

MULTIPLE VALUE CHAIN BUNDLING FOR CUSTOMER OUTREACH AGRI-INSURANCE

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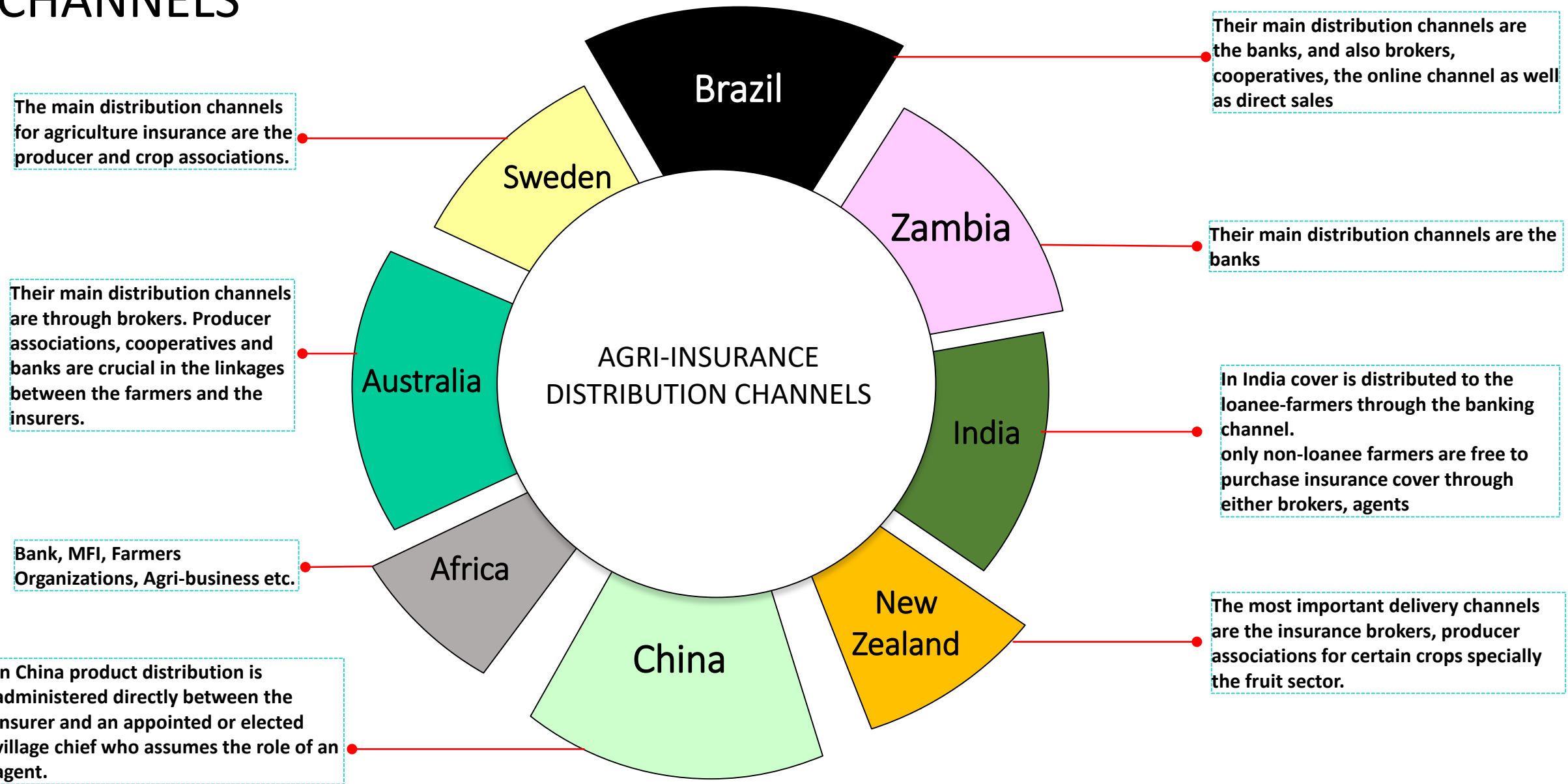
#15thIMC

