Swiss Capacity Building Facility

Innovating Inclusive Finance

Annual Report 2025

From Climate Risk to Resilient Futures

Contents

Photo Credit: Nikada, Getty Images, Canva

Foreword

"Access and usage matter - but what ultimately counts is whether financial services enable people to build stability, withstand shocks, and move forward on their own terms."

As we reflect on 2025, the context for inclusive finance remains complex and demanding. Economic pressure, climate-related shocks, displacement, and tighter development financing continue to test the resilience of households and the institutions that serve them. While the sector continues to evolve, the central role of inclusive finance in creating sustainable solutions to these challenges and ensuring financial health, is clear.

As resources become more constrained and scrutinised, limited development aid funding must directly strengthen people's agency and resilience in a sustainable and responsible manner.

While this backdrop presented significant challenges for the sector in 2025, SCBF's focus on supporting locally grounded, market-based financial solutions that respond to real client needs proved both timely and increasingly relevant.

Building the foundations of our SCBF 2030 strategy, 2025 was a year of strengthening our organization and taking stock of our recent achievements. Our focus across agriculture, health, housing, and inclusive finance enablers remained constant, with gender equality, climate resilience, and migration shaping how we design and assess our interventions.

While there is broad agreement that inclusive finance goes beyond access and usage, constraints related to data, incentives, capacity, funding, and measurement still limit consistent outcome assessment across markets.

A defining feature of 2025 was therefore the deepening of SCBF's evidence base. During the year, SCBF completed **21 independent outcome studies**, strengthening our understanding of how different financial products and delivery models affect income stability, savings behaviour, resilience, and overall well-being. These insights inform project design and decisions about what to fund, and where further innovation is needed - ensuring that learning supports impact at scale. In a world of accelerating climate uncertainty, the capacity to anticipate, absorb, and adapt is shaped by how deliberately we invest in resilience today. As climate shocks increasingly reshape lives and economies worldwide, resilience is no longer built after crises occur - it is financed before they arrive.

Through a combination of technical assistance grants, repayable grants, and impact-linked finance, SCBF supported **238 partners** to develop, strengthen, and scale solutions that demonstrate real value for clients, informed by evidence and learning.

Ultimately, the value of access and usage lies in whether financial services enable individuals and households to manage risk, absorb shocks, build stability, and progress toward their goals over time. Doing so calls for sustained attention to client-centric design, tailored solutions, and outcomes.

Collaboration remained central to our work. In 2025, we were pleased to welcome the Howden Foundation as a new donor and to renew our engagement with long-standing partners, including the Swiss Re Foundation, reflecting a shared commitment to evidence-driven, scalable approaches to resilience and inclusive insurance.

On the SCBF Board, we bid farewell to Dr. Nasser Al Kahtani. Our sincere thanks for his commitment and thoughtful contributions during his time on the Board. At the same time, we welcomed Michal Matul as a new Board member. We look forward to working with Michal and to the insights and expertise he brings as SCBF enters its next phase.

Looking ahead, SCBF enters the next phase of its strategy with greater clarity on where it can add the most value. The coming years will require disciplined focus, deeper evidence, and sustained collaboration to ensure inclusive finance delivers meaningful outcomes - especially for women, rural communities, and those living in fragile and climate-exposed contexts.

We remain deeply grateful to our members, funders, and partners for their continued commitment and thoughtful engagement. Together, we continue to work towards inclusive financial systems that not only expand access and usage, but actively strengthen financial health, resilience, and opportunity where it is needed most.

Warm regards,

Laura M. Hemrika	
Laura Hemrika	Patrick Luternauer
Board Chair	Board Vice-Chair


Photo Credit: Vardhan, Getty Images, Canva

2025 highlights

Mobilising capital and partnerships to scale impact

Reach & Inclusion	Capital Mobilised & Leverage	Ecosystem
8.7 M people reached	**CHF 25.1 M** grants mobilised by SCBF & strategic partners	**238** projects
65% Rural **48%** Women	**1 : 3.46x*** CHF 1 contributed by SCBF leverages CHF 3.46 from additional sources	**53** countries **169** FSPs & **87** TAs

*There is a change in the approach for deriving this ratio, please refer to page 19 for the explanation on the revised approach.

Welcoming our newest partner and member

Strengthening protection against heat and drought

In 2025, Howden Foundation joined SCBF as a strategic collaborator and funder to support solutions that protect the low-income communities from extreme heat and drought. This two-year collaboration aims to develop and scale inclusive insurance solutions that will help low-income households, smallholder farmers, informal sector workers and small businesses recover quickly from climate shocks.

"We are thrilled to announce this two-year partnership with SCBF, who have a proven track record of supporting and scaling innovative, flexible and inclusive finance solutions for low-income households in the Global South. Through this work, we are helping SCBF to bridge the insurance access gap, overcoming barriers to local engagement and providing meaningful support to those with the fewest resources to protect themselves from extreme heat and drought, including women, smallholder farmers, young people and small enterprises (MSME) in rural areas."

Claire Harbron
CEO
Howden Foundation

Europa Re joins the SCBF as the newest member

Europa Re joined SCBF as a new member, bringing over 15 years of experience in climate and disaster-risk insurance. Through parametric solutions, digital platforms, and public–private collaboration, Europa Re supports the expansion of affordable financial protection for vulnerable communities across emerging markets. Its membership strengthens our shared commitment to closing the protection gap and advancing inclusive financial resilience.

"We are very pleased to become a member of SCBF. Through this partnership, we hope to strengthen our capacity to deliver innovative and affordable insurance solutions to communities vulnerable to climate change around the world. With over a decade of hands-on experience in building sustainable catastrophe and agricultural insurance programs, by joining forces with SCBF, Europa Re can scale up these solutions faster, strengthen local institutions, and help build a future where financial protection against climate change is widely available even, in the least developed countries."

Dr. Eugene Gurenko
CEO
Europa Re

How SCBF works and creates impact

Swiss Capacity Building Facility (SCBF) advances responsible financial inclusion as a cornerstone of climate and economic resilience. Through its unique membership platform, SCBF brings together public and private actors to mobilise blended finance and technical expertise in support of inclusive financial solutions that help the 'at-risk' communities anticipate, absorb, and recover from shocks faster.

By providing catalytic capital - including technical assistance (TA), repayable grants (RG), and impact-linked finance (ILF) - SCBF enables partners to test, develop and scale client-centric financial solutions for low-income households, smallholder farmers, and MSMEs. It supports social and high impact enterprises in building scalable and sustainable models, and connects relevant stakeholders across the ecosystem to deliver holistic solutions.

With a strong focus on women and rural communities, SCBF supports the development of inclusive financial systems that strengthen resilience and protect development gains in a changing climate.

