

This message is intended to AgrolInsurance International contacts, which have cooperation experience with the company or their e-addresses are freely available in open sources. The message is not a promotional mailing or spam, but has a clearly defined business mission.

You don't see this message?
[View it in your browser.](#)



World News Summary from AgrolInsurance

December 2018



Dear Colleagues,

AgrolInsurance International presents your monthly news summary, which highlights important issues on agricultural losses, risk events and recent trends in agricultural insurance worldwide.

We wish you a great day!

USA - The 2018 Farm Bill: what you need to know

Beginning in crop year 2020, owners of all farms in the country will have the opportunity to update the program yield used on the farm to calculate assistance under PLC, similar to the update opportunity provided in the 2014 Farm Bill. The update is intended to benefit producers who sustained multiple years of losses during the 2008-2012 crop years for which the 2014 update was less effective.

Producers may update the yield on the farm for each covered commodity to 90 percent of the average yield per planted acre on the farm from 2013-2017—ignoring years where the covered commodity was not planted on the farm—multiplied by the yield update factor for the covered commodity listed in the table below. For any year in which the yield on the farm was less than 75 percent of the county average yield from 2013-2017, owners may plug 75 percent of the county average yield.

[> Read more](#)

China - First regional income insurance claims completed

More than 35,000 farmers in the four counties of Qixian, Linxian, Xingxian and Yufan of Shanxi Province, received a total of 3.425 million yuan of potato income insurance claims. This is the first regional income insurance claim based on remote sensing technology. It took only 3 days for the insurance company, China Coal Insurance, to collect the price from the third-party website and pay the indemnity.

This year's potato regional income insurance average premium is 85 yuan per mu, 90% comes from the project funds subsidy and the remaining 10% is paid by the farmers. The agreed average income per mu is nearly 1,000 yuan, 2.5 times the traditional level of planting insurance, covering Natural disasters and market risks. It has greatly improved the level of protection for farmers.

[> Read more](#)

Pakistan - Agriculture, livestock farmers to get protection

National Bank of Pakistan and United Insurance Company (UIC) have entered a deal to support the agriculture sector of the country. According to the deal, the UIC will provide insurance cover to agriculture and livestock farmers so that they can be saved from losses. Chairman of the United International Group said that they initiated crop and livestock insurance in the country which resulted in record growth.

Agriculture sector in Pakistan is prone to price and climate shocks for which an insurance cover is imperative. The share of agriculture has reduced to just 18 percent from 21 per cent. The sector is providing jobs to 42 per cent of the labour while 75 per cent of exports are linked to this sector. Country's 64 per cent population lives in rural areas which are tied to the agriculture sector which include four million livestock farmers.

[> Read more](#)

India - Congress and The Wire spread falsehoods about PMFBY

Before PMFBY was launched, there were three insurance schemes namely National Agriculture Insurance Scheme (NAIS), Modified National Agriculture Insurance Scheme (MNAIS) and Weather-based Crop Insurance Scheme (WBCIS).

The Wire claims there is a backlog of Rs 2,829 crores in the last two years in the settling of insurance claims. It says the total estimated claims were Rs 34,441 crores out of which Rs 31,612 crore are settled. Rest Rs 2,829 remain to be settled, which is 8.2% of the total estimated claims. Let's look at the two years before Fasal Bima was launched (2014-15 and 2015-16) and compare it with two years of Fasal Bima (2016-17 and 2017-18) and see the claims reported, claims settled and claims due.

[> Read more](#)

USA - Hemp legalization included in new farm bill could 'open the floodgates' on nascent industry

The long-awaited bill would remove industrial hemp from the federal government's list of controlled substances, making it a lawful agricultural commodity. The hemp legislation introduced by Senate Majority Leader Mitch McConnell, earlier this year also allows states to become the primary regulators of hemp cultivation, enables researchers to apply for federal grants and makes the crop eligible for crop insurance.

The lion's share of the roughly \$800 million U.S. hemp market today is for products that include the non-psychoactive compound CBD, cannabidiol. Products infused with CBD are used for a wide range of medical conditions, ranging from epilepsy and multiple sclerosis to arthritis and chronic pain. Laws involving CBD products differ in each state.

