

DM2009 Project Summary

Project Number: 4917 Booth Number: 90

Development of Insurance Fund to Protect Jatropha Farmers from Climate Risks

COUNTRY: Mali and Indonesia
ORGANIZATION: PlaNet Finance
FUNDING REQUEST: \$199,990

OBJECTIVE: To analyze the feasibility and develop a guarantee and insurance fund to mitigate the climate risks affecting jatropha production and test the model on 700 existing jatropha farmers in Mali and Indonesia. Over the longer term, the guarantee fund aims at being extended to other farmers and countries

RATIONALE: As a new crop, jatropha could be an interesting opportunity but presents potential risks for farmers and financial partners. The project aims to develop a guarantee and insurance fund that will foster financial partners to support the investment and extend jatropha farmers' plantations.

INNOVATION: Jatropha is still an experimental and innovative crop. Climate-change risks can affect its development and make producers vulnerable. As a permanent culture jatropha needs time to reach full production and return on investment. The developments of innovative mechanisms to limit the financial vulnerability of producers and to increase their resilience to climate change are the most significant challenges facing jatropha development and sustainability. This project will provide an adaptation approach to climate change and includes an incentive mechanism to promote the adoption of this new crop.

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