SCBF Value-add

- Catalytic Capital
- Co-investment from Partners
- Member expertise
- Partnerships structuring
- Evidence & learnings

SCBF Enables

- Client - centric solutions
- Accelerated scale
- Sustainable business-models
- Connected ecosystem

Impact created

Providers

- Viable financial solutions
- Stronger Portfolios (Lower risk, better performance)
- Unlocked follow-on investment

Clients

- Access to relevant finance
- Improved financial security
- Resilient communities
- Enhanced quality of life

Systemic Impact

- Broader market adoption
- Proven commercial pathways
- Sustained development gains

On-the-ground insights inform future funding

SCBF turns solutions into investable models that scale and attract follow-on capital

How SCBF Deploys Capital

SCBF provides patient and flexible capital to financial sector partners, social enterprises, and innovators through a range of instruments, including technical assistance (TA) grants delivered under dedicated windows - the **Product Upscaling and Innovation Window (PUIW), Financial Education Window (FEW), and Feasibility Study Window (FSW) - as well as Impact-Linked Finance (ILF) and Repayable Grants (RG)**. Together, these instruments lead to:

- New financial products reaching low-income clients
- Stronger institutions serving risk-exposed segments
- Increased follow-on investment and partner co-funding
- Scalable models integrated into existing systems and value chains
- Sustained access to finance for underserved populations

Photo Credit: SCBF Bolivia project (Fundacion Capital)

PUIW

Product Upscaling and Innovation Window (PUIW) co-funds TA to develop, pilot, assess the effectiveness of, replicate and scale innovative, client-centric financial products, services or channels.

Till 2025, we have enabled 175 projects under PUIW across 56 countries.

FEW

Financial Education Window (FEW) allows financial sector partners to develop tailored campaigns to enhance the financial literacy of end clients. In principle, these campaigns always accompany a PUIW project.

Till 2025, we have enabled 32 projects under FEW across 22 countries.

FSW

Feasibility Study Window (FSW) enables financial institutions, fintechs, and insurtechs to undertake feasibility studies or dry runs before introducing innovative products, services, or channels.

Till 2025, we have enabled 24 projects under FSW across 24 countries.

ILF

Impact-Linked Finance (ILF) provides performance-linked capital to high-impact enterprises by directly linking rewards to their achievement of positive impact.

This instrument was introduced in 2023 and till 2025, it has been applied to 2 innovative enterprises.

RG

Repayable grants (RG) are provided to social enterprises to support the scale-up of their solutions. The grantee must repay (partially or fully) the grant when a certain profit, revenue, and/or investment leverage is achieved as specified in the grant agreement.

Till 2025, 5 enterprises have received support under this category.

Funding utilisation

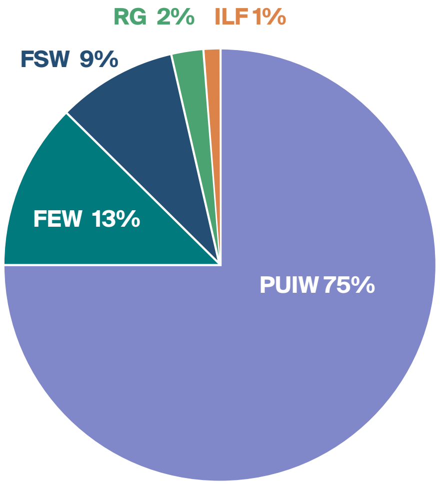
CHF 25.1 M | Funds mobilised by SCBF and Strategic Partners since inception for the projects

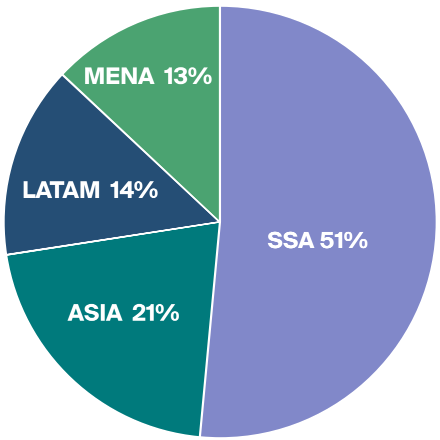
CHF 23.1 M | Matching contribution in the projects since inception by the financial sector partners, grantees and third-parties

In 2025 alone, SCBF has committed CHF 1.6 million to projects spanning nine countries. These investments have been complemented by strong partner engagement, with FSPs, grantees, and third parties contributing an additional CHF 2 million in matching funds.

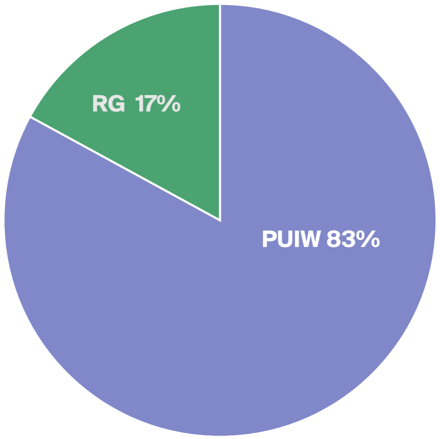
Together, this reflects not only the breadth of SCBF's geographic reach but also its ability to mobilise co-investment and foster shared ownership in advancing financial inclusion initiatives.

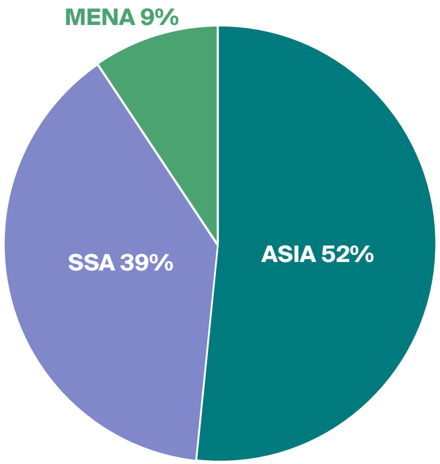
Since 2011:





In 2025:





CHF 4 M (since 2011) | Monetised Member time contribution (Public member 32% & Other members 68%)

CHF 0.4 M (In 2025) | Monetised Member time contribution (Public member 13% & Private members 87%)

