



Designing and Scaling Risk-Sharing Platforms for Agricultural Insurance in Africa

AIO Conference – Cairo, Egypt
7 June 2026



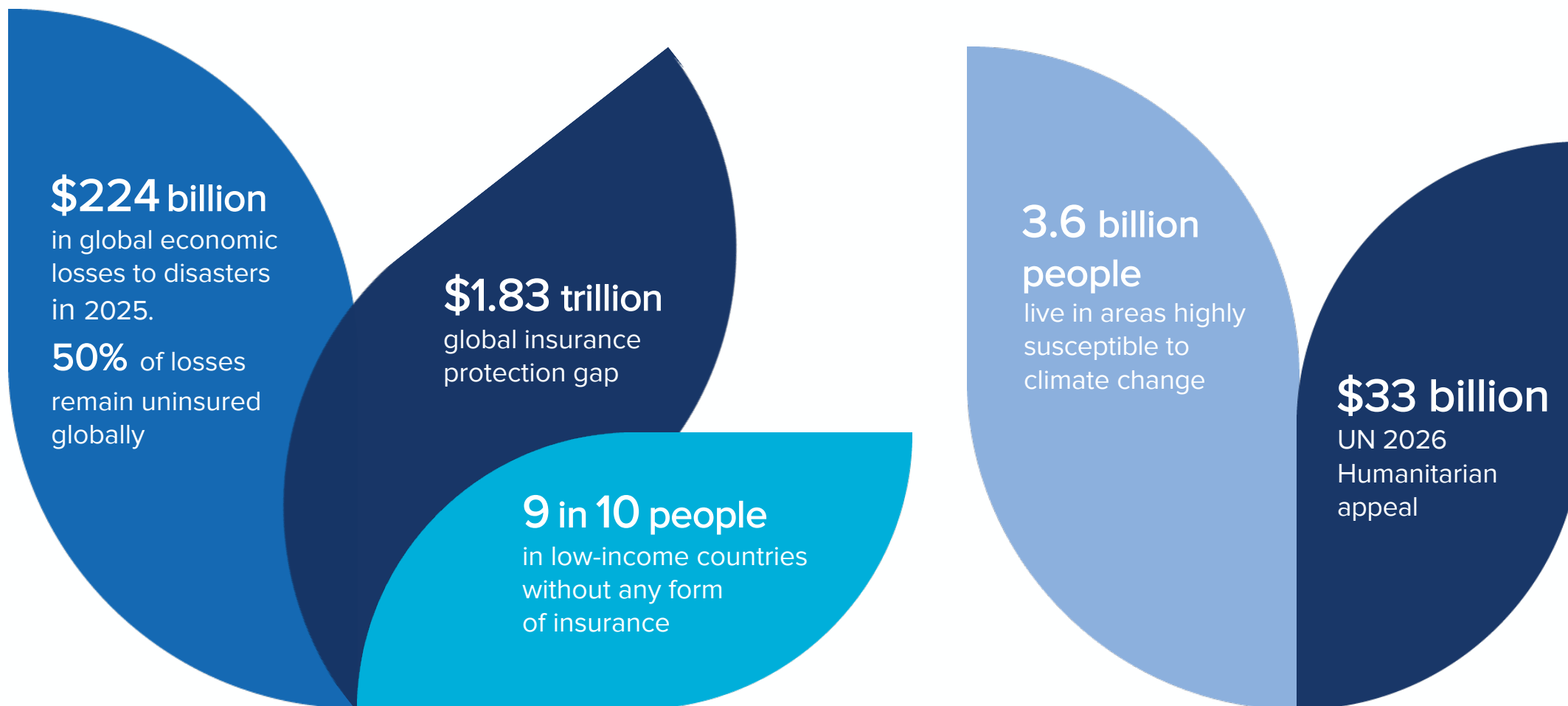


Ghimar Deeb

Deputy Resident Representative
UNDP Egypt

Rising Risks, Weak Financial Protection

As countries look for new ways to navigate unprecedented risks, the insurance sector's capacity to model, reduce and manage risk has emerged as a growing opportunity.



