



# FEED THE FUTURE

The U.S. Government's Global Hunger & Food Security Initiative



## Feed the Future Mali Sugu Yiriwa Crop Insurance Learning Brief

**Sekou Coulibaly in his corn field  
in Bankass (Mopti region).**

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# Introduction

In Mali, more than half of the population (about twenty million<sup>1</sup>), live in rural areas. Small farms are often the main source of income and means of subsistence for these groups of people. According to the African Development Bank (AfDB), nearly 80% of the working-age population are involved in the agricultural sector that contributes around 36% of GDP.<sup>2</sup> Around 400 million farms depend on rainfall for a successful crop year; but only 15 million (3%<sup>3</sup>) of those are protected by agricultural insurance provided by the Government.

During the past five years, most farms have been increasingly exposed to natural hazards, in particular drought and flooding. Small-scale farmers – including women – are among the hardest hit by these difficult conditions as the resulting yields from their crops does not allow them to make ends meet for their families. The Feed-the-Future Mali Sugu Yiriwa Activity is determined to support producers in the fight against climatic hazards by improving the resilience of farming and business communities.

In discussions with the agricultural communities in the Delta zone, small-scale producers expressed an increased need for support to combat the negative effects of climate change. In response, in August 2021, Sugu Yiriwa established a partnership with OKO/SUNU<sup>4</sup>, a crop insurance company, to promote index-based agricultural insurance. Among other actions, Sugu Yiriwa supported OKO/SUNU to promote crop insurance services among the farming communities across three circles and 24 villages of the Mopti region. These efforts have resulted in enrolling 447 farmers (including 158 women) and covering more than 387 hectares of land. launch intensive awareness campaigns to inform and sensitize local communities on the importance of agricultural insurance through a network of OKO

## OKO/SUNU

**447 Producers** (158 women)

**387 Hectares**

**2,584,159 CFA** (\$4,258) paid

**Crops:** Millet, sorghum, fonio, sesame

**Start date:** August 2021

## DATAFLAQ (potential coverage)

**14,978 Producers** (1,167 women)

**10,790 hectares**

**Crops:** rice, millet

**Start date:** 2022

community relays that local producer groups identified and recruited on the spot – with the active involvement of relevant government-led technical services.

From October 1st, 2022, to September 30th, 2023, Sugu Yiriwa, in collaboration with insurance companies OKO/SUNU and DFT/SOCODEVI, coordinated intensive awareness-raising campaigns among farming communities in the 12 circles of the Mopti and Tombouctou regions to sensitize local communities on the importance of agricultural insurance. This was done through a network of community relays that local producer groups identified and recruited on the spot – with the active involvement of relevant government-led technical services.

<sup>1</sup> <https://donnees.banquemondiale.org/indicateur/SP.POPTOTL?locations=ML>

<sup>2</sup> <https://data.worldbank.org/indicator/NV.AGR.TOTL.ZS?locations=ML>

<sup>3</sup> <https://agriculture.gouv.fr/mali>

<sup>4</sup> <https://fr.oko.finance>



# Results

The community awareness campaigns led 447 farmers (including 158 women) spread across 24 villages in the Mopti region, to register for OKO/SUNU agricultural insurance. Altogether, 387 hectares with crops of peanuts, millet, sorghum, and sesame are currently covered by agricultural insurance through the circles of Bandiagara, Bankass, Douentza and Koro.

Among those 447, 221 have already paid their premiums and thus are fully enrolled in the crop insurance service – covering 199.5 hectares. The below table offers further details:

OKO Crop Insurance Service - Mopti			
Circle	New subscribers	Old Subscribers	Total subscribers
Bankass	0	25	
Douentza	15	26	
Bandiagara	110	0	
Koro	30	15	
<b>Total</b>	<b>155</b>	<b>66</b>	<b>221</b>

According to Sekou Coulibaly, a farmer from Bankass, in the Mopti region, the OKO/SUNU insurance company is extremely important because it insures his crops against drought and flood at affordable prices, as well as provides technological support for his operations. Mr. Sekou Coulibaly shared, *“OKO/SUNU helps us secure our income. Its services are important since we are heavily dependent on the quality of our harvests for our income, and drought, or flooding can destroy our entire harvest. We are vulnerable and lack financial security in bad seasons. Our whole economy is linked to agriculture, and we lack the means to access loans from financial institutions and other types of agricultural inputs. OKO/SUNU sends us weather forecast information by SMS. They always tell us when we are going to run out of rain”.*



OKO SUNU agents demonstrate to a sorghum farmer in Bandiagara.  
© OKO SUNU, 2022.

