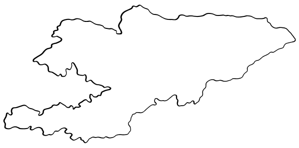
InsuResilience
Solutions Fund

PROJECT BRIEF

KYRGYZSTAN



The Kyrgyz Republic, a landlocked country located at the heart of Central Asia, faces increasing challenges from climate change, particularly extreme weather events such as droughts, temperature fluctuations, and reduced water availability. These challenges are severely affecting the livelihoods of rural households, especially livestock herders who rely on pasture and affordable feed to sustain their animals. The Project Partners will be working on a forecast-based insurance approach that uses weather or climate predictions to trigger pre-arranged insurance payments. This approach aims to provide timely support before, during, or immediately after extreme weather events, specifically addressing the urgent need for livestock feed and ensuring that herders receive the assistance they need in a timely manner.

PRODUCT CHARACTERISTICS

Target group
Livestock farmers, and those enrolled in the social protection scheme

Target region
Ak-Tala and At-Bashi districts, Naryn province

Insured asset
Agricultural production (cost of fodder), emergency relief measures (financial assistance)

Insured peril / hazard
Drought, cold spells

Insurance type
Macro-level approach
Improvement of existing insurance pilot

Own contribution
50.23% of total ISF project costs

PRODUCT DEVELOPMENT ACTIVITIES SUPPORTED

- Developing an innovative forecast-based insurance product, integrating forecasts and real-time monitoring for early triggering of the product and enabling assistance to reach the target group more timely, including training and capacity development for local stakeholders on the technical aspects of the product.
- Establishing effective systems that integrate the product within the social protection architecture and facilitate rapid distribution of benefits, including development and enhancement of district-level emergency response plans that will be financed through the product.
- Linking the product to local government authorities and climate and disaster risk management agencies and integrating the premium costs into public budgets allocated towards emergency response.
- Developing a communication and awareness campaign to sensitise the local government authorities as well as the target group of beneficiaries on the insurance solution and the type of support they will receive through the macro-level coverage.
- A Response Plan will be developed for each district that establishes the activities and required steps for distributing assistance when an insured event occurs.

PROJECT SET UP

EXPECTED IMPACTS

Improve the current index-based insurance product so it provides earlier pre-agreed financing for local government authorities to protect vulnerable livestock herders in the social protection registry before worst effects of the event have occurred. This insurance mechanism will use predictive weather or climate forecasts.

PROJECT PARTNERS

DEMAND

- Kyrgyz Forum of Rural Agricultural Services (KGFRAS) / Association / KG

SUPPLY

- Blue Marble Microinsurance / InsurTech / UK
- A PLUS / Insurance Company / KG

EXPECTED BENEFICIARIES[1]

30,015 by 2026
100% vulnerable

IMPLEMENTATION PERIOD

DEC 2024 – DEC 2026

GRANT AMOUNT

EUR 583,462

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