Our Approach: Public-Private Collaboration for Long-Term Financial Resilience

Building the **enabling environment** for financial resilience solutions to scale

- Favorable insurance regulation and public policy
- Disaster risk finance strategies, contingency plans and risk models
- Insurance in NAPs, NDCs, INFFs
- Stronger insurance associations
- Risk finance and insurance capacity building for public sector
- Aligning disaster risk reduction interventions with public policy and insurance



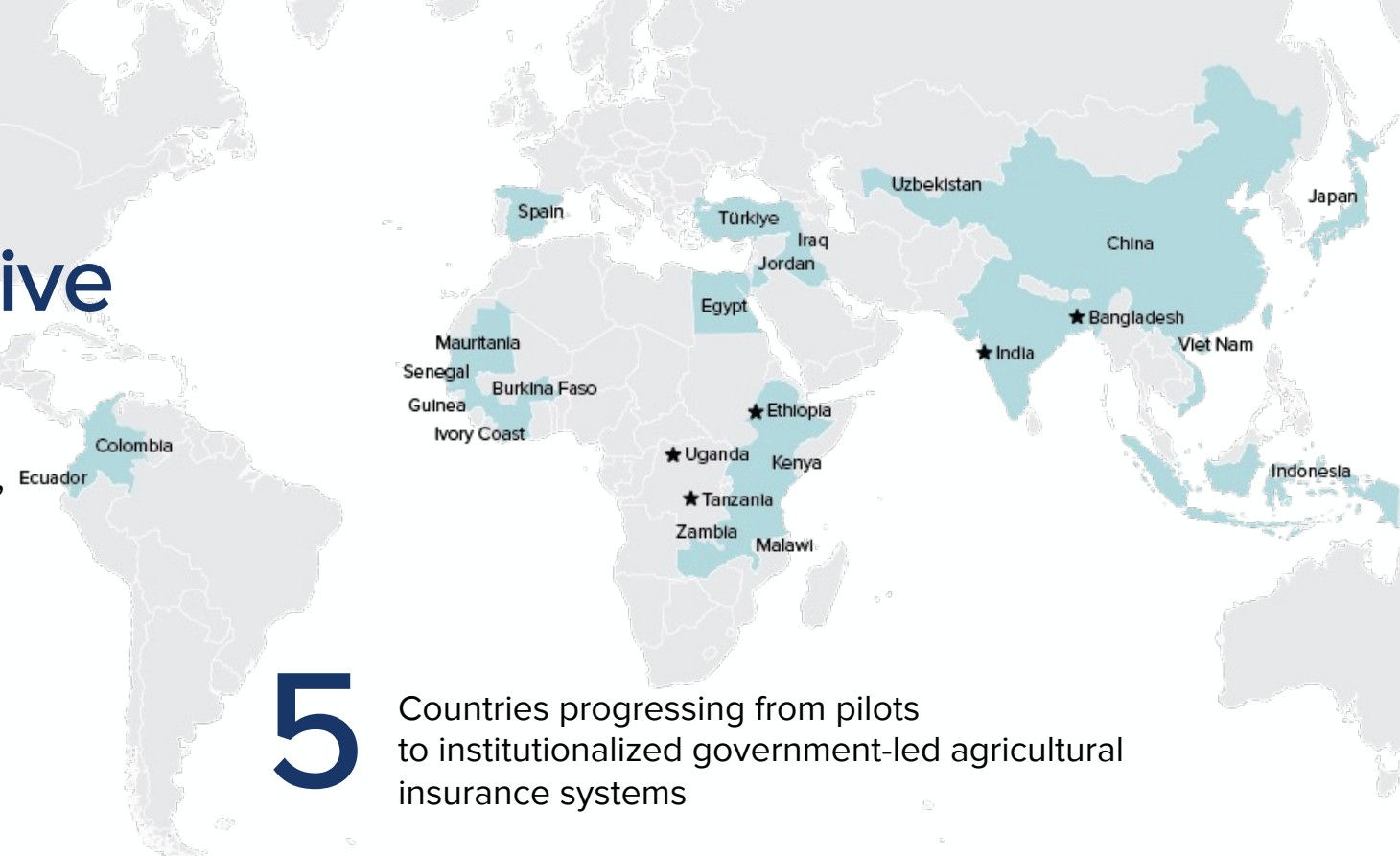
Facilitating the design and delivery of **tailored insurance solutions**

- Design of relevant insurance solutions for the public sector, households, businesses, nature and farmers
- Data collection and actuarial capacity
- Reinsurance availability
- Inclusive insurance capacity building for industry actors
- Distribution mechanisms and market innovation

Financial Resilience in Agriculture (FRA) Initiative

Building the financial resilience and capacity of smallholder farmers to adapt to rising climate risks, in partnership with the Gates Foundation.

- Facilitate the adoption and expansion of sovereign agricultural insurance programmes for smallholder farmers
- Supporting governments with building the long-term conditions for risk transfer solutions to scale
- Facilitate innovative PPPs among market players to deliver integrated risk financing and agricultural insurance solutions



5

Countries progressing from pilots to institutionalized government-led agricultural insurance systems

29

Countries participating in peer-to-peer learning for governments designing or implementing national agricultural insurance agendas.



