



Swiss Re
Corporate Solutions

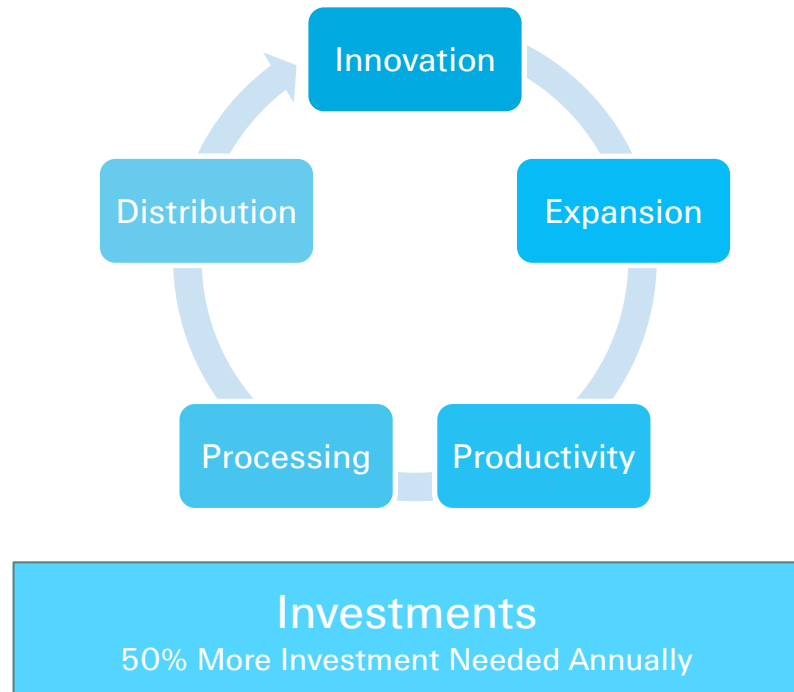
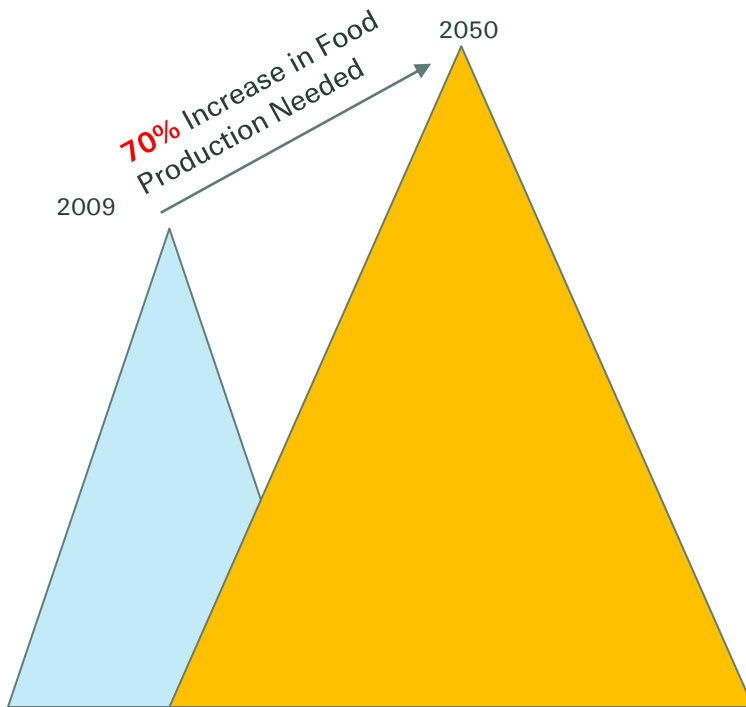
Imperatives for securing the food production base – Insurer's Perspective