Reach and impact

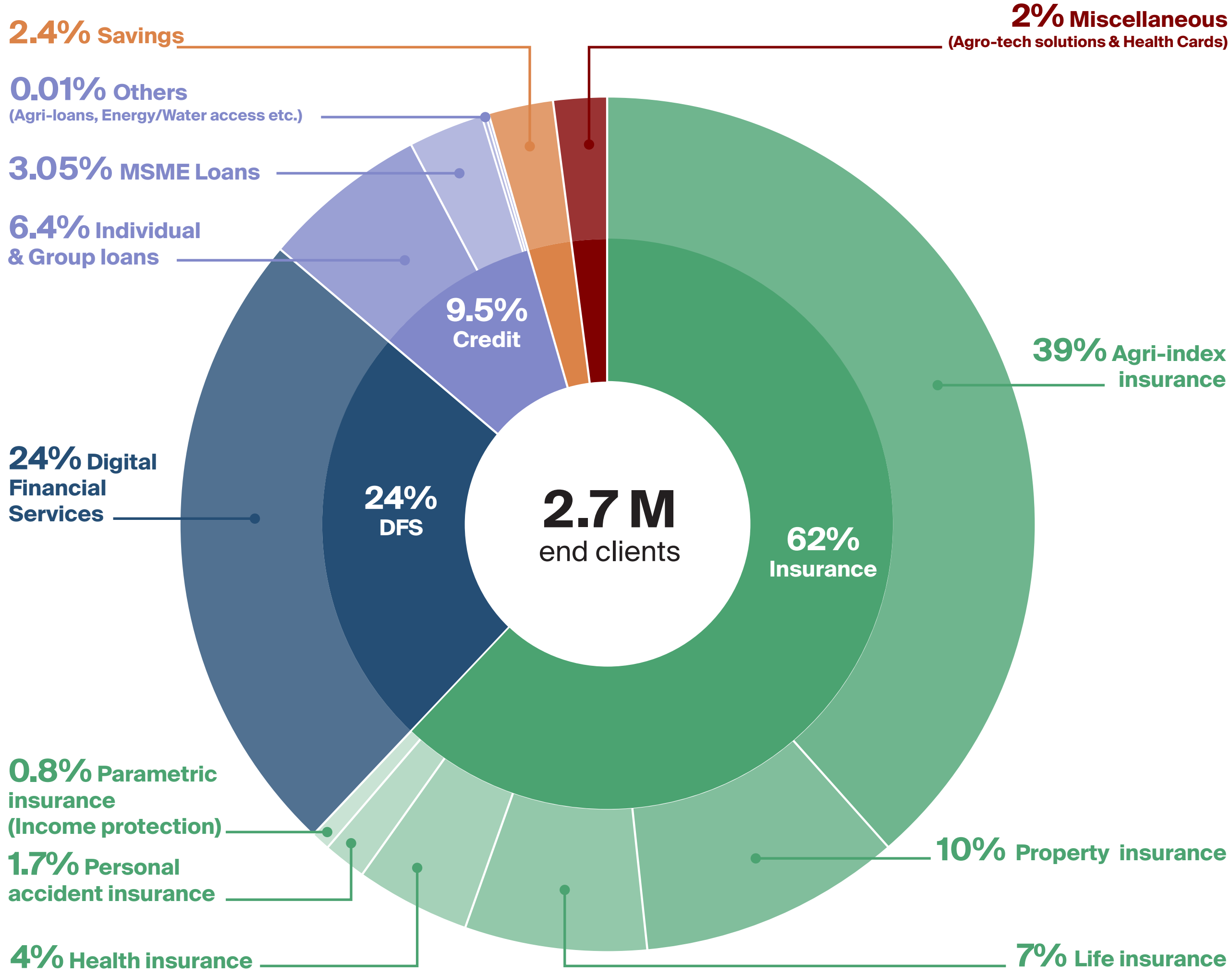
Outreach in 2025

SCBF monitors client outreach during project implementation and for three years post-completion. The figures and graphics shown here reflect the actual outreach from both ongoing and completed projects.

In 2025, over **2.7 million clients** used affordable and relevant financial services through our partners. Of these, more than **1.68 million (62%)** benefited from insurance services, including **agricultural insurance (39%),** followed by **property insurance (10%)** and other insurance solutions.

Women – 54%

Rural – 69%



0.59 M end-clients have improved financial literacy and understanding[1]

0.37 M total lives covered under insurance (clients and their family members)[2]

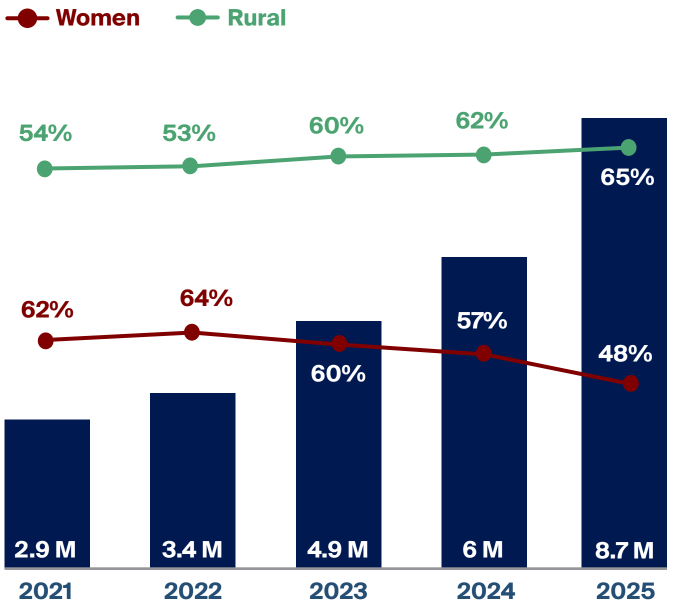
[1] These figures represent additional clients reached through financial education initiatives. These clients were trained through both in-person (classroom, 1:1) and digital channels, including video, interactive formats, and regular SMS-based learning.
[2] A portion of the individuals covered under life and health insurance solutions is already included in the overall outreach figures.

Outreach since 2011

Through SCBF grant funding, **8.7 million** end clients have gained access to tailored financial solutions, including **48% women** and **65% living in rural areas**.

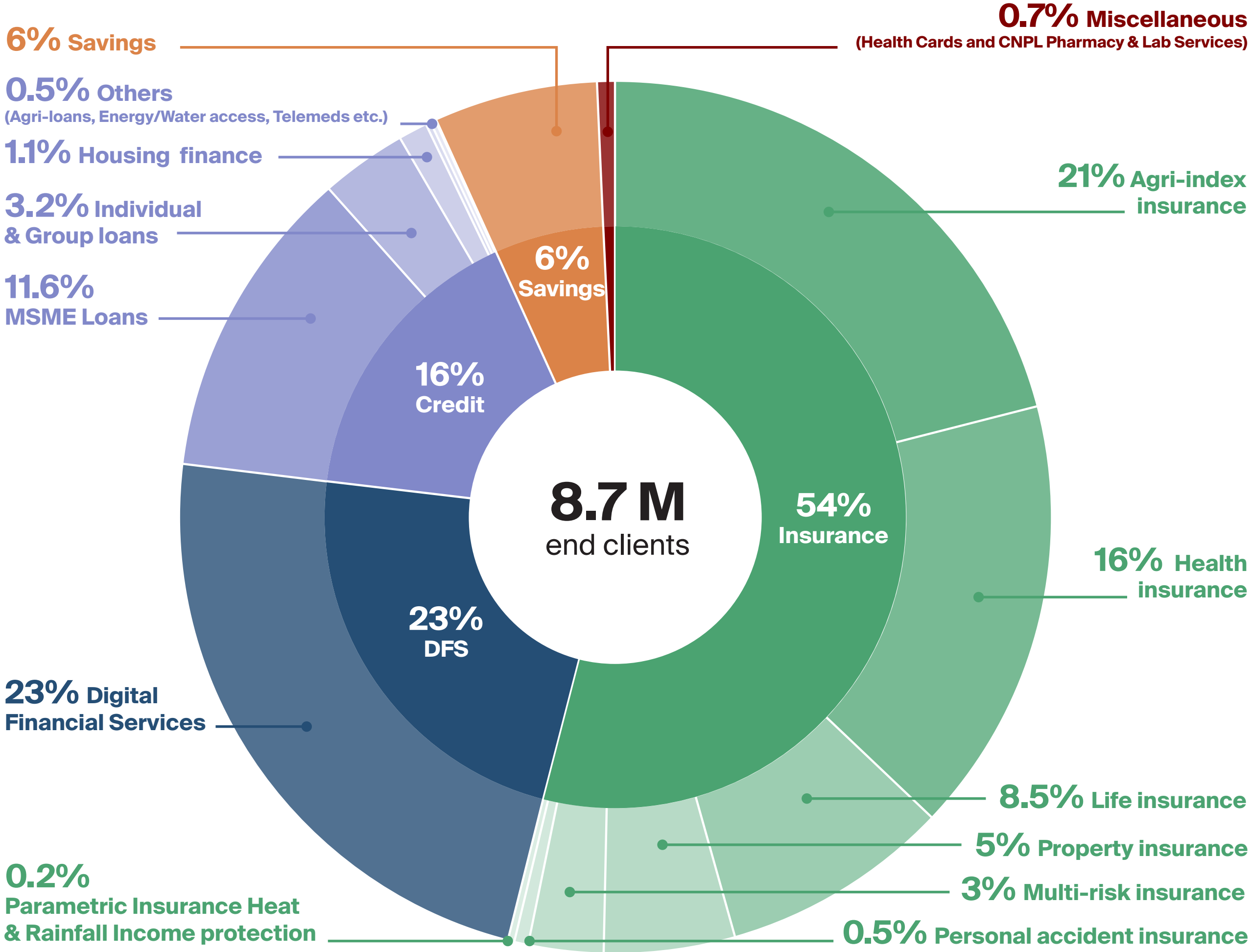
Insurance initiatives - including **agricultural insurance** reaching 1.8 million smallholder farmers / pastoralists, as well as **health and life insurance** - have supported 2.1 million policyholders. When including family members covered under these policies, the total protection extends to approximately 5 million lives, significantly strengthening household resilience.

