



Asociación Latinoamericana para
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Argentina

Comas: "The multi-risk insurances must be addressed from public-private interaction"

This was stated by the agricultural risk manager of the La Segunda, during the interview he conducted with Infocampo in the framework of the 13th expoagro edition.

The Agricultural risk manager of the La Segunda, Carlos Comas, visited the Infocampo stand at Expoagro and explained that "in addition to climate change we must talk about climate variability, because you have recurring storms in times that perhaps were not typical but they still happened".

"September, October and November started with many disasters, taking into account that hail does not fall in those first two months. However, we had ten times more cases than normal", detailed the specialist of La Segunda, who also explained that "also the hail lived something similar, especially in Buenos Aires, that is very important to be aware of what the risk is and be covered is very important".

Scientists from United States, Brazil and Argentina consider that the strongest storms occur in the province. In this framework, they will hold talks in different cities to discuss the experiments they will carry out in each area.

A report indicated that this week there will be stable conditions throughout the country and advance that on Saturday there will be increased cloudiness and probability of precipitation.

Consulting for the absence of multi-risk insurance in Argentina, Comas indicated that "The two major risks that must be covered in Argentina are drought and flood. But the characteristic that these two have is that they are systemic, that when they occur, they are of great magnitude and therefore also the compensations. For this reason, it must be addressed from a public-private interaction".

"All the countries of the world solved it that way. United States, México, Uruguay, India, are some of the examples to take into account. We in Argentina are studying it, and we believe that is necessary to point to an insurance that is catastrophic, so that it covers major events", added.

Infocampo <https://www.infocampo.com.ar/comas-los-seguros-multirriesgos-se-deben-abordar-desde-la-interaccion-publico-privada/>



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Argentina

With Green Insurance for \$90 million, the plantation of 7,5 trees was financed and benefited 300 producers.

Yesterday at the seventh meeting of the Mesa de Competividad Foresto Industrial Macri and the representatives of the chain worked on the common agenda.

Through the voluntary agreement Seguro Verde the insurance industry made a first contribution close to \$90 million that favored more than 300 producers and allowed to finance the plantation of 7.5 million trees. A second contribution of about \$160 million is expected and the year will end with an unprofitable figure for the \$650 million sector.

With presence of the President of the Nation Mauricio Macri at Casa Rosada, the seventh meeting of the Foresto Industrial Competitiveness Table was held yesterday. Among the relevant topics the financing of Law 25.080 was analyzed (Of investments for Cultivated Forests), recently extended in December 2018 al Law 27.487 and valid for 10 years.

Participated in the meeting with the President, the Transport minister, Guillermo Dietrich; the governors of Entre Ríos, Gustavo Bordet, and of Corrientes, Gustavo Valdés; the secretaries of government of Agribusiness, Luis Etchevehere, and Environment and Sustainable Development, Sergio Bergman; the superintendent of the Insurance of the Nation, Juan Pazo; among other national and provincial officials and representatives of the private sector of the entire forest value chain.

One of the highlights of the meeting was referred to the financing of Law 25,080 that among other benefits provides a non-refundable contribution to small and medium-sized foresters of the country. Last year the Green Safe voluntary agreement was signed between Agroindustry, the National Insurance Superintendence, Environment and Sustainable Development and the insurance companies.

Through this agreement the insurance companies voluntarily donate 1% of the value of their policies for the funds of Law 25,080.

"Last December we received a contribution of close to 90 million pesos from the Seguro Verde that was immediately sent to more than 300 producers throughout the country. With this first contribution, the plantation of some 7.5 million trees was financed in an area close to 9,200 hectares", mentioned Etchevehere. According to estimates made by the Argentine Forestry Association (AFoA) with this first contribution, the 7.5 million trees planted, occupy an area close to half of the City of Buenos Aires and the carbon sequestered is equivalent to the emission of 560 thousand of cars per year"

The National Superintendence of Insurance expects in the short term, to receive a second contribution from the insurance companies that joined the agreement, of about 160 million pesos for the sector.



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With this amount, the National Directorate of Industrial Forest Development of the Secretariat of Government of Agribusiness, calculates that it will finance the planting of almost 14 million trees, including new plantations and enrichment of native forest, and benefit about 500 producers. Likewise, an annual contribution of 650 million pesos is estimated, an unprecedented figure for the sector.

Among other topics at the meeting was mentioned the agreement by which to build 864 houses with wood in the province of Misiones. The importance of the correct application of the credit line to pymes for \$ 100,000 million, which allocates 60% to the working capital needs by check discount, was highlighted.

"We have worked hard because we see the enormous potential that the country has to expand its forest frontier, receive new investments and generate employment. We set ourselves the goal of reaching 2 million of ha in 2030 (today there are 1,3), help the country to fulfill the objectives assumed in the Paris Agreement referred to Climate Change and create 100,000 new direct jobs in the regional economies in the next decade", conclude Etchevehere.

Nea Rural <http://curi.nearural.com/ampliar.php?id=41059>

Argentina

There are 65 producers in Cordoba with insurance "subsidized" by the Province.

It is through the program of Good Practices. The Ministry of Agriculture covers the first 50 hectares of the coverage taken and then also benefits its use.

One of the major shortcomings that still fails to solve Argentina's agriculture is the lack of a multi-risk coverage system to face the problems generated by the inclement weather, as were the floods in 2017 and the drought last year.

Both at the national and provincial level, pre-normative projects have been proposed to establish an insurance law that will serve to facilitate access to this tool for producers, but which only remained in that previous stage. Now, from the Ministry of Agriculture and Livestock of Córdoba, which will have a space on Wednesday in the first Agro working day of 2019, decided to move in more concrete steps and added the use of agricultural insurance as one of the practices that are rewarded through the Program of Buenas Practicas Agropecuarias (BPAs) Y con un adicional: And with an additional: in addition to the bonus that the producer receives for joining, the State subsidizes the first 50 hectares of the coverage taken.

Assistance

The data was revealed to Agrovoz by the owner of the productive portfolio, Sergio Busso, during Expoagro.

"For some time now we have been speaking from the State about the fact that emergency laws are not enough to help producers who are left without working capital in the face of climate problems, we all agree on the diagnosis, but there was never a value to see how we could make it work", explained Busso.

