

Agricultural Insurance and Climate Adaptation in Ukraine

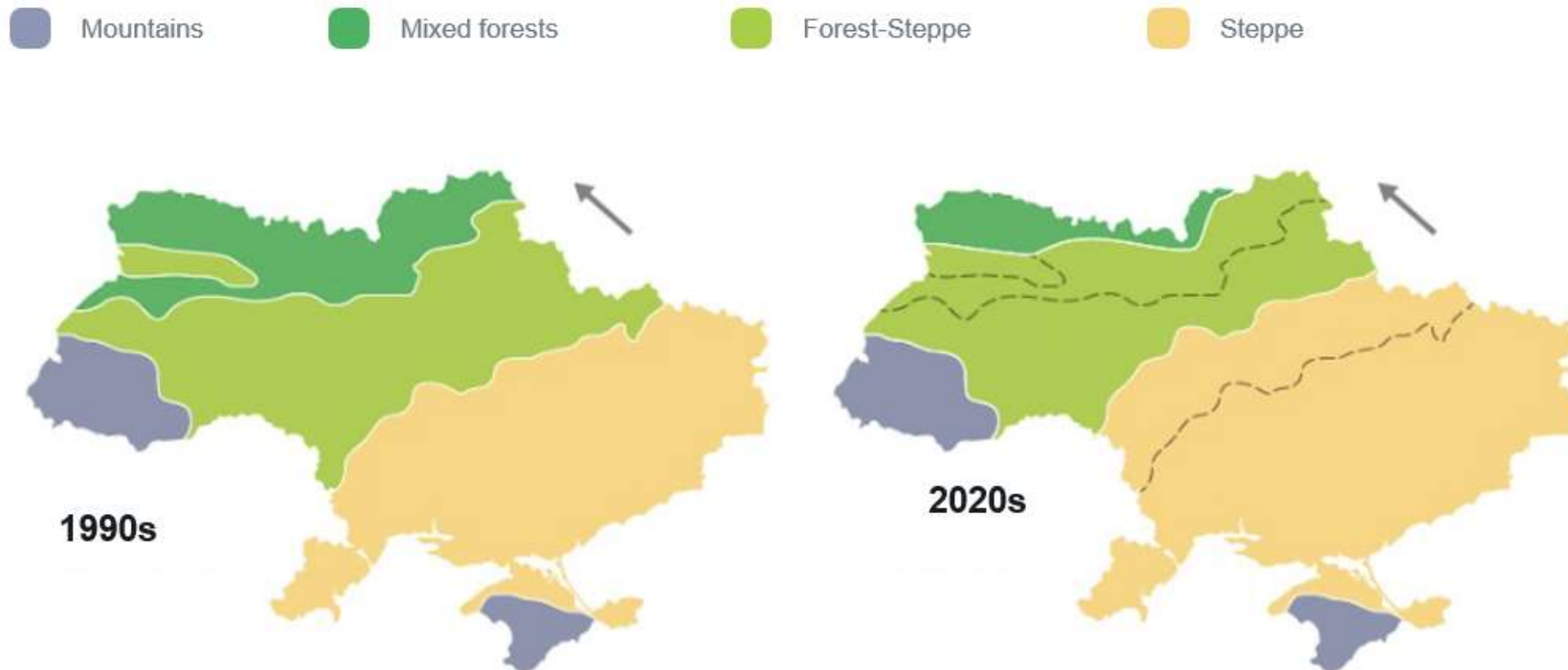
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PROGRESS

Promoting Green Deal Readiness in
the Eastern Partnership Countries

1. Climate change in Ukraine



Ukraine's average annual temperature has risen by more than 1.0–1.2°C for the last 20-25 years