Outreach over the last 5 years



Women – 48%

Rural – 65%



4.8 M end-clients have improved their financial literacy and understanding of financial services[3]

5 M total lives covered under insurance (clients and their family members)[2]

[3] These figures are additional to the overall outreach and reflect clients reached through financial education interventions delivered via in-person and digital channels (video, interactive formats, and SMS), with a further 2.5 million reached through multimedia financial literacy campaigns.

Regional outreach since 2011

Since inception, most outreach has been concentrated in **Sub-Saharan Africa (60%)**, followed by **MENA (19%)**, **Asia (16%)**, and **Latin America (5%)**. Product focus reflects regional priorities: agricultural and multi-risk insurance and digital financial services in Asia; savings and digital financial services in Latin America; health and life insurance in MENA; and digital financial services, agricultural index livestock insurance, and MSME loans in Sub-Saharan Africa.

Global

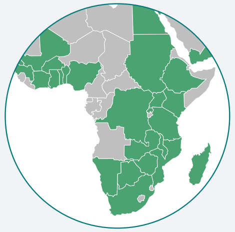
8.7 M end clients reached

238 projects[4]

Top solutions

- **23%** Digital financial services
- **16%** Health insurance
- **12%** Agriculture index insurance

Sub-Saharan Africa



5.2 M end clients reached

121 projects[4]

Top solutions

- **29%** Digital financial services
- **15%** Agriculture index insurance
- **15%** MSME Loans

MENA

1.6 M end clients reached

34 projects[4]

Top solutions

- **61%** Health insurance
- **30%** Life insurance
- **5%** Digital financial services

Asia

1.4 M end clients reached

52 projects[4]

Top solutions

- **21%** Agriculture index insurance
- **17%** Multi-risk insurance
- **17%** Digital financial services

Latin America

0.46 M end clients reached

31 projects[4]

Top solutions

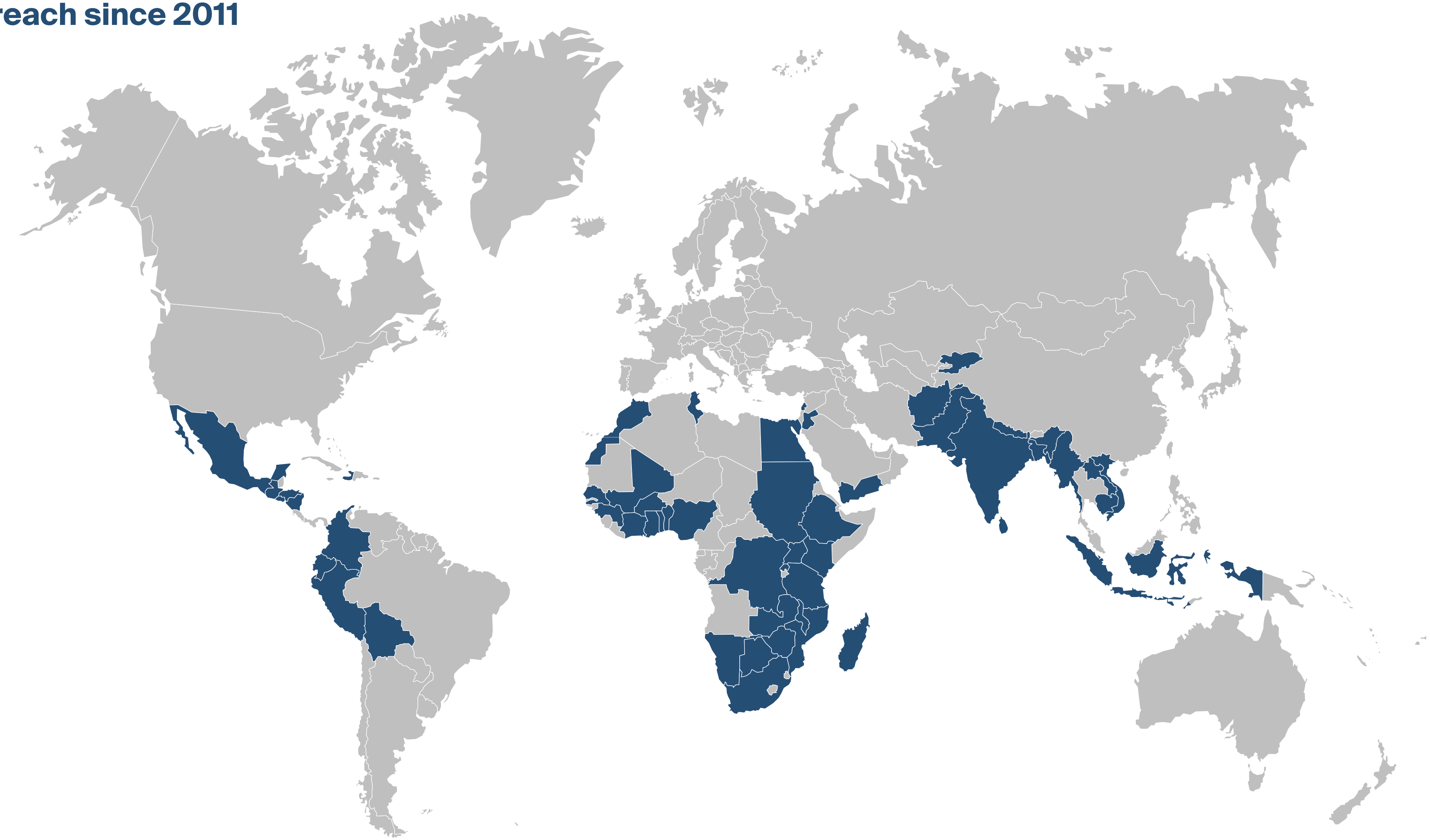
- **40%** Savings
- **32%** Digital financial services
- **12%** Housing finance

Financial Education Outreach under FEW and PUIW Projects[5]

Global	Sub-Saharan Africa	MENA	Asia	Latin America
4.79 M	2.3 M	0.7 M	1 M	0.8 M

[5] Through comprehensive classroom trainings and virtual (video, interactive, regular SMS messages) trainings. An additional 2.5 million clients were reached through multimedia financial literacy campaigns.