Jeffrey Khoo | Food & Agriculture Business

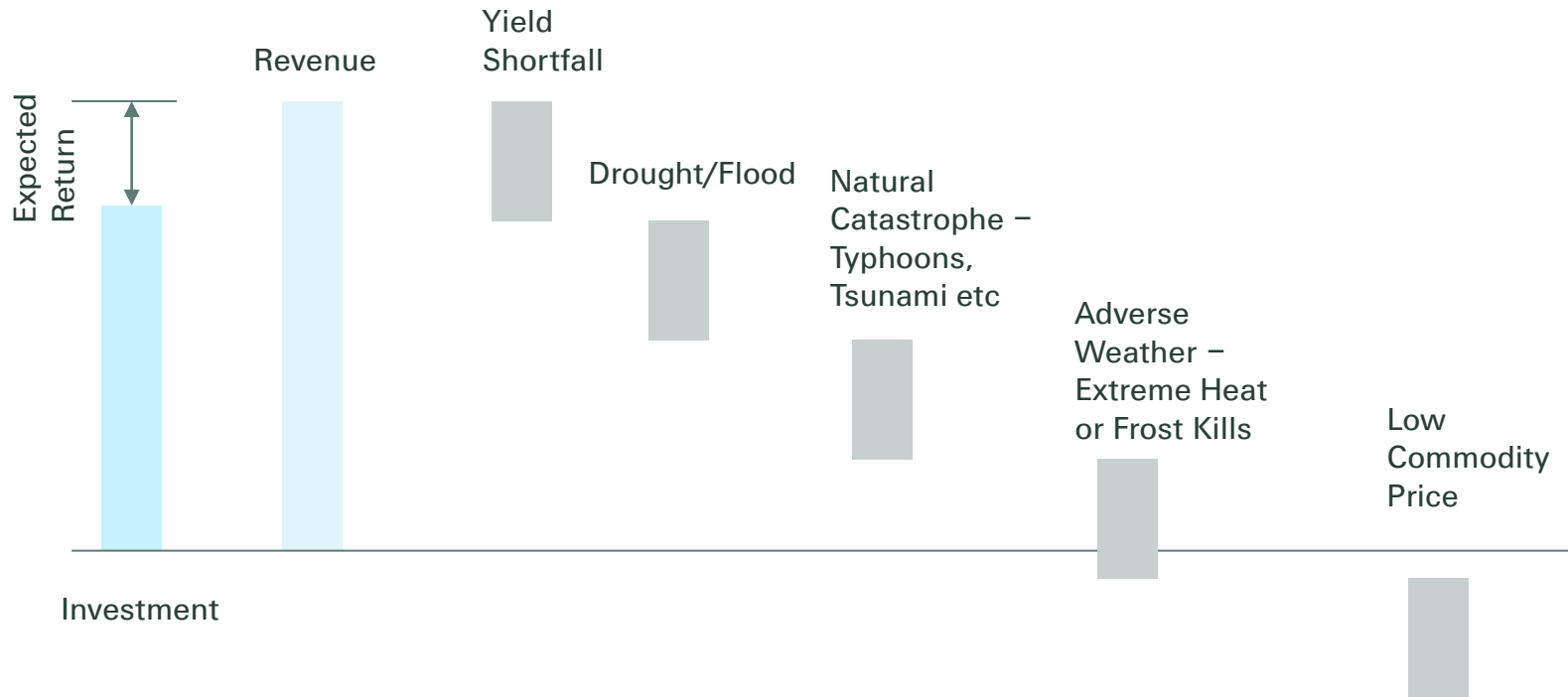


Securing Food Production - Improvement, Investment and Innovation

World population will exceed 9 Billion by 2050, securing the food production base is the key.

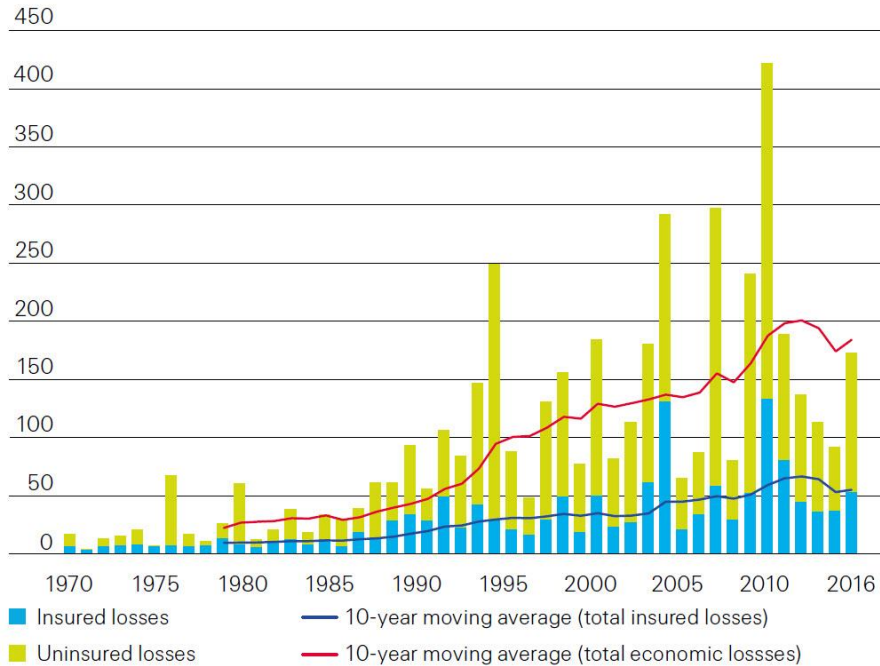


Role of Insurance – Safeguarding Agriculture Investments



Agricultural Insurance provides tailored solutions for all the above risks to safeguard your investment and remove the earning volatility

Climate change is affecting food production



Economic losses = insured + uninsured losses
 Source: Cat Perils and Swiss Re Institute.