And he added: "The progress we made here was to integrate it into the good practices program. There were 65 producers who took this coverage. On the total of hectares that they assured, we covered them the first 50 with resources of the Province. And they also receive the corresponding bonus for adhering with that practice within the program".

"We are satisfied because we put in it motion; We left the inertia of just debating it to move from saying to doing. When the campaign is over we will be able to have an evaluation of how it worked to continue improving.

We already have at least one platform so that it is not a matter only conceptual, but we will be able to observe concrete results ", synthesized the minister.

Agrovoz <http://agrovoz.lavoz.com.ar/actualidad/hay-65-productores-en-cordoba-con-seguros-subsidiados-por-provincia>
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Bolivia

Orégano producers receive compensation.

For the first time, the insurance company UNIvida compensated three oregano producers after activating the mixed life and accident insurance that was acquired by more than 500 Chuquisaca families grouped in the Unidad de Negocios de Especias y Condimentos (UNEC S.A.)

The general manager of the UNEC S.A., Jesus Flores, explained that in October 2018, 570 families in Chuquisaca that are dedicated to the production of oregano purchased a mixed insurance against accidents and death.

In the five months of validity of the insurance, two producers benefited from financial resources to cover medical expenses, in one case due to a fracture and in another due to a cut with a hoe in the leg.

Also, the family of a third producer received Bs 16,000 for death of the beneficiary of the insurance.

The checks were delivered yesterday, in offices of the UNEC S.A. in Sucre, by the insurer UNIvida.

According to Flores, this is the first time in Bolivia that agricultural producers are compensated by an insurer, since they are the only ones that have mixed insurance against accidents and death.

Correo del Sur http://correodelsur.com/local/20190327_productores-de-oregano-reciben-indemnizacion.html



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Brasil

The compensation for the losses in soybeans can reach R 1 billion

The policies contracted in the summer harvest will be paid to producers of Goiás, Mato Grosso do Sul, Paraná, Rio Grande do Sul, São Paulo y Bahía. Entender!

The expected value by the insurers for the payment of indemnities relative to rural insurance contracted in the summer harvest 2018/2019 is estimated at R \$ 995 million. The compensations are due to losses in soybean crops due to drought, mainly in the states of Goiás, Mato Grosso do Sul and Paraná.

But bankruptcies also occurred in Rio Grande do Sul, São Paulo and in Bahia.

"In the specific case of Rio Grande do Sul, losses also occurred with rice, with indemnities estimated to date at R \$ 60 million", according to the director of the risk management department of the Ministry of Agriculture, Pedro Loyola.

A part of the rural insurance policies contracted by the producers are paid with financial support from the federal government, through the Grant Program to the Premio del Seguro Rural (PSR) the director recalled. "Insurance is a fundamental mechanism for risk management of agricultural activity and those high compensation values paid by the insurance market demonstrate the importance of the PSR in encouraging the use of this instrument by producers".

"This public incentive policy becomes advantageous, insofar as the transfer of risk from the activity to the private sector occurs, thus avoiding possible requests for renegotiation or stretching of financing in the future, in case the producer has losses as a result of accidents that occurred during the harvest", he claimed.

Canal Rural <https://canalrural.uol.com.br/sites-e-especiais/projeto-soja-brasil/perdas-soja-podem-chegar-1bilhao/>

Brasil

Concerned with prevention, insurance is an option for producers against inclement weather in the countryside.

Farming is an activity in which climate can be ally or enemy;
producer cannot leave them susceptible

Considered an "open-sky industry", agriculture and livestock are activities that require investment of time and money of rural producers, They also need to have a good dose of luck, since the climate is a major player in production, being an ally or enemy throughout the year. It is precisely because of the effort used to develop crops and raise animals that the producer needs to protect against unexpected events. And you can do so through the contracting of agricultural insurance products offered by Sicredi.

The insurance, as the name says, brings more security and tranquility to the rural producer, in the face of an event that may jeopardize production in part or totally. In the Sicredi, the producers can contract the insurance in two modalities: rural and agricultural. Rural insurance covers improvements, machines and equipment of the insured. The agricultural insurance covers the farm of the insured and is intended to cover losses in the activity, derived from climatic events. It covers the life of the plant, from sowing to harvesting the crop. This is because, as climate is the most influential in the outcome of the harvest, even if there is technology related to meteorology, it is not possible to be sure about when a wind will be stronger, if it will rain beyond what is necessary, if there will be prolonged or freezing drought or if there will be a hail rain or a fire.

The manager of Agro Business Development of Central Sicredi Central North, Cristiény Paiva, states that in the Midwest and part of Northern Brazil, it is not common to contract and insure rural or agricultural, because there is climatic stability, without occurrence of weathering as in the southern region, for example, where frost, hail and drought occur more frequently and generate large losses in production. "However, we have noticed a change in the behavior of the producers of our region before the events registered here. A few years ago, the Campo Novo do Parecis region suffered with rains outside the normal that devastated plantations" he says when he says that when situations like this happen nearby, producers try to find ways to protect themselves with the insurance contract.

The proof that the producer has paid more attention to prevention is the increase in the contracting of rural and agricultural insurance in Sicredi in the North Central region, which covers the states of Mato Grosso, Rondônia, Pará and Acre.

The data point to a 25% increase in the contracted value of 2017 for 2018.

The hiring in the two modalities totaled R \$ 32,250 million last year against R \$ 25,803 million in the previous one.

The rural insurance operations - equity and infrastructure - had a greater share, with 82.6% of the total, adding up to 26,644 million reales, a growth of 19% over the value registered in 2017, when they were R \$ 22,393 million.

Agricultural insurance operations - crops - went from R \$ 3,409 million to R \$ 5,605 million, an expansion of 64.4% from one year to the next.

Among the producers who changed their mentality in relation to insurance is Idelfonso Coelho Sampaio, 42, from Confresa, who has been in business for 25 years.

He acts in dairy farming and after the fire entered the property-as a result of a severe drought-and lost about 70 animals he saw the need for insurance. "At the time I had no insurance and I had a great loss. After that I hired and I have protection of the grass and the animals, which gives more tranquility to work".

He says that five months ago fire came into the ranch again and burned the fence.

" This time, with insurance, I fixed it soon. I have been taken care of quickly by Sicredi and the insurer".