Global reach since 2011



Afghanistan
Bangladesh
Benin
Bolivia
Botswana
Burkina Faso
Cambodia
Colombia
Democratic Republic of Congo
Ecuador
Egypt
El Salvador
Ethiopia
Ghana
Guatemala
Guinea
Haiti
Honduras
India
Indonesia
Ivory Coast
Jordan
Kenya
Kyrgyzstan*
Laos
Lebanon
Madagascar
Malawi
Mali
Mexico
Morocco
Mozambique
Myanmar
Namibia
Nepal
Nicaragua
Nigeria
Pakistan
Palestine
Peru
Rwanda
Senegal
South Africa
Sri Lanka
Sudan
Tanzania
Togo
Tunisia
Uganda
Vietnam
Yemen*
Zambia
Zimbabwe

* New countries covered in 2025

Impact beyond projects

SCBF grant catalysing additional funding for partners

SCBF funding support serves as a catalyst for project partners, enabling them to unlock additional funding through equity, debt, or other grants. SCBF funding has been crucial in helping financial sector partners mobilise CHF 86.3 million in additional investments[6] from both public and private resources.

CHF 86.4 M | Additional investments leveraged by partners (Public investors 46% & Private investors 54%)

Leverage Analysis

SCBF's key strength lies in its ability to mobilise and amplify resources by engaging a diverse network of public and private sector partners. With this updated approach, SCBF has, since inception, leveraged CHF 3.46 for every CHF 1 contributed. This has resulted from CHF 113.5 million in additional resources mobilised from a total donor funding of CHF 32.8 million. Key insights from the leverage analysis[7]:

- **Capital Multiplier Effect:** Every CHF 1 contributed generates CHF 3.46 in additional investment, reflecting SCBF's catalytic blended finance model
- **Partners as Co-Investors:** CHF 23 M in co-funding reflects strong partner commitment and long-term sustainability
- **Expertise as Capital:** CHF 4 M in monetised member time underscores the value of expertise beyond financial capital

1 : 3.46 X

Every CHF 1 contributed by SCBF has enabled SCBF to crowd in an additional CHF 3.46 in additional resources

Leveraged Resources (CHF 113.5 M)

- **CHF 23 M:** Project level matching contribution from the partners (Grantees, financial service providers and third parties)
- **CHF 4 M:** Member's time contribution (monetised) & miscellaneous cost contribution
- **CHF 86.4 M:** Additional investments leveraged by project partners

SCBF Contribution (CHF 32.8 M)

Multi-donors contribution (public and private) towards:
- Commitment to projects
- Admin and ops cost

[6] SCBF gathers updates through annual surveys and interim reporting from project partners, who report the additional funding mobilized, including its source and type (grant, equity, debt etc.). Partners also rate - on a scale of 1 (low) to 5 (high) - the role of SCBF's initial funding in unlocking these investments, with predefined weightings applied to determine the amount attributed to SCBF. [7] Earlier, we compared SDC's contributions (including project funding, operational costs, and staff time) with those of other members, factoring in co-funding and leveraged investments. From this year, we have refined our approach to take a more holistic view - capturing all SCBF-mobilised funds (public and private) and the full range of leveraged resources, including co-funding, in-kind support, member time, and follow-on investments.

SCBF's commitment to the Sustainable Development Goals (SDGs)

Financial inclusion plays a crucial role as an enabler of multiple SDGs. Since the launch of the SDGs in 2016, SCBF projects have directly contributed to 12 out of the 17 goals, driving impactful and sustainable change.

Insights corner: Climate resilience & adaptation

Strengthening climate resilience for 'at-risk' households and smallholder farmers remains central to SCBF's mission. Through our growing portfolio of index and parametric insurance initiatives, we are advancing innovative risk financing solutions that enable faster recovery, strengthen financial preparedness, and support sustained livelihoods in the face of climate shocks.

This year, we highlight key reflections from our work on inclusive index insurance drawing on:
A) a recent evidence-based study; and
B) completed projects and new initiatives underway.

Together, these insights underscore the evolving role of data-driven insurance solutions in advancing climate adaptation and inclusive financial systems.

A. Inclusive index insurance: Scaling climate resilience through evidence and practice

In 2025, SCBF published Inclusive Index Insurance: Insights and Recommendations for Practitioners and Donors, distilling more than a decade of implementation experience into practical guidance for insurers, donors, and policymakers seeking to strengthen agricultural resilience.

The report draws on eighteen key informant interviews and five case studies implemented across Africa, Asia, and Latin America, combining practitioner insight with outcome evidence from SCBF-supported initiatives. It marks an important step in advancing evidence on what enables index insurance to deliver meaningful and sustainable value for smallholder farmers.

Since 2011, SCBF has enabled over 40 index insurance projects reaching more than 900,000 low-income households, 45% of whom are women. Through support to local partners, SCBF has helped advance innovation in product design, distribution, and delivery - generating lessons that increasingly inform the broader inclusive insurance ecosystem.

Photo Credit: Santiphotois, Getty Images Pro, Canva

A sector approaching an inflection point

More than 500 million smallholder farmers worldwide are vulnerable to climate shocks, most with limited assets and restricted access to formal financial protection.

Inclusive index insurance is a climate risk management tool designed to provide financial protection to smallholder farmers and low-income households who are often excluded from traditional insurance. Enabled by advances in satellite data, weather infrastructure, and digital platforms, these products are becoming more scalable and operationally viable across geographically dispersed farming communities.

Beyond payouts, index insurance can reduce harmful coping strategies such as distress asset sales, support faster recovery after climate shocks, and enable productive investments. Yet persistent challenges limit its effectiveness. Basis risk - the mismatch between index triggers and actual losses - remains a core structural issue that undermines trust and perceived value, while affordability pressures, high distribution costs, and continued reliance on subsidies complicate long-term sustainability.

Together, these dynamics suggest the sector is moving beyond experimentation. The priority now is building insurance models capable of supporting resilient rural economies at scale.

What the evidence shows

Analysis of the five case studies - informed by partner interviews, project data, and outcome studies conducted with 60 Decibels - reveals several consistent patterns despite differences in geography and product maturity.

Distribution models embedded in government schemes or delivered through cooperatives, financial institutions, or other aggregators show strong scaling potential. Trusted intermediaries improve communication, reduce enrolment friction, and strengthen client confidence.

Initial premium subsidies help drive uptake and renewals, particularly when paired with farmer education. However, emerging experience underscores the importance of designing subsidies that support market development without creating long-term dependency.

