

Initiative: Insurance Scheme for devasted crops

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INITIATIVE DESCRIPTION



Leader name

Fondation Odzala-Kokoua



Entity type

Non-governmental organization



Launching Date

1 January 2015



Assesment initiative

Assessment in progress.

A database summaring all devastation event and losses is maintain each year an assement is done.



Initiative Type

Insurance



Wildlife species

Chimpanzee
Elephant
Gorilla
Buffaloes Bongo



Issues

Crops



Intervention area

Republic of the Congo

BACKGROUND

In the Republic of the Congo a compensation for damage caused by wildlife should be paid by the State (Decree No. 06/970 of 1986), but in the field, this system is not functional. To follow up on this problem and to address the distress of the communities, the managers of the Odzala - Kokoua National Park in 2015 decided to help the communities impacted by the devastation through an insurance scheme. In 2019, from September to December, 106 crops has been insured for 86ha, in the same period, 234 reports have been made, representing 11 207 907,00 FCFA (19 284,32 USD) according to state decree.

DESCRIPTION

An insurance scheme has been created through partners (EU) support and also with the villagers subscribing to the insurance with 2500FCFA/per hectare/year (4\$/hectare/year) to insured their fields. Then during the devastation, the policyholders notify the park managers in order to assess the damage



through a report. Compensation is calculated proportionally: according to the plant damage (based on decree 06/970), the state of their fields and their monitoring efforts, the insured are then compensated twice a year. This insurance, therefore, compensates for the damage in monetary terms, trying to encourage the most appropriate behavior.

PRINCIPLE

Following the difficulties encountered by Odzala National Park regarding the devastation insurance between 2015 and 2019, it was decided to no longer use the 1986 decree as a basis for calculating compensation for crop damage. Indeed, this scale was too old and unsuited to the subsistence culture and contexts of Odzala. A new insurance scheme based on the sum of the devastated areas in relation to the total field area was developed. The maximum compensation (200 000FCFA/ha or 344\$/ha) is reached when the sum of the devastated areas equals 25% (or +) of the total field size. The sum of the devastated areas between 10 and 24% of the total field size is compensated at heights of 100,000FCFA/ha. If the damage is less than 10% the insured are reimbursed for their insurance subscriptions, if there was no damage then there is no compensation. The advantage of this method is that from the moment of joining the insurance, the insured knows the amount of compensation according to the severity of the devastation, moreover, thanks to the monitoring of the devastated areas of his field, the insured is able to know the sum of compensation at the time of payment. The maximum compensation is reached from 25% of devastated area (but corresponds to the amount allocated for 100% of devastated area) and allows a lighter data collection for the park teams and motivates the farmer who has protected his field beyond 25% in order to obtain the insurance gains and a good harvest. These compensation rates are normally guaranteed as they are calculated on the basis of devastated areas and the number of participants in previous years, but they may be revised each year. This method should also improve the sense of justice among farmers since each of them is considered in the same way regardless of the crops (subject to significant differences in compensation in the decree). The PNOK insurance is intended to help the people most affected and dependent on their fields for their subsistence, mainly planting cassava (very little compensated by the decree), but it is not meant to replace the role of the state, which remains the guarantor of crop compensation. In parallel to this insurance, the national park is working on deploying methods to protect the fields and diversify the local economy based on conservation and sustainable development.

CONDITIONS OF SUCCESS

However, it faces many problems and disadvantages (as described in the dedicated section) but in order to overcome these problems, therefore, it is necessary to:

- do a good awareness of how insurance scheme with the support of state officials;



- being able to record the damage in a quite short period of time;
- using a standard method of damage assessment and having the consent of the members.
- use a simple compensation system that is understood by the subscribers and for which they are able to follow up with receipts for each damage provided by the park management team;
- that the system promotes Human-Wildlife conflict mitigation solutions and that it is capable of guaranteeing the amount of compensation.

In the absence of all these parameters, it is highly likely that insurance will have a negative impact on human-wildlife relationships around protected areas. But it can also degrade community support for conservation.



Advantages

- *General advantages of insurance scheme:
- Community members feel more supported when devastation occurs and are less supposed to revenge on wildlife
- Monetary-based compensation is appreciated in most of the communities
- Improve community and park management team interactions
- Allow data about HWC and improve understanding
- Identify the most motivated communities members for HWC mitigation solutions trial
- Allow organizing communities in order to decrease HWC impact
- Improve communities understanding of HWC and wildlife, park management

- *Advantages of previous OKNP insurance

scheme:

- Follow state decree which is easily accepted by state institution for insurance policy

- *Advantages of new OKNP insurance scheme:

- All farmers are considered equally independent of crops in their field which improves the feeling of justice into the community because compensation calculation only based on surface devastated / total surface.
- Subscribers know from the beginning the different compensation rate depending on the devastation rate 0%,10%,25%



