

NEWS RELEASE

World Bank Group, CelsiusPro Partner to Expand Access to Finance for Ukrainian Farmers by Innovative Agri Insurance Product

Zürich, Switzerland, March 12th, 2015 - The World Bank Group and Swiss index-insurance specialist CelsiusPro AG have partnered to make agricultural insurance in Ukraine more affordable for smaller companies, expanding farmers' access to financial services and helping boost agricultural productivity.

The Eastern Europe Access to Finance Project, a part of the World Bank Group's Finance and Markets Global Practice, signed an advisory services agreement with CelsiusPro AG.

The initiative aims to improve index area yield insurance and train insurers in order to localize the sales of agri-insurance products in Ukraine. Index insurance is an innovative approach to insurance provision that helps unlock productivity gains and makes financial services more widely available at lower costs via data analytics.

"We want to enable local insurers to offer yield shortfall covers, not only to the largest firms, but also to mid-sized and small producers," said Mark Rueegg, Chief Executive Officer of CelsiusPro. "Our firm offers a chain of services from data sourcing, index, and policy design to the automated handling of policies via one platform. Streamlining design, calculation, and policy management processes via our technology is what ultimately reduces costs and makes index insurance affordable."

Gary Reusche, Program Manager for the Eastern Europe Access to Finance Project, said, "The project aims to offer better quality insurance products at lower premiums. With CelsiusPro and their advanced technology, we have found a strong partner to achieve exactly that."

The project is implemented by IFC, a member of the World Bank Group, in partnership with the Austrian and Hungarian governments. It builds on seven years of developing an agro-insurance market in Ukraine, part of a broader WBG effort in index insurance implemented by the Global Index Insurance Facility (GIIF).

Since the 2008 project launch back, Ukrainian insurers insured over three million hectares of land and sold 8490 contracts with a total sum insured of \$1.8 billion and more than \$80 million in insurance premiums. But more work is required as agri-insurance sales thus far represent less than 10 percent of the market in Ukraine.

IFC is a leading international investor in Ukraine's agribusiness sector, having committed over \$1 billion since 2004 to help local producers increase production, improve competitiveness, and reach new markets. IFC also provides strategic advice in agribusiness to help streamline business regulations in the sector, expand access to finance for farmers, modernize supply chains, and improve competitiveness through better standards and resource efficiency.

About CelsiusPro

CelsiusPro, founded in early 2008, is specialized in structuring and originating tailored index insurance solutions to mitigate the effects of adverse weather, climate change and natural catastrophes worldwide. CelsiusPro offers, among others, an online solution for insurers for automated pricing, execution, policy issuing, settlement and reporting for parametric climate insurance.

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