Digital tools improve transparency, onboarding, and client education while lowering customer acquisition costs, demonstrating how technology can simultaneously strengthen trust and operational efficiency.

Products and services that complement insurance enhance the perceived value, promote uptake and seem to positively impact income and well-being. Bundled approaches - combining insurance with credit, advisory services, or market access - are increasingly associated with stronger development outcomes.

Across all cases, partners reached a high proportion of low-income farmers relative to national poverty lines, reinforcing the role inclusive insurance can play in extending financial protection to historically underserved populations.

Taken together, the findings highlight a critical insight: distribution strength, farmer relationships, and ecosystem partnerships are often as decisive as technical product design.


Photo Credit: Hadynyah (Getty Images), Canva

Strategic priorities for scaling impact

Despite encouraging progress, barriers to scale remain - including basis risk, affordability constraints, distribution economics, and subsidy dependence. Addressing these challenges will require coordinated action across public and private actors.

The report identifies several priorities:

- **Smarter subsidy design:** Targeted and time-bound support can accelerate early adoption while encouraging pathways toward commercial viability.
- **Investment in data infrastructure:** Stronger climate and agricultural datasets can reduce basis risk and improve pricing accuracy.
- **Distribution partnerships with aggregators and lenders:** Embedding insurance within existing financial and agricultural networks improves uptake and retention while lowering costs.
- **Gender-sensitive outreach:** Education strategies that address literacy barriers and social norms can expand access and improve understanding.
- **Enabling regulatory environments:** Clear product classification and innovation-friendly regulation can reduce barriers for insurers and intermediaries.

Collectively, these actions can strengthen both the developmental impact and the commercial foundations of inclusive insurance markets.

Looking ahead

Inclusive index insurance has moved beyond experimentation. Evidence increasingly shows that farmers, insurers, governments, and lenders are willing partners in expanding risk protection. The challenge now lies in transitioning from pilots to sustainable, large-scale systems - and in embedding insurance within development pathways so that hard-won gains are protected rather than reversed by climate shocks.

Approaches that build trusted partnerships, leverage digital capabilities, and bundle insurance with services that improve farmer livelihoods will be central to this transition.

By combining funding, evidence generation, and convening power, SCBF is positioned to help shift index insurance from niche innovation toward essential rural financial infrastructure - supporting a future in which millions more smallholder farmers are better protected against the growing risks of climate change.

Index insurance case study insights

Read the five case studies: Blue Marble Colombia, OKO Mali & Côte d'Ivoire, IBISA India, ACRE Rwanda, One Acre Fund Malawi.

Photo Credit: Linh Trans (Pexels), Canva

B. Project spotlights:

Improving access to tailored insurance for smallholder farmers

Opportunity & context

Malawi and Nigeria face high rural poverty and climate vulnerability.

- **Nigeria:** 72% of smallholder farmers live below the poverty line; insurance penetration remains extremely low (~2%).
- **Malawi:** Over 70% of the population lives below the international poverty line; 80% depend on small-scale agriculture.

Climate shocks - particularly drought - continue to exacerbate food insecurity and income instability. Existing insurance products often fail to reflect farmers' actual on-farm experiences, limiting trust and uptake.

Intervention objectives

SCBF supported One Acre Fund to:

- Improve index accuracy using farmer-level data and advanced climate modelling
- Integrate remote sensing and agro-ecological zoning into product design
- Strengthen internal technical capacity in actuarial analysis and payout validation
- Expand parametric insurance coverage at scale
- Improve alignment between insurer offerings and farmer experience

Results & outreach

Malawi

- 142,036 farmers insured (66% female)
- 49,194 first-time insureds
- 91% renewal rate
- CHF 1.2 million paid out in claims in 2025
- 110,637 farmers received payouts in 2025
- 150,910 lives positively impacted (including family members)

Nigeria

- 77,758 farmers insured (13% female)
- 42,632 first-time insureds
- 76% renewal rate (80% in payout regions)
- CHF 1.26 million paid out in claims in 2024
- 55,396 farmers received payouts in 2024
- 98,132 lives positively impacted (including family members)

Country	Malawi & Nigeria
Project duration	Jul 2023 – Jun 2025
Target Segment	Smallholder farmers
Solutions	Hybrid Index Insurance (Malawi) Water Balance Index Insurance (Nigeria)
Risk events covered	Drought and excessive rainfall
Crop value chain	Maize
TA Provider	Columbia University's - International Research Institute for Climate and Society
FSP	One Acre Fund worked with CIC Insurance (Malawi) and with Natural Disaster Fund (Nigeria)
Funding	CHF 46,250 (SCBF) CHF 46,250 (Swiss Re Foundation)
Co-contribution	FSP – CHF 250,139 3rd Party – CHF 166,974
Project document	Project Final Report

Resilience outcomes

- Early payouts released 2 - 4 weeks before loan deadlines prevented distress borrowing
- Farmers reinvested in seeds and inputs for subsequent seasons
- Malawi payouts covered approx. 23% of the seasonal credit
- Nigerian farmers reported reduced debt burden and avoided forced crop sales
- Renewal rates increased significantly (Malawi: 66% → 91%; Nigeria: 52% → 76%)
- Regions receiving payouts showed strongest retention (Nigeria: 80%)
- Timely and transparent claims processing was critical to building trust

Learnings

1. Human-centered product design works: Collecting shock-event data directly from farmers strengthened product accuracy and trust.
2. Internal capacity is critical: Reducing reliance on InsurTech intermediaries enhances long-term sustainability, One Acre Fund is now strengthening actuarial and internal modelling expertise.
3. Claims timing drives confidence: In 2024, payout delays required One Acre Fund to advance payments to maintain farmer trust - demonstrating the importance of insurer and reinsurer responsiveness.
4. Regulatory & market constraints matter: Foreign exchange restrictions (Malawi) and limited local insurer capacity (Nigeria) required adaptive structuring and partnership diversification.
5. Communication influences uptake: Insurance literacy and transparent communication significantly affect farmer perception of value - especially in first-time markets like Nigeria.

Strategic contribution

This intervention:

- Demonstrated how farmer-level data can materially improve index accuracy
- Built internal institutional capacity within One Acre Fund
- Strengthened partnerships with insurers and global reinsurers
- Attracted external validation (WFP partnership for insurance advisory and delivery)

The program established a scalable, farmer-centered model for parametric insurance in highly climate-vulnerable markets.

Photo Credit: SCBF Project, One Acre Fund, Nigeria

Weather index-based crop insurance for smallholder farmers

Opportunity & context

Côte d'Ivoire remains heavily dependent on agriculture, yet rural poverty persists, with 37.5% of the population living below the national poverty line. More than 50% of cocoa farmers live in poverty, and climate shocks, low diversification, and limited access to finance constrain income growth. Insurance penetration remains low despite progress in digital financial inclusion. The project targeted smallholder cocoa and maize farmers vulnerable to drought and excess rainfall risks.