The one who also escaped injury was the farmer Sabino Cardoso, 75, from Figueirópolis de Oeste. He has worked for 30 years with livestock, initially with milk production and in recent years with cut animals, and had an experience that could cause a considerable loss if he did not have insurance. Two years ago, lightning struck on the property that killed 17 head of cattle, bought through funding from Pronaf. "When I hired the Pronaf, the Sicredi offered me the insurance. If I had not done this I would have a huge loss", says when commenting that with the refund he managed to recover lost heads due to lightning. A small producer, Cardoso has a site of 30 hectares, where he creates about 90 bovines, and says it was very important to have insurance, which prevented havoc on the heritage.

"We do not know what is going to happen, the time is changing a lot from one year to another, wich increases the risk of the rural activity".

Recruitment

The numbers of Central Sicredi Centro Norte show an increase in insurance contracts and to meet the demand, the teams are trained.


According to Cristiény, insurers are also developing products that are more appropriate to the reality of the rural products, small médium or large. "Today Sincredi has a portfolio of products to offer to the associate according to each reality. Our sales force is trained to understand the profile of the producer and offer the best insurance."

Rural insurance (equity) can be contracted when the producer buys an agricultural machine, for example, or when the infrastructure of the property has improved, such as in the construction of a corral with technologies to optimize production.

In the case of crops, there is a calendar of insurance commercialization, prepared by insurers according to the cycle of each crop. The sale of insurance for safrinha corn, for example, occurs from December to March; for winter crops from May to July, for summer crops (grain) from April to November; and summer crops (fruits and vegetables) from April to July.

The manager of Agro Business Development affirms that the contracting of insurance can count on the subsidy of the federal government.

A way of making security more accessible to the producer, The Rural Program of the Premio Seguro Rural(PSR) is intended to subsidize part of the cost of the insurance, in accordance with percentage and current rules, in the form of agricultural insurance, involving grains, fruits, vegetables, coffee and sugar cane. It is important to remember that the hiring of subsidized insurance does not mean the guarantee of access to the benefit, because the subsidy will be granted only if the



availability of resources is confirmed and the producer is eligible to participate in the program.

RD News <https://www.rdnews.com.br/economia-e-agronegocio/conteudos/112129>

Brasil

International Event about agricultural insurance will try fruit growing

The Director of Risk Management of the Ministry of Agriculture, Livestock and Supply, Pedro Loyola, will be on 3 and 4 April, in Curitiba (PR) or the technical and international seminar of the Asociación Latinoamericana para el Desarrollo del Seguro Agropecuario ("Alasa"), focused on rural insurance for fruits.

On day 3, on Wednesday, participates in the opening of the event and the panel "Public Policies of Agricultural Insurance Subsidy in Brazil"

"The Ministry of Agriculture is interested in disseminating the culture of agricultural risk management in the country and the Alasa technical seminar is an opportunity for participants to acquire knowledge of international models and experiences in relation to agricultural insurance of fruits, which has special conditions of coverage and in the evaluation of losses of those activities", stresses the director.

In Brazil, the rural insurance policies contracted for fruits in the last year totaled R \$ 66.84 million, corresponding to 18% of the total value subsidized by the Rural Insurance Prize Grant Program (PSR). Fruits represented 18% of the contracted policies (11.6 thousand, in total of 63.5 thousand policies), 1% of the insured area (48.9 thousand ha, a total of 4.7 million ha) and 11% value insured by the PSR (R \$ 1.43 billion, in total of R \$ 12.59 million).

The fruits that most demanded subsidy of rural insurance policies were apple (33.39 million or 50%) and grape (R \$ 25.54 million or 38%), mainly in the states of Santa Catarina and Rio Grande do Sul.

The event, besides serving as a meeting for insurance and reinsurance companies, is an important tool to promote agricultural insurance as a basic input for the rural producer, that allows to protect and has financial support against the various contingencies that can threaten the farm.

Grupo Cultivar <https://www.grupocultivar.com.br/noticias/evento-internacional-sobre-seguro-agropecuario-va-tratar-de-fruticultura>

Brasil

Protected Rural Production

Paraná leads the hiring of rural insurance. See what is behind the progress of this market and future challenges.

The lack of rains at the beginning of December last year - the period of filling of the soybean grains - sounded like a bad omen to the rural producer Itamar Carraro, from Toledo, in the West of Paraná.

Before the dry season and the warm weather, he knew that a crop failure was to come. The losses were concretized in the harvest: productivity was around 20 bags per hectare, compared to the historical average of 65 bags.

"The loss in my crop went from 60%. I just did not stay in the prejudice, because I had insurance. Three policies" says the producer. "In January 2019, I already activated the insurance, the experts did the lifting and in 45 days the money was in my hand. Of everything that I lost, I was compensated ", adds the producer, who, with the compensation, was able to plan the planting of the corn.

At 52 years of age, Carraro grew up in the fields and, over the decades, grew tired of seeing farmers standing in the mouth because of climatic imbalances. " At that time, if he had loss, the producer had to pay with his money. My father even suffered a lot at that time", remember. For that reason, Carraro prefers not to take risks and went on to face the rural insurance as a stage so essential to his business, as to obey the times of planting and harvesting. This protection has already freed him from other losses.

"In 2017, a rain of stones came. I lost 100% of the crop. But he was also insured", says. "I'm sure of everything to plant. For me, at least, it gives security, because rain and drought are things that people do not control", observe.

Perspective

The group of producers that, as well as Carraro, are protected by the Program of Subsidy to the Rural Insurance Prize (PSR) of the federal government is still considered small, but it has increased a lot over the last decade. And the prospects are encouraging: the Ministry of Agriculture, Livestock and Supply (Mapa) is fighting for more than doubling the resources allocated to subsidize rural insurance. With that, the volume injected by the government would jump from the R \$ 440 million released in the current cycle to R \$ 1 billion in the 2019/20 harvest.

In practice, the intention of the Map to contribute more money can be considered as the resumption of a vision that considers rural insurance as a strategic instrument of security in rural activity. The subsidy has been increasing until 2014, the program boom. In that year, Brazil reached the record of more than 117 thousand policies, with 73,500 producers covered and almost R \$ 690 million in subsidies.

However, the following year, the program suffered a severe cut, with resources and policies reduced by two-thirds.

"In this management, rural insurance was not understood as a State and preventive program. "There was no understanding that it was a sensitive area, not only to the producers, but to the country itself, "observes Pedro Loyola, Since January he has been the risk management director of the Mapa."Now, the environment is different. Our vision is clear: agricultural risk management is strategic for Brazil. "It's priority," he adds.