- Promote guarding after 25% of damage because subscribers reach maximum compensation from the insurance so it's in farmer's interest to guard in order to get the highest harvest with the remaining field.
- Devastation rate can easily be followed by the subscriber with a receipt after each devastation event
- Data collection does not need to be performed quickly as surface devastated can be monitored a few days after the devastation event and after 25% of surface devastated in a field no need to continue to collect the data as subscribers reach maximum compensation at 25%. It decreases data collection effort throw the year allowing the HWC team to focus on the implementation of mitigation measures and solutions.
- No surprise for the subscriber when the compensation is paid

Disadvantages

- *General disadvantages of insurance scheme:
- it is not self-sufficient, it requires significant human resource capacity and means of movement to record findings
- it can encourage communities not to protect their fields
- communities do not necessarily understand the complex process of insurance, including compensation calculations, which makes the process opaque and refers to the usual problem of corruption, embezzlement, or tribalism, which sometimes blames the management team for such processes
- Communities may also react independently of the realities of the devastation, as some villages may complain that they have not been compensated enough compared to others, so communities need a sense of equality without necessarily considering the realities of the devastation.
- Misunderstanding for some policyholders of the need to inform the HWC service every time there is a devastation event.
- Communication problems in remote places.
- In addition, communities forgot the state's responsibility and blame the park for the damage
- Does not address the problem of elephant devastation
- Money compensation is not the most suitable way to compensate damages, some remote village do not have easy access to a



market in order to buy food to compensate for food losses by wildlife devastation.

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- *Disadvantages of previous OKNP insurance scheme:
- Compensation calculation based on the type of crops and field conditions was too complex and make it was impossible for communities to follow their devastation rate and possible compensation. In addition, it was not sure that compensation will feet into the insurance budget.
- The huge difference in compensation between cassava, maize and fruit trees. In fact, people who suffered less damage in terms of the quantity received higher compensation because the destroyed crop was better reimbursed by the decree 06/970 of 27/09/86. This difference in compensation creates jealousy between the different villages and adherents. The decree is unsuitable for the subsistence crops practised around the park and greatly favours the fruit crops practised to the north of the park, creating a "social injustice" and a feeling of inequality between communities.
- The constant need for the HWC service to take data quickly after the devastation in order to be able to assess the number of crop plant destroyed. This requires a considerable amount of work and reduces the time devoted to exploring alternative solutions to human-wildlife conflicts.
- Does not promote guarding since the field must be devastated in order to get the insurance. In addition, the system encourages



the planting of crops that are attractive to elephants such as fruit trees in order to receive higher compensation, making insurance an easy way to make money.

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- *Disadvantages of new OKNP insurance scheme:
- Currently, none have been identified compared to the previous insurance scheme

(%) IMPLEMENTATION, USE AND MAINTENANCE

IMPLEMENTATION



Workforce

6



Workload

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Training

Basic < or = 1month



Training duration

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Financial cost

1000



Currency financial cost

USD \$

IMPLEMENTATION KEY STEPS

In order to implement the insurance scheme, some authorization were asked to the institution responsible for National park management (ACFAP in Congo) because as describe above compensation program at the national level is existing so this insurance scheme was an additional activity from the park which have to be defined and design.

The budget for this activity had to be found with the help of our partners.

Then community service start to implement the program in 2015 starting with sensitization in HWC



USE & MAINTENANCE



Workforce

6



Workload

1500



Training

Basic < or = 1month



Training duration

4 days for theoritical and field training



Financial cost

45000



Currency financial cost

USD \$



Annual period of use

All year



Daily period of use

Day

STEPS OF USE

Insurance is divided into four steps:

the sensitization to the insurance scheme at the beginning of the year

insurance subscription at the beginning of the year

data collection of the damage, year-round.

compensation, twice a year: middle year and end of year compensation

The workforce size for running an insurance scheme depends on three main factors:

size of the area covered by the insurance

frequency of HWC events

road/transportation equipment available

EQUIPMENTS

- *Sensitization:
- transportation
- generator with fuel and electric cable
- video-projector
- insurance description brochure



- sensitization presentation
- two assistants
- (translator if needed)

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- *Subscription:
- transportation
- membership form
- GPS
- membership receipt
- field equipment: backpack, tent, food, water, ects...

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- *Data collection:
- Transportation
- Insurance damage datasheet or smartphone with cyber tracker app/ kobotoolbox app
- Subscriber devastation receipt
- GPS
- Database
- field equipment: backpack, tent, food, water, ects...

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- *Compensation:
- Summary of compensation amounts
- Subscriber Compensation receipt



+ TO GO FURTHER



Contact

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Internet links

https://www.africanparks.org/the-parks/odzalakokoua



Funding opportunities

ECOFAC program UE



Documentations



Driven by:

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