



Press Release

Paris, March 28th 2011

PlaNNet Guarantee, member of the PlaNNet Finance Group, and the GIIF come together to launch the first regional management platform for index insurance. The objective is to cover 60 000 farmers in West Africa by 2015

While agriculture remains the main economic sector in West Africa (on average 30% of the GDP of countries in the region and 70% of the workforce), no risk management tool is offered to farmers to secure their income.

In case of drought, floods, or due to other factors that could cause a significant drop in yields, farmers currently receive no form of protection. The traditional agricultural insurance is rarely suitable for farmers with low financial capacity. It is necessary to develop specific solutions, such as index insurance which can be tailored to address the needs of poor farmers and organizations that finance and source produce from this segment of the farming community. The objective of the project is to promote the development of innovative index insurance solutions tailored to developing countries. The project is supported by the **Global Index Insurance Facility (GIIF)**, a program of the International Finance Corporation (IFC) launched in 2009. GIIF is funded by the European Commission, the ACP Secretariat, and the Japan Ministry of Finance.

Other project supporters include **Microinsurance Innovation Facility** of the **International Labour Organization** and **AGRA** (Alliance for Green Revolution in Africa) & AECF (Africa Enterprise Challenge Fund), PlaNNet Guarantee and Allianz Africa are also working in partnership to design and implement index insurance solutions in Burkina Faso and Mali, especially on maize and cotton. With the new support, PlaNNet Guarantee is now expanding its efforts to launch a major initiative for the development of agricultural index microinsurance in West Africa.

The objective of this project is to develop parametric agricultural insurance systems in four WAEMU countries, including Senegal, Mali and Burkina Faso. **This facility should cover at least 60 000 people by the end of 2015 and raise awareness to more than 165 000 farmers on agricultural insurance.** The project will establish partnerships with insurance companies and local and international reinsurers. PlaNNet Guarantee innovates by setting up the first regional management platform dedicated to index insurance, which will be based in Senegal with satellite branches in the remaining countries. The management platform's main functions include to:

- Develop indexes, design insurance products and provide underwriting and manage contracts;
- Make the link between distribution channels and insurers and reinsurers;
- Implement communication tools, training and awareness raising aimed at farmers;
- Centralize and disseminate information to all partners.

In the short term, the project aims to contribute to improved access to finance for farmers and in the long term to improve food security for a significant portion of the population in West Africa.

A broad consortium of partners is associated with the project to carry out all activities: insurers, reinsurers, experts in agronomy and index development, training and education. Partnerships have been concluded with PlaNNet Finance, Oxfam (Mali), Swiss Re (reinsurance, AECF (Mali & Burkina Faso), EARS (Mali & Burkina Faso), Compagnie Nationale d'Assurance Agricole du Sénégal and ILB (Institut Louis Bachelier).

The Pilots launched in Mali and Burkina Faso in partnership with Allianz Africa will be valued in the project.

About PlaNNet Guarantee

PlaNNet Guarantee is a company of PlaNNet Finance Group specializing in developing and implementing microinsurance solutions for people excluded from traditional financial systems. PlaNNet Guarantee is registered as a broker in insurance and reinsurance in France and soon in Senegal. PlaNNet Guarantee has helped set up more than 25 death and disability microinsurance programs, covering more than

200,000 people in 14 countries. PlaNet Guarantee is developing other innovative solutions in life and health insurance (Benin and Madagascar) in partnership with PlaNet Finance.

www.planetguarantee.org

About PlaNet Finance Group

PlaNet Finance Group fights poverty by improving access to financial services through the development of microfinance. To achieve this, the group addresses governments, enterprises and other actors in the sector to offer and create products and services that are appropriate for the needs of poor populations. This activity allows microentrepreneurs to balance their revenues, execute their professional projects and insure themselves.

PlaNet Finance Group develops a whole set of activities related to its mission. It counts among the world's leading microfinance organisations and is active in 80 countries.

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Contacts presse:

PlaNet Guarantee

Mathieu Dubreuil

mdubreuil@planetguarantee.org

Tel : +33 (0)1 49 21 26 12

PlaNet Finance Groupe

Marlène Biard

mbiard@planetfinance.org

+33 1 49 21 26 15