Move along

Despite this "rupture" in the flow of resources occurred in 2015, the program advanced sharply

Since 2006, the number of policies decreased by 158%, reaching 63,500 contracts over the past year. The value of the crop and of the insured herd is, today, more than three times greater, reaching R \$ 12.6 billion covered by the program. With the expected increase in the subsidy for our harvest, it is expected that rural insurance will become more attractive to more producers.

A study of the Mapa indicates that the demand for rural insurance policies becomes twice the number of contracts registered over the past year. That is, if the subsidy offer increases, the tendency is for the insurance to become accessible to a larger portion of agricultural and livestock. "That's why we are fighting for resources in the federal budget, " says Loyola.

The possibility of the release of more federal money to subsidize rural insurance was well received by the brokers. Companies mention the weight that subsidies have on agribusiness giants, such as the United States, where rural insurance is disseminated and that they have 90% of their crops covered by policies. Even in countries where insurance is relatively recent, such as China and India, the subsidies reach, respectively, US \$ 2,500 million and US \$ 1,500 million. They therefore receive a massive investment greater than that of Brazil.

"It is unanimous that the subsidy in our country needs much greater support. This is fundamental for the producer to be able to hire more and, consequently, if he arrives at a better insurance, with greater protection and predictability. "It has to be seen as a State policy," says rural insurance consultant Luiz Antonio Digiovani.

This announcement by the Minister of Agriculture Tereza Cristina is essential so that producers can access the program more and more, "We estimate that to attend all the producers that already hire insurance, without expansion, it would be necessary, at least, 800 million reales", says Paulo Hora, Technical director of Seguros Rurales de Brasil Seg, a BB Seguros company.

Distribution

In the 2018/19 harvest, about one sixth of the area cultivated in Brazil is protected

by rural insurance. For the PSR, the coverage reaches 4.6 million hectares. The largest share (around 75%) of subsidies and the number of policies are concentrated in grain crops. This is because the country is a large producer of crops such as soybeans and corn, which are very susceptible to climatic imbalances.

Not by chance, Paraná comfortably leads the rural insurance market, concentrating more than 40% of the policies contracted last year. Almost all of these contracts (97.4%) refer to insurance for grain crops.

In total, more than 1.5 million hectares are covered in the State, with an insured value that goes from the house of R \$ 3 billion. In the national map of rural insurance, Rio Grande do Sul (with 21.3%) and São Paulo (with 15.3%) also appear with expressive participation.

One of them is that the rural insurance structure is already well established in the southern region of the country, where complicated logistics, which involves a reliable climate data network and trained experts, is already consolidated. In addition, the priority for the grant is given by the date of entry of the application along with the Mapa.

"The producer who makes the contract earlier has a greater opportunity to have approved subsidy. For the stages of planting, the Paraná begins earlier. But that is not all. Paraná was one of the pioneers. A whole rural insurance structure and culture already exists. Some insurers concentrate action in the South and maintain agreements with cooperatives. Algunas aseguradoras concentran actuación en el Sur y mantienen acuerdos con cooperativas. In the Midwest, on the other hand, this perception of risk and protection is more recent," says Digiovani.

For Paulo Hora, the data reveal the need for improvement of mechanisms for deconcentration of subsidies to rural insurance to other regions of the country. Para The large agricultural producers, Mato Grosso, Mato Grosso do Sul, Goiás and Minas Gerais, together, make up the equivalent of 13% of the policies signed in Brazil. In another 19 states, the contract index does not reach 1%.

"The mechanics of distribution can be perfected and contemplate aspects that allow a more equitable access of all the producing regions to the program, with the appropriate criteria related to the greater or lesser need of the percentage of participation of the subsidy. Today, the Central-West, North and Northeast regions are affected in this aspect", evaluates Hora.

A flag of two decade

Over the last few months, FAEP has caused a series of actions claiming a contribution of R \$ 150 million from the 2019 budget to the Rural Insurance Prize Grant Program. It is far from being an isolated initiative. On the contrary. For the Federation, the struggle for rural insurance to consolidate itself as a State policy has been going on for more than two decades.

"Risk management is a priority issue. We always work with qualified information, to show the producers of our State that the rural insurance needs to be part of our activity in a strategic way, minimizing risks and closing eventual damages derived from climatic oscillations" points out the president of the FAEP, Ágide Meneguette.

The role of the Federation began in the 1990s, when, from a series of technical visits to countries that are a reference in risk management, the entity's technicians

brought relevant information about the rural insurance model implanted in those nations..

In parallel, the FAEP promoted seminars and caravans to bring information to the farmers of Paraná. In 2008, for example, FAEP organized a seminar, which included the participation of Map technicians and specialists from institutions such as the University of São Paulo (USP). From the meeting, the Federation developed a technical proposal for the consolidation of rural insurance in the country. Billing insurance was only developed by the direct action of the entity.

" It is always important to emphasize that the development of rural insurance was always a demand of FAEP and that helps explain why that is already a culture in the State, with so much participation in this market. It is a conquest that only exists because of the FAEP, "says rural insurance consultant Luiz Antonio Digiovani

Whoever hires rural insurance for many years recognizes the evolution of products and the importance of institutional action in this process". Before, it was an uncertain thing. The agent hired. They did not know if it was going to be compensated at the correct value. Now, everything is clear. And always people have the strength of the FAEP, which always brings clear information, encourages the producer and works with insurers to improve insurance", says rural producer Itamar Carraro, who has often resorted to rural insurance.

Tribuna do Vale <https://tribunadovale.com.br/index.php/producao-rural-protegida/>



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Brasil

Subsidy to the Prima Rural Insurance allowed to secure R \$ 12.6 billion in 2018

The main crops covered were soybeans, corn, apples, wheat and grapes

The balance of the execution of the Grant Program for the Rural Insurance Premium (PSR) executed in 2018, available on the Ministry of Agriculture, Livestock and Supply's website, reveals a payment of more than R \$ 1 billion, in compensation, so far, for losses only in soybeans. But there was harvest frustration also in rice, corn and coffee, among other activities.

The value of the subsidy of R \$ 370.9 million from the federal government allowed to secure R \$ 12.6 billion, to 42 thousand producers and 4.7 million hectares.