Annual occurrence of climate-related disasters

1980 - 1990
 ↓
 149

2004 - 2014
 ↓
 332

Annual economic damage of climate-related disasters

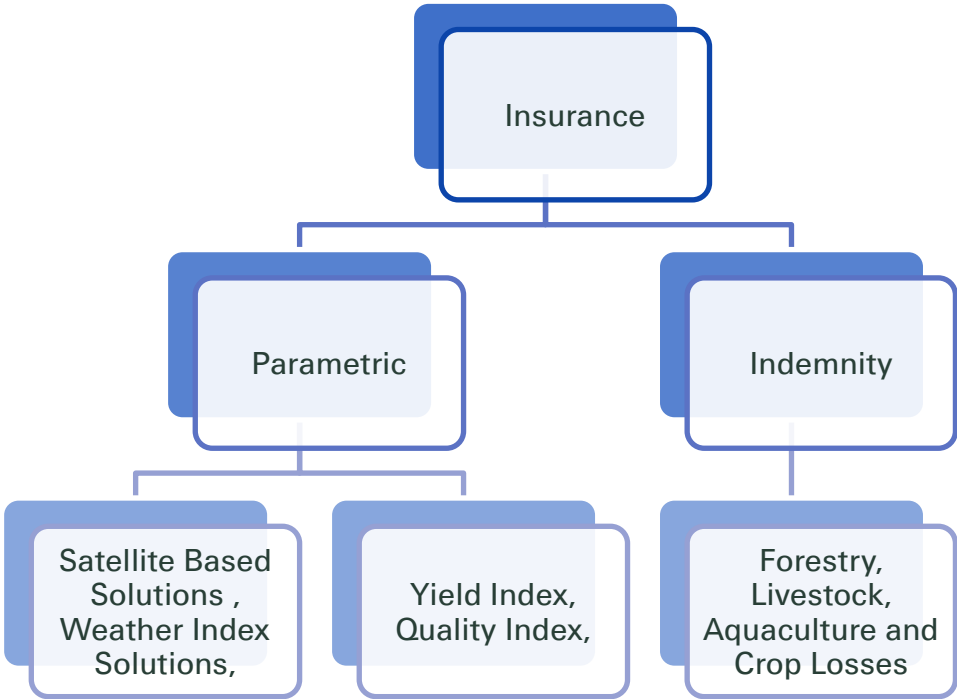
1980 - 1990
 ↓
 14 billion USD

2004 - 2014
 ↓
 100 billion USD

Source: FAO United Nations

Climate related disasters can be more severe and more frequent in future!

Agricultural Insurance – Solutions



Indemnity Insurance:
Traditional Insurance against actual losses.

Parametric Insurance:

- Pay-out based on neutral 3rd party data
- No Loss adjustor
- Highly customizable to keep pace with technological enhancement and innovation in this sector

Insurance Products can be customized across the value chain

Input Suppliers	Production	Inland trading	Inland logistics	International trading	International logistics	Grain processors
 <ul style="list-style-type: none"> • Seed • Fertilizers • Plant protection • Machineries 	 <ul style="list-style-type: none"> • Corporate farming • Cooperatives 	 <ul style="list-style-type: none"> • Inland traders • Marketing boards 	 <ul style="list-style-type: none"> • Road • Rail • Storage 	 <ul style="list-style-type: none"> • Trading co's • Marketing boards 	 <ul style="list-style-type: none"> • Elevators • Ocean freight • Other service providers 	 <ul style="list-style-type: none"> • Millers • Crushers • Industrial grain users

Case Study: Agriculture-based Corporation safeguarding banana plantations against typhoon risk in China



Pay-out linked to the typhoon tracks with pre-defined category levels crossing through their plantation (CAT-in-a Box)

Typhoon tracks monitored by Government agencies and pay-out is quick.

Coverage allows continued investing on productivity enhancement, thus securing the food production base for Future!

Examples on how innovation in the Agriculture Insurance sector can create a foundation for continued investment in the sector

Therefore making ourselves more resilient and more prepared for future demands.

Legal notice

©2017 Swiss Re. All rights reserved. You are not permitted to create any modifications or derivative works of this presentation or to use it for commercial or other public purposes without the prior written permission of Swiss Re.

The information and opinions contained in the presentation are provided as at the date of the presentation and are subject to change without notice. Although the information used was taken from reliable sources, Swiss Re does not accept any responsibility for the accuracy or comprehensiveness of the details given. All liability for the accuracy and completeness thereof or for any damage or loss resulting from the use of the information contained in this presentation is expressly excluded. Under no circumstances shall Swiss Re or its Group companies be liable for any financial or consequential loss relating to this presentation.