

FINANCIAL EDUCATION CAMPAIGN – FACTSHEET

Financial Education Campaign	FEW-17: Financial Education for upscaling agricultural insurance for smallholder farmers in Rwanda
Country / Region	Rwanda
Partner Financial Institution/s	ACRE Rwanda
Grantee	<i>ACRE Africa, endorsed by Syngenta Foundation for Sustainable Agriculture.</i>
Overall Budget	CHF 166'745 (31% self-contribution)
SCBF Contribution	CHF 114'910 (69% SCBF funding share)
Date of Approval	09.07.2019
Duration	09.2019 until 12.2022
Context	<p>While investment in Rwanda's agriculture has led to increases in productivity, weather risks (erratic rainfall, flooding and subsequent disease) are threatening these gains. Without risk management tools, formal financing and investment by farmers, these gains will remain limited. At least 86% of the agriculture sector consists of poor women with 23.3% of them having the lowest levels of schooling and highest rates of illiteracy (MINAGRI Agriculture Gender Strategy, 2010). Access to capacity building and financial education, combined with increased adoption of risk mitigation products, will increase farmer welfare through decreases in income volatility and increases in yields (due to improved farming practices). For farmers to take up risk mitigation and insurance products, there is significant financial education and capacity building that must be conducted in advance. The introduction of insurance as a risk management tool (awareness creation) must be memorable to farmers so that when follow up knowledge transfer trainings are conducted, farmers have retained the foundational information and are able to quickly grasp the concepts on which they are trained.</p>
Current Status of the MFI	<p>ACRE Africa is a risk management solutions designer specializing in linking smallholder farmers' to agriculture and climate risk management solutions. In Rwanda, ACRE Africa operates using a subsidiary company, ACRE Rwanda. ACRE Rwanda develops tailored mitigation products and offers insurance companies technical support in placing the products with re-insurers, product loss monitoring using satellites and weather stations and product distribution. Access to capacity building and financial education, combined with increased adoption of risk mitigation products, will increase farmer welfare through decreases in income volatility and increases in yields (due to improved farming practices). As a for profit organization, provision of the training required for transformative action is very resource intensive and goes beyond the capacity of ACRE Africa. The support from SCBF is crucial because it enables the organization to reach a significant number of farmers with the financial education.</p>
Objective and Main Activities	<ol style="list-style-type: none"> 1. Behavioral segmentation through research to identify perceptions and cultural considerations that influence the delivery of insurance information and the consequential impact on uptake. 2. Application of a combination of high-touch and low-touch tools to reach farmers. 3. ACRE Africa will develop the training curriculum and package it as a risk management methodology for the sector. This will be executed in training activities at strategic times in the season. 4. Engagement of key agricultural and insurance value chain stakeholders through workshops and in person meetings with teams from MINAGRI, developmental organisations supporting agriculture insurance, agribusinesses, financial institutions and Non-Governmental Organisations (NGOs) working with smallholder farmers. <p>Upon project completion, ACRE Rwanda should be in a position to reach 138'100 smallholder farmers (100'000 through TV/radio ads, 15'000 through IVR and short videos, 20'000 through SMS, and 3'100 through in person training), with at least 50% being women. Additionally, 490 agricultural sector professionals will be trained: 20 input suppliers, 300 extension officers and 170 financial service providers.</p>