

## Bangladesh Micro-insurance Market Development Programme (BMMDP)

<b>Domain of intervention:</b>	Income and Economic Development
<b>Implementation period:</b>	01.09.2017 – 31.08.2021
<b>Implementing partner:</b>	Swisscontact
<b>SDC contribution:</b>	CHF 9.95 million
<b>Modality:</b>	Mandate

### General description

Farmers in Bangladesh face considerable challenges with extreme weather conditions such as droughts, excess rainfall, floods, which results in loss of production, and furthermore their access to financial services is also limited. As a result, it is observed that farmers sell their productive assets rather than invest in quality inputs required for effective farming. The BMMDP programme has been setup to address these challenges by developing a micro insurance market for smallholder farmers by partnering with different market actors like insurance company, microfinance institute, commercial agro-input companies, farmers hub, government departments so that the appropriate financial and non-financial (extension) services can expand as risk mitigation measures to the farmers. The nature of this programme is designed as a Public Private Partnership.

### Objectives

The project will contribute to the increased farmers' resilience to shocks, improved knowledge on the impact and benefit of microinsurance service and build their confidence to invest in more costly and productive inputs. The BMMDP programme aims to reach at least 633,000 farmers with financial and non-financial risk mitigation services and trainings which will enable the farmers to improve their livelihoods through better productivity and resilience to natural disasters. 400'000 livestock farmers (50% women) is expected to benefit from this programme.

### Lines of action / Components

- Promoting risk mitigation measures by facilitation of insurance companies to partner with seed marketers.
- Supporting the microfinance institutions to develop micro-insurance products for various climatic risks in form of a loan.
- Designing literacy trainings for the farmers by the partner agencies on the micro-insurance product and benefits. At least 233,000 farmers will be covered under four major trainings on micro-insurance.
- Promoting risk-reducing services for livestock farmers by offering livestock farming oriented financial and extension services and cattle purchase loans to their borrowers.

### Intended impact in terms of systemic change

The programme is designed to work with multiple market actors to bring about risk mitigation mechanisms in the form of micro-insurance services provided to farmers, which would build their confidence invest in more productive inputs and yield higher and stable income and food security.

### Intervention Targets:

- By the end of first phase, at least 233,000 farmers will use the crop insurance product and services introduced by BMMDP.
- The programme will also reach at least 150,000 livestock (farmers) insured (additional component considered).
- At least 700,000 farmers will receive risk-reducing field extension services as well as financial literacy trainings under the risk reducing strategy (in crop and livestock sectors).