PROJECT BRIEF
INDONESIA

In 2019, nearly 50 million people in most of Indonesia’s provinces were affected by the country’s long-running drought, with emergencies declared in several provinces. Agriculture employs about 38 million people, which is close to 30% of Indonesia’s current total workforce. Yet the livelihood of the smallholder farmers (holding land area less than two (2) ha) is low compared to other sectors. Issues faced include the limited access to capital and agricultural technologies, the limited knowledge of good and proper agricultural practices, and the limited knowledge and access to farming risk management tools. The lack of or limited role of farmer institutions hinders the link of smallholder farmers to commodity supply chains and agricultural services.

**PRODUCT CHARACTERISTICS**

- **Target group**: Smallholder farmers cultivating maize and rice
- **Target region**: Gowa, Jeneponto, Bantaeng, Bone and Takalar; Karawang, Indramayu; Tulungagung
- **Insured asset**: Agricultural production costs and financial losses
- **Insured peril / hazard**: Drought / deficit of rainfall
- **Insurance type**: Micro- and meso-scheme
  - Development of new maize product and refinement of rice product
- **Own contribution**: 56% of total ISF project costs

**PRODUCT DEVELOPMENT ACTIVITIES SUPPORTED**

- Collect data on geographic location of farmers.
- Refine / design products.
- Conduct focus groups with farmers on past events.
- Obtain regulatory approval.
- Reinsurance agreement.
- Set up distribution channels.
- Conduct trainings.
- Conduct satisfactory survey.
Enhanced resilience of rice and maize small-holder farmers.
Provide complementary agricultural advisory services.

PROJECT PARTNERS

DEMAND
- PT Jiva Agriculture / Subsidiary of Agriculture Commodity Company OLAM / ID
- Yayasan Agri Sustineri Indonesia (YASI) / NGO / ID

SUPPLY
- PT Mandiri AXA General Insurance (MAGI) / Insurance Company / ID
- AXA Emerging Customers, AXA S.A. / Inclusive Insurance Center of Expertise / FR
- AXA Climate / AXA Entity / FR

EXPECTED BENEFICIARIES

500,000 by 2025
100% poor and vulnerable

IMPLEMENTATION PERIOD
- OCT 2022
- NOV 2024

GRANT AMOUNT
- EUR 471,600

[1] Based on submission documents requiring use of IGP M&E Methodology.