

2022-12 | A multistakeholder macro resilience bundling (seed + agrochemical + fertilizer) scale-up program for smallholder farmers in Zambia

Financial sector partner (FSP)	Mayfair Insurance	SCBF contribution	CHF 145'492 (62%)
Grantee/TA provider	Syngenta Foundation (SFSA)	Matching contribution	CHF 24'552 (10%) - Mayfair CHF 37'716 (16%) - SFSA CHF 31'306 (13%) - 3 rd parties
Country	Zambia	Theme	Agriculture and climate
Duration	Oct 2022 – Jun 2024	Product	Input-linked index insurance
Potential outreach	30,000	Target Group	Smallholder farmers
Thereof women	12,000 (40%)		

CONTEXT

By 2015, 4.8 million adults (59.3% of adult population) in Zambia were financially included, with more than 3.5 million adults financially excluded. According to [a survey by the World Bank in 2017](#), very few rural adults utilised insurance products. Of the 18% of adults that were familiar with insurance products, only about 5% purchased an insurance, mainly because of a lack of knowledge. The [Finscope 2020 study](#) cited affordability and perception of low consumer value as the other main factors behind low insurance penetration in the country.

The [National Financial Inclusion Strategy of Zambia](#) also prioritises the increase of insurance uptake and innovating micro-insurance products to boost adoption by low-income households, especially in rural areas.

The Macro Resilience Program, developed by the Syngenta Foundation for Sustainable Agriculture (SFSA) in collaboration with Mayfair Insurance and ACRE/ZepRe, aims to increase smallholder farmers' access to a suite of products such as seeds, agrochemicals and fertilizers bundled with index-based insurance to reduce losses from extreme weather events as well as pests and diseases. By leveraging networks of agro-dealers, this inclusive input bundling model will enhance farmers' productivity and build resilience against climate or other shocks.

CURRENT STATUS OF THE FSP

Mayfair Insurance Zambia is a general insurance company which started operating in July 2010. Mayfair Zambia offers non-life general insurance products for property and liability services. In 2014, Mayfair identified agriculture as a key economic driver, as at least 90% of the food in Zambia is produced by smallholder farmers. They determined that protecting smallholder farmers against climate risks is an important priority.

Mayfair is the first insurance company in Zambia to develop and deploy index-based insurance. Through the support provided by SCBF and by leveraging their network of partners, Mayfair seeks to further expand the insurance coverage of rural, low-income clients.

OBJECTIVES AND MAIN ACTIVITIES

The main goal of this project is to de-risk the targeted farming communities in the Southern, Central, Eastern, and Copper Belt provinces by promoting the uptake of quality and insured agro-inputs that include, seed, fertilizer, and crop protection through an inclusive input bundling model. The solution will provide coverage against the risks of drought, excessive rainfall and pests/diseases using indices such as rainfall and vegetative health. This initiative is intended not only to enable farmers' access to quality inputs but also to protect them from erratic weather events.

Upon project completion, Mayfair should be in a position to reach at least 30,000 smallholder farmers by leveraging the local demand-side partners' infrastructure and accessibility to affordable input to increase its outreach and build its portfolio. Additionally, the outcomes, challenges, learnings, and recommendations gleaned from this project will inform a proposition for the product's market sustainability.

Partnering with:

