

This message is intended to AgroInsurance 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 AgroInsurance

September 2018



Dear Colleagues,

AgroInsurance 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 - Reduction in crop insurance premiums available for farmers using cover crops this fall

Iowa Secretary of Agriculture encouraged farmers using cover crops and not receiving state or federal cost share to consider participating in a state program that provides a \$5 per acre premium reduction on crop insurance. Farmers who plant cover crops this fall may be eligible for the reduction on their crop insurance in 2019. This is the second year of the program that is aimed at increasing acres of cover crops in the state.

The premium reduction will be available for fall-planted cover crops with a spring-planted cash crop. Some policies may be excluded, such as Whole-Farm Revenue Protection or those covered through written agreements. Participating farmers must follow all existing good farming practices required by their policy

and work with their insurance agent to maintain eligibility.

[> Read more](#)

UK - Farmers could lose thousands if crops are underinsured

Under-insurance is defined as inadequate insurance coverage that leads to losses to the policyholder as claims exceed the maximum amount stipulated in original policy documents. The losses that emerge from a claim far outweigh the money saved from paying lower premiums for a smaller sum insured. Example: A stack is insured for £50,000 but due to crop price rises has a real-time value of £100,000. The stack catches and the farmer makes a claim for £50,000. When the insurance provider chooses to 'apply average' the payout will be 50% of the sum insured – £25,000.

Spikes in crop prices caused by this summer's drought could leave farmers at risk of losing thousands if stacks are under-insured. Low yields have seen the prices of wheat, hay, straw and cereals double in some regions of the UK. However, many insurance policies will only cover stacks up to the value of £30,000, according to insurance broker Lycetts, which has urged producers to check they have the correct level of cover.

[> Read more](#)

Philippines - PCIC allots P1.65-B aid for typhoon-hit farmers

The Philippine Crop Insurance Corporation (PCIC) will release about P1.65 billion worth of insurance to farmers whose crops, particularly rice and corn, were badly hit by typhoon "Ompong." About 262,057 farmers who planted rice, corn and high value crops in the six regions affected by Ompong could count on the "speedy release" of insurance money from the government. The PCIC is tasked to provide affordable and accessible agricultural insurance on crops and other agricultural products.

Based on the PCIC's preliminary report to Agriculture Secretary, the corporation has allocated P585 million to heavily affected Region II (Cagayan Valley) where damage amounted to P13.8 billion, affecting a total of 303,827 farmers. Following this is the P510 million allocation for Region I (Ilocos) where 18,050 farmers were affected and incurred 260,178 metric tons (MT) production loss valued at P5.8 billion.

[> Read more](#)

Austria - Govt to provide 60 mln euros to drought-affected farmers

Austrian farmers hit by drought over the summer months are to receive government aid totaling 60 million euros (70 million U.S. dollars). The federal and state governments will each provide half of the total funding, which will take the form of direct aid to farmers, reforestation programs, and greater support for farmers in protecting against the elements. In addition, the assistance will include an increase in subsidies on insurance premiums, as well as the possibility for credit to be extended by a year.

The lasting drought had in August been estimated by insurance authority Hagelversicherung to have caused a total damage of about 210 million euros (244 million U.S. dollars). As the picture on the total becomes clearer, however, it is anticipated it will be significantly higher than that. Livestock farmers were particularly hard-hit, with up to 40 percent of grasslands in some regions affected by the drought, forcing them to buy food for their animals elsewhere.

[> Read more](#)

India - Govt penalizes insurers for delay in settling crop insurance claims

Faced with a sharp decline in the number of farmers signing up for its flagship crop insurance scheme, the centre imposed a 12% penalty on insurance companies for delayed settlement of claims. Under the new guidelines that will take effect from the winter or Rabi crop season beginning October. In addition, each insurance company will have to mandatorily spend 0.5% of gross premium per season for publicity and awareness of the scheme.

While farmers will receive a 12% penal interest payment for delays in settling claims beyond two months of the prescribed cut-off date, state governments will have to pay the 12% penalty if they delay depositing their share of subsidies by three months or more. Under the scheme, farmers pay between 1.5-2% of the insurance premium while the rest is paid equally by the centre and state governments.

