InsuResilience
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PROJECT BRIEF

PERU

Peru is the world's leading producer and a major exporter of organic coffee, supporting approximately 223,000 families. Because coffee farming involves high establishment and input costs, extreme weather events – including excessive rainfall, drought, and delayed precipitation – pose significant risks to farmers' livelihoods. In response to this challenge, the Project Partners propose to introduce a new index-based insurance solution, which will provide coverage for heat stress and excessive rainfall during three critical stages of coffee production. The insurance model will be an adaptation of Café Seguro and will be tailored to Peru's specific climatic and agricultural conditions.

PRODUCT CHARACTERISTICS

Target group
Small-scale coffee producers grouped in cooperatives

Target region
Cajamarca, Jaen, Villa Rica, Piura, Puno (in the eastern slopes of the Andean mountains)

Insured asset
Coffee production costs

Insured peril / hazard
Excess rainfall, drought

Insurance type
Micro-meso-macro level insurance approach
Adaptation of a piloted insurance product to selected regions of Peru – complementing the national agricultural insurance scheme.

Own contribution
58.3% of total ISF project costs

PRODUCT DEVELOPMENT ACTIVITIES SUPPORTED

- Gathering data to design the climate and distribution model of the insurance product
- Designing the model for the insurance product, which includes operational processes and the payout structure
- Arranging for re-insurance coverage with the re-insurance company partners
- Rolling out the product and monitoring its implementation
- Providing financial and business education to beneficiary farmers
- Providing capacity building to project partners to strengthen their capacity to deliver the insurance product
- Strengthen the IT capacity of the project partners to increase the efficiency of the insurance model (e.g. index trigger warnings, payout claims, and payout deliveries).

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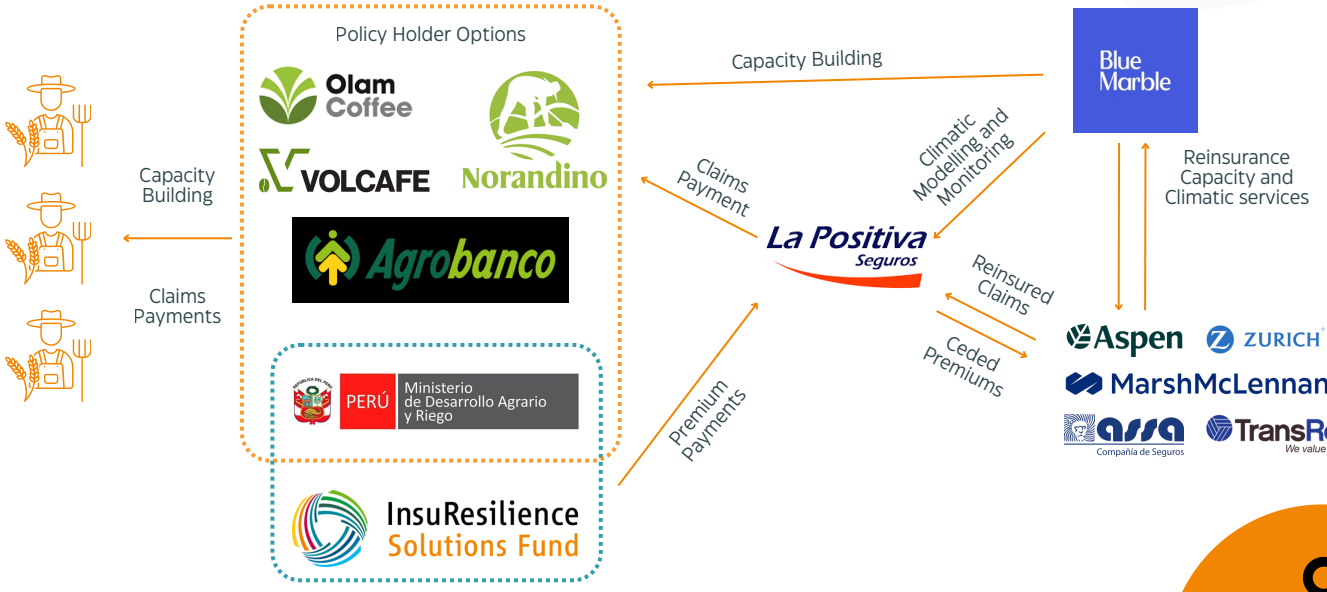
PROJECT SET UP



EXPECTED IMPACTS

- The project aims to improve the climate resilience and economic development of smallholder coffee farmers by introducing a tailored insurance product.
- At least 30% of the project's beneficiaries are expected to be women, supported by a comprehensive gender inclusion strategy.
- Measures to foster women's participation include a baseline gender analysis, engagement of women in product design, and collection of gender-disaggregated data.
- Farmers will be supported in adopting Climate-Smart Agriculture (CSA) practices, with the final selection based on an initial assessment to ensure context-appropriate strategies; options include rust- and drought-resistant varieties, Arabica on Robusta rootstock, native cover crops, and windbreaker curtains.

PROJECT PARTNERS

DEMAND

- Norandino / Private Farmer Cooperative / PE
- Agrobanco / State-run Agricultural Bank / PE
- Ministry of Agriculture and Irrigation of Peru (MIDAGRI) / Governmental Entity / PE

SUPPLY

- Blue Marble Microinsurance Inc. / InsurTech and Insurance Solutions Developer / US
- La Positiva / Private Insurance Company / PE

EXPECTED BENEFICIARIES

125,000 till project end
100% poor and vulnerable

IMPLEMENTATION PERIOD

OCT 2025 — NOV 2027

GRANT AMOUNT

EUR 1,624,770.70

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