Intervention objectives

SCBF supported OKO and Allianz Côte d'Ivoire (now SanlamAllianz) to:

- Strengthen and scale a weather index-based crop insurance model
- Develop and commercialise additional products (cotton and maize)
- Build a more cost-efficient distribution model using cooperative delegates
- Expand geographic outreach through rural fairs and partnerships

Results & outreach

- Active agents increased from 46 (2023) to 102 (2024)
- 1,466 members subscribed during the project period, benefitting approximately 11,106 lives (average household size: 9)
- The project expanded rural outreach for SanlamAllianz, traditionally an urban-focused insurer
- 1,725 mobile money transactions generated during the intervention for efficient premium collection and payouts
- Contributed to diversification of digital financial services in rural areas

Impact insights

Based on a 60 Decibels impact evaluation study conducted among 280 project beneficiaries, the following insights emerged:

- 41% of farmers receiving a payout reported it covered more than half of their losses
- 86% of payouts were used for business purposes
- 60% reported feeling more prepared for climate shocks
- 54% said their ability to plan for the agricultural season has increased
- 36% reported increased income and a similar percentage reported increased savings
- 41% reported improved quality of life

Country	Côte d'Ivoire
Project duration	May 2023 – Oct 2024
Target Segment	Smallholder farmers
Solutions	Weather index-based insurance
Risk events covered	Drought and excessive rainfall
Crop value chain	Maize, Cotton & Cocoa
Grantee	OKO Finance
FSP	SanlamAllianz CI
Funding	CHF 99,955 (SCBF)
Co-contribution	FSP – CHF 10,740 Grantee – CHF 23,287
Project document	Project Final Report 60 DB Insights Report

The product strengthened farmers’ financial stability and climate preparedness, enabling them to manage risks, invest in their livelihoods, and improve their economic well-being.

Learnings

1. Distribution Matters: Shifting from OKO-employed agents to cooperative delegates reduced customer acquisition costs and improved scalability. However, agent capacity and digital onboarding tools required further strengthening. A new mobile app was developed to work offline that helped reduce registration time, minimize errors and improve customer experience.
2. Product - Risk Alignment Is Critical: Farmers prioritise coverage aligned to their primary risks. Drought and excessive rainfall insurance gained traction, while discontinuation of pest/disease coverage reduced appeal and renewal rates.
3. Claims Speed Drives Trust: While the product is index-based, manual validation and reinsurer processes delayed payouts, affecting satisfaction. Timely, automated payouts are critical to sustaining trust.
4. Avoid Over-Reliance on Single Partners: Delays from key partners and funding constraints slowed scale-up. Diversified partnerships are essential for resilience and growth.

Strategic contribution

This intervention:

- Strengthened SanlamAllianz’s capacity and credibility in index insurance
- Demonstrated the scalability of cooperative-based distribution models
- Contributed to rural financial inclusion and climate resilience
- Generated applied evidence on how payouts influence farmer satisfaction and resilience outcomes

Segmentation analysis shows that payouts significantly improve financial stability and customer satisfaction. Despite lower-than-expected uptake, the revised distribution model has laid the foundation for scaling index insurance in Côte d’Ivoire.

Photo Credit: SCBF Project, OKO, Côte d’Ivoire

Country	Kyrgyzstan
Project duration	Mar 2025 – Dec 2026
Target Segment	Livestock Pastoralists
Solutions	Forecast-based Index Insurance
Risk events covered	Extreme weather conditions
Crop value chain	Animal husbandry
Grantee	Blue Marble
FSP	• A PLUS Insurance Company • KGFRAS • ILO Impact Insurance Facility • District Administrations of Ak-Tala and At-Bashi
Funding	CHF 144,810 (SCBF)
Co-contribution	FSP - CHF 59,000 Grantee - CHF 85,340
Project document	Project factsheet

Leveraging meso-level forecast index insurance to safeguard livestock livelihoods

Opportunity & context

The Kyrgyz Republic's strong reliance on agriculture and livestock makes rural livelihoods highly vulnerable to climate shocks. Increasing droughts, climate disasters, and fodder shortages threaten livestock assets, household incomes, and long-term economic stability.

Forecast-based (anticipatory) insurance improves on traditional index insurance by triggering payouts based on predicted weather shocks rather than confirmed losses. By enabling early action before damage occurs, it shifts insurance from reactive compensation to proactive resilience building.

Without effective risk transfer mechanisms, pastoralists often cope with extreme weather by selling livestock, undermining their livelihoods. Climate and disaster risk financing solutions - particularly index-based insurance - are therefore essential to strengthen financial resilience and protect vulnerable rural households.

Intervention objectives

This intervention aims to introduce a forecast-based index insurance solution in the Kyrgyz Republic to provide proactive financial protection to pastoralist communities. The project seeks to:

- Design and launch a comprehensive forecast-based index insurance strategy tailored to pastoralist communities - among the first commercial agricultural insurance products in the world to use forecast data to trigger payouts.
- Enable early action through forecast triggers and pre-agreed payout mechanisms.
- Support fodder management during extreme weather events to prevent livestock losses.
- Integrate community consultation and locally developed Response Plans into the insurance framework.
- Strengthen the capacity of government institutions and the insurance market to implement climate risk financing solutions sustainably.

By piloting innovative forecast-based insurance and aligning solutions with national development priorities, the project will be able to contribute to long-term economic stability and climate adaptation for pastoralist communities.

Country	Kenya
Project duration	Oct 2025 – Oct 2027
Target Segment	Low-income households
Solutions	Bundled Solutions • Housing Loan + Flood Insurance • Housing Loan + Health Insurance
Risk events covered	Floods and Malaria outbreak
Grantee	Habitat for Humanity
FSP	Britam Connect VisionFund Kenya (VFK) Safaricom
Funding	CHF 143,802 (SCBF)
Co-contribution	Grantee - CHF 85,439 FSP (Britam) - CHF 65,088 FSP (VFK) - CHF 75,749
Project document	Project factsheet

Housing microfinance bundled with flood and malaria-linked hospital cash insurance

Opportunity & context

Kenya has made significant progress in financial inclusion, with 90% of the population accessing financial services. However, access to affordable housing finance remains limited - particularly among informal sector workers, where only 29% can access housing finance compared to 56% in the formal sector, and just 11% of Kenyans can afford mortgages. Communities around the Lake Victoria Basin face recurrent flooding and malaria outbreaks due to stagnant water, increasing hospitalization rates, economic vulnerability, and housing instability. Low-income households often lack both climate risk protection and health-related financial buffers, undermining resilience and long-term asset building.

Innovative financial products that integrate housing finance with climate and health protection are therefore critical to advancing inclusive growth and strengthening household resilience.

Intervention objectives

The SCBF intervention supports VisionFund Kenya, in partnership with Habitat for Humanity, Britam Connect and Safaricom, to design and scale innovative bundled solutions that combine housing improvement loans with climate and health risk protection. The project aims to:

- Develop housing microfinance solutions bundled with index-based flood insurance and malaria-linked hospital cash benefits.
- Developing and integrating an alert processing and dissemination mechanism into the Safaricom mobile platform to enable timely and effective communication.
- Strengthen VisionFund Kenya's institutional capacity in product innovation and risk management.
- Establish partnerships for wider outreach and long-term sustainability.