Inclusive Insurance for Emerging Markets

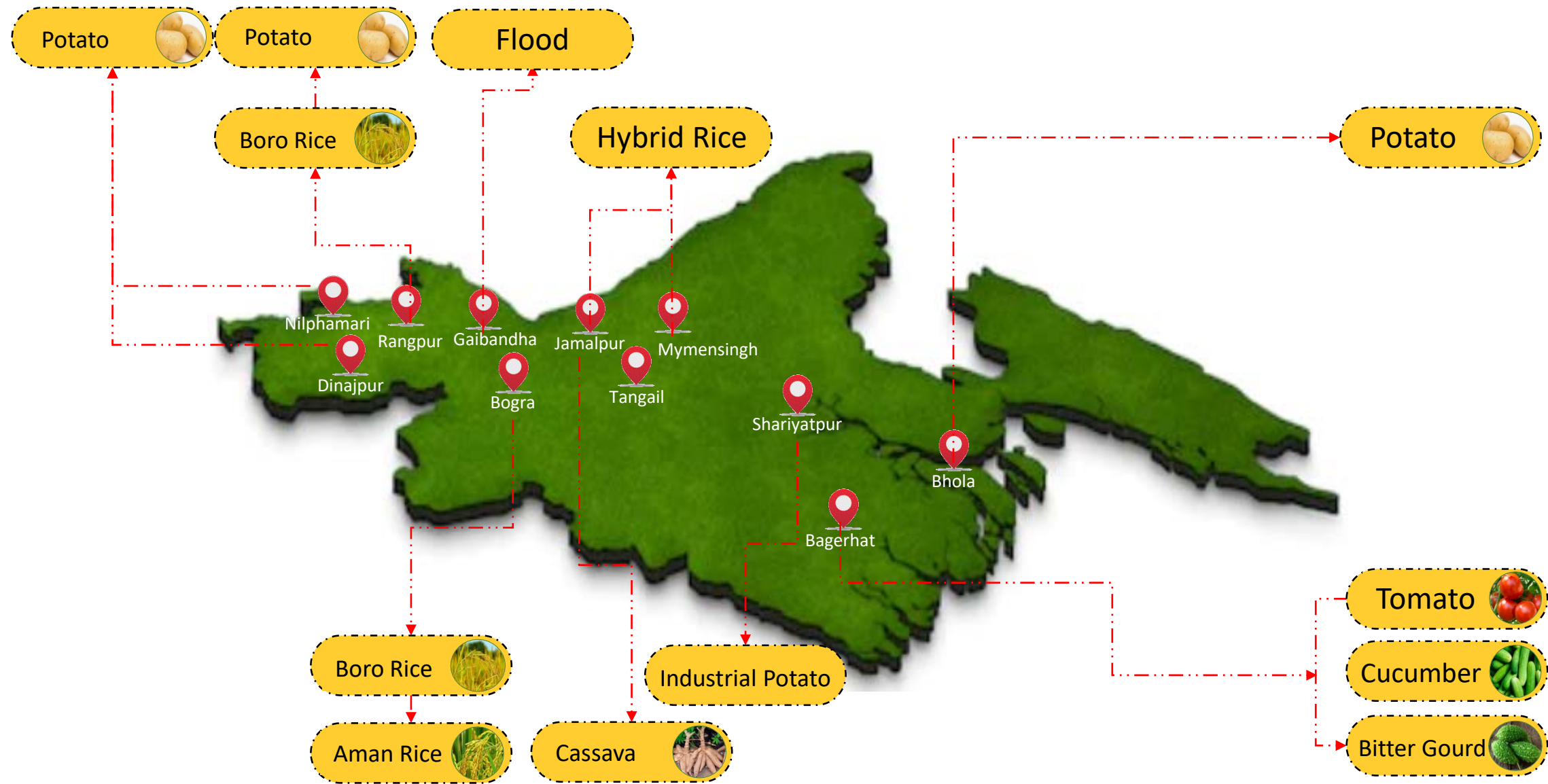
Coping with Climate Risk

5–7 Nov 2019, Dhaka, Bangladesh

GLOBAL TREND OF AGRI-INSURANCE DISTRIBUTION CHANNELS



LOCATION TAPPED



Dashboard OF Agriculture Insurance



Reached **24,000 Households** through policy and field activities, **10,000 Households** through AV

Covering **140,548 Acre Land**

4 SDGs (No poverty, Zero Hunger, Industry Innovation and Infrastructure & Partnership for goals)

From 2015 to 2019 (Till October)



PREMIUM USD 0.086 Million
SUM INSURED USD 3.23 Million

Total Policy Issued : 27

Perils Covered: 8, Crops Covered: 9

From 2015 to 2019 (Till October)

1 Livestock Insurance has been provided to 1 Farm at Keraniganj, Dhaka
Insuring 5 Cattle

Location Tapped



11 Districts

6 Divisions

From 2015 to 2019 (Till October)

Field Activity Highlights

79

Yard Meetings

36

FGDs

7

Awareness &
Claim Payment Program

3

Workshops



Claims **5,025 Farmers**

Crops Tomato, Boro Rice, Aman Rice

Perils Excess & Unseasonal Rainfall,
Drought, Cold Wave

Locations Chitalmari, Dinajpur, Bogura



227 FGDs, Yard Meetings, workshops and Awareness Programs reaching 6,176 Farmers



10 Workshops & Trainings for Stakeholders including Farmers



More than **0.7 Million** SMSs sent and Toll Free Call Center

Know more about our work visit : [Green Delta Weather Index Based Agriculture Insurance](#)

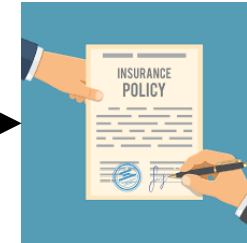
GENERIC BUSINESS MODEL- AGRI INSURANCE



Value proposition: Using Insurance as Incentive for Input Farm/Seed Company Contract Farming, MFIs, Banks, NGOs etc. protection for both farmers and involved organizations



POLICY



Bundled with input/ credits/ seed bags with the scope of adding insurance as another input