## Current crop insurance services advantages and complementarities

	<b>OKO/SUNU</b>	<b>DATAFLAQ Technologies (DFT)</b> (in pilot phase, preliminary data)
<b>Start Date</b>	August 2021	April 2023
<b>Zones Covered</b>	<b>4</b> Mopti: Bandiagara, Bankass, Douentza and Koro	<b>12</b> Mopti: Bandiagara, Bankass, Djenne, Douentza, Koro, Mopti, Tenenkou, and Youwarou Tombouctou: Dire, Goundam, Niafunke, and Tombouctou
<b>Crops</b>	Peanuts, Millet, Sorghum, Sesame	Rice, Millet Piloting insurance product for onion and sorghum.
<b>Risks covered</b>	Drought, Flood	Drought, Flood, Pests, Plant Diseases, Hailstorms
<b>Average cost per farmer</b>	\$9.68	2023 registration in process
<b>Farmers covered</b>	447 farmers (including 158 women)	2023 registration in process
<b>Total amount insured</b>	2,584,159 CFA (\$4,258)	2023 registration in process
<b>Hectares of land insured</b>	387 hectares	2023 registration in process
<b>Signup</b>	Online registration process. Offline registration possible with support and piloting from Sugu Yiriwa	Field agents go to communities to register producers for insurance
<b>Payment</b>	Can pay in person or through mobile money. Installment payment plan possible, spread over 2 months. Can submit payments to cover an account for someone else.	In-person payment to field agent. Total amount due at the time of registering for the service.
<b>Payout</b>	If crisis triggers the payout, payment of total production costs in full.	Deductible insurance. Deductible varies based on plan, crop, and context, but payout averages 80% of production costs.
<b>Verification to trigger payout</b>	Satellite data verifies weather conditions to determine if there has been a crisis and the payment is necessary. Assessed in 2 phases: • Germination • Growth	In-person verification of conditions at several stages of the season: • Germination • Growth • Harvest Collaboration with government experts to determine if there has been a crisis eligible for coverage.
<b>Weather information</b>	Weather information provided to subscribers by SMS or through online platform.	
<b>Staffing structure</b>	Community producer organizations nominate local field agents to connect them to the services. Field agents for offline registration and support are paid an 8% commission of total money collected.	Standard staffing structure for field agents, paid regular salaries.

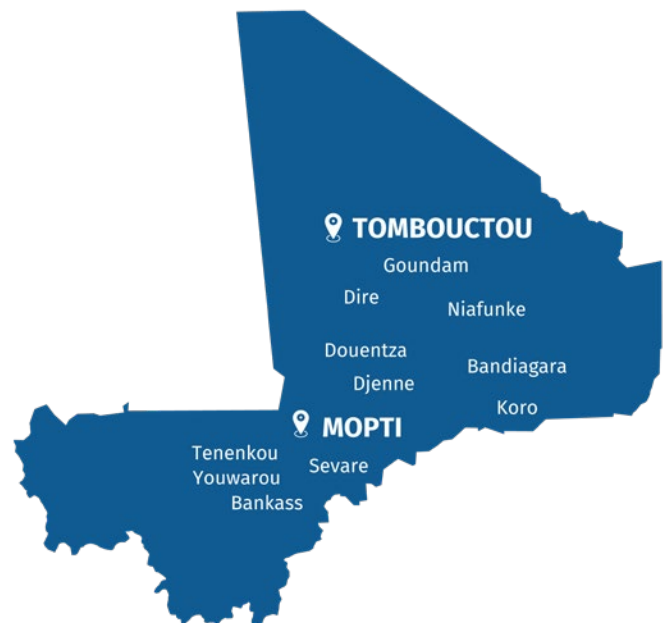
# The Partners

Feed the Future Mali Sugu Yiriwa is a five (5) year cooperative agreement funded by the United States Agency for International Development (USAID), aimed at strengthening the resilience of farming and business communities in the Delta Zone through market-driven, inclusive, nutrition-sensitive, and agriculture-driven economic growth. The Activity is implemented by a consortium of three NGOs – CARE, AMASSA Afrique Verte, and AMPRODE Sahel – with CARE International serving as lead partner. Feed the Future Mali Sugu Yiriwa operates in eight circles in the Mopti Region namely: Tenenkou, Youwarou, Douentza, Koro, Bankass, Bandiagara, Djenné, Mopti, and four circles in the Tombouctou Region: Tombouctou, Goundam, Nianfunké and Diré.

