

## How do we determine the value of your animals

The value of your animals is based on how much you spend on raising them or their expected market value at the end of the insurance period. The market value can also be determined by registered veterinarian and the farmer.

In case of poultry layer the value of the birds can be considered using the farmers' investments in the poultry farm.

# THE PROCESS

## TO JOIN THE SCHEME

To insure your crops or livestock simply follow these steps:

- 01 Contact us or any consortium member to help you estimate the value to insure
 
- 02 The value of your crops or livestock to be insured will be mutually agreed
 
- 03 The Government will help you pay part of your insurance premium
 
- 04 An officer will return periodically to assess your farm throughout the season.
 

## IN CASE OF LOSS

Immediately notify the consortium or any member of the consortium.

- 01 The farmer fills out a claim form
 
- 02 The consortium sends an Assessor to verify the loss.
 
- 03 The farmer receives a settlement cheque to return the farm to pre-loss state.
 



**Uganda Agriculture Insurance Scheme**  
**MULTI-PERIL INSURANCE**

## WHAT IS THE UAIS?

The UAIS is a public-private partnership between the Government of Uganda and farmers; it is aimed at mitigating financial losses suffered by farmers as a result of damage and destruction of their crops and livestock due to Fire, Drought, Flooding, Landslides, Hailstorm damage, Windstorm damage, Malicious damage, Riots & strikes and uncontrollable pests and diseases.

## WHAT RISKS ARE COVERED

- Fire
- Drought
- Excessive Rainfall
- Lightening
- Earthquake
- Explosions
- Uncontrollable Pests
- Uncontrollable Diseases
- Hailstorm
- Landslides
- Windstorm
- Malicious Damage
- Flooding

## WHAT IS AGRO CONSORTIUM?

Agro consortium is a coalition of ten insurance companies that was set up to provide agriculture insurance under the Uganda Agriculture Insurance Scheme (UAIS)

These insurance companies are:

APA Insurance (Uganda) Ltd, CIC General Insurance Uganda Ltd, First Insurance Company, Goldstar Insurance Company Ltd, Jubilee insurance, Lion Assurance, NIC General Insurance company Ltd, PAX Insurance, Phoenix of Uganda Assurance Company Ltd and UAP Insurance Uganda Ltd.



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How much premium does Government pay for you (Premium subsidy)?

	Farmer Categories	
	Small Holder	Large Holder
Government Subsidy	50%	30%
	High risk areas 80%	

## FARMER CATEGORIES



large scale farmer

One is considered a large scale farmer if they have a farm of 5 acres and above, or a farm which generates income of 20 Million Uganda Shillings or more every season. If involved in livestock farming one is considered a large scale farmer if they have the following:



Cattle  
More than 30



Pigs  
More than 50



Poultry  
More than 2,000



Fish Farming  
Only Large Scale



small scale farmer

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Between 1- 30



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Between 1- 50



Poultry  
Between 500 - 2,000

## CROPS

### What is covered

Fire, Explosions, Windstorm, Drought, Uncontrollable Pests, Malicious Damage, Excessive Rainfall, Uncontrollable Diseases, Flooding, Lightening, Hailstorm, Earthquake, Landslides

### How to determine the value to insure

This is determined by:

#### Input costs

That is the total cost of seed, fertiliser, weeding expenses etc.

#### Expected crop yield

The estimated value of your crop when harvested is calculated as follows:

Size of area planted acreage X the usual output of the farm (kgs/acre) X Estimated value of harvested crop (Ushs per Kg)

► Size of your planted farm (acres)\* the usual outputs of your farm (Kgs per acre) \*estimated value of harvest (Ushs per kg)

### What is not covered by this insurance?

- Crops that have been harvested
- Crops being transported
- Crops which have been harvested before inspection by our loss assessor
- Where recognized good farming and harvesting practices have not been followed
- Loss or damage to crops by controllable diseases, weeds and/or controllable insect and army worm

### How much do I to pay to insure my crops?

CROP	How much you pay to insure your crops	Yield Guarantee
Maize	5.0%	75%
Beans	5.0%	75%
Coffee	5.0%	75%
Bananas	5.0%	75%
Tea	4 (western region) 6 % ( central region)	75%
Cotton	6%	75%
Sunflower & Oils seeds	5%	75%

### What do I do incase of loss or damage to my crops

You must give a written notice to the consortium or any of its (members within 48hours after occurrence.

