



**REIMAGINING
AGRICULTURAL INSURANCE
TO PROTECT
SMALLHOLDERS FARMERS WORLDWIDE**



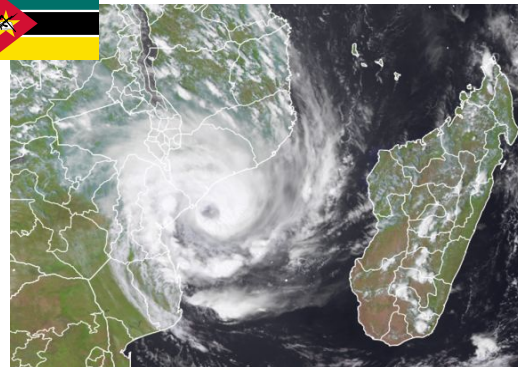
Unpredictable and extreme weather is impacting farmers and their yields around the world



In Kenya droughts and floods results in **1 to 4M Kenyans** suffering from food insecurity every year



In Nigeria, due to **climatic shocks** on crop yield, WFP reported that **7 out of 10 Nigerians** did not have enough to eat in 2021



In Mozambique, the 2019 cyclones caused **873 million USD worth** of losses in buildings, infrastructure, and crops

Climate Change induced Poverty:

The lives of 500 million smallholder farmers are determined by weather



Smallholder farmers are deemed risky thus cannot access the investments they need to grow their yields and income

THE PROBLEM

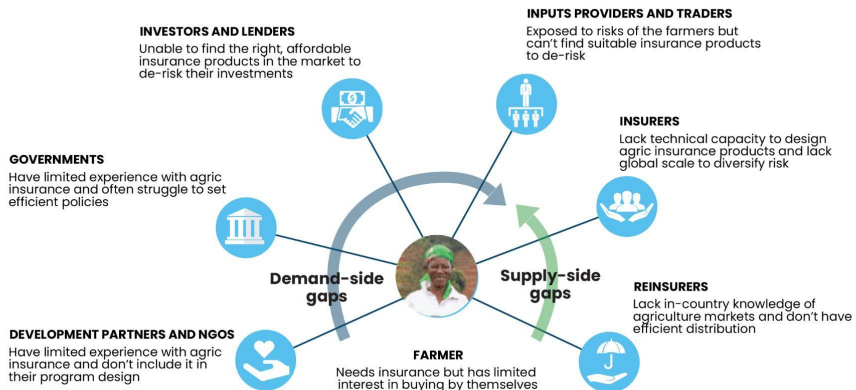
Less than **3%** of smallholder farmers have access to **insurance**

Traditional agriculture insurance have struggled to serve smallholder farmers due to unit economics to serve and lack of technical capacity to design appropriate products

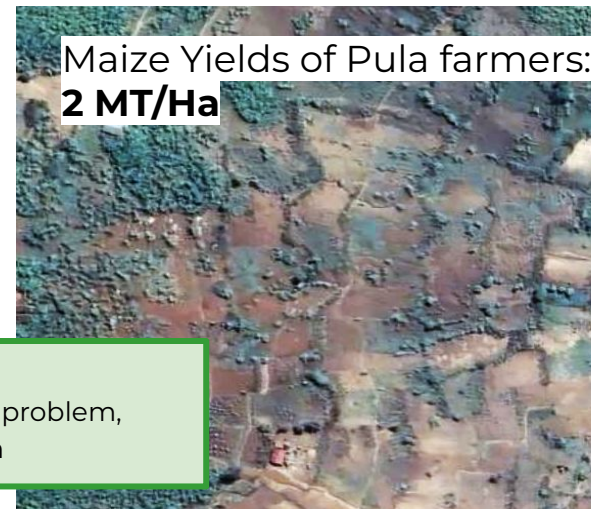
“Agriculture is Risky” leads to a **lack of investment globally**;

Over **\$170 Billion of credit demand yet to be met**

Market Gap



Maize Yields in USA:
11 MT/Ha



Maize Yields of Pula farmers:
2 MT/Ha

RESULT

Suboptimal investments in agricultural production for over **500 million smallholder farmers worldwide**

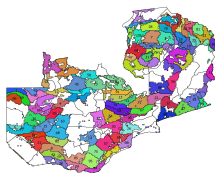
NOW

Climate change compounds the problem,
We need an innovative solution



Our solution: a proven insurance cover made possible by Pula

Why it works: we sample and measure the actual yield of farmers
And leverage the largest productivity database on farmers in the world



- 1** Define historical yield per area
- 2** Every season Pula samples thousands of farmers to measure their actual yields
- 3** Financial Compensation triggered when the average yields are below historical threshold

We reach farmers through large **distribution partners (clients)**





How insurance can work at scale against Climate Change induced Poverty

Pula intends to scale its impact

Impact to date

15.4 Million
FARMERS INSURED

\$2.2+ Billion
AGRICULTURAL
INVESTMENT
PROTECTED

90+
INSURANCE AND
REINSURANCE
PARTNERS

>\$30 MILLION
PAID OUT AS
COMPENSATION

19
COUNTRIES



World Bank estimates that crop insurance can help farmers increase their crop income by up to 83% in bad seasons

In the next 5 years

Protect 100 million farmers around the world

- **Protect and grow the income of smallholder farmers**

Grow a sustainable economy

- **Unlock 5 billion USD of new investments** into smallholder farmers
- **Boost agriculture productivity and yields with insurance and data**

Pula can accelerate the **growth** of this **proven insurance** model



What Pula needs from institutions and policy makers to scale the model faster

Governments

Develop long term policy frameworks for agriculture insurance, including:

1. **Embedding insurance in input subsidy programs;**

2. Develop a **Agric Insurance Subsidy Policy** where farmers, pay, government pays with donors stepping in over time.

3. Offering **wholesale concessional agric lending programs** through Central Banks that will embed agricultural insurance;

Development Partners & UN Agencies

Mainstream **embedding of insurance into its development interventions** and investments at design stage for new projects and in mid term reviews for ongoing projects.

Catalyse insurance scale up through initial investment in **insurance subsidy programs** that will be tapered off over time.

Invest in **industry and stakeholder capacity building** and training as a public good.

Insurance Regulators

Enable pilots to take place with support of existing industry stakeholders with support of technical stakeholders without further regulation, within existing compliance frameworks, i.e dont stifle innovation through initial regulation on new market players

Invest in **industry and stakeholder capacity building** and training as a public good.



Thank you