DISTRIBUTION PARTNER

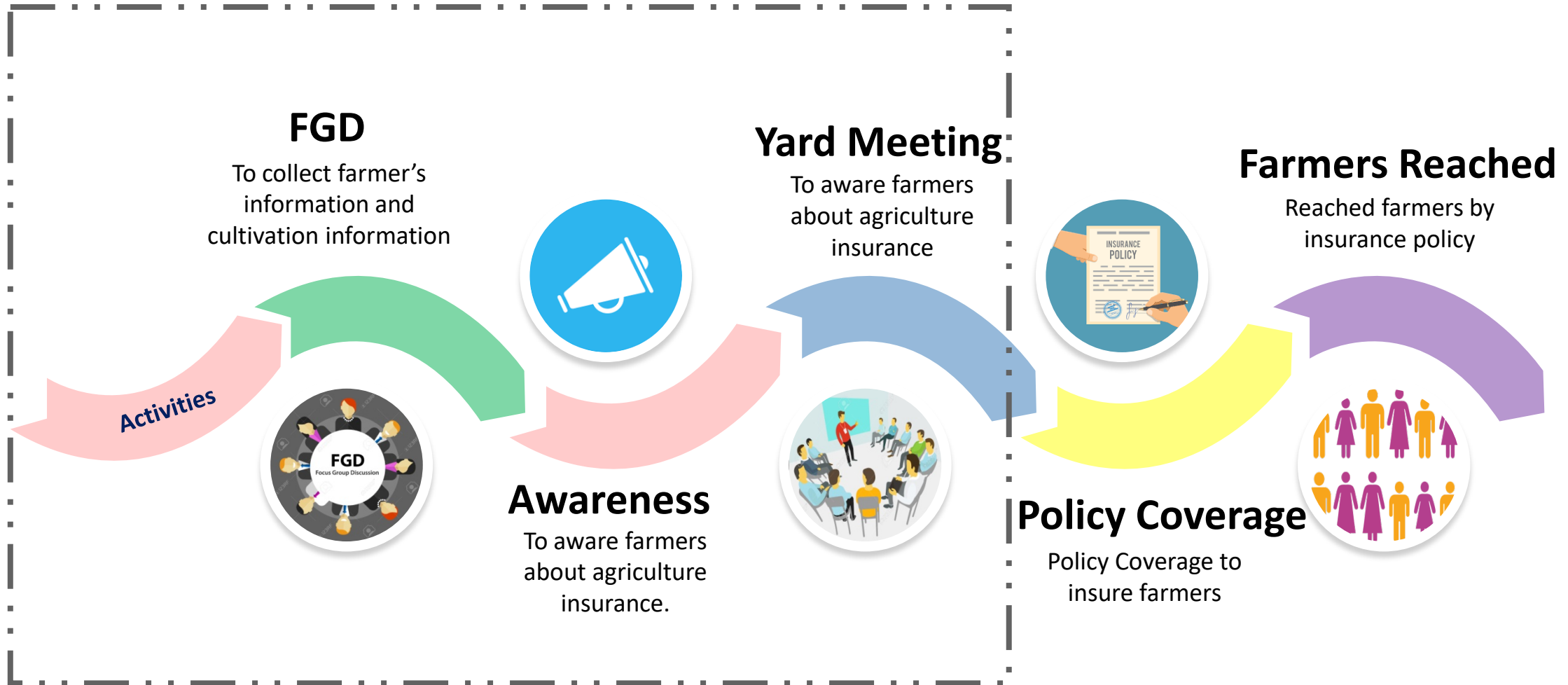
Input Farms/
Contract Farming/
Seed Company/ MFIs/
Banks/ NGOs etc.