The Director of Risk Management of the Secretariat of Agricultural Policy of the Mapa, Pedro Loyola, evaluates that "the support given by the program in the hiring of 63.5 thousand policies made possible the maintenance of income to producers who had harvest frustration due to climatic problems.

One of the indicators used to measure the efficiency of the program is defined by the quotient between the importance insured and the federal subsidy. "In 2018, each real invested in subsidy was, on average, in guaranteed importance of R \$ 33.82. The crops that received the largest contribution of subsidy resources were soybean, with 42.5% (R \$ 157 million), corn 2nd harvest (22.3% or R \$ 82.62 million), apple (9%; 33.39 million), wheat (7.5%, R \$ 27.85 million) and grape (6.9%, R \$ 25.54 million).

In the PSR 2018 report (place the link <http://www.agricultura.gov.br/assuntos/riscos-seguro/seguro-rural/documentos-seguro-rural/relatorio-geral-psr-2018-v2.pdf>), disclosed by the Secretariat of Agricultural Policy on Wednesday (27), there is detailed information by state, municipality and insured activity.

Information on the RSP is available in the Rural Insurance Atlas (place the link <http://indicadores.agricultura.gov.br/atlasdoseguro/index.htm>), online tool for personalized consultations by the user. In the Atlas it is possible to consult the information of the program since 2006, using different parameters (year, state, municipality, activity, insurer, among others).

Unlike the Statistical Report, which presents the final consolidated result of each calendar year, the Atlas presents data that is updated daily, thus considering possible cancellations and endorsements made by insurers in subsidized rural insurance policies. The insurance payments contracted in the current harvest continue to be made throughout the current semester.

Revista café i cultura
<http://revistacafeicultura.com.br/index.php?tipo=ler&mat=67602&subvencao=ao-premio-do-seguro-rural-permitiu-segurar-r--12-6-bilhoes-em-2018.html>

Ecuador

Gross Combined Index for the Agricultural Branch fell 72 percentage points

The Gross Combined Index of the Ecuadorian Insurance Market for the Agricultural Sector ended December 2018 with a value of 119% which, compared to December 2017, meant a decrease of 72 percentage points.

The Gross Claims Rate went from 170% in December 2017 to 107% in December 2018.

The Index of Administrative Expenses compared to the Premiums Issued went from 9% to 6% in their respective periods.

The Paid Commissions (% Premiums Issued) went from 2% to 3% from December 2017 to December 2018.

Finally, Non-Proportional Reinsurance as a percentage of Issued Premiums went from 10% to 2% in their respective periods.

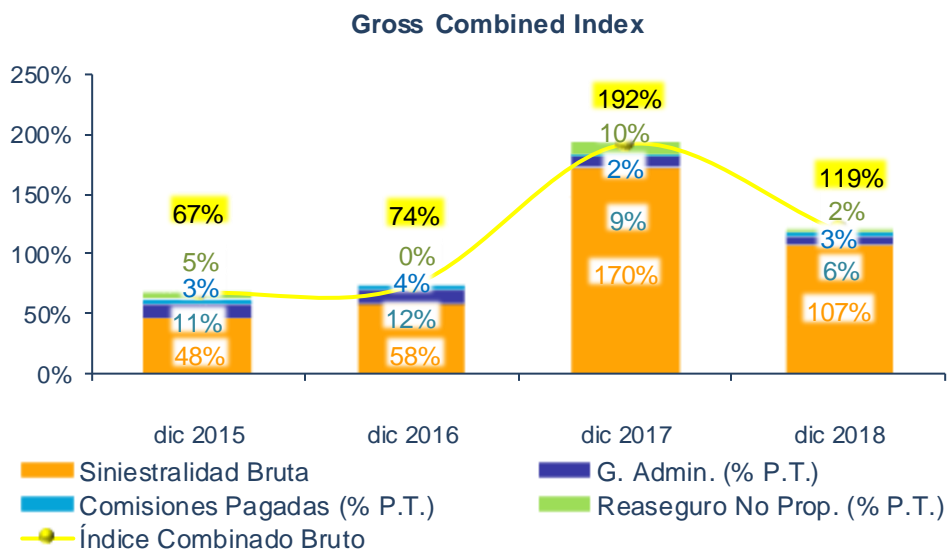
The 10 groups with the lowest% Combined Gross Index

Economic Group	Combined Gross Index			
	december 2018		december 2017	
	AGRÍCULTURAL		AGRÍCULTURAL	
	Rank.	%	Rank.	%
COLON	1	46%	1	0%
SUCRE	2	109%	3	192%
ZURICH	3	134%	2	191%
TOTAL MARKET		119%		192%

Groups by Issued Premium and Combined Net Index

AGRÍCULTURAL				
dic 2018				
Economic Group	Issued Premium		Combined Index	
	Rank.	Value	%Market	%
SUCRE	1	10.559	58,9%	108,7%
ZURICH	2	7.370	41,1%	134,1%
COLON	3	1	0,0%	46,2%
TOTAL SELECCTED		17.930	100,0%	119,1%

Índice Combinado Bruto: Comportamiento histórico



LatinoInsuranceOn Line <http://www.latinoinurance.com>

Ecuador

Only Rocafuerte, in Manabí, has lost USD 1.1 million due to the rains of 2 million calculated in the country.

The crops of 13 196 hectares of seven provinces presented some type of affectation due to the overflowing of rivers and floods, since the rainy season began. These agricultural areas, which correspond to 4 provinces of the Coast and 3 of the Sierra (see graph), are the hardest hit, since October, when the downpours intensified. The problems are concentrated in 31 cantons of Esmeraldas, Manabí, Los Ríos, Guayas, Azuay, Cañar and Zamora Chinchipe. But the biggest impact is in Manabí and Los Ríos, where at least 21 crops interrupted their growth cycle due to these events. Manuel Delgado, from the Rocafuerte canton (Manabí), looks with dismay at his seeding of half a hectare of corn that was flooded since March 8. That day, the overflow of the Portoviejo River and the rains covered its property in less than an hour. Without avoiding the tears, he says that he only needed 15 days to harvest hard corn that would leave him a profit of USD 600. Now the plants look yellowish and the water covers half of all the stems.

