

## Bayer and Pula Foundation partner up to insure 10 million smallholder farmers in Sub-Saharan Africa and South Asia

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Bayer Foundation and the Pula Foundation announced at World Economic Forum that they are planning to provide insurance coverage for 10 million smallholder farmers by 2030. The collaboration aims to enhance climate resilience among smallholder farmers, protecting them against the growing impacts of droughts and floods, which threaten harvests, livelihoods, and global food security. It will help build private-public collaborations and shape the insurance market for agriculture in Africa and Asia.

The Pula Foundation has developed scalable and data-driven agricultural insurance solutions designed to safeguard smallholder farmers' investments in their farms. By mitigating risks associated with extreme weather events such as droughts and floods, the Pula Foundation ensures that farmers receive financial compensation for yield losses, enabling them to recover, reinvest, and build long-term resilience in the face of climate uncertainty.

By 2030, Bayer Foundation's grant for insurance premium support in the amount of 10 million euros will be supported by a donation from Bayer's Crop Science Division. This will unlock a potential insurance coverage of 127 million U.S. dollars for 10 million farmers working with national governments in Bangladesh, Pakistan, Malawi, Ghana, Nigeria, Kenya and Mali. The grant originates from Bayer Foundation's Social Innovation Ecosystem Fund which targets mature and high-impact solutions for underserved communities.

“Our Crop Science division is committed to deliver innovative, farmer-focused solutions that drive sustainable growth and regenerative agriculture. By unlocking climate finance and collaborating with partners like the Pula Foundation, we aim to deliver ecosystem-based approaches that empower smallholder farmers and their communities to overcome challenges and thrive,” added Rodrigo Santos, President of Bayer’s Crop Science Division, Member of the Board of Management of Bayer AG and Executive Director Bayer Foundation.

Pula Foundation and Bayer Foundation already demonstrated in 2021 that building such public-private partnerships to offer insurance protection at scale works: Together with the Zimbabwean Government and as part of the Zimbabwean Conservation Agriculture Program, they developed an insurance solution that protects the input investments farmers made. With the catalytic support of Bayer Foundation for this pilot, 31,000 farmers were insured against climate risks such as droughts in the first year, which the public-private partnership network of Pula Foundation scaled to more than 1 million farmers after three years.

Rose Goslinga, Director of Pula Foundation says “This partnership with Bayer Foundation will enable us to expand our reach and ensure that millions more farmers can secure their livelihoods and build resilience against climate risks.”

According to FAO, in 2023, around 2.33 billion people globally faced moderate or severe food insecurity. Smallholder farmers make a significant contribution to food security and supply in their countries: more than half of the food consumed in low- and middle-income countries (LMICs) is produced by smallholders. Yet, they face heavy challenges that pose severe constraints to their ability to serve their communities. Examples are lack of climate change adaptation tools, lack of access to agricultural inputs and inadequate credit and insurance services.

Bayer aims to support a total of 100 million smallholder farmers in LMICs by 2030 by improving their access to agricultural products and services. This also includes collaborations with partners. To achieve this, Bayer strives to create market models that generate benefits and reduce business risks for all partners in the value chain, including smallholder farmers. This is implemented by helping smallholder farmers gain access to the agricultural value chain and increase their productivity and income, as well as by creating resilience to ensure the long-term food security of smallholder farmers, their families and rural regions in LMICs.