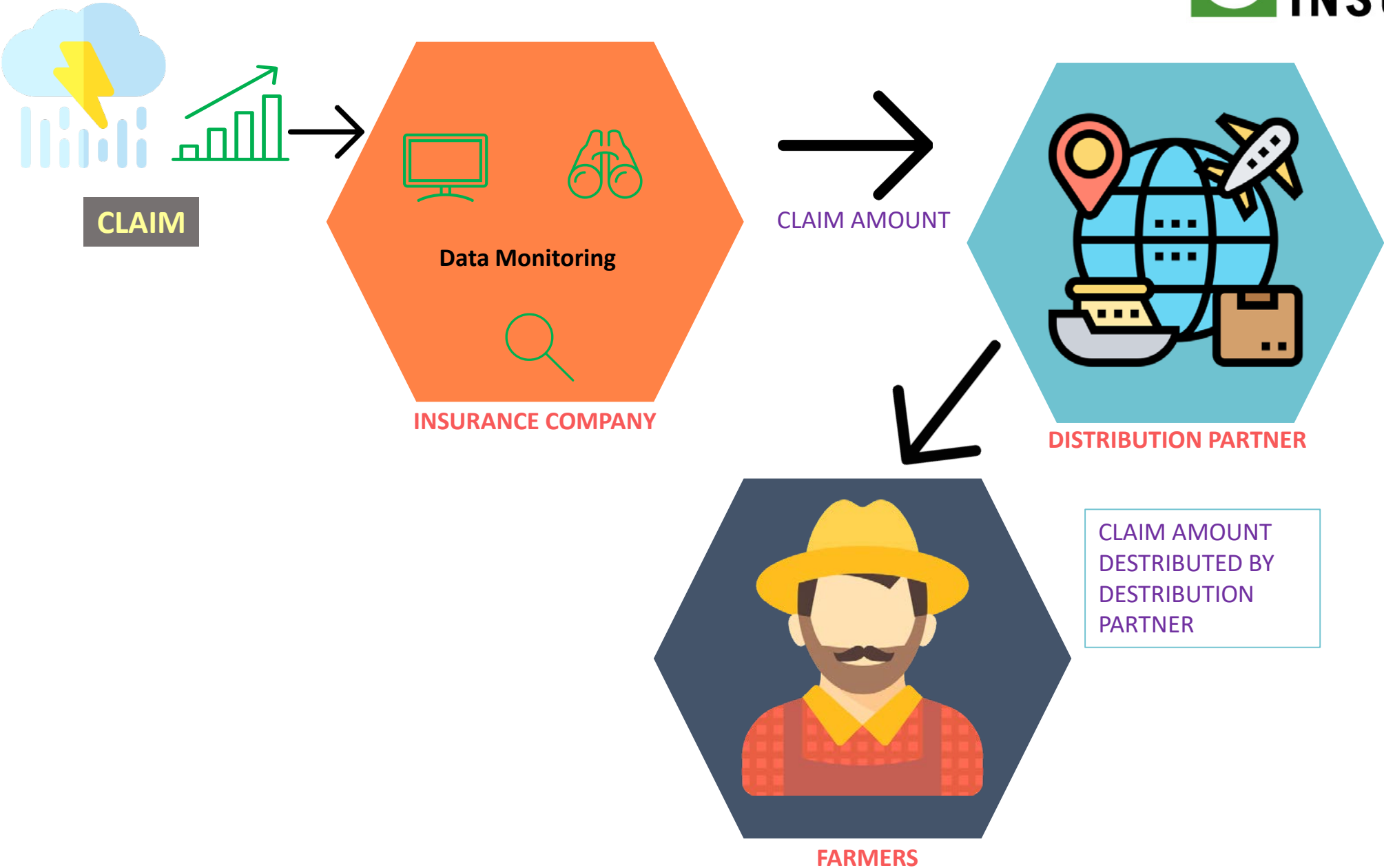
FARMERS

Claim Settlement

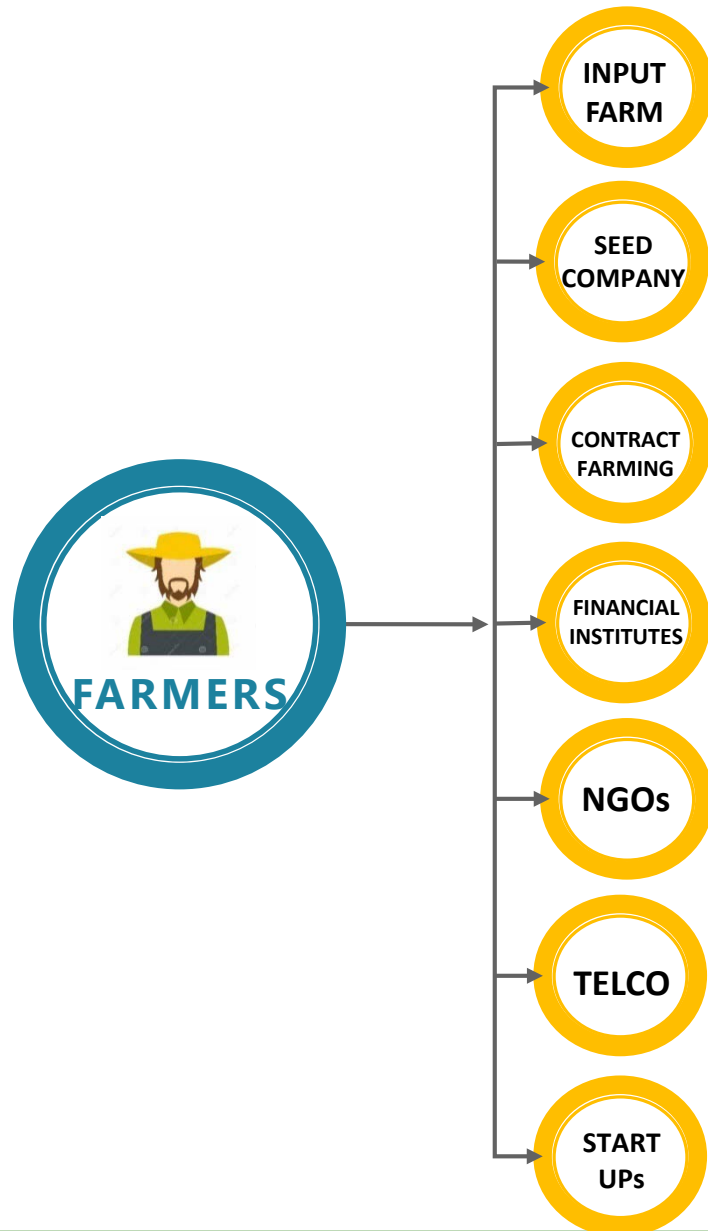
HOW TO REACH FARMERS



SIMPLE CLAIM PROCESS



CONNECTION BETWEEN FARMERS AND DISTRIBUTION PARTNERS



END RESULT MATRIX OF DISTRIBUTION PARTNERS



	INPUT FARMS	CONTRACT FARMING	SEED COMPANY	MFIs	BANKS	DONORs & NGOs
Direct Reach	9,300	215	4,740	1,460	5 Cattles	750 HH
Indirect Reach	Around 6,500 Farmers		-	Around 1,500 Farmers	361	-
Premium	USD 22,806	USD 85,234	USD 26,927	USD 2,557	USD 365	USD 14,712
Claim	USD 16,462	-	-	USD 198	-	TBD
Crops	Crops (Tomato, Cucumber, Bitter Gourd)	Industrial Potato, Cassava	Hybrid Rice Seed	Potato, Boro Rice, Aman Rice	Livestock Insurance	Contingent Loss of Earning (Flood)
Illustration	Renaissance Enterprise	Sylvan Agriculture Limited (Sister Concern Of PRAN-RFL GROUP), Eastern Trade, Seba Limited	Supreme Seed	ESDO, GUK	BRAC Bank	OXFAM Bangladesh, SKS Foundation
Location	Bagerhat, Shariyatpur	Tangail, Shariyatpur	Mymensingh, Muktagacha, Modhupur, Tangail	Nilphamari, Dinajpur, Bogura	Keraniganj, Dhaka	Gaibandha, Rangpur

DISTRIBUTION MODEL STARTUP FARMS



LOCATION

North
&
South Bengal



PARTNERS

Daakbox,
iFarmer



PRODUCTS

Weather Index
Insurance
&
Livestock
Insurance

CHALLENGES

- Development of Product
- Enrolment Process



WAYS TO OVERCOME CHALLENGES

- Pilot Project
- Developing new Business Model aligning with their business type.

