Type of tool: Others

Target audience: Various stakeholders in agricultural index insurance

Short description of tool:

Smallholder farmers are exposed to a range of agricultural risks. While traditional insurance products are often inaccessible to them, index insurance products might offer an affordable and feasible alternative. But poorly designed index insurance can create more risks than it mitigates. Assessing the benefits that index insurance brings to clients is essential, but has proved challenging.

The 3-D Client Value Assessment tool allows insurance providers to measure the value of their agricultural index insurance products. Merging the Facility’s PACE tool [1] with the AMA Innovation Lab’s calculations for Minimum Quality Standards, this tool provides a multi-dimensional understanding of the value proposition for potential or existing clients.

The tool was developed by the Facility and the Feed the Future Innovation Lab for Assets and Market Access (AMA Innovation Lab) at UC Davis, with support from EA Consultants, as part of the Global Action Network [2], a project supported by USAID in collaboration with UC Davis.

Listed below are the various components of the 3-D Client Value Assessment Toolkit. The toolkit consists of the tool and supporting documents that can be used to perform the client value analyses. We recommend that you start with the Technical Guide (listed at the top), which explains how to use each of the components.

Contents of the tool:

- Technical guide [3]
  - This provides guidance on how to conduct a 3-D Analysis of Client Value, using the 3-D Tool and associated documents described below.
- 3-D tool [4]
  - The centerpiece of the analysis, which looks at client value across 14 indicators and provides indications on how obtain a scoring for each of them.
- Workplan [5]
  - This plan aims to support the planning of a 3-D Analysis of Client Value.
- Administrative data checklist [6]
  - This list summarizes important information, administrative data and documentations to collect throughout the analysis.
- Interview guides [7]
  - This file contains interview guides for covered farmers, management, and sales staff or agents.
- Working template [8]
  - This provides step-by-step guidance for analyzing the data collected through the analysis for each indicator.
- MQS calculation sheet [9]
  - This sheet provides a measure of index reliability used for Indicator #1.
- Report template [10]
  - This template supports the presentation of findings and recommendations after the analysis has been conducted.
- Ex ante tool [11]
  - Unlike the above, this tool is suitable for a client value analysis conducted before a product launch.

Watch the recording of a 60-minute webinar [12] organized on March 29, in which we presented the tool for the first time.

To learn more about the tool and guidance on its usage, please contact us at impactinsurance@ilo.org [13].