

PRODUCT UP-SCALING SUPPORT – FACTSHEET

Product Up-scaling Support	2018-05: Up-scaling Agricultural Insurance for Smallholder Farmers
Country / Region	Rwanda
Partner Institution	ACRE Rwanda
Grantee	<i>ACRE Africa, endorsed by Syngenta Foundation for Sustainable Agriculture</i>
Overall Budget	CHF 182'120 (31% self-contribution)
SCBF Contribution	CHF 125'150 (69% SCBF funding share)
Date of Approval	17.03.2018
Duration	09.2019 until 08.2021, extended to 09.2022
Context	<p>As one of the vision 2020 pillars, Rwanda considers financial inclusion an integral enabler for achieving its development and poverty reduction objectives. In addition to the traditional commercial banking sector, access to financial services in Rwanda is mainly driven by two major types of services – Savings and Credits Cooperatives (SACCOs) and mobile money, all regulated by the Central Bank of Rwanda. By the end of 2015, one in four Rwandans was using mobile money services while 90% of Rwandans lived within a 5 km radius of a SACCO.</p> <p>ACRE Rwanda intends to leverage these financial inclusion tools, among other aggregators, to enhance distribution of agriculture insurance.</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. To reach volumes for cost-benefit ratio optimization, ACRE Rwanda needs to increase the avenues for product distribution to reach a larger population. ACRE Rwanda intends to recruit and train opinion leaders selected from the villages and set them up as insurance champions who can train other farmers on the product as well as become distribution centres for the product. In addition, ACRE Rwanda intends to integrate the mobile platform with an insurance commodity registration platform.</p>
Objective and Main Activities	<ol style="list-style-type: none"> 1. Assess ACRE Rwanda's existing products value to clients – ACRE Rwanda will apply a product features evaluation tool (PACE tool) to support product improvement initiatives in order to reach scale. 2. Adapt the ACRE Africa business model by setting up a lower cost distribution channel as a white label for use by multiple parties and to capture any demonstrated market level effects through the testing of the model. 3. Set up the peer-to-peer distribution model – ACRE Rwanda will recruit and train opinion leaders selected from the villages and set them up as insurance champions with an aim to increase accessibility and trust of the insurance products to farmers as well as sell insurance to farmers through aggregators, such as SACCOs, banks and MFIs. 4. Set up a low-touch commoditized product on-boarding model – ACRE Rwanda will tailor the insurance to be priced in a piecemeal manner, therefore making the insurance affordable to farmers. This will be made possible using the champions' distribution centres and the mobile registration platform. <p>Upon project completion, ACRE Rwanda should be in a position to reach 3'960 additional smallholder farmers with insurance products, of them 50% women.</p>