



TALLER INTERNACIONAL

Desarrollo de mercados de seguros asociados a fenómenos climáticos

16, 17 y 18 de julio de 2013

Lima - Perú

Institutional Framework for Agricultural Insurance in Ghana

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fenómenos climáticos**

History of the Ghana Agricultural Insurance Programme (GAIP)

Project Title	Innovative Insurance Products for the Adaptation to Climate Change (IIPACC)
Overall objective	To assist the Ghana insurance sector develop a sustainable agricultural insurance system and introduce innovative and demand-oriented crop insurance products to protect against financial risks caused by extreme weather events and other forms of climate change
Implemented by	National Insurance Commission, NIC, and GIZ in collaboration with Ghana Insurers Association
Funded by	German Federal Ministry of the Environment, Nature Conservation and Nuclear Safety (BMU)
Approach	Public Private Partnership
Model	Co-insurance Pool Model
Project Period	December 2009 – June 2014



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Specific Institutional Arrangements in Brief

Steering Structures

- Steering Committee (SC)
 - ❖ 11 public, private and development stakeholder institutions
- Ghana Agricultural Insurance Pool
 - ❖ 19 Non-Life insurance companies
- Technical Management Unit (TMU)
- Technical Committee on Agricultural Insurance (TCAI)



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Structure of Ghana's Agricultural Insurance System

Policy & Advocacy



Governance & Management



Target Markets





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Steering Committee Membership

Mandate of the SC

- Oversee entire development of agric insurance in Ghana
- Coordination and decision-making body for the design and implementation of the private/public agric insurance system
- Policy formulation and public sector support





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Coinsurance Pool Members

Ghana Reinsurance Co Ltd.
SIC Insurance Co. Ltd.
Enterprise Insurance Co. Ltd.
Metropolitan Ins. Co. Ltd.
Star Assurance
Vanguard Assurance
Unique Insurance Co. Ltd.
Ghana Union Assurance
Phoenix Insurance
Int. Energy Insurance

Mainstream Reinsurance
Glico Gen. Insurance
International Wapic
Activa Int Insurance
Equity Assurance
Regency Alliance Insurance
NEM Insurance
Colina Insurance
Prime Insurance



Int. reinsurers



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Impact of structural Development on the Programme

- Participation of key stakeholder institutions for local capacity building, sharing of ideas and knowledge management
- Avoidance of liberalization of market during the developmental phase of the programme
- Public Sector participation and their influence toward government policy
- Assurance of continual supply of relevant data for research and product development



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Impact of structural Development on the Programme

- GIZ engaged in capacity development of institutions to support programme
 - 36 automated weather stations for Ghana meteorological Agency (GMet)
 - Supporting a database set up for GMet as well as training from international experts on best practices
 - Procured modern yield estimation equipment for Ministry of Food and Agriculture field officers
 - Conducted agricultural insurance related trainings for representatives of stakeholder institutions including insurance sector



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Results of Effective Stakeholder Collaboration

1 | Weather Index

Target Group

- Nucleus Farmers
- Financial Institutions
- Input Suppliers

Data

- Rainfall data
GMet (& satellites)

Payout?

- Rainfall < set trigger
-> Payout

>> Since 2011 <<

2 | Area Yield

Target Group

- Nucleus Farmers
- Financial Institutions
- Input Suppliers

Data

- District yield data
MOFA-SRID

Payout?

- District Yield <
Historical Distr. Averg.
-> Payout

>> Pilot 2013 <<

3 | Traditional/Indemnity

Target Group

- Commercial Farmers
- Financial Institutions
(financing commercial farmers)

Data

- Individual Production
- + Loss data
Private Agric Sector

Payout?

- Yield **loss** (field visit!)
-> Payout

>> First Deal 2013 <<



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A Major Structural Development Goal

- Generating active central government support
 - Agricultural Insurance embedded in new insurance regulatory framework
 - Currently lobbying for a national policy on agricultural insurance
 - Enhancement of data provision processes and institutions
 - Provision of funds for implicit and explicit subsidization of insurance premiums
- GIZ working to secure this through
 - Discussions with public sector ministries to generate and institutionalize government support
 - Formation of a lobby group



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End of Presentation



Thank you very much for
your attention!