2. Climate adaptation in Ukrainian agriculture

POLICY AND EVIDENCE BASE

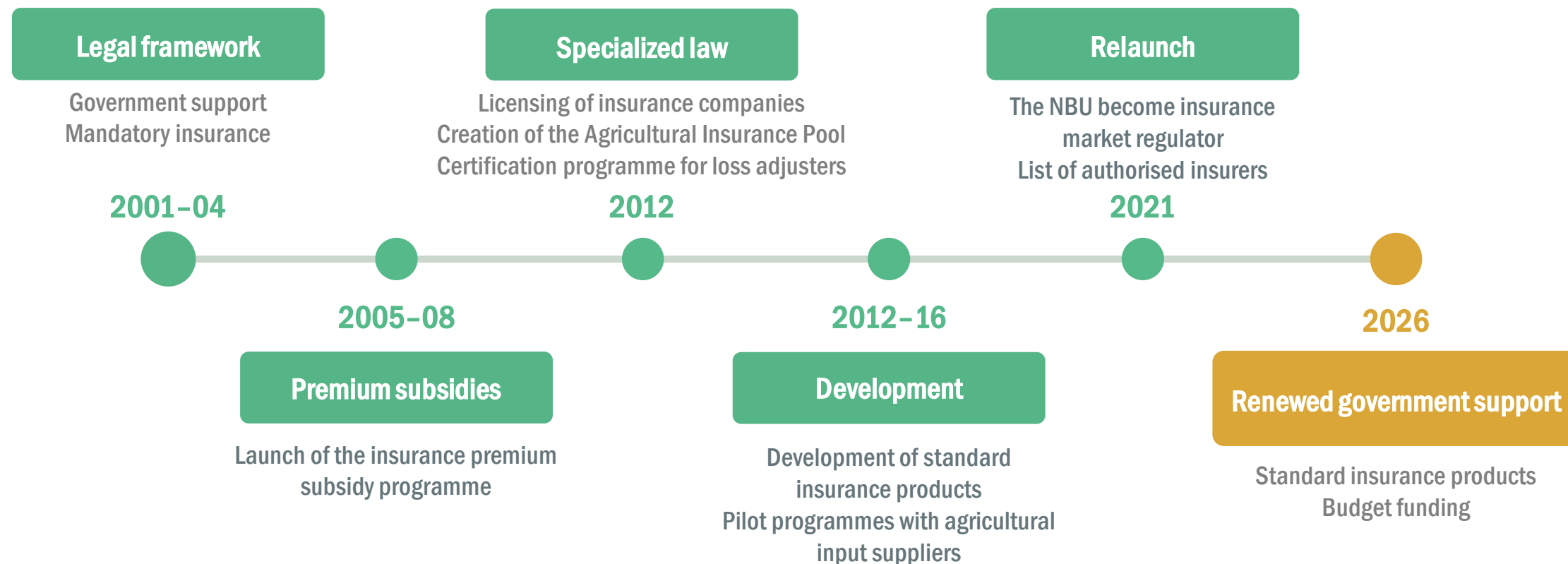
- ✓ Basic Principles of State Climate Policy (Law, 2024)
- ✓ Climate Policy Strategy to 2035 and Action Plan 2024–2026 (Regulation, 2024)
- ✓ Environmental Security and Climate Adaptation Strategy to 2030; Action Plan 2025–2027 (Regulation, 2021)
- ✓ Agriculture and Rural Development Strategy to 2030 (Regulation, 2024)

PRIORITY ADAPTATION MEASURES

- **Climate-resilient crops** Resilient varieties, diversified rotations and adjusted sowing dates
- **Water management** Efficient irrigation and management of the farm water balance
- **Soil resilience** Conservation agriculture, cover crops and moisture retention
- **Landscape protection** Shelterbelts, agroforestry and restoration of degraded land
- **Climate information** Reliable weather, yield and soil data, with early-warning services
- **Smart production** Precision agriculture and practical farmer advisory systems
- **Adaptation finance** Loans and targeted support for climate-smart investments
- **Risk transfer** Development of agroinsurance products, including index based

Agricultural insurance covers climate risks that remain after adaptation measures

3. Historical overview of agroinsurance



4. Current regulatory framework



Law of Ukraine "On Insurance"

Classes 8 and 9; requirements for insurers, is and products



**Law of Ukraine "On the Specifics of Insurance of
Agricultural Products with State Support"**

Rules for state-supported agricultural insurance



Law of Ukraine "On the State Budget"

Funding and legal basis for insurance premium compensation



Secondary legislation

Procedure for state support, participant requirements, documentation and standard products

Implementation depends on the annual budget, the list of insurers and approved products

5. Agricultural insurance market infrastructure

GOVERNMENT LEVEL



National Bank of Ukraine

Licensing, supervision and requirements for insurers



Ministry of Agrarian Policy

Policy development and government support

CORE MARKET PARTICIPANTS



Insurance companies

Underwriting, contracts and indemnity payments



Agricultural producers

Premium payment, good farming practices and damage notification

SUPPORTING INFRASTRUCTURE



Brokers, agents, surveyors, loss adjusters; input suppliers; financial institution; reinsurers

Sales, monitoring, loss adjustment, reinsurance



Professional associations of insurers and agricultural producers

Information and advisory support; participation in legislative working
groups

6. Training of agricultural loss adjusters



2012–2021

60+

Experts trained(re-trained) by IFC, the National Financial Services
Commission and NULES of Ukraine