Since its official launch in January 2021, Sugu Yiriwa has helped more than 57, 869 (including 23,958 women) vulnerable small-scale producers, agro-distributors, and equipment suppliers to access inclusive and sustainable market opportunities, as well as access real time and reliable information on market dynamics via two digital platforms: namely SIMAGRI and M-Agri. The program also helped them learn modern and simplified management practices for their businesses. Sugu Yiriwa is in the process of piloting, partnering, and supporting agricultural insurance for the farmers it serves, in partnership with the private sector and with the Government Technical Services, including the Ministry of the Interior and the Ministry of Agriculture.

**OKO/SUNU** has a vision that every farmer on the planet with access to a telephone can get the agriculture insurance and financing they need. Its innovative model builds on microtransactions at the bottom of the pyramid to achieve the scale they need to be self-sustaining. OKO/SUNU uses satellite and mobile technology to create and distribute affordable insurance in emerging zones like the Niger Inland Delta, and to protect farmers from climate risks. OKO/SUNU's index-based insurance products pay

out in case of disasters based on satellite readings of weather and crop conditions. Using Orange Mali's mobile money, farmers can pay digitally and on their own schedule.



**DFT/SOCODEVI (DATA FLAQ TECHNOLOGIES, INC)** is a Canadian company that specializes in agricultural economics, farming, animal sciences, finance, and applied information. It combines vast experience in research and development on agriculture with information technologies. It works to combine information technology with precision agriculture. Its national and international staff have created insurance products that cover 1,500 farmers in the Niger Inland Delta, Sikasso, and Baguineda growing rice, corn, and onions.

**Professional networks:** Sugu Yiriwa includes various professional networks – like the rice growers association – and the government's technical and agricultural experts in the learning and awareness-raising components of the insurance work. This means those experts can support their

own clients and guide them toward appropriate insurance products as needed. They also share their expertise and perspectives with the insurance companies to ensure that the products best meet the farmers' needs.

**The Power of Partnership.** Combining CARE's access to a broad network of farmers and producer organizations with the innovative business models of OKO/SUNU and DFT/SOCODEVI opens the possibility to scale agriculture insurance to an extent that has never been possible in Mopti and Tombouctou. By building on trusted networks of producer organizations, investing in building understanding of and confidence in the agricultural insurance products, and deeply studying what producers need most, Sugu Yiriwa has been able to join forces with innovative enterprises that did not have the platforms or finances to scale across a broad base of farmers. Since its start in 2021, the program has grown from 368 farmers and 387 hectares in three circles to 10,232 farmers and 5,695 hectares in 12 circles of the Mopti and Tombouctou regions.

**The Path to Scale.** To connect participant farmers to the opportunity to have agricultural insurance, Sugu Yiriwa continues to adapt in collaboration with the producers, the insurance providers, and government officials. Some of the most important adaptations have included:

- **Expanding the crop base.** The original insurance products included peanuts, millet, sorghum, and sesame, which are the primary crops in the original coverage zone—Bandiagara, Bankass, Douentza, and Koro. As the coverage zone expanded to include areas that primarily produce rice, Sugu Yiriwa partnered first with OKO/SUNU, and then with DFT/ SOCODEVI, to fund studies so the companies could develop appropriate insurance products for farmers who depend on rice for their primary production. That expands the customer base and makes the businesses more viable.
- **Adapting the crop insurance to the local context – adding offline options.** OKO/SUNU—the first pilot partner—was originally designed for online-only services and mobile money payments. While this reduces costs, it proved to be a significant barrier for farmers who do not have phones, for whom data packages are too expensive, or who have inconsistent access to reliable connections. Sugu Yiriwa worked with OKO/SUNU and producer organizations to identify 25 community relays who could help farmers register for the services and collect their payments in cash if mobile money did not work for them. Those agents collect money in cash and send weekly payments to OKO/SUNU through Orange Mali's mobile money service. By expanding to include DFT/ SOCODEVI in 2023, the team added more offline options for farmers, since DFT/ SOCODEVI uses a field agent staffing approach that collects payments in person at the time farmers register.
- **Create financial flexibility.** OKO/SUNU accepts payments in installments over the two months of the agricultural season. That allows farmers who cannot pay their entire premium at once to continue to invest in the insurance product and retain their coverage. OKO/SUNU also allows people to pay on each other's behalf, which offers more options for farmers who may need more time to access the capital to pay for insurance. For example, sometimes members of a producer's organization will pay for each other, and then settle accounts between themselves when they have the resources to do so.
- **Investing in trust.** One of the most important steps Sugu Yiriwa took was taking the time and resources to invest in producers' ability to trust agricultural insurance products. After many failed attempts by different actors over several years to implement agricultural insurance, and many bad experiences people have had with different kinds of insurance products, farmers were skeptical that agriculture



