

# TANZANIA

## INCREASING SMALLHOLDER FARMER RESILIENCE TO CLIMATE CHANGE



The effects of climate change are increasingly observed in Tanzania, with unpredictable seasonal variations, short rains, long dry spells, and pest outbreaks. Furthermore, smallholder farmers' (SHF) access to mechanisation, extension and financial services and improved seeds is low. They are thus highly vulnerable to significant crop losses or complete crop failure due to weather-related shocks and other climate risks. To improve the productivity and agricultural risk resilience of SHF, Pula will work together with Reliance and other partners from the agricultural and insurance sectors in Tanzania to provide affordable climate risk insurance solutions a wide range of yield-related risks.



### PRODUCT CHARACTERISTICS

Target group	Smallholder farmers
Target region	Arusha, Moshi and Southern Highlands
Insured asset	Agricultural production and revenue
Insured peril/ hazard	Multi-risk including drought, flood, pest and diseases, hail, animal attacks, etc.
Insurance type	Meso-scheme Scale up of existing and development of new index-based insurance solution
Own contribution	50 % (of total ISF project costs)



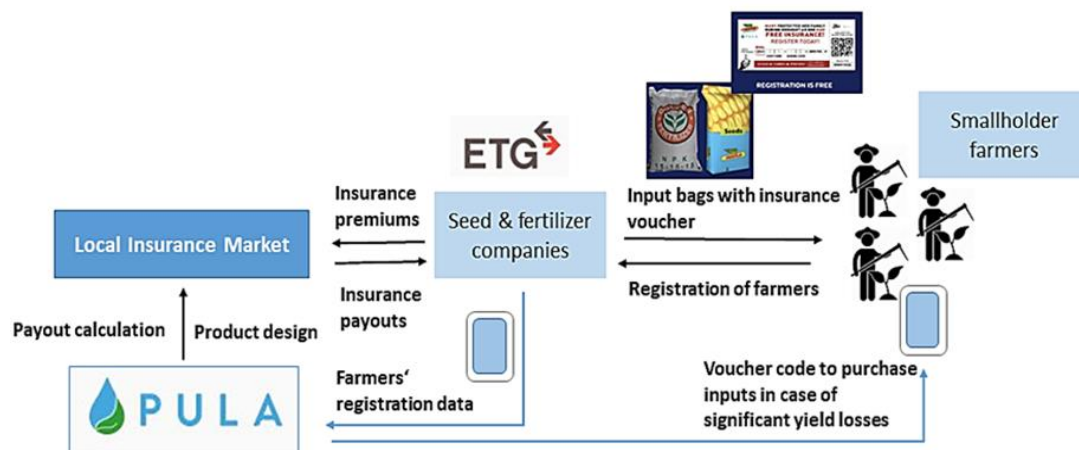
### PRODUCT DEVELOPMENT ACTIVITIES SUPPORTED

Development and distribution of multi-risk Area Yield Index Insurance

- Field data collection and analysis of country context, risks, and vulnerability of target populations in detail
- Actuarial pricing and product design
- Innovating new data-driven solutions and delivery mechanisms including bundling of multi-risk area yield index insurance products with inputs (seed and fertiliser, vouchers) and agronomic advice from trusted providers
- Set up of a call centre
- Set up of the technological infrastructure to manage policies, register farmers and provide agronomic services
- Conduct trainings and awareness campaigns for stakeholders and SHF



### PROJECT SET-UP






### PROJECT PARTNERS

Demand Side

Supply Side

- CRDB Bank, Tanzania / Commercial bank
- NMB Bank, Tanzania / Commercial bank
- Alliance for a Green Revolution in Africa (AGRA), Tanzania / NGO
- Pula Advisors GmbH, Kenya / InsurTech
- Reliance Insurance Company, Tanzania / Insurance company

 <p><b>EXPECTED IMPACTS</b></p>	<ul style="list-style-type: none"> <li>• Poor and vulnerable policyholders protected against loss of income due to flood, earthquakes, and drought</li> <li>• Income stabilisation of poor households and strengthened resilience</li> <li>• Increased adoption of improved seeds and fertilisers among smallholder farmers</li> <li>• Increased knowledge among farmers on improved agronomic practices</li> </ul>
 <p><b>EXPECTED BENEFICIARIES<sup>1</sup></b></p>	<p>500,000 by 2025 (100 % poor and vulnerable)</p>
 <p><b>IMPLEMENTATION PERIOD</b></p>	<p>10/12/2020 – 10/01/2023</p>

<sup>1</sup> Based on submission documents requiring use of IGP M&E Methodology.