



Press Release

October 3, 2016

Gold Crest Hotel, Mwanza, Tanzania

Airtel Money, ACRE Africa and Seed Co launches crop insurance, “Linda Mbegu”

- *“Linda Mbegu” to offer free insurance to maize seeds farmers*
- *“Linda Mbegu” to hedge farmers from climate risks*

Airtel Tanzania has today partnered with ACRE Africa, Seed Co Tanzania and UAP Insurance Tanzania Ltd to provide the first mobile crop insurance in Tanzania. The launched crop insurance will enable farmers across the country insure their seeds through Linda Mbegu, a Swahili word meaning protect your seeds.

Tanzania relies heavily on agriculture in its economic and social structure. The agriculture sector in Tanzania is the biggest employer, with nearly 80% of the population participating in agricultural activities. Nevertheless, majority of these farmers rarely invest in quality seeds because of different reasons such as awareness and prospects of their yields. According to recent data released by the National Bureau of Statistics (NBC), the agriculture sector boost this year is attributable to favorable rain patterns in most parts of the country. It is reported that in April to June 2016, the Agro sector GDP grew to 11.7 trillion compared to 10.9trn for corresponding quarter of 2015 with crop production alone recording a 3.4 percent growth.

Speaking during the launch, Clive Mughadza, Managing Director Seed Co Tanzania said “For smallholder farmers in Tanzania, one bad season sets off a string of negative consequences, being it inadequate and poorly distributed rainfall lead to fall in crop production. These uncertainties impact the farmers’ willingness to invest in improved inputs. The *Linda Mbegu* product will ensure that in the event of rainfall failure, the farmer would get the equivalent of the number of bags of seed they purchased replaced at the local agro dealer, enabling the smallholder farmers to replant in the next planting season”.

He further added, “Farmers from Kagera, Shinyanga, Mara and Mwanza will currently benefit from *Linda Mbegu* free insurance service. Upon the purchase of packet of seed customer will be given an opportunity to register through Airtel Services by dialing Airtel Money code *150*60# and enter the special card number found inside the seed bag to ensure their seeds are insured by Linda Mbegu service for 21 days upon activation,”.

Rahab Kariuki, Managing Director ACRE Africa said, “We are excited to see farmers in Tanzania access this insurance product, which is the first of its kind in Tanzania. We are hopeful that farmers will seize this opportunity to protect their agricultural investments. As ACRE Africa,

protecting farmers from climate risks is our key mandate and we look forward to providing more solutions to cover them from the risks associated with farming”.

On his part, Airtel Tanzania Lake Zonal Business Manager, Ezekiel Nungwi said, "Airtel is eager to support Tanzania farmers in Agro business through mobile money services. We are seeing the power of technology and how technology through mobile telephony can enhance agriculture. Farmers can now register for *Linda Mbegu* and insure their seeds and subsequently get paid off their refunds through Airtel Money service. We are confident *Linda Mbegu* service will support thousands of farmers to stimulate agricultural activities and ultimately grow their economies, the community and that of the country at large."

Speaking during the launch of *Linda Mbegu* at Mwanza, the Regional Commissioner John Mongella said, "We are all witnessing how the agriculture sector firmly contributes to the socio-economic welfare of our country; Farmers have a very significant contribution to our society. However, farming is always risky, a farmer can do everything right but is let down by natural calamities. With the introduction of *Linda mbegu* by Airtel Tanzania in partnership with ACRE Africa, Seed Co Tanzania and UAP Insurance Tanzania Ltd, we are bringing hope to normal Tanzania small holder farmers, guaranteeing security and capital detainment."

"I commended all key stakeholders for introducing this product and urge all farmers to grab this opportunity and register in large numbers to enjoy enormous benefits" added Mr. Mongella.

The partnership between Airtel and Seed Co is sealed through UAP Insurance Tanzania Ltd, an insurance company whose role is to offer insurance facilities and ACRE Africa who will offer agro-insurance expertise, to *Linda Mbegu's* product design and development.

###

Contacts

| | |
|--|--|
| Airtel Tanzania | Acre Africa |
| Jane Matinde | Esther W. Kimani |
| Public Relations Officer | Social Media & Communications Officer |
| Email: jane.matinde@tz.airtel.com | Email: EKimani@acreafrica.com |
| Office : +255 784 103 001 | Office: +254 719 249 615 |
| M: +255 784 670 232 | M: +254 720 264 371 |
| www.airteltanzania.com | www@acreafrica.com |