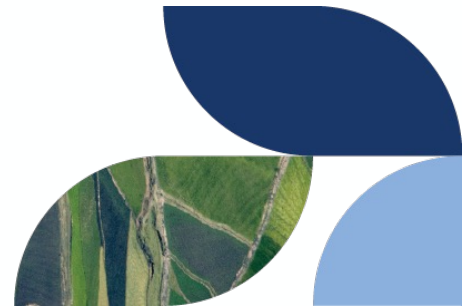
Risk-Sharing Platform Theory of Change

The Issue

Agricultural losses and climate change affect whole economies.
Premiums are too high, **coverage** too thin, **incentives** too weak.
No single actor can afford actuarial capacity, data systems, and technology alone.

The Solution: Risk Pooling

Capital efficiency: Lower portfolio volatility reduces cash reserves insurers must hold per policyholder.
Better reinsurance rates: A diversified pool lowers shock exposure, making global reinsurance significantly more affordable.



Risk-Sharing Platform: Expanding Underwriting Capacity of National Insurance Industries

Purpose & Approach

By reducing risk concentration and capital constraints, these platforms enable insurers to respond to increased demand at scale while developing viable and sustainable business models for agricultural insurance.

Develop Business Model

Translate demand-side signals into underwriting business models, based on quantified and priced risk, estimating the business volume of insurance solutions and the corresponding capital required to meet increased demand and operational needs.

Structure Risk-Sharing Arrangements & Governance

Local and international reinsurers are engaged early to validate risk capital needs, solvency requirements, and pricing assumptions. Legal entity structures and governance arrangements are assessed collectively by the insurance industry to support viable business models.

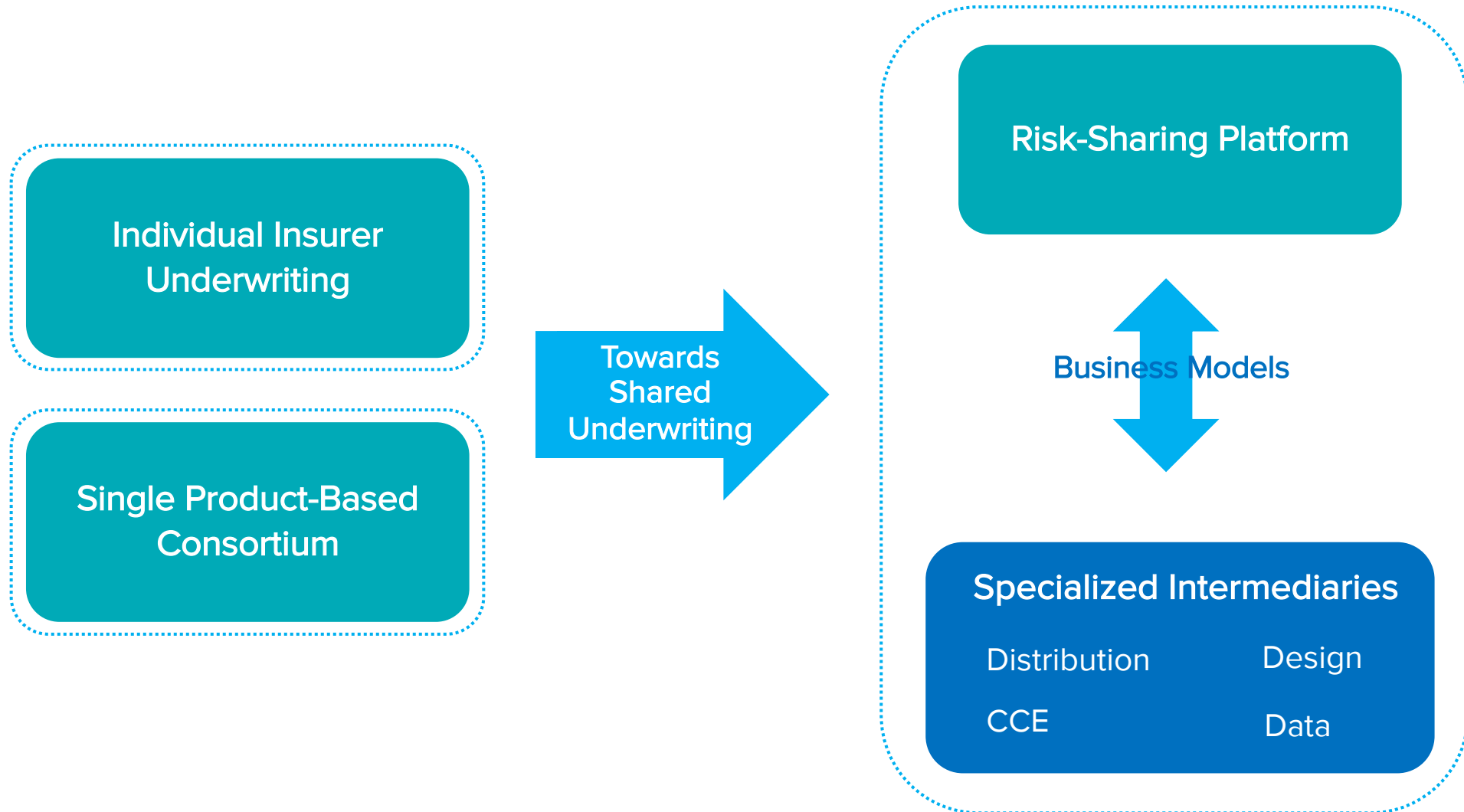
Co-Design Insurance Solutions & Delivery Approach

