



COOPERATE · ENRICH · SHARE



# AGRICULTURAL RISK MANAGEMENT

## SOCODEVI'S COOPERATIVE AND MUTUAL SOLUTION

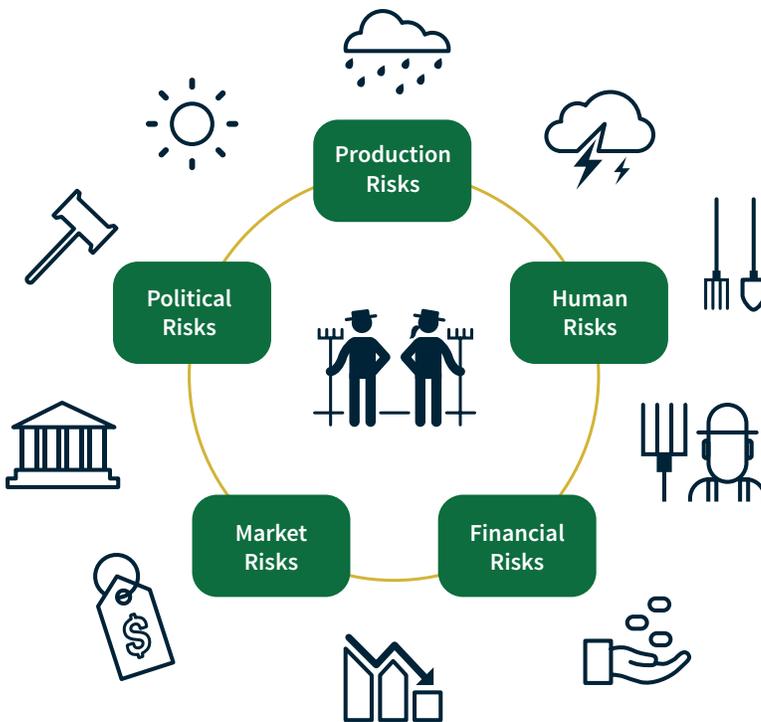
Farmers and their families are regularly exposed to numerous risks. This is especially the case in developing countries where tools to manage agricultural risk have not yet been implemented for small and medium-sized family farms.

SOCODEVI bases its approach on multidimensional support for family businesses and cooperatives in these countries. We aim at mitigating the negative impacts of adverse climate conditions and the risks related to production, financial system, markets and political structures.

We implement risk management solutions and strategies that ease family businesses, women and youth access to land, high-quality inputs, agricultural credit and insurance products. In doing so, we improve their income security and their access to adapted financial services, while strengthening their resilience to climate change.

## OUR APPROACH

While structuring its support services, SOCODEVI takes into account the wide variety of risks faced by family businesses. By employing a context-specific methodology, we target and adapt our interventions to the intensity of the problems experienced by agricultural producers and to the specific agronomic situation of targeted agri-food production.



**Our risk management solutions focus on family farm businesses, and on the full and effective participation of women and youth.**

The core of SOCODEVI'S approach is to provide specialized, multidimensional support to cooperative and associative businesses. These entities can play a key role in distributing products, such as crop insurance, and in improving access to financial services tailored to their members' needs.

Our activities also include support to governmental and private organizations, notably insurance mutuals, in order to enhance their capacity to develop and provide financial products and services to the rural populations.

## OUR STRATEGIES AND SERVICES

### Family Farms and Cooperative Businesses

- Raising awareness and providing comprehensive training for women and men on issues related to agricultural risk management.
- Transferring technology and supporting family businesses regarding climate-smart agricultural practices, taking into account gender-specific realities.
- Development of gender-sensitive outreach tools related to agricultural risk management.
- Encouraging cooperatives to get involved in the distribution of crop insurance products.
- Strengthening agricultural cooperatives to ease their access to credit and improve their management of financial files (needs analysis, managing credit and recovery procedures, managing security deposit funds in partner financial institutions, etc.).
- Supporting cooperatives so they are able to analyze their environment and develop products and services that meet the specific needs of women and youth.

## THE TOOLS THAT SET US APART

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Development and use of participative and gender-sensitive assessment tools, data analysis, and assessment of risk exposure, of climate vulnerability and of the need to implement mitigation mechanisms.



Assessment of the local context and the availability of risk mitigation and transfer solutions offered by existing businesses, and identification of the legal framework and the constraints that could potentially limit the access of family businesses, particularly of women, to such solutions.



Identification of mechanisms to develop or implement, and prioritization of the tasks and actions needed to implement and maintain these innovations within the daily operations of cooperatives and other local actors.



An inclusive family training program incorporating agri-environmental issues, particularly climate-smart agriculture, agricultural risk management and gender equality.



A platform, completely developed by SOCODEVI, that makes it possible to monitor and evaluate projects. ImpactCoop includes a high-performance mobile application that can be used to collect data in the field and an effective system for managing this information.



An approach, a web platform and a mobile application for change management in cooperative businesses which integrates components for gender equality, the environment, agricultural risk management and adaptation to climate change.

## OUR STRATEGIES AND SERVICES

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### International, Regional, State and Private Organizations

- Gender-sensitive analysis and assessment of agricultural risks and climate vulnerabilities in targeted regions and/or agricultural value chains.
- Organizational support for developing, steering, implementing and transferring risk management programs, based on the Canadian experience
  - Index-based agricultural insurance
  - Agricultural loan guarantees
  - Savings and business creation incentives
  - Investment support for family farms
- Design of gender-sensitive geomatic tools tailored to agricultural data management
  - Design of geo-referenced databases to implement and manage crop insurance programs
  - Integration of mobile technology to capture and manage field data related to risk management
  - Crop yield mapping and spatial analysis

## ACHIEVEMENTS



HAITI

As part of the SYFAAH (Agricultural financing and insurance systems in Haiti) project carried out in partnership with DID (Développement International Desjardins), SOCODEVI developed a loan guarantee program facilitating access to credit for farming families. More than 24,000 loans have been registered in the guarantee fund. At the end of the project, the management of the loan guarantee program was transferred to the FDI (Fonds de développement industriel), a Haitian organization. To better protect farming families from climate risks, SOCODEVI developed a collective index-based crop insurance program for rice producers. It was tested over eight production campaigns with 3,600 farming families.

During the FARM (Agriculture and rural financing in Mali) project, the DID and SOCODEVI activities focused on professionalizing financial institutions and making the loan guarantee program available. This program has provided agricultural credit to more than 6,000 families. The management of this loan guarantee program has been assigned to a Malian organization, the FGSP (Fonds de garantie du secteur privé). SOCODEVI also developed crop insurance programs for three crops (rice, corn and onions), which have been implemented together with Malian private insurance sector. In addition, SOCODEVI provides support to private and public-sector stakeholders involved in agricultural risk management with the aim of setting up an insurance mutual for the long-term management of agricultural insurance.



MALI



COLOMBIA

In Colombia, during the PASAC (Support for the agricultural finance system in Colombia) project, institutional support was provided to FINAGRO. This state institution, which oversees agricultural insurance in Colombia, joined forces with SOCODEVI to carry out an overall assessment of the agricultural insurance sector in the country with the organizations involved. At the same time, a pilot project on yield index-based crop insurance was carried out through a simulation in the rice sector. Some feasibility studies on revenue insurance for coffee and cocoa producers were also presented to our Colombian partners. The Ministry of Agriculture and FINAGRO are now equipped with risk management tools tailored to the needs of producers, men, women and their families.



SOCODEVI firmly committed to the pursuit of the Sustainable Development Goals.