According to the records of the Ministry of Agriculture and Livestock (MAG), Rocafuerte is the locality with the most partial and total damages in its crops. Some 634 producers in this canton were left without crops and losses amount to USD 1 189 000 out of a national total of USD 2 005 549. DATA COMMERCE analyzed the data recorded in the matrix of affectation of productive areas of the MAG. Of the 2 837.15 agricultural areas impacted in their totality in the seven provinces, only 60.8% is in Rocafuerte.

Far below this canton are the crops in Alfredo Baquerizo Moreno de Guayas; Montalvo, in Los Ríos, and Chone, in Manabí. Rocafuerte also concentrates 29.6% of the 10 381.99 hectares that have been partially destroyed by floods (see breakdown by provinces). When analyzing the partial affectation caused by the overflow of the rivers of Manabí it is seen that the crops that have had the most impact are cocoa, coffee, hard corn and sugarcane. José Mendoza, another rice grower from Rocafuerte, thinks about leaving the activity and allocating his five hectares to raise shrimp. His property looks like an artificial pool of that product because it was left with water to the limit with the rains this week. Mendoza calculates that the losses amount to USD 6,000. Despite the effects, the Manabitas farmers believe that the impact on production this year will be minimal.

For example, in cocoa and rice a decrease of 508 tons is expected. Manabí has produced some 22,747 tons in the last eight years, according to the MAG. As for rice, the projected shrinkage is 10 585 tonnes. The province produces 54,460 tons per year. The excess of humidity, another common event in this period, affected mainly 24 producers from six cantons of Guayas, and Babahoyo, in Los Ríos, with USD 17 200 of loss. A total of 1 098 producers nationwide have faced the losses. The MAG informs that 34 475 agricultural insurance policies have been issued for the current rainy season, to cover 104,891 hectares distributed in 23 provinces. The largest quantity is in Manabí, Guayas and Los Ríos. The contribution of the State Portfolio corresponds to 60% of the subsidy to the net premium of these insurance.





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Guatemala

Government of Guatemala discusses implementing agricultural insurance

The Government of Guatemala analyzes the implementation of agricultural insurance to reduce government spending used to alleviate the effects of prolonged heat exposure and other natural phenomena.

"Both the Ministry of Agriculture and the Secretariat of Food and Nutritional Security (Sesan) are convinced that, with the recurrence of climatic eventualities, we have to analyze the implementation of agricultural insurance as a pilot" says the headline of the Sesan, Juan Carlos Carías.

According to Carías, the Ministry of Agriculture, Livestock and Food (MAGA) would pay a policy for farmers, in the event of a natural disaster, to receive "The respective payment for the projected income" of their crops, which would contribute to not "disbursing millionaire amounts in the very short term".

He added that the initial proposal is for agricultural insurance to cover farmers who have less than one block of land.

For his part, Mario Méndez Montenegro, head of the MAGA, said that the insurance "would have to do differentiated treatments" depending on the need of the farmers and their categories: surplus, subsistence and under-subsistence families.

He added that the investment in agricultural insurance would allow the State to earn a third of the total amount needed to mitigate the effects suffered by farmers on their crops.


"With the implementation of insurance, the finances of the State are not harmed. The attention to families would be much more immediate," he said.

He also affirmed that countries such as Colombia and Mexico, who have implemented agricultural insurance, have seen the difference and have had a much more immediate reaction to help farmers to restore their affected crops.

Last year, the Government of Guatemala invested 150 million quetzales to support 300,000 families affected by the prolonged heat wave in the country.

The support consisted in the delivery of two coupons valued at 250 quetzales each, exchangeable for corn, fortified flour for atol, eggs, oil, sugar, black and red beans, red or white meat, rice and pasta.

In addition, the MAGA plans to invest around 75 million quetzales more to make a third delivery of coupons to the victims.

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"We want to support the large and small producers. This is an ambitious plan, very interesting and it is a plan that we have to carry out and if God want it, we will leave it finalized in this administration", said Méndez Montenegro.

AGN <https://agn.com.gt/gobierno-de-guatemala-analiza-implementar-un-seguro-agricola/>

México

The insurance subsidy for the Tamaulipas field decreased

Previously the federal government offered a subsidy of 40% and now fell to 24%, severely affecting the farmers, who stop hiring insurance for their crops because of the cost.

During the sowing cycles of previous years, the federal government offered a 40 percent subsidy of the total cost of the insurance premium for the field, however, for this 2018-2019 it was reduced to only 24 percent. The foregoing was confirmed by the manager of the insurance area of the Agricultural Association, Luis Pacheco, who commented that in this situation it has been observed that the contracting of these insurances is not so fast, at least in Matamoros and the region. He explained that at this time is in the stage where the plants are taking root, people are approaching and unfortunately they see that it is very expensive to hire this service in the face of the disappearance of the subsidy. He said that the federal authorities should reconsider this position and in the future return this subsidy to the rural people, including the government of the State, since a regional catastrophe will be more expensive for people who are not insured.

He said that at the moment we are looking for at least the same surface area as last year, which is very low in the insurance culture in the countryside, that is, only in this area 12,000 hectares are insured of the storm as of irrigation, being a very low figure for the total of farms that are sown in the región.

Tamaulipas today <http://www.hoytamaulipas.net/notas/375793/Disminuyo-el-subsidio-de-seguros-para-el-campo-de-Tamaulipas.html>



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México

Farmers demand plan insurance return

They are asking the Federal Government after being canceled so they fight hard.

The insurance for what we are planting, right now, is uncertain. Previously of the total insurance cost, producers paid 25 percent.

Campeños from Reynosa and from all over the country are demanding from the federal government to restart the planting insurance program itself that was canceled and that is something that we are fighting hard for.

"That represented an important benefit for the ejidatarios because the federation contributed 75 percent of the cost of the insurance and the interested ones, the remaining 25", informed Hilario Barrera Martínez, president of the 14th Regional Agrarian Committee.

As for the totality of the sowings, they will finally be included in agriculture by contract.

Initially they did not see it that way, now the authorities have already changed their minds and gave us the reason for what we were requesting.

"I think things go slowly and well that encourages us to continue insisting on other things that are important for the production of grains", noted the leader of the ejidatarios.

GOOD RAINS

Rainfall that is falling in this city including the rural area, are welcome because we must not forget that "Los Temporaleros" depend on one hundred percent of mother nature and what may rain, said Barrera Martínez.