Demand-side actors are brought into the process to jointly design insurance products aligned with market needs, delivery channels, and risk-sharing arrangements.

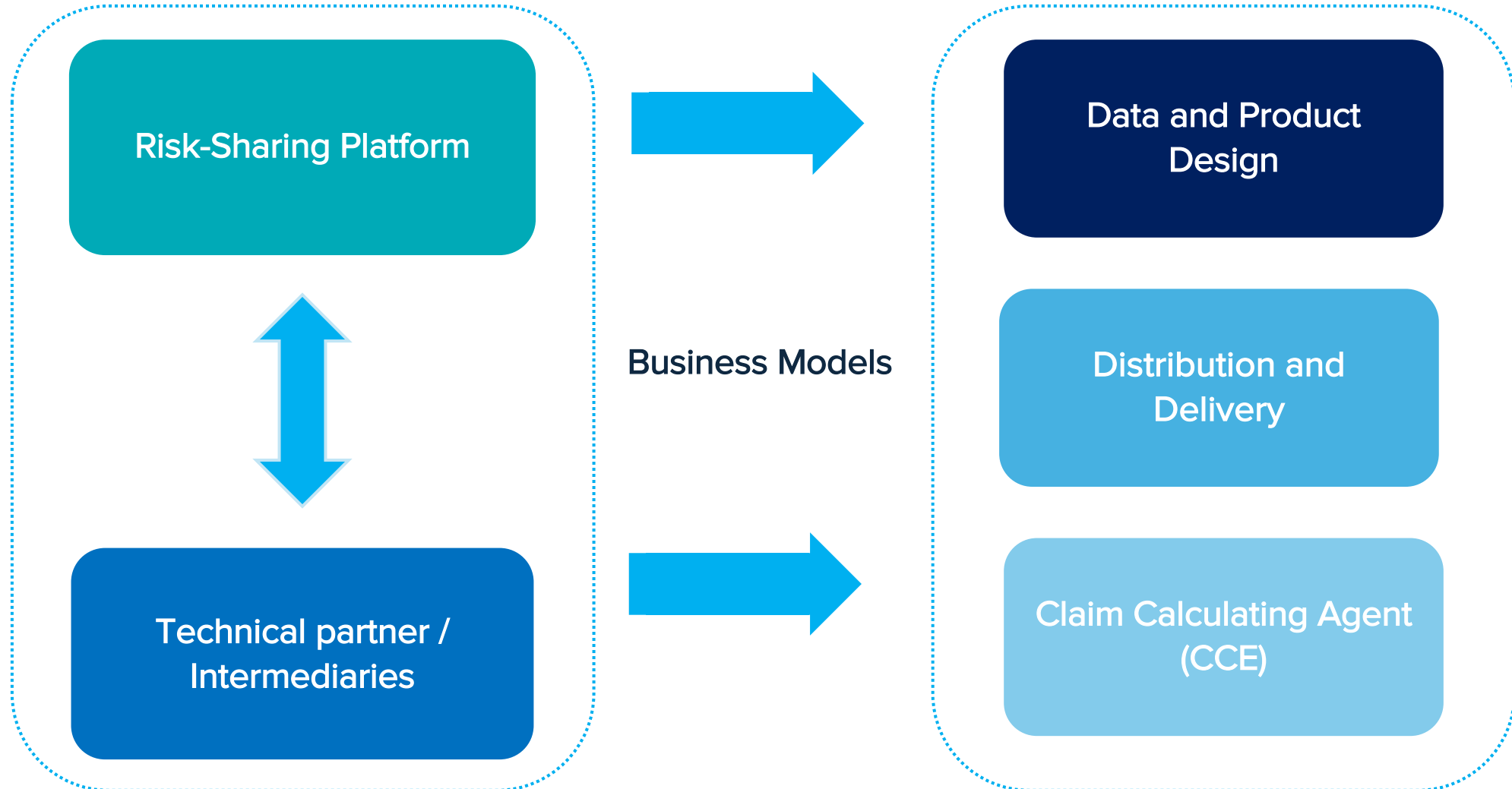
Generate Evidence & Impact Reporting

Define key performance indicators and M&E tools to assess performance against initial assumptions. Generate evidence that risk-sharing platforms enable viable insurance business models while delivering value for money for the demand side.

From Silo Models to National Multi-Purpose Models



Growing Shared Services & Separation of Roles



Africa's Risk-Sharing Platforms

African countries are increasingly designing, incubating, and operationalizing risk-sharing platforms tailored to national market realities.

1

Development Phase

Ethiopia: Multi-Purpose Risk-Sharing Platform (MRSP)

- Designing a shared platform for underwriting, data, and reinsurance coordination
- Building a common market vision for agriculture and climate insurance

2

Incubation Phase

Tanzania: Tanzania Agricultural Insurance Consortium (TAIC)

- 15 insurers transitioning from concept to operational consortium
- Testing governance, business models, and risk-sharing structures

3

Private Insurer-Led Model

Uganda: Agro Insurance Consortium (AIC)

- 13 insurers covering 800k+ farmers through shared underwriting structures
- Demonstrates large-scale private-sector delivery linked to national subsidy schemes

4

Public-Private Model

Senegal: Compagnie Nationale d'Assurance Agricole du Sénégal (CNAAS)

- Public-private agricultural insurer covering 500k+ farmers
- Demonstrates institutionalized PPP model with government-backed premium subsidies

Tanzania Agriculture Insurance Consortium

TAIC

Incubation Phase: From Concept to Operations

Theme: Designing and Scaling Risk Sharing Platforms for Agriculture Insurance in Africa

AIO Conference 2026 | UNDP Session
Presenter: Mercy Matata

Tanzania's Agriculture Sector & Why a Risk-Sharing Consortium?

65%

of Tanzanians depend on agriculture for livelihoods

26%

contribution of agriculture to national GDP

2%

poverty reduction over the last decade

<5%

agriculture insurance penetration in Tanzania

