



Darwin Initiative/D+ Project Half Year Report (due 31st October 2019)

Project reference	25-004
Project title	Livelihoods Insurance from Elephants (LIFE) in Kenya and Sri Lanka
Country(ies)/territory(ies)	Kenya and Sri Lanka
Lead organisation	International Institute for Environment and Development (IIED)
Partner(s)	AB Consultants (Kenya) and Institute for Policy Studies (Sri Lanka)
Project leader	Paul Steele
Report date and number (e.g. HYR3)	31 October HYR2
Project website/blog/social media etc.	https://www.iied.org/livelihoods-insurance-elephants-life-kenya-sri-lanka https://www.iied.org/covering-elephant-tracks-can-insurance-compensate-farmers-for-wildlife-damage http://www.dailymirror.lk/article/Inception-Workshop-How-critical-is-the-human-elephant-conflict--161120.html

1. Outline progress over the last 6 months (April – Sept) against the agreed baseline timetable for the project (if your project has started less than 6 months ago, please report on the period since start up to end September).

The focus of the last 6 months since April 2019 to September 2019 has been on putting in place the insurance pilot scheme in Kenya and Sri Lanka including the national and international enabling policies.

In Kenya, the development of the pilot scheme has been accompanied by engaging with the National Government on reform of the Government compensation scheme to hand this over to a private insurance company. This process was started by a Darwin project funded and organised National Consultative Forum on HWC and insurance with the Minister of Tourism and Wildlife on 15 May in Nairobi with over 150 practitioners from government, private insurers and NGOs <http://abconsultants.co.ke/consultative-forum-on-innovative-human-wildlife-conflict-compensation-schemes/> At the Forum, the Minister announced the formation of a Ministerial Task Force which has been meeting regularly since then. Our Darwin LIFE Kenyan partners, AB consultants have been instrumental to the Task Force, with Barbara Chabbaga heading up the insurance product design and pricing subcommittee responsible for pricing a national HWC insurance scheme with results expected by the end of October.

Simultaneously to the work on the national policy framework, the AB team have been meeting bilaterally with insurance and micro-insurance stakeholders to develop the pilot schemes in Taita Taveta and Kajiado. So far AB has selected Jubilee insurance as the under-writers of the scheme and Pula insurance for the onboarding, claim administration and management and IT systems <https://www.pula-advisors.com/#about> AB have also estimated that the cost of insurance per household for all HWC risks (death, injury, property and crops) is about \$ per year. The AB team have drafted a concept note for the pilot scheme and are now seeking to identify \$ to implement the scheme including \$ for the 1000 households who would enrol in the scheme and \$ for AB to further design and monitor the scheme. So far they have made

contacts with several possible corporate sponsors as well as are in discussion with the Government of Kenya to co-finance the pilot prior to their roll out of a national scheme.

In Sri Lanka, the pilot is also starting to take shape. The Institute of Policy Studies (IPS) has commissioned the survey company to collect the baseline data and the data collection is now ongoing in Anuradhapura and Kurunegala District with a sample size of 100 households selected in each District.

Anuradhapura District

Rambewa Divisional Secretariat Division		Mahawilachchiya Divisional Secretariat Division	
	Sample Size		Sample Size
82 - Wewelketiya	26	372 - Thuppitiyawa	13
83 - Thamarahalmillewa	10	369 - Sandamaleliya	16
87 - Ihalakolongaswewa	14	368 - Nelumvila	21
Total	50		50

Kurunegala District

Ehetuwewa Divisional Secretariat Division		Ambanpola Divisional Secretariat Division	
	Sample Size		Sample Size
119 - Rathnadiulwewa	23	182 - Kasikote (East)	13
123 - Kaduruwewa	14	183 - Kasikote (West)	19
227 - Thimbiriya	13	181 - Nelumpathwewa	18
Total	50	Total	50

IPS has hired an actuarial insurance expert, Milanthi Sarukkali to join the project team and to calculate the costs of premiums and liaise with insurance companies. The IPS have been working closely with the World Bank Ecosystem Conservation and Management Project (ESCAMP) to co-finance the pilot and have selected some villages where the ESCAMP project is active with elephant deterrence investments. Initially the IPS team had been planning to provide insurance just for crop damage, but following the participatory field work it has emerged that (as in Kenya) the Government compensation scheme is operating sub-optimally with many delays and dissatisfaction by households, thus the team have decided to instead consider designing a pilot for the full range of HWC risks. The cost of crop premiums alone is \$ per household per year, thus it is likely that once calculated the full costs of HWC risk would be comparable with Kenya and results should be available by mid October. In terms of funding these premiums, in addition to the World Bank and a minimum contribution from affected households, IPS will investigate corporate sponsorship as in Kenya as well as the Lotteries Board which funds some public goods.

For its part IIED has continued its role of overall guidance and technical and financial oversight. IIED has partnered with the WWF to develop a global alliance on HWC including also UNDP and others. This alliance has submitted a motion to the IUCN World Congress in 2020 on HWC. IIED has also been invited to become a co-organiser and advisor on a major HWC Conference on 1-3 April 2020 in Oxford, UK by the IUCN Task Force on HWC <http://www.hwctf.org/conference> and will coordinate the sessions on HWC insurance. The IIED is partnering with WWF and UNDP to develop a global initiative of private insurance companies to commit to supporting risk minimisation for people facing HWC. The IIED project team leader will be spending time in Sri Lanka in January 2020 as part of his sabbatical to work with the IPS team.

2a. Give details of any notable problems or unexpected developments/lessons learnt that the project has encountered over the last 6 months. Explain what impact these could have on the project and whether the changes will affect the budget and timetable of project activities.

None encountered.

2b. Have any of these issues been discussed with LTS International and if so, have changes been made to the original agreement?

Discussed with LTS: No

Formal change request submitted: No

Received confirmation of change acceptance No

3a. Do you currently expect to have any significant (e.g., more than £5,000) underspend in your budget for this year?

Yes No Estimated underspend: £

3b. If yes, then you need to consider your project budget needs carefully. Please remember that any funds agreed for this financial year are only available to the project in this financial year.

If you anticipate a significant underspend because of justifiable changes within the project, please submit a rebudget Change Request as soon as possible. There is no guarantee that Defra will agree a rebudget so please ensure you have enough time to make appropriate changes if necessary.

4. Are there any other issues you wish to raise relating to the project or to Darwin's management, monitoring, or financial procedures?

No thanks

If you were asked to provide a response to this year's annual report review with your next half year report, please attach your response to this document. Additionally, if you were funded under R25 and asked to provide further information by your first half year report, please attach your response as a separate document.

Please note: Any planned modifications to your project schedule/workplan can be discussed in this report but **should also be raised with LTS International through a Change Request. **Please DO NOT send these in the same email.****

Please send your **completed report by email** to Darwin-Projects@ltsi.co.uk. The report should be between 2-3 pages maximum. **Please state your project reference number in the header of your email message e.g. Subject: 25-035 Darwin Half Year Report**