PROJECT BRIEF

INDIA

India is highly exposed to extreme weather events that put the country in the top five of the most vulnerable countries to natural hazards. Uninsured weather disasters lead to devastating losses of farm income, forcing households to sell their assets (e.g., livestock) and to send their children to daily labour instead of school. The Project Partners focus on marginal farmers in seven (7) states of India by offering and scaling up two types of products, one index- and one indemnity-based insurance. Building on the success of Phase I, DHAN and IBISA propose a Phase II extension to scale up the program into new states in India, expand outreach, and introduce additional innovations with a special focus on gender centric resilience and the empowerment of women farmers.

PRODUCT CHARACTERISTICS

Target group
Smallholder farmers (field size < one (1) ha)

Target region
Tamil Nadu, Karnataka, Telanaga, Andhra Pradesh, Odisha and Maharashtra, Madhya Pradesh

Insured asset
Agricultural production costs on proportionate basis, dairy animal (including goats and sheep)

Insured peril / hazard
Drought, excessive rainfall (plus accident and natural deaths for indemnity-based livestock)

Insurance type
Micro-scheme
Combination of mutual cover with co-insurance with mainstream company

Own contribution
41.9% of total ISF project costs

PRODUCT DEVELOPMENT ACTIVITIES SUPPORTED

- Scale up of the product with an emphasis on new farmers in underserved areas and an expansion in a new state (Madhya Pradesh).
- Gender-Centric Resilience: Targeting 75% women farmers to enhance inclusivity and equity.
- Establishing 50 new RMCs to provide climate advisory, training, and resilience strategies.
- End-to-end digitisation of insurance processes through platforms and mobile applications.
- Phasing out subsidies and ensuring long-term viability through mutual federation systems, capacity-building and complementary funding sources.

PROJECT SET UP

ISF PROJECT PARTNERS

FARMERS	FEDERAL MUTUALS	DHAN PEOPLE MUTUALS	ibisa
Pay the premium	**First risk taker** • Mutual insurance, underwrites the product • Distributes and offers insurance products • Capacity building • Receives premiums, pays benefits	**Risk taker and project coordinator*** • Reinsurance to the federations • Product term & pricing approval	**Tech platform and product design** • Leads product design and risk calculation • Policy Management System platform provider • Loss Assessment • Digital last mile tools

EXPECTED IMPACTS

The proposed extension of the project, along with the additional funding it entails, will enable partners to build on Phase I achievements. It will also provide an opportunity to scale up climate-resilient interventions, expand outreach and strengthen the institutional capacity of partners and other stakeholders in the target states. By focusing on underserved regions and empowering women farmers, Phase II aims to ensure financial protection, resilience and sustainability for smallholder farmers in India.

PROJECT PARTNERS

DEMAND

- Federation Mutuals / Trust owned and governed by farmers / IN
- Development of Human Action (DHAN) People Mutuals / Trust and apex body of Federation Mutuals / IN
- Development of Human Action (DHAN) Foundation / Foundation / IN
- Development of Human Action (DHAN) International/ Foundation / IN

SUPPLY

- IBISA Network S.A. / InsurTech / LU

EXPECTED BENEFICIARIES [1]

300K till project end
100% vulnerable

IMPLEMENTATION PERIOD

JAN 2025 – FEB 2027

GRANT AMOUNT

848,300 EUR

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