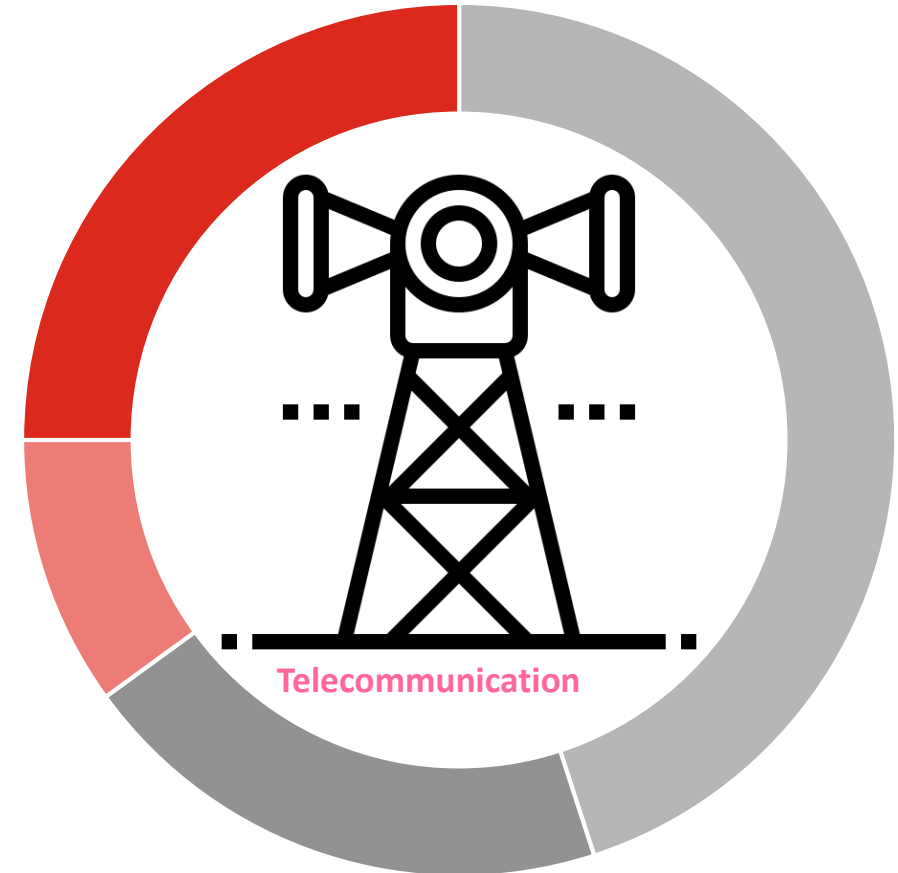


CHALLENGES

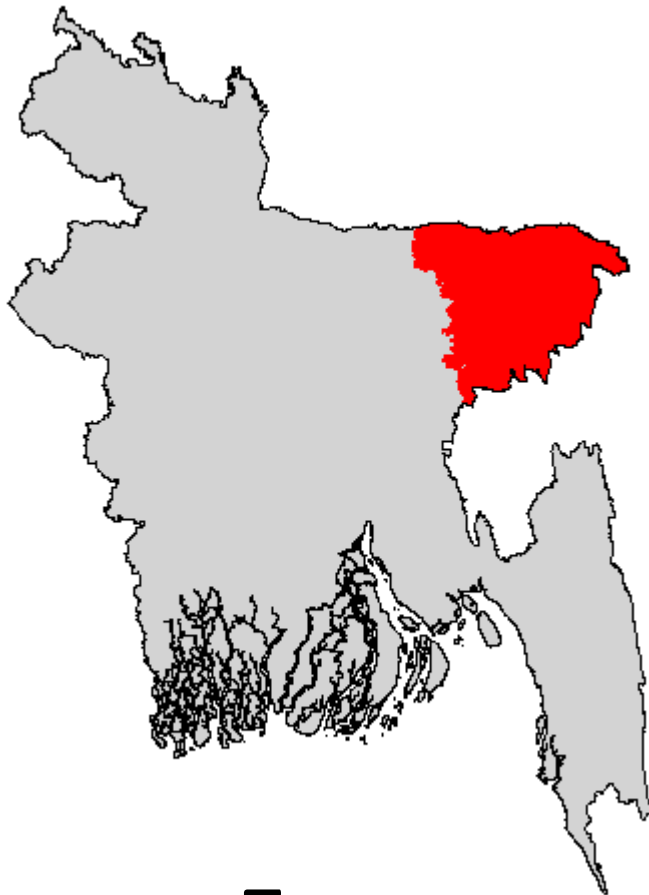
- Operational Model – Collection of premium, Sales distribution, Bundling process

WAYS TO OVERCOME CHALLENGES

- Need to develop separate business model for Telco
- Incorporate technology for better adaptation of product



PROJECT IN HAOR AREA – ADVISED BY GOVERNMENT



North - Eastern Region of
Bangladesh

373 Haors 7 Districts, 69 Upazilas and 621 Unions

3.05
MILLION HH

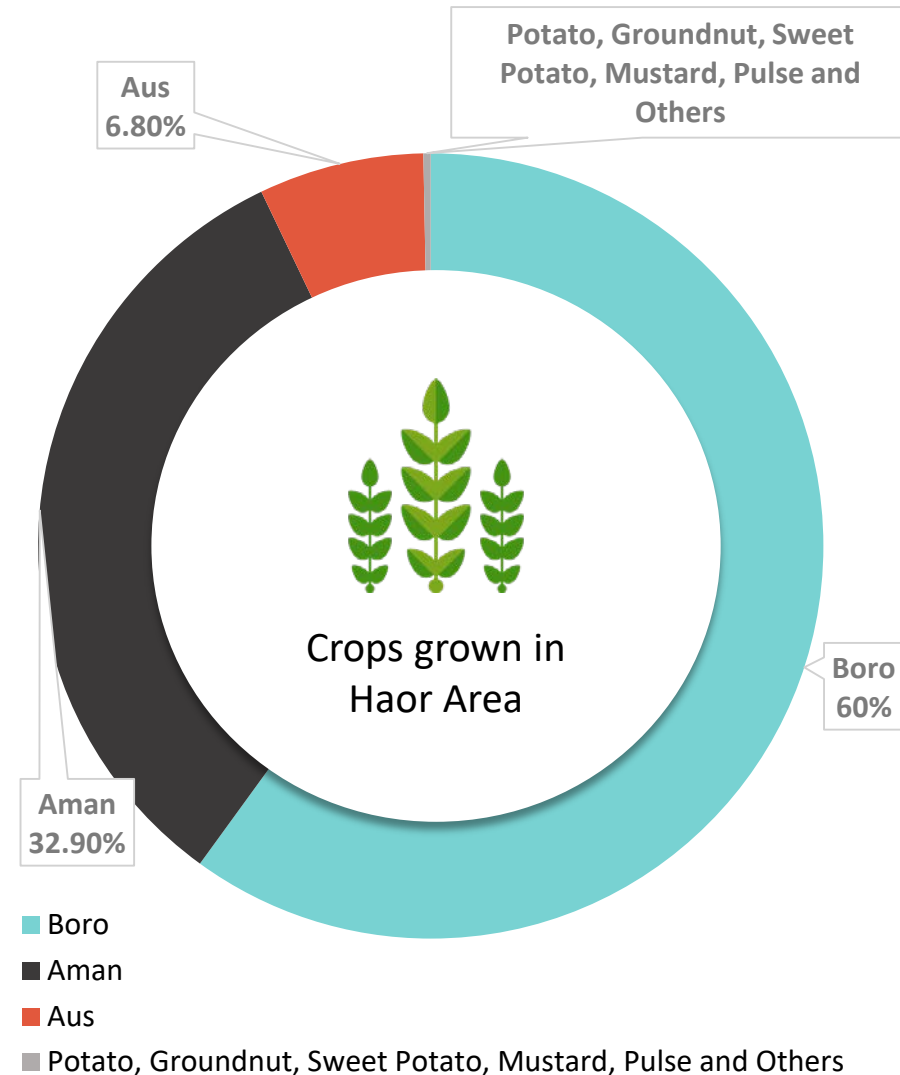
1.68 million farm & 1.37 million non-farm households

80,000
Square Kilometers

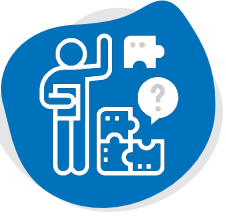
The total area of haor-type wetland ecosystem in Bangladesh is 80,000 square kilometers.