Agriculture is Tanzania's most transformative sector — yet smallholder farmers remain deeply vulnerable to climate shocks, pests, and market volatility with little financial protection.

- Smallholder dominance limits risk pooling and affordability
- Limited insurer capacity to absorb systemic agriculture risk alone
- Fragmented pilots without coordinated market architecture
- Absence of enabling government framework and premium subsidies
- **Consortium solution:** 15 insurers pool risk — no single insurer bears systemic exposure alone
- **Premium retention:** Maximises retained value within Tanzania's economy
- **Government alignment:** Ready platform to absorb TAIS government schemes at scale

TAIC: Established 2023 — Structure & Governance



15 Member Insurers

- Alliance Insurance Corp
- Britam Insurance Tanzania
- CRDB Insurance Company
- GA Insurance Tanzania
- Heritage Insurance Company
- Jubilee Allianz Insurance
- Mayfair Insurance Co.

Reinsurance Partners

Tan-Re · ZEP Re · Africa Re · East Africa Re · Grand Re · PanAfriqueRe

- Meticulous General Insurance
- Mgen Tanzania Insurance
- MUA Insurance Tanzania
- National Insurance Corp (NIC)
- Newtan Insurance Limited
- Reliance Insurance Co.
- Strategis Insurance Tanzania
- Tanzindia Assurance

Three Business Sources — One Platform

I. Member-Originated Business

- Originating insurer retains up to 40% (incl. Tan-Re / ZEP-Re / Africa Re mandatory sessions)
- Remaining 60% transferred to Consortium — shared equally among participants
- Originating insurer acts as Business Leader; Technical Team of 6 members underwrites
- Consortium arranges reinsurance treaty for additional capacity

II. Consortium-Originated Business

- 100% handled by the Consortium
- Members retain their proportionate share per net retention
- Mandatory sessions offered to Tan-Re, ZEP Re, Africa Re
- Additional capacity via consortium level reinsurance treaty

III. Government Scheme Business (TAIS)

- 100% channelled through the Consortium
- Members take shares per TIRA filed reinsurance programmes
- Mandatory sessions to Tan-Re, ZEP Re, Africa Re
- Consortium treaty provides supplemental capacity for large scale schemes

