



# SAVINGS MICRO-LINK INSURANCE ADDRESSES FISHERS NEEDS IN GHANA

**“Through the scheme, I am now able to save GHC5 (an equivalent of one dollar) each day which in the past was not easy for me do,”**



Joshua Tewu, a fisherman at James Town in the Greater Accra region standing by his canoe, July 2, 2018.

Photo Credit: Selasie Avornyo, UT Life

Joshua Tewu, a 42 year old fisherman in James Town in the Greater Accra region, is optimistic about the future of his work following the introduction of a savings-linked micro-insurance product for fishers and fish processors in his community. He was drawn to fishing over two decades ago because of the sector’s potential for growth. At that time, Ghana’s fishing sector was growing and it seemed everyone wanted to build a boat and become a fisherman. Today, the fishing sector provides livelihoods for over 2.9 million people.

Joshua’s work is labor intensive and everyone in the sector is well aware of the risks involved. Still, many small-scale fishermen don’t take the daily safety measures to reduce these risks. And fewer still have any kind of insurance or financial plan to deal with the kinds of unforeseen accidents or family needs that emerge in life. Saving for retirement and dealing with the potential financial risks associated with death or permanent disability are issues that Joshua and his friends are aware of but the majority of fisherfolk simply hoped that nothing unexpected happen. When it did, they often were left in dire circumstances.

To address the challenges faced by Joshua and other fishers and fish processors, the United States Agency for International Development reached out to private sector partners through the Ghana Sustainable Fisheries Management Project (SFMP). Funded through the US Government’s global Feed the Future program, the SFMP project worked with Millennium Insurance, UT Life Insurance, Vodafone Telecommunications Company, and BIMA a leading Insurance player in Ghana, to explore options with a focus on reducing risk and increasing financial security of fishers and fish processors in Ghana.

After two years of planning with fisherfolk to understand their needs, the Fishers’ Future Plan was launched in September 2017. It provides a platform through which people along the coast can use their mobile phones to enroll and make payments for insurance that provides coverage for death or accidental disability, as well as the ability to make deposits in a linked voluntary savings account. Fisher folk are encouraged to save 1 to 3 Ghana Cedis a day (about \$.62 cents). Once they are in the program for 11 months, they can begin withdrawing of funds at a rate of 30 percent per month, including any interest earned on their savings. Both the insurance and savings programs link with Vodafone Cash, a mobile-money, mobile-phone based ‘wallet’, to facilitate easy payment.

As one of the numerous subscribers, Joshua has seen the benefits, “Through the scheme, I am now able to save GHC 5 (equivalent to one US dollar) each day to plan for my retirement which in the past was not easy for me to do,” he says. He now encourages friends to join the plan. More than 3500 fisherfolk from the communities of Moree, Elmina, and James Town where the program was launched are now subscribed to the micro-insurance program. Terry Nii Amartei, a micro-insurance coordinator with UT Life, believes that this approach has created increased saving culture and helping to improve the wellbeing of fisherfolk. “This scheme is helping create opportunities for fishers in Ghana to save money and protect them from financial disaster when accidents happen.”

**“This scheme is creating opportunities for fishers and fisheries sector personnel in Ghana thereby enabling economic growth and national development”**

Terry Nii Amartei,  
Micro Insurance Coordinator, UT Life

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