[> Read more](#)

USA - Kentucky farmer allegedly got \$1 million via crop insurance fraud

A Fleming County farmer grossed more than \$1 million through fraudulent crop-insurance claims and other illegal acts, a federal grand jury has charged. The indictment is the fourth related to crop insurance fraud that has been handed down since 2017 in District Court of Kentucky. Christopher G. Hickerson, 45, raised tobacco, winter wheat and soybeans in Fleming County. An indictment said Hickerson hid his tobacco production from insurance companies to claim damage to his crop.

The alleged damage was sufficient to trigger insurance payments or generate larger payments, which are funded by the government through the Federal Crop Insurance Corporation. The indictment also charges Hickerson with two counts of conspiracy to commit crop insurance fraud. The first conspiracy count alleges Hickerson worked with others to obtain false quality adjustments on tobacco presented to graders as belonging to Hickerson to inflate his loss claim. The tobacco, instead, belonged to others.

[> Read more](#)

Nigeria - NAIC urges farmers to take insurance cover

The Managing Director of Nigerian Agricultural Insurance Corporation has said NAIC sympathises and assures its insured farmers in the various states, being ravished by floods, that the corporation is very mindful of its corporate responsibility to give them relief and plough them back to prosperity through the

prompt payment of appropriate compensations.

Apart from insuring the risk of loss of crops from flood, NAIC would provide insurance against crop losses arising from fire, lightning, drought and pests. According to the managing director, the risks of death of, or injury to, livestock caused by accident, disease, fire, lightening, storm or flood are insured by NAIC. The assessed premium payable to NAIC had been subsidised. The subsidy is 50 per cent reimbursable to the corporation by the federal and state governments.

[> Read more](#)

Philippines - Aklan farmers avail P2 M crop, livestock insurance

A total of Php 2,014,233.00 worth of indemnity checks were recently distributed by the Philippine Crop Insurance Corporation (PCIC) to Aklan farmers whose crops and livestock were affected by climate change and other factors. Some 282 Aklan farmers from nine towns here received various amounts in checks as indemnity for their insured crops and livestock, with the biggest number coming from Altavas, which had 123 farmers, receiving Php 800,168.00 in checks.

Balete town with 48 farmers received Php498,518.00 in checks, Malinao and Banga towns with 24 farmers each with Php 165,328.00 and Php144,096.00 indemnity each, and Madalag with 23 farmers with Php 126,460.00. On the other hand Batan town with 16 farmers received Php88,785.00, Ibaday with 11 farmers received with Php 91,455.00 in checks, Makato with nine farmers had Php68,328.00, and New Washington with four farmers had Php 30,483.00 in checks.

[> Read more](#)

USA - Thief snags almost entire grape harvest

An illicit nighttime harvest stripped Montgomery County's Firefly Hill Vineyards of almost its entire crop of grapes, co-owner Allison Dunkenberg said. According to the Dunkenbergs, someone — or rather, a knowledgeable team of someones — entered Firefly Hill's vineyard in the Irono section of Montgomery County at night and removed 2 to 2.5 tons of grapes from 2,500 vines growing on 3.5 acres.

While the Dunkenbergs planned to take several days to harvest, working with friends and family and pausing for processing, the thieves accomplished the job between sundown and dawn. The value of the stolen fruit was about \$20,000 or \$25,000, but if the time and materials used in caring for them was included, the loss was closer to \$50,000. Firefly Hill's insurance does not cover theft of the crop.

[> Read more](#)

Two million risk hunger after drought in Central America - U.N

Poor harvests caused by drought in parts of Central America could leave more than two million people hungry, the World Food Programme (WFP) said, warning climate change was creating drier conditions in

the region. Lower than average rainfall in June and July has led to major crop losses for small-scale maize and bean farmers in Central America's "Dry Corridor", which runs through Guatemala, El Salvador, Honduras and Nicaragua.

This means subsistence farmers will not have enough food to eat or sell in the coming months, and have no food supplies to see them through the lean time between harvests. Central America is one of the regions most vulnerable to extreme weather linked to climate change. The region was hit hard by consecutive years of drought from 2014 to mid-2016, which left millions in need of food aid.

[> 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 str. · Tbilisi 0179 · Georgia

MailChimp