Key Rules: Minimum retention per risk for each member · Risks <TZS 500m fully retained by originating insurer · Lead Insurer reviewed annually · Proportionate redistribution on over/under-subscription

UNDP Mandate: Building Pathways to Scale and Institutionalization

UNDP Role: Neutral Market Convener & Technical Enabler

- Guide operationalization of TAIC with global evidence & local adaptation
- Support governance design and business model structuring
- Facilitate structured relationships between TAIC and ecosystem stakeholders
- Mobilise development partners and catalytic capital
- Build insurer technical capacity on agriculture insurance
- Anchor TAIC within the broader ecosystem: reinsurers, government, technical partners & value chains
- Guide experimentation across three operational models: Co-Insurance, Platform, and Hybrid Commercial

Priority Actions

- 1 Finalise and adopt operational business model
- 2 Appoint permanent Consortium Manager
- 3 Secure government support & AMCOS distribution channels
- 4 Pursue premium subsidy framework with Government / TIRA
- 5 Expand product suite — index-based and parametric products
- 6 Establish reinsurance treaty programme for consortium capacity

"The goal: move Tanzania from fragmented agriculture insurance pilots to an institutionalised, commercially viable, market-owned risk-sharing platform."

TAIC

Tanzania Agriculture Insurance Consortium

Building Africa's next generation of agriculture risk-sharing platforms

In collaboration with UNDP · AIO Conference 2026

Association of Tanzania Insurers (ATI) · Dar es Salaam, Tanzania



AGRO CONSORTIUM UGANDA (AIC)

UGANDA AGRICULTURE INSURANCE SCHEME (UAIS)

Presented by; Attra Atukunda

AIO CONFERENCE 2026 | UNDP SIDE EVENT



WHY THE CONSORTIUM MODEL WORKS



The Challenge

- Agriculture risks are too large and volatile for individual insurers to absorb alone.
- Fragmented approaches result in limited scale, high costs, weak reinsurance access, and low market confidence.

The Consortium Solution

AIC brings together 13 insurance companies under a shared platform that pools:

- Underwriting capacity and Technical expertise
- Reinsurance access
- Distribution partnerships and Product development capabilities

Key Benefits

- Expanded underwriting capacity and Improved reinsurance access
- Lower operational costs
- Stronger trust among government, farmers, lenders, and development partners

Result: A commercially viable and scalable agriculture insurance market.



WHY A RISK SHARING PLATFORM WAS NEEDED

Uganda's agricultural sector is highly vulnerable to :

- Drought
- Flooding
- Excess rainfall
- Pests and diseases
- Market volatility

Traditional insurer-by-insurer approaches struggled due to:

- High transaction costs
- Limited technical capacity
- Reinsurance constraints
- Concentrated exposure risk
- Weak rural distribution

The AIC Model

A shared industry platform delivering:

- Shared underwriting arrangements
- Shared reinsurance structures
- Common operational systems
- Coordinated product development
- Joint market expansion

Supported by: Government, regulators, financial institutions, SACCOs, agribusinesses, reinsurers, technology partners, and development organizations.