[> Read more](#)

Africa - Agricultural insurance often falls on stony ground

Insurance is an unfamiliar concept in rural Africa. It is also an unsettling one, asking buyers to pay in advance for a return they hope not to need. That is a problem where trust is low, fraud common and the law remote. Another barrier to take-up is that premiums are typically paid before planting, when farmers are poorest. One trial offered insurance to sugar-cane growers in Kenya. Only 5% signed up when they had to pay the premium upfront.

Some firms are finding clients. Pula, a startup, bundles insurance with other products. In Zambia and Malawi it is in partnership with Bayer, which sells seed. Farmers register by phone, using a unique number attached to each bag of seed; some 130,000 are expected to do so this season. For now Bayer absorbs the cost. But trials by Pula in Nigeria, this time with fertiliser, suggest that farmers will pay more for insured bags.

[> Read more](#)

Germany - Farmers wait for aid, months after drought

The swelteringly hot summer of 2018 has long since given way to the early chills of winter in Germany but the effects of the damaging drought that gripped the country from May to August are still being felt by the country's farmers. While around 8,000 farmers have applied for emergency aid so far – as promised to them by the government in August – no money has yet been paid out.

When the extent of the crop losses and damages wrought by the crisis became apparent in August, both national and local government pledged emergency state aid to the tune of €340 million (\$384 million) to assist the most severely affected farmers. An exceptionally hot May was followed by three months almost fully devoid of rain, and as a result, the harvest in various German states was drastically hit. The overall reduction in the country's grain harvest was down by around 25 percent.

[> Read more](#)

World Bank Group, Germany, and UK launch \$145m financing facility to support earlier action on climate and disaster shocks

The World Bank Group, in partnership with the governments of Germany and the United Kingdom, announced a US\$145 million Global Risk Financing Facility (GRiF) to help vulnerable countries manage the financial impact of climate change and natural hazard-induced shocks. The new facility was announced at the World Bank and IMF Annual Meetings in Bali.

Disaster risk finance and insurance mechanisms can help governments have the funds in place when they need them to respond to shocks, while promoting better preparedness and risk reduction. Over the next five years, the GRiF will provide financing to set up mechanisms such as national disaster insurance programs that can help channel money to people affected by disasters when they need it.

[> Read more](#)

USA - Crop insurance reporting goes digital

While a crop insurance claim is something most farmers don't wish to make, sometimes they are inevitable and data technology could make the process easier. Several data technology companies are partnering with crop insurance providers to provide streamlined reporting and better risk management modeling.

Recently Climate Corporation partnered with Farmer's Mutual Hail Insurance Company of Iowa, Farmers Edge made a deal with PartnerRe, Rain and Hail signed an agreement with Bushel and Farmer's Business Network announced it would offer crop insurance through FBN Insurance, LLC. Each offer varying services related to crop insurance and risk management.

[> Read more](#)

India - Climate change impacts agriculture in the northern Himalayas

Unseasonal rain and snowfall is the main reason for agriculture failing in Himachal Pradesh. However, the post-monsoon heavy snowfall in Himachal Pradesh, Uttarakhand and Jammu and Kashmir, which came in two heavy spells in late September as well as early November 2018, were exceptions, and are now attributed to exacerbated climate change in the Himalayan region.

In Lahaul district of Himachal Pradesh, located at around 3300 metres, snowfall in late September was disastrous for the summer crop of potatoes, cauliflower, cabbage as well as apples, pears, plums and cherries. Farmers of the district suffered a collective loss of more than Rs. 300 million. The last time such untimely, heavy snowfall occurred was in 1955.

[> Read more](#)

FEEDBACK

If you wish to comment, please do not hesitate to contact us:
admin@agroinsurance.com

We hope you enjoyed this issue of World News Summary
from AgroInsurance.

Your AgroInsurance International Team



This email was sent to <<Email Address>>
[why did I get this?](#) [unsubscribe from this list](#) [update subscription preferences](#)
Agroinsurance International · 43 Abashidze st. · Tbilisi 0179 · Georgia

