strong wind, hail, heavy rain,  
high temperature, water deficiency



**Policyholder**  
Smallholder or Deqhan farmers  
(mainly)



**Insurance asset**  
Crop: fruit orchards, vineyards and  
vegetable fields