

# Climate-related Microinsurance Pilot in Kongo Central, DRC

## Project description

### Executive Summary:

**Geography:** DRC **Budget:** USD 319,000 **Impact:** climate resilience, financial inclusion

*Project shortlisted by USAID, budgeted and with partnerships in place for immediate kick-off*

OKO was pre-selected by USAID to launch a new weather-index insurance for maize farmers in Kongo Central (DRC). The project aimed at insuring an initial group of 2,500 farmers and create a blueprint for the launch of more products by OKO and/or local insurance companies.

### Context :

DAI (a USAID-funded initiative) released a Request for Proposal in October 2024 for a 4-step pilot programme in DRC aiming at launching an innovative weather-index insurance product for the Kongo Central region.

- 1) Market analysis
- 2) Product development, pricing and evaluation (in conjunction with local insurer)
- 3) Farmer sensitization
- 4) Product roll-out
- 5) Assess pilot effectiveness and share with industry stakeholders

This project fits perfectly into the scope of OKO, who is currently operating weather-index insurance products in 5 countries and can leverage its market-leading suite of distribution tools for crop micro-insurance. A partnership was signed with SUNU Assurances and a local expert has been identified to bridge the local knowledge gap.

### Problem and opportunity:

According to Dalberg, in 2020, 32% of small and medium-sized maize producers in DRC were affected by rainfall deficit or drought and 17% by torrential rains. These risks increase their vulnerability, directly threatening their livelihoods and food security. This speaks to a need for climate-related agricultural insurance in DRC but there are several challenges in rolling this out, including a nascent regulatory environment, low technical capacity by local insurer and a lack of data.

Nonetheless, several similar products in the regions have gained rapid adoption and local insurance players have expressed the desire to receive technical support to replicate this kind of initiatives, as shown by a recent World Bank project in the country.

### Solution :

OKO can leverage its own expertise but also on its partnership with SUNU Assurances RDC, which is involved in the current project by the World Bank to design a first weather-index insurance product. The availability of OKO's suite of distribution tools is a key asset for successful roll-out. The OKO proposal is therefore very competitive in terms of price and timeline and can deliver maximum impact in only a few months.

**To know more and support the project, contact us on**

[simon.schwall@oko.finance](mailto:simon.schwall@oko.finance)

