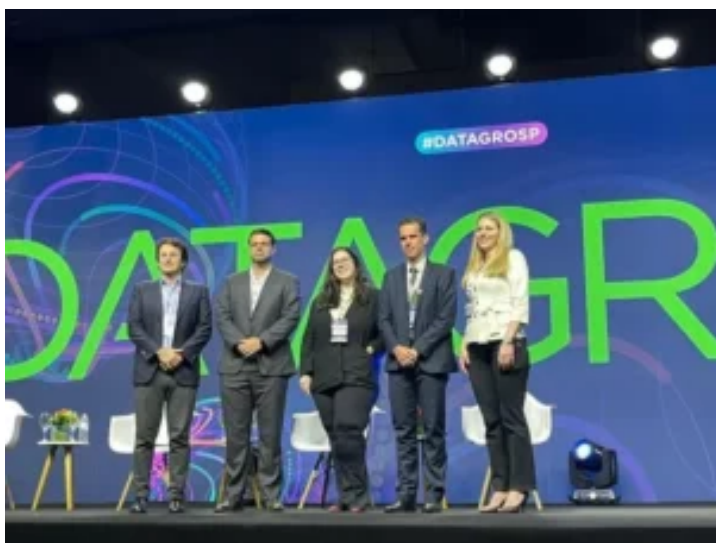


Agrymetric: new agro-climatic parametric insurance model is launched at DATAGRO

Written by: Horiens - 26/10/2022

Together with Agrymet, a technology company specialized in agrometeorology, and Sombrero Seguros, one of the largest agricultural insurers in Brazil, Horiens participated in the 22nd International DATAGRO Conference on Sugar and Ethanol, one of the main technical and business events of the sugar and ethanol sector.



The companies presented to the market an unprecedented management and risk transfer solution aimed at agribusiness. This is Agrymetric, an agroclimatic parametric insurance policy based on agrometeorology and data science, highly customizable to reflect the actual risk profile of each crop.

Together with Agrymet, Horiens worked on the product conception, providing risk management and insurance knowledge, as well as its expertise in data science, consolidated through its, Risk Labs. Sombrero is responsible for marketing the solution. "The market lacked an insurance product that had high adherence to the producer's reality. Agrymetric is an innovation that can change the agricultural insurance paradigm", points out José Bernardo de Medeiros, Horiens' director of risk and insurance.

For Bárbara Sentelhas, co-founder of Agrymetric and CEO of Agrymet, the new solution can indeed be considered a strategic risk management tool farmers. "It is a product that represents the future of the insurance market, based on data, technology, knowledge, and personalization," says Barbara.

Agricultural insurance market

Agriculture is highly impacted by several risks and the most relevant of them is the climate, since 50 to 80% of agricultural productivity is conditioned by the weather variability, a scenario that brings more and more challenges to producers. In the last few years alone, Brazilian agribusiness

accumulated losses of billions of reais due, in large part, to weather-related events.

Even in the face of this scenario of vulnerabilities and losses, currently only 20% of cultivated areas in the country are insured. “The low adhesion to agricultural insurance can be explained by the cost x benefit ratio of traditional agricultural insurance,” Barbara points out.

Outdated weather data base, lack of data on the producer’s real productivity, insurance pricing based on historical averages of climate and productivity, and standardized conditions for contracting insurance are factors that end up increasing uncertainties and, consequently, the cost of insurance.

Meet Agrymetric parametric insurance: more competitive cost and greater effectiveness

Technology and data science work were key to the development of this new insurance product. This methodology allows for the definition of climatic triggers and related yield level, with the possibility of choosing specific conditions for each client.

The result is better pricing of insurance and more transparency and effectiveness of risk transfer to claims settlement.

Focus on the sugarcane market



Initially, Agrymetric is available for sugarcane clients, including the possibility of using it for grain planting cycles that precede the renewal of sugarcane fields. The choice was made because sugar cane and associated crops still have low coverage by traditional agricultural insurance.

“Agrymetric was born from a joint effort with partners specialized in risk management and agricultural technology to provide customized coverage that meets the demands of large rural producers, especially in the sugar and ethanol sector,” concludes Leonardo Paixão, Sombrero’s CEO.

To learn more, go to: <https://www.agrymetric.com/> and watch the [Agrymetric video](#).