La Tarde <http://www.latarde.com.mx/mireynosa/demandan-campesinos-vuelva-programa-de-seguros-de-siembra/668766>

México

Safe Agricultural Catastrófic, in Fresnillo and Valparaiso

173 producers benefited, informed the head of the Field Secretariat

The Government of Alejandro Tello complies with producers from the eastern municipality and Valparaíso field by handing out, to 173 of them, close to one million pesos of the Catastrophic Agricultural Insurance and reimbursement of interest for good credit history.

The Secretary of the Field, Adolfo Bonilla Gómez, gave resources to 94 producers of the Agricultural Association of Fresnillo for good credit management and to 79 bean and peach producers, from Fresnillo and Valparaíso, for the payment of said insurance.

The above, within the framework of the 31st anniversary of this organization that has a productive capacity of 25 thousand tons of yellow corn. Bonilla Gómez said that Governor Alejandro Tello supports organized producers so that they have access to financing and agricultural insurance.

He reported that in recent years, the National Development Bank increased its operations by 400 percent and placed loans for more than 4 billion pesos in the entity.

The producers Chabelo Valdez and Clarita Méndez supported the request made by Governor Tello to President Andrés Manuel López Obrador, to implement a program that contains the cost of diesel. They also demanded that the fertilizer program be extended to the northern center of the country.

They also asked that in the next meeting of the Zacatecan leader with the Secretary of Agriculture, Víctor Villalobos, expose a program for the rescue of the creole seeds that implements the National Institute of Agricultural and Livestock Forestry Research (Inifap), due to the high cost of the certified seed.

They also requested that the rules of operation for the support Production for Welfare, Agriculture by Contract and Gathering of beans and corn, do not have the cap of 20 hectares or 15 tons, because they leave out those who actually produce to guarantee food sovereignty.

Finally, the Secretary of the Field reported the progress that the certification of a thousand hectares of organic beans takes, with which they hope to reduce production costs and increase profitability and improve sales prices.

Express Zacatecas <https://www.expresszacatecas.com/municipios/42230-dan-el-seguro-agricola-catastrofico-en-fresnillo-y-valparaiso>



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México

The Ministry of Rural Development will maintain agricultural insurance for 200 million pesos.

In the Mixteca they analyze the creation of dams and water containment boards
The Secretariat of the Ministry of Rural Development will maintain agricultural insurance for 200 million pesos

The Ministry of Rural Development implements actions to prevent damage to the Poblano countryside due to drought.

The head of the agency, Francisco Rodríguez Álvarez, reported that they work in coordination with the producers they support with the delivery of more resistant seeds and specialized machinery, as well as training in methods to store more moisture in the soil.

He also said that they will maintain the agricultural insurance of 200 million pesos, to ensure the cultivation area.

"Make an effort with them, as far as possible we will continue with all the arable area insured, we do not want accidents with the issue of drought, we will maintain agricultural insurance despite the reduction of the percentage of the federal budget," he said.

Francisco Rodríguez pointed out that in the Mixteca they analyze the creation of dams and water containment bridges.

Puebla Noticias <http://www.pueblanoticias.com.mx/noticia/la-secretaria-de-desarrollo-rural-mantendra-el-seguro-agricola-por-200-mdp-152613/>



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México

SEFOA delivery support to producers affected by agricultural incidents

The Secretariat of Agricultural Development (Sefoa), in coordination with the Ministry of Agriculture and Rural Development (Sader), made the delivery of support to producers in the northwestern area of the state that were affected in their crops by accidents that occurred last year .

José Luis Ramírez Conde, owner of the Sefoa, announced that with this fourth delivery of support benefited about 800 producers who presented damage to their production due to phenomena such as drought.

Ramírez Conde explained that in order to provide timely support to families who depend on agricultural activities and as a result of the management carried out by the State Government, the delivery of resources began at the end of 2018 so that producers could recover the investment what they did.

The Secretary of Agricultural Development explained that to access this benefit, producers must submit their request for support to the Ejidal Comisariado, who is authorized to carry out the management, accompany the insurer during the trips to determine the degree of affectation in the crops and validate the records.

In his opportunity, Juan Pedro López Bernal, corn producer of the municipality of Apizaco, recognized the timely delivery of the insurance and invited the ejidatarios to comply in a timely manner with the requirements of the program to avoid delays in the payment of the supports.

With this delivery, producers of Atltzayanca, Apizaco, Atlangatepec, Benito Juárez, Hueyotlipan, Ixtenco, Muñoz de Domingo Arenas, Sanctórum, Tlaxco, Terrenate, Calpulalpan, Emiliano Zapata, Españita, Huamantla, Ixtacuixtla, Tecopilco, Tetla de la Solidaridad, Xaltocan y Cuapiaxtla were benefited.

With these actions, the State Government accomplish punctually with the support of agricultural insurance to offer better conditions to producers who suffered damages due to weather conditions.

Desde Puebla <http://desdepuebla.com/2019/03/25/entrega-sefoa-apoyos-a-productores-afectados-por-siniestros-agropecuarios/>



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México

Cañeros de Veracruz will receive Agricultural Insurance

As part of the agreements that they have with the Ministry of Agriculture, the information meetings for sugarcane producers began to raise awareness of the benefits of Agricultural Insurance. The president of the Local Union of Producers of CNC Cane of Central Potrero, José Luis Gordillo, explained that this mechanism starts at the Central Potrero, Providencia and Central Motzorongo mills, and includes life insurance for up to 40 thousand pesos and against climate risks, among others.; and will be launched as of April 30. Reported that the workers have a month to deliver the documentation and register to the register of the SADER; that in the case of Potrero, more than 4 thousand producers are adhered to.

The president of the Local Union of Producers of Cane CNC of Central Potrero, José Luis Gordillo, explained that this mechanism starts in the sugar mills Central Potrero, Providencia and Central Motzorongo, and includes life insurance for up to 40 thousand pesos and against climate risks, among others.

Among the requirements are presenting INE credential, CURP, birth certificate and parcel certificate, in case of not having the latter, any type of lease document issued by the president of the Ejidal commission, you can access this benefit. On its operation, he explained that if, for example, after April 30, which is when they are insured, there is a drought that affects their crops, they will receive financial support; "The insurance covers from one hectare to 20 hectares". Also, he clarified that the accidental canes for cutting, do not enter this program, because it is part of the same harvest. Asimismo, aclaró que las cañas accidentales para el corte, no entran en este programa, porque es parte de la misma zafra. He explained that this benefit is part of the agreement between his national leader, Daniel Pérez Valdés and SADER, and will begin with the aforementioned sugar mills to expand it little by little to other sugar mills in the country.