SCALE AND MARKET IMPACT



Over **1,000,000 farmers** insured since inception



Revenue (GWP) over **155.6 billion (USD 52.6 million)**



Insured Agriculture Loans of over **UGX 3 trillion (USD 821 million)**



Over **UGX 59.8 billion (USD 16.8 million)** paid in claims



95% of the portfolio is smallholder farmers



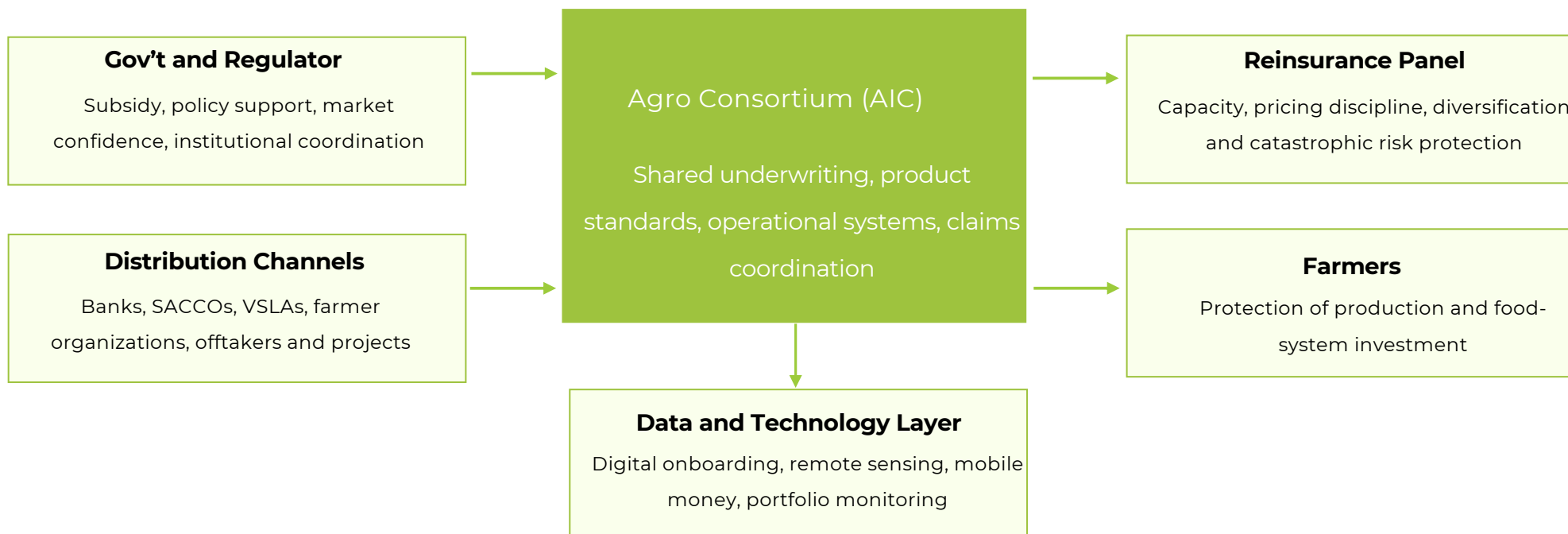
35% is women beneficiaries

Numbers are evidence that shared systems can create a credible market where individual insurers could not scale alone.



HOW THE PLATFORM HOLDS TOGETHER

AIC institutionalizes a public-private compact; government creates confidence, industry aggregates capacity, and reinsurers bring capital discipline.



Impact: The platform survives beyond one project cycle because roles, capital flows and operational systems are shared.



LESSONS, CHALLENGES AND THE FUTURE

Key Lessons

- Scale requires collective action.
- Government commitment matters.
- Reinsurance confidence is critical.
- Distribution is as important as product design.
- Technology improves commercial viability.

Challenges

- Climate volatility
- Data gaps
- Farmer awareness and High distribution costs
- Affordability constraints

The Opportunity for Africa

A shared industry platform delivering:

- Expand underwriting capacity
- Reduce market fragmentation
- Improve reinsurance access
- Attract investment capital
- Build resilient insurance ecosystems

Risk-sharing platforms are how Africa can turn climate risk from a barrier to agricultural finance into an investable resilience market.



THANK YOU

BUILDING RESILIENCE, ONE INSURED FARMER
AT A TIME.



Plot 1, Vale Road, Naguru
Kampala, Uganda



0800300021



www.aic.ug





CNAAS: Institutionalized Agricultural Insurance in Senegal

How a public-private partnership transformed the protection of producers against climate and agricultural risks: a large-scale African model

PUBLIC-PRIVATE PARTNERSHIP

AGRICULTURAL RESILIENCE

AFRICAN MODEL

CNAAS, a public-private model serving Senegalese agricultural resilience

CNAAS at a glance:

Created in 2008 by the State of Senegal and the private sector, following the LOASP (Agricultural, Sylvicultural, and Pastoral Directive Law)

First specialized agricultural insurance company in Senegal 💰 50% insurance premium subsidy for producers

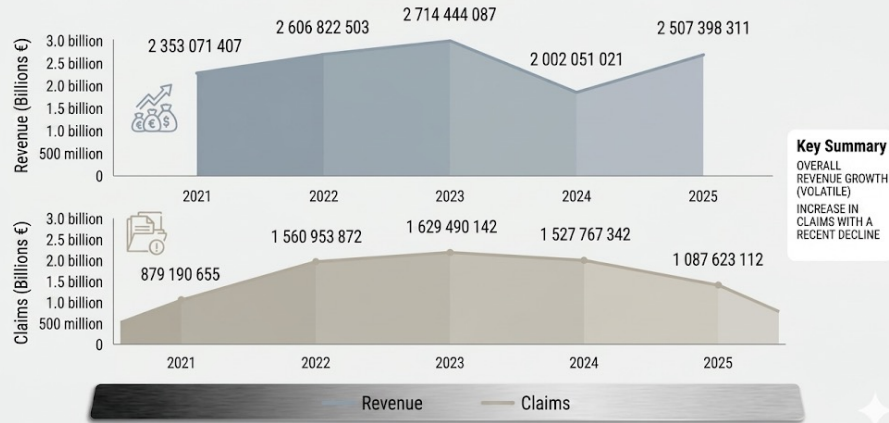
🎯 Mission: protect farmers 👨🌾 against climate ☁️☀️ and agricultural risks 🌱 👥 More than 835,080 farmers and livestock breeders covered since its creation

