



# AGRICULTURE INSURANCE

## Barriers VS Opportunities

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Bangladesh



[www.apainsurance.org](http://www.apainsurance.org)



APAInsurance



APA Insurance Ltd



APOLLO CENTRE  
APOLLO ASSET  
MANAGEMENT



*Insuring Happiness*

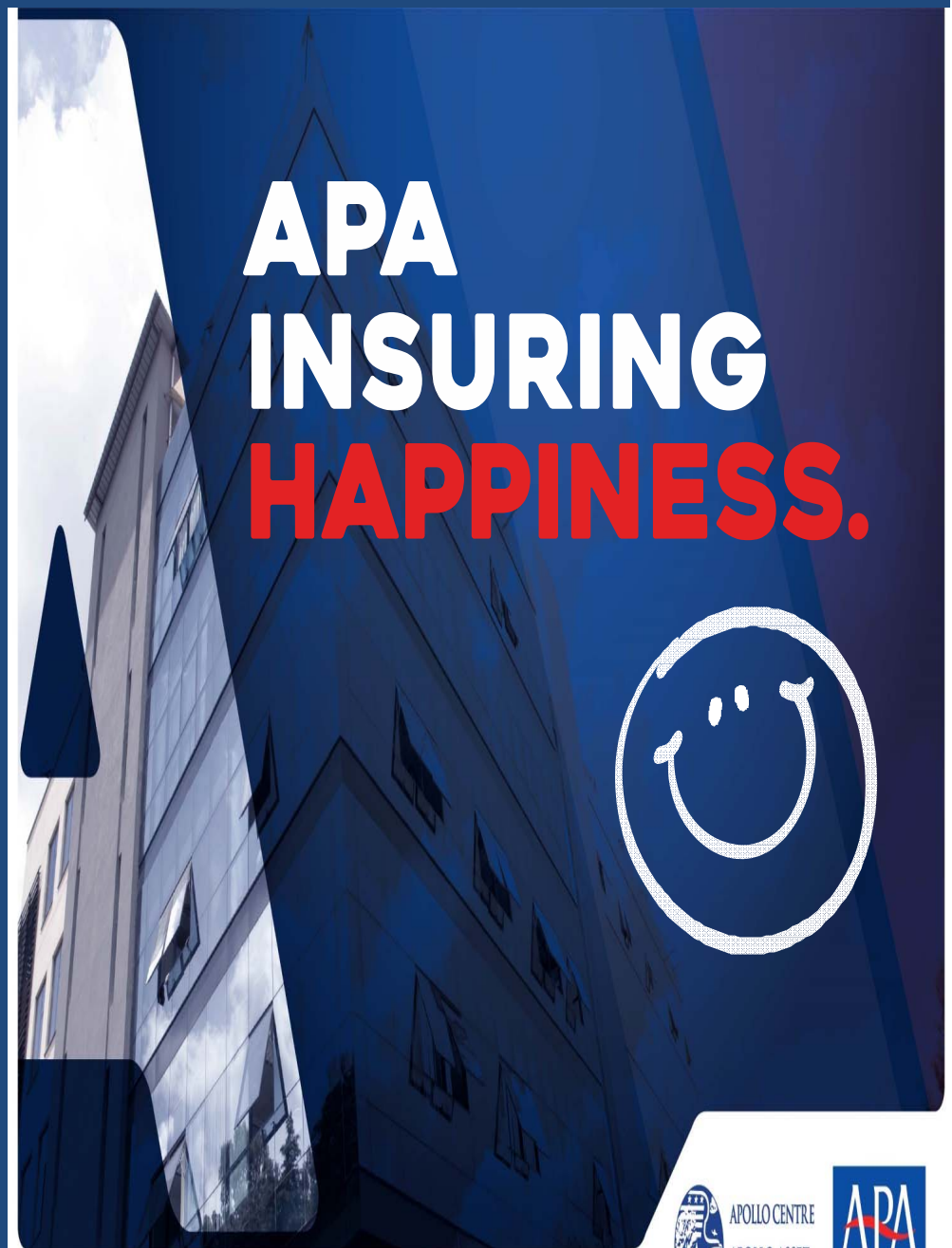
# About APA

APA Insurance, a leading insurer in Kenya. Insuring individuals and corporates with its wide range of insurance solutions as well as services that go beyond insurance.

The flagship company was formed after the merger of the general businesses of Apollo Insurance Company and Pan Africa Insurance. With a combined experience of over 100 years (Pan Africa - 1946 and Apollo -1977), APA has through its innovative and trailblazing activities become a front runner in industry.

For the last few years it has grown its Micro and Agri portfolio. Smallholder farmers and Pastoralists have a range of innovative, affordable product offering.

