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Roles of other stakeholders

Premium financing potential options

	Characteristics
Payment by farmers	<ol style="list-style-type: none"> 1. payable upfront or from proceeds of previous season or integrated with other services e.g. farming inputs 2. general difficulty to pay at start of the season due to liquidity challenge 3. easier to collect if pre-financed by government or private sector aggregator
Premium subsidy by government	<ol style="list-style-type: none"> 1. can vary by type of farmer and farming practices 2. can be the difference between the actuarial premium and a fixed premium 3. can have a plan for phasing out
Premium subsidy by private sector aggregators	<ol style="list-style-type: none"> 1. justifiable if products also address business risks of aggregators 2. can be paid for certain categories of farmers e.g. more loyal farmers
Premium pre-financing by government	<ol style="list-style-type: none"> 1. can be payable if integrated within a government program e.g. input-subsidy scheme of Ministry of Agriculture in Zambia
Premium pre-financing by private sector aggregators	<ol style="list-style-type: none"> 1. can be payable if there is a credit exposure for the aggregator e.g. in contract farming systems. Exposed to risk of default and side-selling
Tax waiver on premium	<ol style="list-style-type: none"> 1. particularly justifiable if linked to government schemes 2. can have a similar effect as a premium subsidy.