If the loss or damage happens after you have begun harvesting an insured crop, you must notify the consortium or any of its members immediately, and must leave at least 2 rows of the crop for the entire length of the field un-harvested. This sample crop must remain un-harvested until the consortium gives you written consent to harvest it.

If your crop is so badly damaged before harvesting and you do not expect further care for it or harvest, immediately, notify the Consortium or any of its members.

Please do not harvest any field until the consortium inspects it.

The settlement of claims under this scheme should take place within 6 weeks from the time you make your claim.

## ANIMALS

### What is covered by this insurance

Death of animals due to:

Fire	Snow	lightening	Hurricane
Floods	Earthquake	Rainstorm	Landslip,
snake bites	Diseases,	Windstorm	Inundation,
Hailstorm	Surgical operation		

Impact accidental damage by animals, aircrafts or motorized machinery.

# THE PROCESS

## Uganda Agriculture Insurance Scheme DROUGHT INDEX INSURANCE



### TO JOIN THE SCHEME

01 When you apply to join the scheme, the value of your crops to be insured will be mutually agreed



02 The Government will help you pay part of your insurance premium



03 Your area shall be monitored for drought using satellites



### IN CASE OF LOSS

YOU DO NOT NEED TO NOTIFY THE CONSORTIUM OF THE LOSS OR FILL OUT CLAIM FORMS.

01 The drought in your area shall be detected by the end of the season.



02 The level of crop loss on your farm shall be calculated according to the severity of the weather in your area.

03 You and all insured farmers in your subcounty shall be automatically paid a settlement according to the subcounty average loss.



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# DROUGHT INDEX INSURANCE

(Insurance based on Measured weather Conditions)

## Satellite-based Drought Index Insurance

Drought conditions which adversely impact crop yields can be monitored from space using the EARS Relative Evapotranspiration (RE) Index (satellite data). The strong relationship between the RE index and crop yields exists because biomass and yield (produced using CO2 entering the plant) are proportional to evapotranspiration (water exiting the plant). The opening and closing of the plant's stomata as a result of drought affects both equally, therefore making the RE index highly suitable for estimating drought related crop yield losses.

The RE index is used in product design to understand historical drought risk (frequency and severity). Daily index monitoring by satellite then detects when a drought occurs, what the impact on the crop yield is, and how much the farmer should be paid at the end of the season.

## How drought index insurance works

Drought index insurance is an innovative type of insurance which pays out based on the level of a pre-determined drought index. We partnered with an independent Satellite Remote Sensing company EARS based in The Netherlands. The EARS drought index is continuously monitored by satellite and represents drought and growing conditions anywhere in Uganda. It is an excellent indicator of declining water availability and resulting crop yield losses, both for current conditions as well as historic events.

## How a payout is triggered

During growing season the RE index tracks drought severity through-out the insured areas. If the index level during the growing season is above average, then no payout is triggered. If the index drops below average, then it indicates the onset of a drought. When the RE index reaches the strike level then yield losses are imminent and a payout for that location is triggered. The exit marks the maximum payout of 100% of the sum insured in case of a total loss.

Therefore rates and premiums in the RE drought index are aggregated to zones. Zones can be a group of farms, a sub county, or a district. Everyone in the same zone has the same premium rate and payout rate for the same sum insured.

## How much do I pay to insure my crops

You pay 5.5% of the value of the crops you want to insure except for disaster prone areas.

► Note: Isingiro, Kasese, parts of Mt. Elgon, Teso, Karamoja and West Nile where the farmer has to pay 10% of the value of the crop to be insured, the government will pay 80% of the basic premium for the farmers in these areas.

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