insurance would work for them. Most farmers and producer groups did not understand the different options that were available, or how to make the best choice for themselves. Sugu Yiriwa plans to organize learning events to give producers and local government agricultural experts the opportunity to learn about the insurance products available, to understand the benefits, and to tell the companies what would work best for them. This meant that the insurance products were a better fit for farmers' needs, and that the farmers were more willing to sign up.

• *“We were worried when we started that people would not be willing to sign up for insurance. Lots of people have had bad experiences with insurance in this area. So, we did a lot of training and awareness raising to help people understand and trust the insurance. As a result, people were happy to sign up.”* Moussa Marc Keita, DCOP, Sugu Yiriwa

■ **Support transparency.** At the end of the agricultural season, OKO/SUNU's satellite data determined that there had been no major shocks, and no payouts were due. To ensure that the trust in insurance continued, Sugu Yiriwa organized an event where farmers, OKO/SUNU, government experts, and Sugu Yiriwa staff participated to discuss the results of the agricultural campaign. Farmers all agreed that was the correct decision, and that they were not owed payouts for the season. Farmers said that even though the payout didn't happen, they would still buy insurance for 2023, because they saw how much it could benefit them when a shock does happen.

■ **Provide space for feedback.** Both the training sessions and the end-of-season review provided opportunities for farmers to provide feedback on their needs so OKO/SUNU and Sugu Yiriwa could continue adjusting their products. As a result, OKO/SUNU is continuing to adapt their model. In addition, CARE recruited DFT/SOCODEVI, who is piloting insurance products for onions and sorghum, to cover additional farmer needs.

## Advocating for Change

In addition to building trust with farmers and partnering with insurance companies to create products that will work in the context of the Delta zone of Mali, Sugu Yiriwa also looked at the policy environment to see what changes would further expand insurance coverage for smallholder farmers in Mopti and Tombouctou. After analyzing the policy environment and the stakeholders who had the most influence in the system, Sugu Yiriwa put forth an advocacy strategy to ensure that policies are supporting small scale farmers' needs. This strategy includes generating evidence to use in key advocacy messages, supporting producer organizations' advocacy skills, and working with the media to showcase key issues. The project also participates in a national steering committee for the insurance products that included CARE, OKO/SUNU, the Ministry of Rural Development, the Ministry of Agriculture, and members of producer organizations.

A key avenue for future change is to work with Micro Finance Institutions (MFIs) to ensure that farmers can access the credit they need to buy insurance, as well as to buy agricultural inputs to increase production. Connecting financial and agricultural service providers to insured farmers will further increase the product's attractiveness to farmers and the benefits to agriculture in Mali.

## Next Steps

OKO/SUNU and DFT/ SOCODEVI are currently registering farmers for 2023. Sugu Yiriwa already is seeing more farmers in more regions insure more crops. This expansion is a promising step in making agricultural insurance available for the smallholder farmers in Mali who are facing ever-increasing shocks to their production.

As part of its ongoing fight against climate change-related hazards, Sugu Yiriwa, in collaboration with insurance companies OKO/SUNU and DFT/SOCODEVI, coordinated intensive awareness-raising campaigns among farming communities in the 12 circles of the Mopti and Tombouctou regions during the reporting period. For the OKO/SUNU crop insurance, 447 farmers,

of whom 158 women, were directly reached. Among those 447 farmers, 221 have already paid their premiums and thus are fully enrolled in the crop insurance service – covering 199.5 Ha.

For the DFT/SOCODEVI crop insurance service, in the Mopti region (commercial mode), 4,746 farmers – including 1,167 women – for a total of 5,095 Ha, have been directly reached through the awareness campaigns. No premium has been paid yet. The process is still underway. In Tombouctou (pilot mode), 10,232 farmers – for a total of 5,695 hectares of land – have been directly reached through the awareness campaigns. No premium has been paid yet. The process is underway.



An agent discussing producers' registration with the village chief of Dougouténé 1 in Koro (Mopti region).