

MAYFAIR INSURANCE

Mr. Humphrey Mulele

Agriculture Specialties Manager

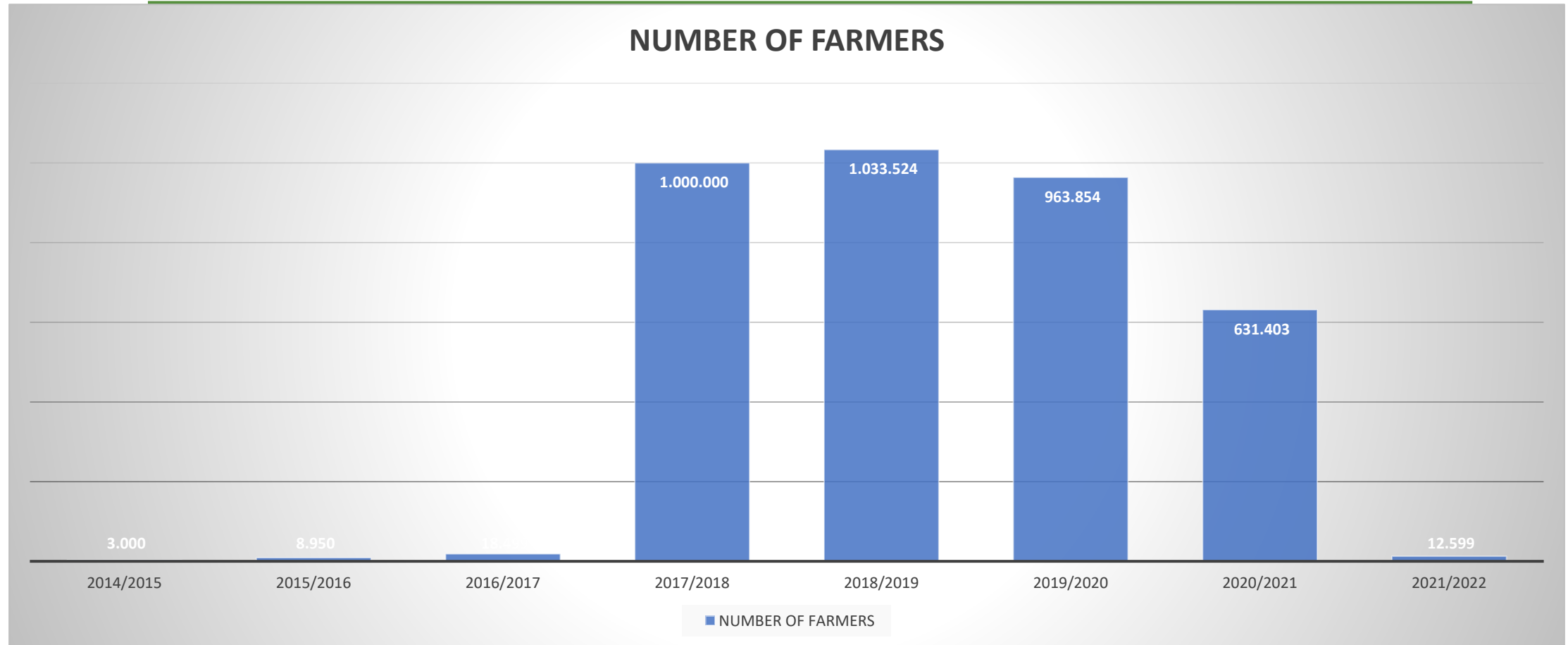
Who are we?

- Mayfair Insurance Company Zambia Limited is a General Insurance Company which began accepting business in March 2010 having been duly registered and licensed by the Zambian Insurance Regulator - Pensions and Insurance Authority in September 2009.
- Mayfair is the leading Agriculture Underwriter in Zambia having identified agriculture as a key economic driver.
- While commercial farmers can afford multi-peril crop insurance and livestock insurance, it may not be as affordable for the small to medium scale farmers.
- Most smallholder farmers practice rain-fed agriculture. In just one season a smallholder farmer can lose an entire harvest and have no back up plan to buy inputs for the next season, thereby affecting their livelihood.
- With this brief background, small-scale farmers have seen tailor made products with the introduction of weather index insurance, area yield index insurance and index-based livestock insurance.