2026

16

Experts completed training at NULES of Ukraine

Expertise in loss adjustment only for field crops

INSTITUTIONAL GAP



No current qualification requirements



No regular independent examination



No current public register



No mechanism for continuing professional
development

7. Agricultural insurance products available on the market



1. Crops in the field

Overwintering, crop seedlings, and total or partial loss



2. Future harvest

Multi-peril or single peril crop insurance



3. Perennial crops

Trees, shrubs and the future harvest



4. Livestock

Death, compulsory slaughter and specified diseases



5. Index-based products

Weather, yield and revenue indices

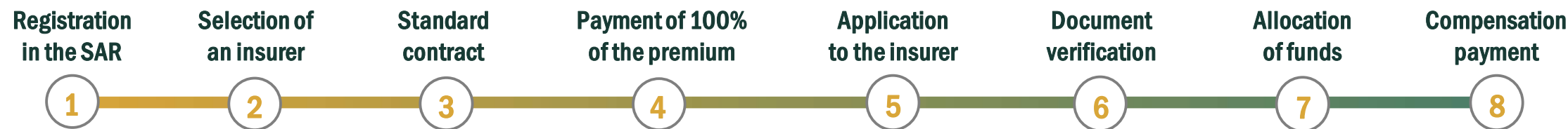
TYPICAL EXCLUSIONS • War risks • Intentional acts • Breach of farming practices • Events not listed in the contract

8. Standard insurance products

Insurance product	Crops	Contract period	Coverage
Overwintering	Winter wheat, rye and barley	15 October–20 December	Crop loss or damage during winter
Full growing season	Winter wheat, rye and barley	1 September–20 January of the following year	Risks from sowing to harvest
Spring and summer	Winter and spring cereals	10 March–30 May	Yield shortfall (loss) caused by specified weather risks

Standardization increases confidence in agricultural insurance

9. Subsidy application mechanism



Allocation Of Responsibilities

Agricultural producer

Contract, premium and application

Ministry of Agrarian Policy

Approval of the allocation

Authorized insurer

Verification and preparation of the list of
eligible beneficiaries

Ukrstatefund

Transfer of compensation to the
insured producer

10. Subsidy 2026

Compensation rate



up to 60%

Producers in frontline territories



up to 45%

Other agricultural producers

Annual allocation



UAH 60 million*

Programme budget for 2026

The producer first pays 100% of the insurance premium and then applies for compensation

*€ 1.18 M

11. Main sources of agricultural finance

Instrument	Type of financing
Bank loans	Working capital, credit lines and investment loans
Input suppliers	Deferred payment for seed, fertiliser, crop protection products and fuel
Agrarian receipts / notes	Obligations secured by future agricultural production
Forward programmes	Advance financing against future crop delivery
Government support	Affordable Loans 5–7–9%, guarantees, grants and compensation
International programmes	Credit lines, guarantees, grants and risk-sharing instruments

Agricultural insurance can mitigate risk, but it is usually not mandatory

12. Indemnity-based insurance and agrifinance

2016	"Your Harvest, Our Care" IFC, Crédit Agricole, Syngenta, AXA	Multi-peril crop insurance for wheat and maize . The pilot operated in three regions.
since 2021	"Technology 360°" Bayer, DEKALB®, ARX, PZU	Rapeseed insurance against non-emergence and overwintering risks. The policy covered the cost of seed and the crop protection programme.
2023 - 2024	Credit – linked agroinsurance USAID IBR, PrivatBank, UNIVERSALNA	Insurance of the future harvest of agricultural crops. USAID subsidised the premium; PrivatBank received the indemnity payment.
2025	Input-linked agroinsurance Summit-Agro Ukraine, ARX, Aon Ukraine	Winter rapeseed insurance. The policy covered the cost of the crop protection programme.

13. Index-based insurance and agrifinance

2014	Bayer "BayTrust" Bayer CropScience, AXA	Index: regional yield-index for wheat and rapeseed. Compensation for crop protection products used.
since 2016	Syngenta "MeteoZakhyst" IFC, Syngenta, MeteoGroup, INGO	Indices: rainfall deficit and extremely high temperatures . Protection during flowering and grain filling for winter wheat and maize. Compensation for crop protection products.
2021	Corteva / Brevant™ Corteva, GrECo, MeteoControl, ARX	Index: soil moisture deficit . Insurance protection for Brevant™ sunflower and maize seed.

14. Lessons learned

- **Climate change has a significant impact on agriculture in Ukraine**
- **Accurate, comprehensive and accessible data are essential**
- **Product development requires a lot of time and resources, including expert capacity**
- **Agricultural finance and insurance remain only partially integrated**
- **Trusted partners accelerate uptake**
- **Product introduction requires broad communication and clear explanations**

Insurance scales when data, product design, distribution and trust are developed as one system

15. Key findings and perspectives

- ✓ **The legal framework for climate adaptation is largely in place**
- ✓ **Both commercial and standardized products are available**
- ✓ **Market infrastructure has scope for further development**

PRIORITIES



Further development and implementation of insurance products



Improving the role of agricultural insurance in supporting climate-resilient investment in agriculture



Alignment with the risk management instruments of the EU Common Agricultural Policy

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Thank you