Challenges

- Enrollment Process
- Business model development
- Availability of ground level data, yield data, farmers data



LEARNINGS



- Knowledge of developing multi peril weather index products for any crop within Bangladesh.
- Knowledge on designing successful collaborative model.
- Experience on understanding the gap between the legislative/regulatory framework and ground level reality.
- Use of proper/ dynamic technology for maximizing the outcome of the program.





Thank

You

GDIC AT A GLANCE



CHALLENGES AND WAYS TO OVERCOME



CHALLENGES

Lack of Insurance awareness among farmers and distribution channel **01**

Financial Incentives for Distribution Partners **02**

Unavailability of published yield data from Government Sources **03**

Complexities in handling multiple partners **04**

Challenges of dealing multiple Regulatory bodies **05**

Every project needs customized communication **06**

WAYS TO OVERCOME

01 Awareness Programs, Literacy Trainings, Workshops, FGDs

02 Regulatory support to address distribution partners' incentive expectations

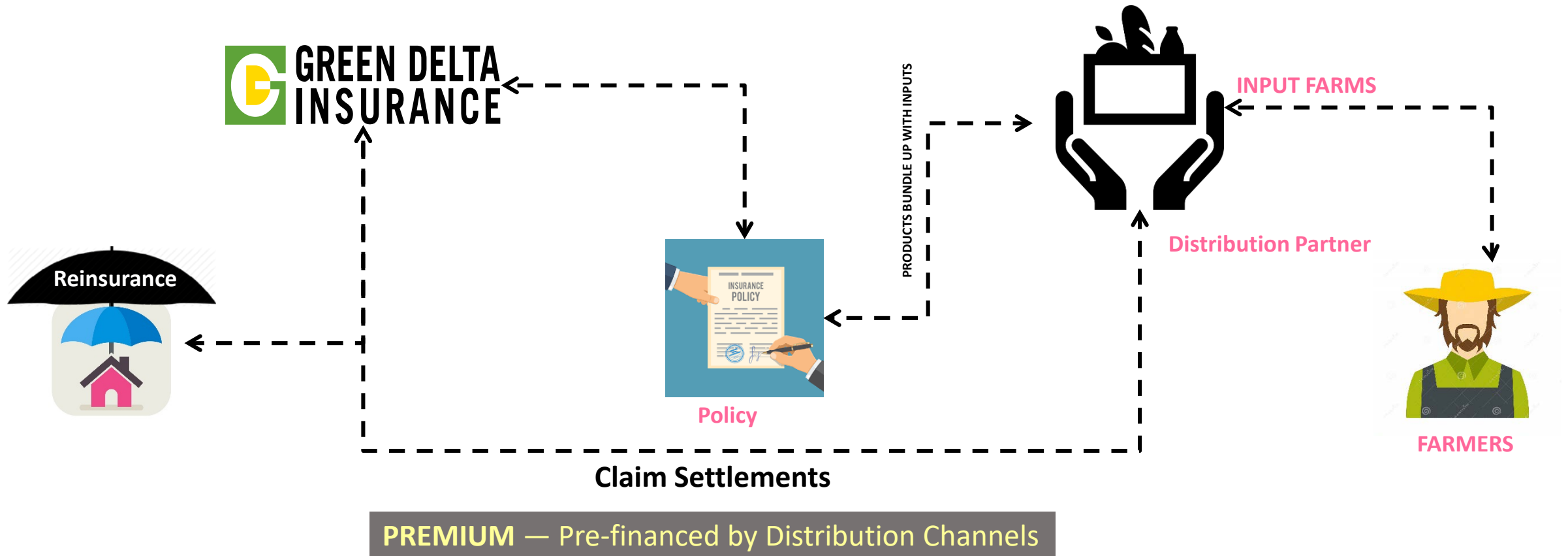
03 Government support for providing segregated yield data

