Smallholder farmers in Uganda are highly exposed to natural, climatic, and biological shocks, which cause crop loss or damage particularly at the time of harvest. Multi-Peril Crop Insurance (MPCI) for large commercial farmers is found to be unaffordable for smallholder farmers, especially compared to index-based insurance products. To promote the development of a sustainable agricultural insurance market for all, in 2016 the Government of Uganda launched the Uganda Agricultural Insurance Scheme (UAIS) offering a range of crop, livestock, poultry and aquaculture insurance via the Agriculture Insurance Consortium (AIC). In the proposed strategy, all insurance policies can be provided either directly to the farmers by distribution partners (bundled with loans, inputs, advice), or indirectly through distribution partners, or as meso-level insurance.

**Target group**
Smallholder farmers

**Target region**
Countrywide

**Insured asset**
Agricultural production, financial losses

**Insured peril / hazard**
Drought, excessive rainfall

**Insurance type**
Micro- and meso-scheme
Scale up of existing and development of new index-based insurance solutions

**Own contribution**
50% of total ISF project costs

**PRODUCT DEVELOPMENT ACTIVITIES SUPPORTED**
- Development of additional crop-specific index-based insurance solutions for agricultural production (sorghum, barley, etc.) and new perils, and scale up of existing index-based products (maize, beans, coffee, potatoes) to small scale farmers in new regions.
  - Outreach to farmers through key distribution partners and directly via a mobile platform.
  - Designing more crop-specific insurance products and including additional perils.
  - Designing different bundling arrangements with different distributors.
  - Improvement and development of IT infrastructure at the supply side to be able to scale.
  - Development of an onboarding application for key distributors.

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**EXPECTED IMPACTS**

- Increased number of policyholders.
- Increased resilience of Ugandan farmers against weather and climate-related shocks.

**PROJECT PARTNERS**

**DEMAND**
- OKO Finance / Sales and Insurance Platform Provider / IL
- Sanlam Uganda / Representative of Agro Consortium AIC / UG
- Several Local Farmers’ Federations / Organisations and Bewery / UG

**SUPPLY**
- eLeaf / InsurTech / NL
- Agricultural Reinsurance Consultants (ARC) / Agriculture Insurance Consultants and Reinsurance Broker / CH

**EXPECTED BENEFICIARIES**

1,410,000 by 2025
>75% poor and vulnerable

**IMPLEMENTATION PERIOD**

SEP 2021  --  OCT 2023

**GRANT AMOUNT**

EUR 982,575

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