Bangladesh is the 7th most climate vulnerable country in the world. With approximately 40% of the population working in the agriculture sector (according to ILO), such high climate susceptibility results in significant losses in agriculture production.

Bangladesh also suffers from an acute shortage of agriculture (crop and livestock) insurance products. The overall insurance penetration rate in the country is below 0.5% (according to Swiss Re reports).

Agriculture insurance is a widely accepted strategy for farmers to reduce risk in a climate-resilient way. Farmers in Bangladesh can address their top risks and lessen their vulnerability to unpredictable weather shocks through the development and application of agriculture and livestock insurance.

The Bangladesh Microinsurance Market Development Programme (BMMDP), also known as Surokkha, funded by Switzerland and managed by Swisscontact, assisted in the creation and distribution of products for livestock and agricultural insurance. Additionally, the initiative promoted the provision of extension services for climate-resilient agriculture and livestock rearing practices.

Achievements/success factors

- **Product innovations**
  - Digitizing processes for increased efficiency
  - Developed cattle health insurance and area yield index based crop insurance

- **Market-led solutions**
  - Project follows market system development approach
  - Insured farmers pay their own premium

- **Facilitating collaborations**
  - Connected distributors to the insurers for increasing access to insurance
  - Help bridge the gap between insurers and consumers

- **Strengthening value propositions**
  - Insurance products were combined with credit or agri-inputs
  - Bundling increased the sales of these insurance products

Key impact figures and facts

**Between 2017-2022**

<table>
<thead>
<tr>
<th><strong>CHF 166,500,000</strong></th>
<th><strong>825,000</strong></th>
<th><strong>58%</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>worth of financing was triggered due to the programme</td>
<td>farmers procured crop and livestock insurance policies</td>
<td>of these farmers are women</td>
</tr>
</tbody>
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- **571,000** farmers have experienced an increase in income
- **463,000** farmers benefited from applying climate-resilient farm management practices
- **50** districts throughout Bangladesh
  - Farmers got access to climate-resilient agri-advisory services and good cattle rearing practices