Contribution to Access to Index Insurance

- We ran the first pilot of **Weather Index Insurance** in 2014/2015 where we insured 1500 farmers under the *Lima Credit Scheme of the Zambia National Farmers Union* which had a total membership of 18,000 farmers. We piloted in Mpongwe and Lufwanyama - Copperbelt Province. Additionally, In 2014/2015, we partnered with *Musika* with whom we ran a pilot in Choma on FISP and we recruited 1500 farmers on a voluntary basis.
- In 2015/2016 we further partnered with *Musika*, *IFC* and **the FSDZ** to extend the product to more partners such as *ILO*, *FAO* and **WFP** bringing our reach to 8900+ farmers.
- In 2017/2018 government decided to introduce weather index insurance as part of a FISP package through the tender process. We emerged as the successful bidder insuring over 1,000,000 small scale farmers.
- Innovations in product development have since expanded beyond weather index insurance. In 2019/2020 season we offered **Area Yield Insurance** to 19,000 small scale farmers in Central Province in addition to the Weather Index Insurance product we provided multiple clients.
- In 2020 with the support of IFAD and WFP, 5000 livestock farmers were identified and given access to **Index Based Livestock Insurance**.
- Our most recent development has been of the **Indemnity Based Livestock Insurance** which we are due to pilot this year.

Contribution to Access to Index Insurance



Distribution

- The distribution of microinsurance products has been most effective through partner aggregators:
 - Agro-Dealer Shops
 - Outgrower Schemes
 - Microfinance Institutions
 - FinTechs
 - Government Departments
 - Input Distributors
- Bundled with another service i.e credit or input loans – Vision Fund (WFP), Agora Microfinance
- Training of trainers – train the aggregator who consistently interacts with the farmers

Public Private Partnerships (PPPs)

- Collaboration with partners who have shared vision and common goals has been a key success driver.
 - IFC Global Index Insurance Facility (GIIF) – Support with capacity building, stop loss facility
 - World Food Program (WFP) – Graduating Subcity for 7800 farmers on the Rural Resilience Project
 - Zambian Financial Sector Deepening – Farmer and key stakeholder sensitizations
 - Musika
 - GIZ
 - Ministry of Agriculture – Provision of access to small scale farmers

Partnership Success Drivers

| Success Drivers | Challenges |
|---|--|
| <p>Partnerships: Partnerships and Product Bundling:</p> <ul style="list-style-type: none"> • Public Public Partnerships (PPPs) with common goals and shared vision <ul style="list-style-type: none"> (i) Public- <i>Ministry of Agriculture, Ministry of Fisheries and Livestock</i> (ii) Private- <i>FSDZ, WFP, ILO etc.</i> • Aggregators -Musika, Syngenta, AMZ etc. • Reinsurance Partners - Swiss Re, Munich Re, Allianz Re, Zep Re etc. • Product development specialists- Acre Africa, Risk Shield etc. • Providing insurance as a value addition to farmers practicing Conservation Agriculture and farmers seeking access to credit resulting in farmer loyalty. | <p>Awareness :</p> <ul style="list-style-type: none"> • Ease of accessing clients • During the pandemic we are targeting our sensitization more to end-users (farmers) as opposed to training of trainer who may face challenges with logistics |
| <p>Product Bundling:</p> <ul style="list-style-type: none"> • Aggregators • Subsidies • Providing insurance as a value addition to farmers practicing Conservation Agriculture and farmers seeking access to credit resulting in farmer loyalty. | <p>Difficult to deploy agriculture insurance as stand-alone product</p> |
| <p>Sensitization:</p> <ul style="list-style-type: none"> • Through meetings with field staff, farmers etc. • Distribution of flyers and radio spot adverts in 7 major local languages | <p>Digitization (WIP) for end-to-end policy management to capture all the steps in the customer journey.</p> <p style="text-align: center;"><i>Registration of farmers > Premium Collection > Sensitization > Claims Distribution</i></p> |
| <p>Customer Centric Approach to product development and improvement.</p> <ul style="list-style-type: none"> • Carried out limited field verification | <p>Basis Risk</p> |

CLIENTS & PARTNERS