KAIP/KLIP are mass market products with wide appeal



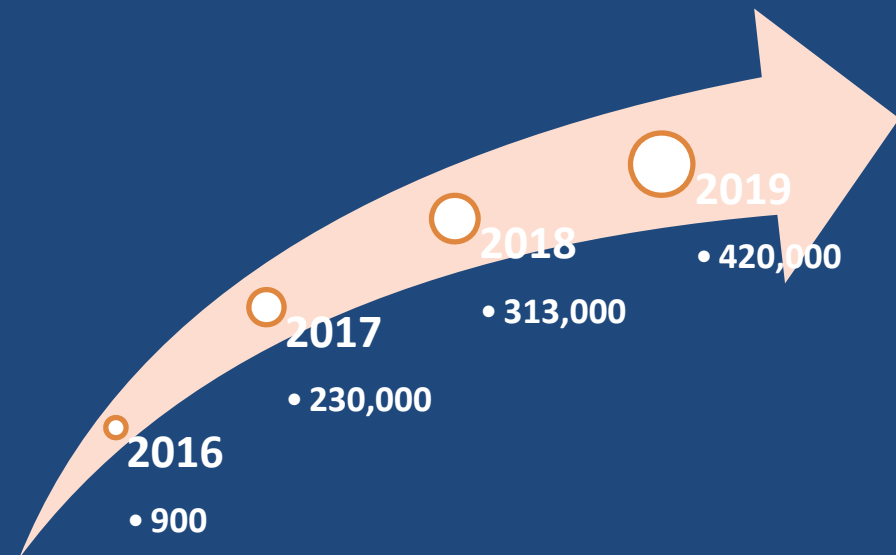
# APA INSURING HAPPINESS.



# Kenya Agriculture Insurance Program (KAIP)

- Launched in 2016 - 3 counties
- Latest Cover - 27 counties
- Premium - 50% Government subsidized. Cover guarantees a yield of 80%
- Product offered is Area Yield Index Insurance
- MPCII - to give broad protection
- Cumulatively reached over 900,000 smallholder farmers since 2016
- Insured by agriculture insurance pool
- APA leads the pool - 6 like minded local insurers

## Farmers Insured

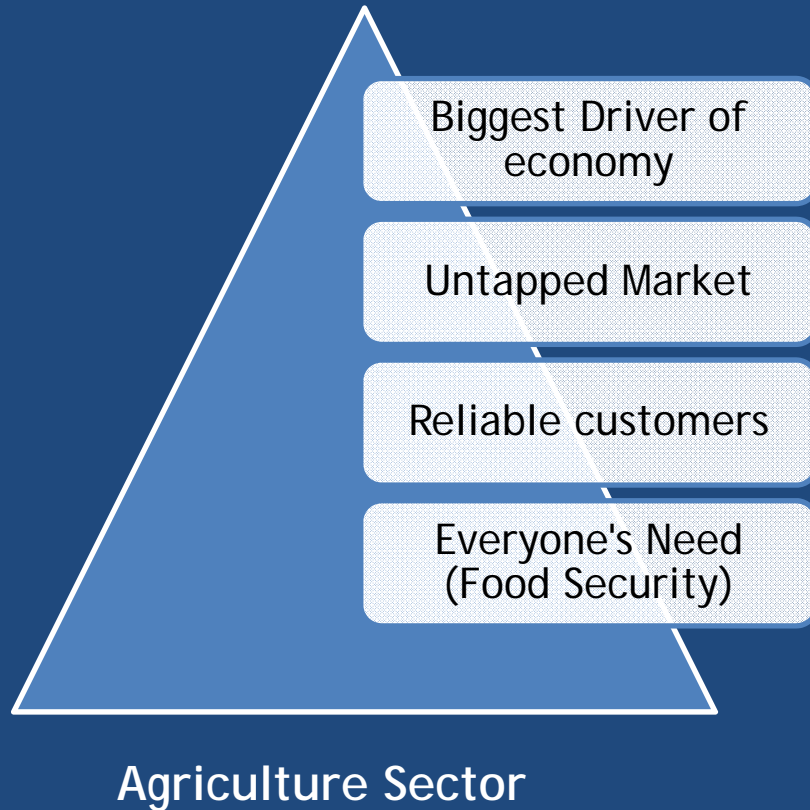


# Kenya Livestock Insurance Program (KLIP)

- An innovative cover designed to protect pastoralists against the risk of drought related livestock risks
- Covers the forage, premium charged per head of cattle in terms of Tropical Livestock Units (TLUs) with a Sum insured per TLU being Kes. 14,000 - equivalent to the forage the animal needs.
- The value is based on the cost of feeding the livestock unit for a period of one year.
- Satellite data show forage availability- NDVI
- The trigger is announced when forage scarcity goes down- Cover pays out immediately to help pastoralist buy forage or transport livestock to better grazing.
- Cumulatively reached over 18,000 households and benefited 120,000 pastoralists since 2015



# Opportunities & Challenges



- CAPACITY
- REINSURANCE
- TRUST
- INFRASTRUCTURE
- SCALE





# Our Approach to Solve Challenges -Pool

## Capacity

Multiple insurers working together as a Pool instead of competing for the business they don't know yet.

Putting resources together to develop the local market

Learning from each other through the journey



## Reinsurance

international markets willing to support when working as a group.

Assurance to reinsurers that group will be there for a long time to develop the business and not just testing for one season

Higher Net retention within the country is preferred by reinsurers which is easy with a Pool approach



## Trust

A Pool approach gets support of multiple partners like Government, Reinsurers, International Development Organisation, Local Aggregators to build Trust.

Well managed claims paid by the group from support of some of multiple partners helps a lot



## Infrastructure & Scale

Under the Pool, it becomes easy to share resources from all stake holders to reach the scale.

Entering into value chains is easy with such resources

Embracing technology ensures efficacy in client onboarding, crop cutting exercises, monitoring of weather patterns etc.



**APA**  
**INSURING**  
**HAPPINESS.**



**THANK YOU**

