



PROJECT BRIEF TOGO

Togo is prone to river floods, water scarcity and extreme heat with increasingly negative effects on agriculture (the most important sector economically), which already faces low productivity due to the use of inadequate technologies, insufficient access to inputs (fertilisers and pesticides), lack of pest control, and major shortfalls in agricultural processing. There is demand for a target group-oriented insurance product to potentially increase the willingness of financial institutions to lend to small-scale farmers. The project therefore aims to 1) up-scale the existing drought index-based insurance product for soy, 2) develop new insurance products covering additional perils and crops, and 3) expand distribution.

PRODUCT CHARACTERISTICS



Target group

Smallholder farmers with fields ranging between one (1) and three (3) ha



Target region

Maritime, Plateaux, Central, Kara and Savanes



Insured asset

Agricultural production or input costs



Insured peril / hazard

Drought, excessive rainfall, pest attack; multi-risk (for indemnity-based livestock product)



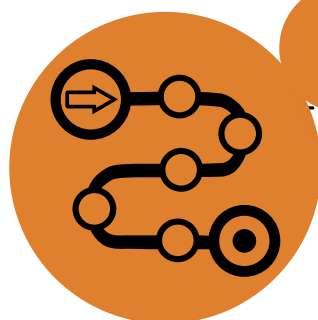
Insurance type

Micro-scheme
Development of new and scale up of existing parametric insurance solutions



Own contribution

50% of total ISF project costs

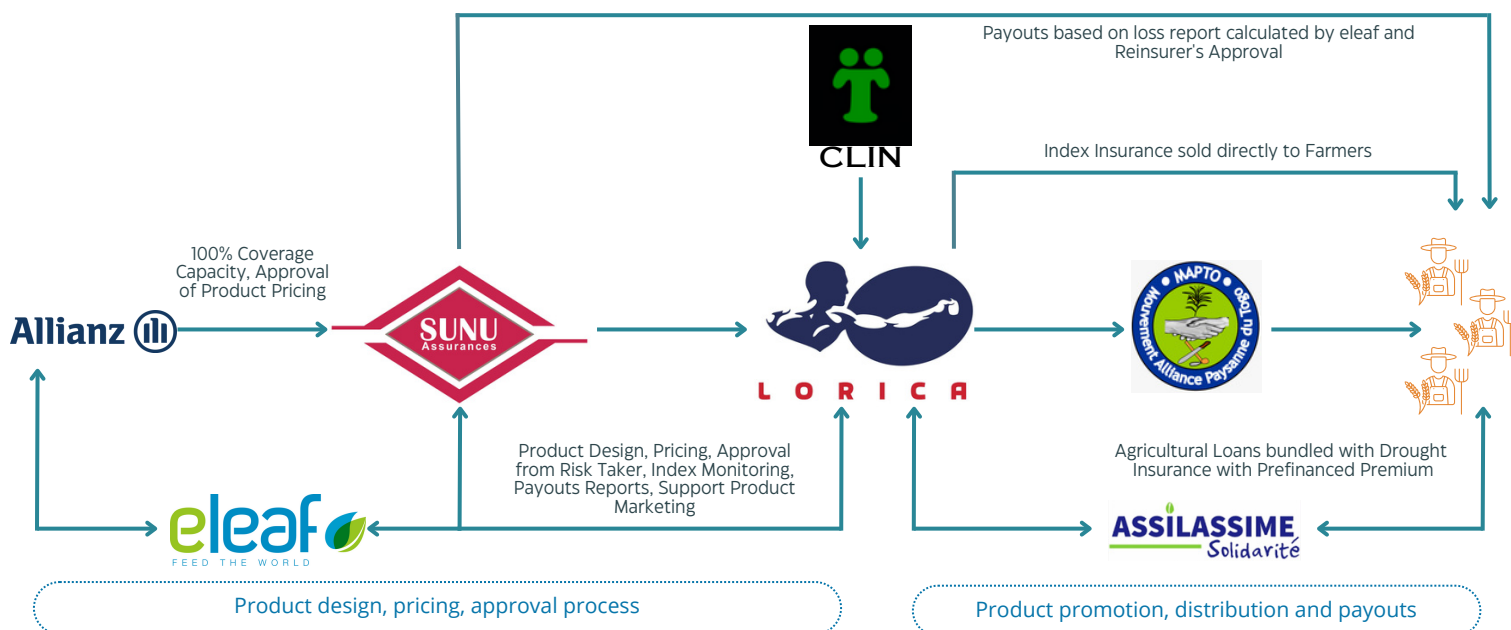


PRODUCT DEVELOPMENT ACTIVITIES SUPPORTED

- Development of index-based insurance based on evaporation and rainfall data, stand-alone or bundled with agricultural input loan.
 - Develop new parametric insurance products against drought and excessive rainfall.
 - Upscale and enhance the existing parametric drought insurance product for soy (pilot) to cover excess rainfall (and floods indirectly).
 - Technology development: Customised micro insurance software to fully administrate the product from customer enrollment to payouts processing.
 - Product distribution, training, awareness campaigns.



PROJECT SET UP



EXPECTED IMPACTS

- Farmers increase their productivity through investments (due to insurance linked to loans for agricultural inputs).
- More farmers can purchase the insurance due to availability of pre-financing for premiums through loans.
- Increased financial literacy and awareness among smallholder farmers.
- Increase resilience of smallholder farmers.



PROJECT PARTNERS

DEMAND

- Mouvement pour une Alliance Paysanne au Togo (MAPTO) / Cooperative with 22K members / TG
- Assilassimé Solidarité / Microfinance Institution / TG
- Federation Nationale des Cooperatives Productrices des Soja (FNCPS) / Cooperative with > 12K members / TG

SUPPLY

- Lorica Conseil / Broker / TG
- CLIN E-Agribusines / Data & IT Service Provider / TG
- SUNU Togo / Insurance Company / TG
- Allianz Re / Reinsurance Company / CH
- eLeaf / InsurTech / NL

EXPECTED BENEFICIARIES ¹

560,000 by 2025
100% poor and vulnerable

IMPLEMENTATION PERIOD



GRANT AMOUNT

EUR 727,281