04 Long term partnership

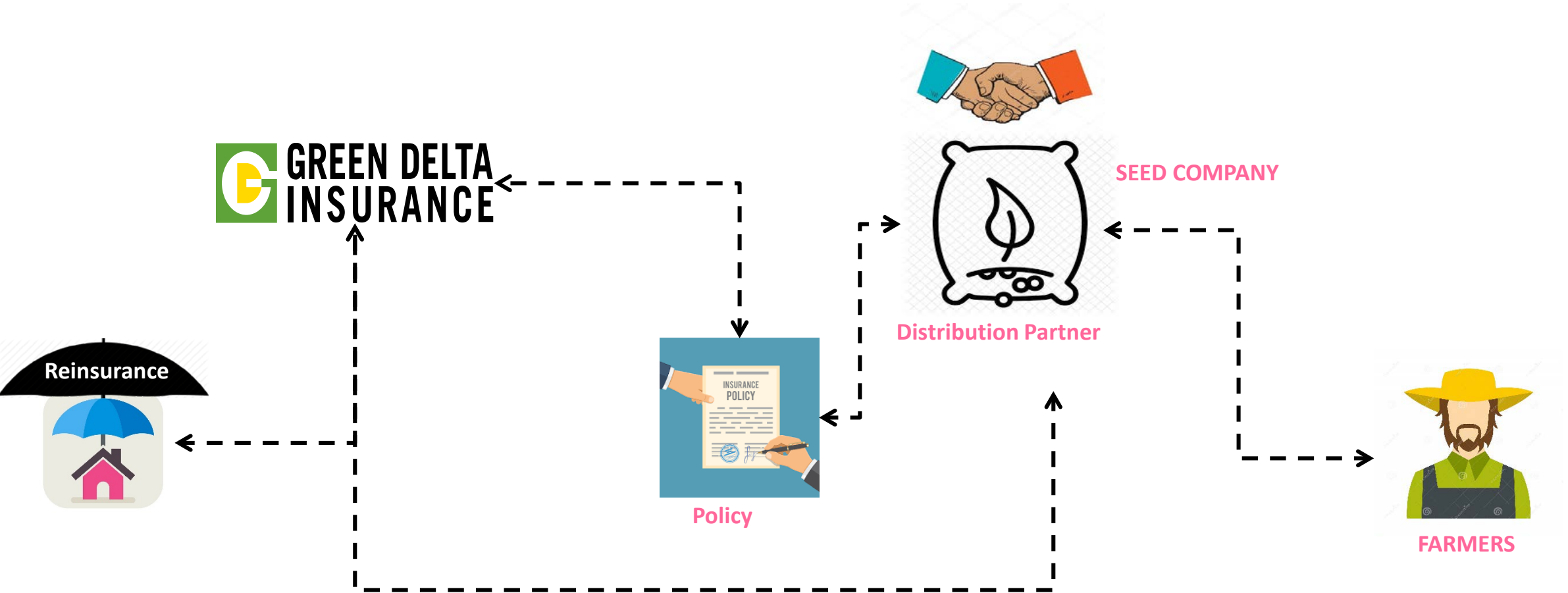
05 Minimize regulative obstacles through incorporating regulatory bodies in the initiative

06 Prioritize beneficiary parties to avoid communication gaps.

DISTRIBUTION MODEL OF INPUT FARMS

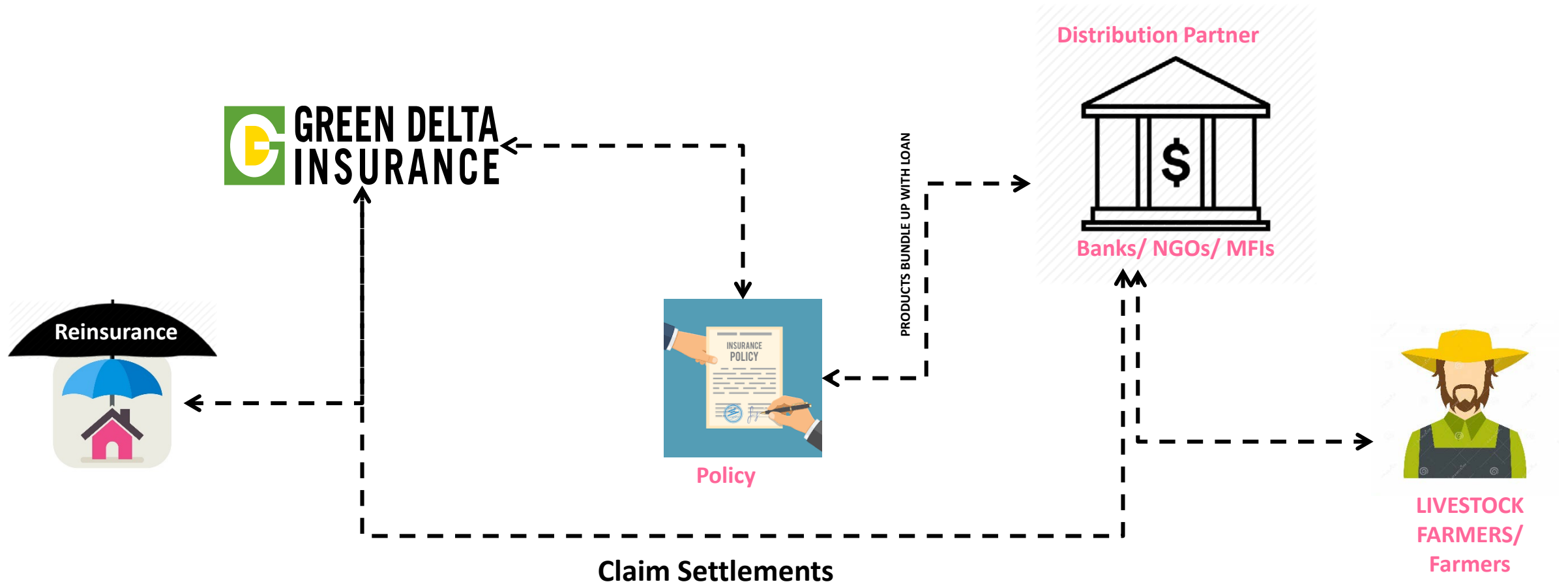


DISTRIBUTION MODEL OF SEED COMPANY



PREMIUM — Pre-financed by Distribution Channels

DISTRIBUTION MODEL OF BANK/ NGOs/ MFIs



PREMIUM — Premium payed by farmers bundled with loan