

Weather-index insurance scale-up in Ivory Coast:

Project description

Executive Summary:

Geography: Côte d'Ivoire **Budget:** USD 168,595 **Impact:** Financial inclusion, climate resilience

Project fully approved by USAID, started in March 2024 and stopped in January 2025

This project aims at making climate insurance a widespread option in Ivory Coast and therefore improving vulnerable farmers' resilience to climate risks.

OKO will design 3 new products for coffee, cashew and cassava and scale up its distribution network to cover the whole country. OKO's work will unlock complementary climate finance in the form of governmental subsidies and agricultural loans

Context :

OKO operates in Ivory Coast since 2022 with automated climate insurance products which support farmers when they are affected negatively by unusual weather events. **OKO insured 3 441 farms so far** and is partnering with Touton, Fairtrade and Bayer for distribution through cooperative and agricultural input stores. This specific project has been approved by the Climate Finance for Development Accelerator (CFDA) by USAID but has been interrupted following the Stop Work Order issued by the Trump administration in January 2025.

Problem and opportunity:

40% of Ivory Coast's active population is engaged in agriculture (ILO, 2021). And while agriculture contributes to two thirds of Ivorian exports, the rural population did not benefit from this growing business, with rural poverty increasing from around 12 percent in 1985 to 57 percent in 2015. In 2019, 4 out of 5 poor live in rural areas, with farmers by far the poorest with poverty rates at about 60 percent (AFD).

Some of the obstacle to a livelihood improvement that we have identified are:

- Absence of financial tools to mitigate the impact of climate change and climate variability
- Low adoption of financial tools by farmers
- Difficult access and high cost of capital for farmers

The Ivorian government recognises this issue and announced in May 2023 that it would subsidize index insurance for 3 crops, with a budget of USD 16 million. OKO can unlock a large part of this climate finance potential.



Solution :

OKO will (1) broaden the availability and the adoption of index insurance and (2) leverage insurance to facilitate access to capital. The first goal will be achieved by developing new products and cover new crops, sign distribution partnerships and run financial education campaigns in rural areas. The second goal will be achieved via the creation of an innovative credit rating score, negotiating access to loans for insured farmers and create bundled products (loan + insurance). This should help 12,000 farmers access climate insurance (and potentially loans) with 24 months.

To know more and support the project, contact us on simon.schwall@oko.finance