Traditional and index-based insurance: coverage for agricultural value chains, livestock, agricultural equipment, and fisheries 🐟

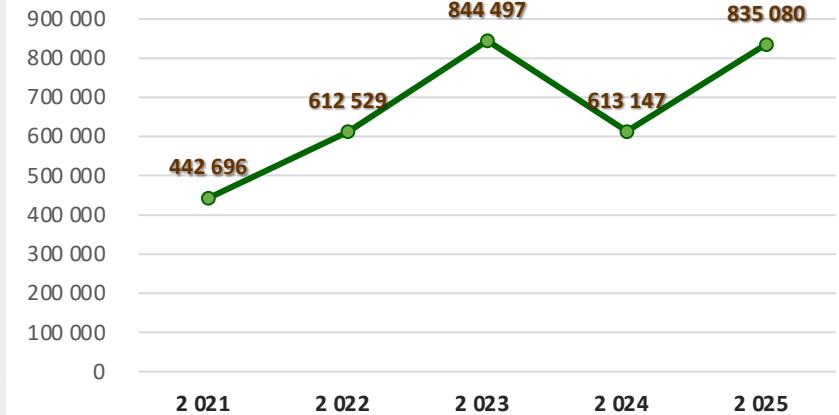
📍 National presence: more than 08 agencies distributed across the entire Senegalese territory.



Evolution of claims paid over the last 5 years



Number of customers



📌 Key Message: Today, CNAAS represents an African model of public-private partnership for agricultural risk management.

Why a PPP model?

The initial challenges

Vulnerability of the agricultural sector

Highly dependent on weather conditions and climate change

Low market penetration

Low insurance penetration due to high risk and low income levels

Financial exclusion

Lack of protection mechanisms adapted to local realities

Senegal's Response

The government has designed a system involving key actors

Government of Senegal

CNAAS

International reinsurers

Farmers organization

Technical & financial partners

- PPPs enable risk, cost, and responsibility-sharing between public and private sectors

The four pillars of risk sharing

Institutionalization is based on a solid architecture, anchored in national public policies.



Strong government anchoring

Continuous political support and integration into national agricultural policies.



Premium Subsidies

State participation in premium payments to improve accessibility for smallholders.
Projects and programs facilitating access to agricultural insurance for their target producers.



Risk sharing

CNAAS, international reinsurance and agricultural risk transfer programs, co-insurance



Local Network

Cooperatives, GIEs, financial institutions, and technical services deployed throughout the territory.



Risk sharing has become a sustainable component of the Senegalese agricultural ecosystem

Scaling up: success factors and results

success factors

- **Continuous State support**
- **Product innovation**
Index-based insurance using climate and yield data
- **Digitalization of operations**
- **Local distribution network**
- **Awareness raising and training**
- **Learning and capitalization**

Résultats clés

+800 000

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National

Nationwide expansion

Climat Change

Strengthened Resilience

Financial

Enhanced Inclusion



Scale is achieved when insurance is embedded in public agricultural policies.

Key Message: Public-Private Partnerships (PPPs) are essential to support the sustainability of agricultural insurance: mobilizing donors to finance specific equipment, subsidizing training and extension activities, and building capacity for sector stakeholders.

Lessons for Africa

01

Building a specialized institution

02

**Sustainably associating the public
and private sectors**

03

Maintaining targeted subsidies

04

Investing in climate data and technologies

05

Relying on producer organizations

"Protecting agriculture means securing livelihoods, strengthening climate resilience, and supporting food sovereignty."

Panel Discussion: What Makes Agricultural Insurance Risk-Sharing Platforms Bankable?



**Diana
Chepngeno**
Regional
Coordinator,
Africa
UNEP FI



**Dr. Tarek
Seif**
Executive
Director
Financial Services
Institute, Egypt



**Dr. Phocas
Nyandwi**
Regional Director,
Nairobi Regional
Office
Africa Re



**Jackline
Muthengi, FIA**
Head of
Underwriting and
Innovation
ARC Ltd



Oluseye Olakanmi

Chief of Staff & Strategy
Africa Re



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