The intervention is firmly grounded in rigorous evidence, drawing on research recently published in Nature Medicine's study titled 'Housing modifications for heat adaptation, thermal comfort and malaria vector control in rural African settlements'

By integrating climate and health protection into housing finance, the project positions inclusive financial institutions as key actors in advancing resilient and sustainable development.

Country	India
Project duration	Oct 2025 – Nov 2027
Target Segment	Low-income women
Solution	Parametric Insurance
Risk events covered	Extreme Heat, Humidity & Excess Rainfall
Grantee	CelsiusPro (CP) Mahila Housing Trust (MHT)
FSP	Go Digit Insurance
Funding	CHF 149,840 (SCBF)
Co-contribution	Grantee (CP) - CHF 64,800 Grantee (MHT) - CHF 71,846 FSP - CHF 60,000 Third Party - CHF 24,000
Project document	Project factsheet

Protecting climate-vulnerable women through innovative parametric insurance solutions

Opportunity & context

Women working in India's informal urban economy are increasingly exposed to extreme heat and intense rainfall events, which reduce incomes, increase household expenditures, and weaken long-term resilience. These climate shocks disproportionately affect low-income women, who often lack access to timely and appropriate financial protection mechanisms.

Traditional insurance products are often not designed to address short-duration, high-frequency climate risks such as heatwaves and excess monsoon rainfall. As a result, climate-vulnerable women are left reliant on savings or informal borrowing, increasing financial strain and slowing recovery. To improve protection, the product will shift from using dry-bulb temperature to wet-bulb temperature as the trigger. This allows the insurance to better capture the combined impact of heat and humidity, providing more accurate and meaningful coverage against climate-related risks.

Intervention objectives

This programme aims to scale innovative parametric insurance solutions that provide rapid, transparent payouts when extreme heat or excess rainfall thresholds are exceeded. Specifically, the intervention seeks to:

- Refine and scale an existing parametric extreme heat insurance product.
- Develop and launch a new parametric excess rainfall/monsoon insurance product.
- Strengthen climate resilience through complementary measures such as cool roof technologies, energy-efficiency improvements, and Monsoon Action Plans.
- Build institutional and community capacity through climate finance literacy, awareness campaigns, and training-of-trainers models.
- Demonstrate that inclusive climate insurance for urban informal workers can be sustainably delivered at scale.

By linking financial inclusion with climate adaptation, the programme strengthens urban resilience while protecting the livelihoods of women most exposed to climate risks.

Organisational updates

Strategic outlook - 2026 and beyond

As inclusive finance evolves from a focus on access toward financial health and resilience, Swiss Capacity Building Facility (SCBF) enters its next strategic phase with a sharpened mandate: to help innovative, client-centred financial solutions cross the pioneer gap and reach scale.

In an environment marked by climate volatility, economic stress, and constrained development funding, SCBF will prioritise evidence-driven, market-based models that demonstrate real value for low-income clients, particularly women and rural communities.

Our approach combines catalytic financing, technical expertise, and public–private collaboration to move resilience upstream financing the capacity to manage risk and absorb shocks before they materialise. Through a disciplined mix of technical assistance, repayable grants, and impact-linked finance, and by mobilising public-private collaboration, SCBF will focus on financing resilience before shocks occur, enabling innovative social enterprises and financial service providers to reach scale and deliver lasting impact.


Photo Credit: Varun Gaba, Pexels, Canva

Organisational changes

Welcoming Michal Matul to the SCBF Board

We are pleased to welcome Michal Matul as a new Board Member. With over 25 years of global experience in inclusive insurance, health equity, and financial inclusion, Michal currently serves as Head of Health Equity, Consumer Insights and Training at AXA EssentiALL, leading initiatives across 12 emerging markets.

His recognised expertise in insurance innovation, climate risk, and financial inclusion will strengthen SCBF's governance and strategic direction as it advances inclusive and resilient financial markets.

Bidding Adieu to Nasser Alkahtani

As Nasser Alkahtani concludes his tenure at The Arab Gulf Programme for Development (AGFUND) and steps into a new role, we extend our sincere thanks for his leadership and lasting contributions. As a former Board Member of SCBF, his strategic insights, commitment to people-centred development, and belief in partnership meaningfully shaped our work.

We wish him every success in this next chapter and look forward to continued collaboration in advancing inclusive and sustainable development.

SCBF Team

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Patrick
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& Operations Officer

Azalea
Carisch

Learning & Insights
Manager

Rob
Hamilton

Partnership
Development Manager

SCBF Members (2011- 2025)

*These members were part of SCBF during 2025 but discontinued their membership during the year.

Gratitude

SCBF extends its sincere appreciation to our Board members, Friends & Family network, and the wider community who contribute their time, expertise, and commitment to our mission.

We are grateful to our extended network of Family & Friends (non-members) who generously support SCBF's work. We warmly thank Bode Olajumoke, Bilal Mughal, Elias Omondi, Gian Semadeni, Girija Biyani, Isaac Magina, Jerry Gidion, Jose Luis Pereira, Katharina Jenny and Mario Wilhelm for their invaluable contributions to SCBF's activities.

We also extend our sincere thanks to colleagues from across the sector - Antoine Griveaud (Juakali), Junbo Wang (Swiss Re), Mael He (Swiss Re), Marcel Andriesse (Swiss Re), Miguel Solana (UNDP), Patricia Dütsch (Swiss Re Foundation), Andrej Slivnik (ILO), Ines Bentchikou (ILO), Katya Chubarova (ILO), Lisa Morgan (ILO), Nadja Natz (ILO), Patricia Richter (ILO), Pranav Prasad (ILO), Remo Becci (ILO), and Susana Puerto Gonzalez (ILO) - who generously shared their time and expertise through SCBF meetings, workshops, and other activities over the past year.

Photo Credit: Yan Krukau, Pexels, Canva

Annexes

- List of projects launched in 2025
- List of financial sector partners funded
- Raw data: breakdown of outreach by product type since inception
- Raw data: breakdown of outreach by product type in 2025
- Financial statement 2025

2025 : Insight pieces

- Financial Inclusion Innovations for Healthcare in a Changing Climate
- Bridging Gaps, Changing Lives: Understanding the Impact of Financial Inclusion
- How emergency loans help women entrepreneurs build financial resilience
- Unlocking the Business Case for Health Insurance for Low-income Women Savers: Insights from Uganda and Senegal
- Inclusive Index Insurance: New Insights from SCBF-Supported Projects
- When disaster strikes: How fire insurance protects lives and property in informal settlements

Acronyms

AGFUND	Arab Gulf Programme for Development
CHF	Swiss Franc
FEW	Financial Education Window
FSP	Financial Sector Partners
FSW	Feasibility Study Window
IF	Inclusive Finance
ILF	Impact-Linked Finance
LDC	Least Developed Country
MFI	Microfinance Institution
MSMEs	Micro, Small and Medium Enterprises
PUIW	Product Up-scaling and Innovation Window
RG	Repayable Grants
SDC	Swiss Agency for Development and Cooperation
SDG	Sustainable Development Goals
TA	Technical Assistance

Swiss
Capacity
Building Facility

Streulistrasse 19
8032 Zürich, Switzerland

info@scbf.ch | www.scbf.ch

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