The agriculture and livestock sectors in Kenya are highly exposed to droughts and floods. Kenyan smallholder farmers have a rain-fed farming system, use low-tech farming methods, and are being pushed into drier and more marginal areas. To address the low insurance penetration of smallholder farmers, ACRE - in collaboration with the Ministry of Agriculture, Livestock and Fisheries (MoALF) - aims to increase the resilience of 300,000 currently uninsured smallholder farmers against climate-related risks, and fulfil the government’s climate smart insurance objective with the latter subsidizing 50% of the insurance premium.

**Product development activities supported**

- Development of hybrid insurance product based on soil moisture index combined with picture-based loss verification tool.
- Analysis of high-resolution soil moisture satellite data, to capture drought and excessive rainfall events.
- Extending the insurance to cover sorghum, beans and Irish potatoes.
- Scale-up of existing products by training farmer champions as multipliers.
- Distribution of insurance through aggregators and county governments.
- Development of personalised climate advisories based on picture and satellite data.
- Integrate the different platforms used in the collection of premiums, signup of farmers, monitoring of cover, loss assessment, claims processing and payout distribution to individual farmers into a single platform.
PROJECT SET UP

EXPECTED IMPACTS

- Increased accessibility of crop insurance to smallholders due to minimization of costs of loss verification and damage detection at plot level (insurance penetration).
- Increased resilience of smallholder farmers to climate and disaster risks.

PROJECT PARTNERS

DEMAND
- Ministry of Agriculture, Livestock and Fisheries (MoALF) / Government Entity / KE
- ACRE Africa / Insurance Surveyor / KE

SUPPLY
- VanderSat / Satellite Data Provider / NL
- International Center for Tropical Agriculture (CIAT) / Non-For-Profit Research Organisation / KE
- Swiss Reinsurance / Reinsurance Company / CH
- ZEP Re / Reinsurance Company / KE

EXPECTED BENEFICIARIES

- 3,000,000 by 2025
- 100% poor and vulnerable

IMPLEMENTATION PERIOD

- JUN 2021
- JUL 2023

GRANT AMOUNT

- EUR 1,344,540

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