Al Calor Político <https://www.alcalorpolitico.com/informacion/canieros-de-veracruz-recibiran-seguro-agricola-284536.html#.XJv3X5hKjIU>



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México

Governor meets Nochistlán with the delivery of educational equipment and catastrophic insurance for the field.

The Governor Alejandro Tello meets Nochistlán with the investment of more than 14 million pesos to equip the Higher Technological Institute of the municipality, to deliver catastrophic insurance to producers of corn whose harvest was damaged and to start a TIF trail.

On a work tour, the president delivered to students and teachers of the Higher Technological Institute of Nochistlán, equipment that will allow quality certification for five careers, since with the investment of 14 million 423 thousand pesos, now they will have the laboratory they needed to achieve it

"We want a new reality for the state, that you stay here because today Zacatecas has opportunities to be the first generator of jobs in the country and therefore, we bet on education with the delivery of this team that will strengthen the careers that are suitable to the demands of the market and industry", said Alejandro Tello.

In this sense, he gave the Nochistlán Superior Technological Institute furniture, Mac computer equipment, audiovisual, a drone, a machining center and a milling machine, as well as equipment for industrial engineering, architecture and for agricultural innovation. Alejandro Tello considered that having decent and sufficient educational furniture will always be an indispensable factor to achieve a quality education and strengthen the Technological where 560 students study. "In educational infrastructure and equipment we are fulfilling," said the president, detailing that in the two and a half years of his administration have intervened thousand 312 schools and have equipped 400 schools, with an unprecedented investment of 941 million pesos and it is about to reach one billion.

On this occasion, the benefited students of the Nochistlenses are of the degree in architecture and the engineering in administration, industrial, computer systems and agricultural innovation.

In addition, the president pledged to invest for the construction of a well that supplies water to the institution The director of the campus, Julio César Flemate Ramírez, explained that the accreditation of the areas had not been possible because they lacked a laboratory, but thanks to the support of Governor Tello, they will now be able to obtain it. It benefits producers with catastrophic insurance. Later, the Governor paid 50 corn producers, 1,500 pesos for each hectare damaged due to climatic catastrophes. This, through the Catastrophic Agricultural Insurance with which the Imandatario covered a coverage of 239 hectares. In this regard, he stressed the importance of insurance, thanks to which, farmers can face losses from their harvest. "With this delivery of checks, and in general, on this tour, I want to tell the Nochistlenses that they are not alone, that we are here to walk together and to gradually solve their needs," he said.

ZHN <https://zhn.com.mx/2019/03/28/gobernador-cumple-a-nochistlan-con-la-entrega-de-equipo-educativo-y-seguros-catastrofic-para-el-campo/> 3/6



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Perú

Government evaluates agricultural insurance co-financed for 30,000 small and medium-sized producers

The president of Apeseg, Eduardo Morón, hopes that talks with the SBS and Minagri will allow for an agreement this year.

Commercial agricultural insurance would allow small and medium farmers to have protection against possible disasters, such as the consequences of the El Niño Phenomenon, through co-financing from the State. The president of the Peruvian Association of Insurance Companies (Apeseg), Eduardo Morón, hopes that "this year the issue can be closed", after two years of talks with the Ministry of Agriculture (Minagri) and the Superintendency of Banking, Insurance and AFP (SBS).

Unlike the Catastrophic Agricultural Insurance (SAC), which has a 100% state coverage and is intended for producers with fewer resources in eight departments of the country; the insurance under evaluation would be aimed at small and medium producers, who would pay part of the premium. According to information from Apeseg, the beneficiaries would be about 30,000 farmers in the country.

"In the commercial agricultural insurance, we are proposing that the Minagri subsidizes a part of these insurances, of people who have slightly larger or more diversified properties, but who are still very exposed to climatic risks," said the owner of the Apeseg Gestion.pe."

The Apeseg proposes that a greater subsidy be given to those farmers who contract the service for longer terms, than to those who "opportunisticly" only resort to it when a disaster occurs. Under this proposal, the State should provide a greater subsidy to those who take a product that will be contracted multi-year (for the next three years, for example), than who makes an annual contract.

On the other hand, the SAC (which provides coverage only to certain crops, from producers with fewer resources) is applied in eight departments of the country, since it was only temporarily extended to 12 departments in 2017, before the El Niño Phenomenon; but Morón believes that could be extended if the regional governments assume part of their financing, "because finally, in the face of a catastrophe, what ends up affecting is the economic life of the regions."

Gestión <https://gestion.pe/economia/gobierno-evalua-seguro-agrario-cofinanciado-favor-30-000-pequenos-medianos-productores-261156>

Perú

Insurers resist rain and frost

The rains and frosts have preliminarily affected 10% of the cultivated agricultural area, equivalent to 429,000 hectares. Of these, only 0.92% have received compensation for S / 2.5 million. Low coverage before these climatic events opens opportunities to the insurance market.

The rains this summer and the frosts recorded since November last year have caused losses in 429,000 hectares of crops nationwide. Only 0.92% of this area -3,960 hectares- has received compensation until the first week of March, according to the Ministry of Agriculture and Irrigation (Minagri). According to La Positiva Seguros and Pacífico Seguros, the damages reach a value greater than US \$ 1.6 million, a figure significantly lower than that reported in 2017. These weather events would not boost catastrophic risk premiums in the short term. Insurers see an opportunity for growth through penetration and specific instruments such as commercial agricultural insurance, aimed at medium and large farmers.

THE 'RESISTANCE' OF THE INSURERS

The insurance market is already responding to catastrophes. Thus, La Positiva Seguros reported 90 claims linked to the rains this year. The damages, concentrated in Tacna and Arequipa, represent a value to be compensated for US \$ 1.08 million. The accident rate is concentrated in fires and allied lines (63%), which include floods, rains and earthquakes, as well as in agricultural insurance (19%), said Gonzalo Valdez, manager of the actuarial technical division of the company.

In the same line, Pacífico Seguros has reported 60 claims to the first week of March for an approximate value of US \$ 640 thousand and it is estimated that the amount would rise because some claims have not yet been reported and the rainy season has not finished. The branches of patrimonial products and home insurance are the most affected, said Luciano Bedoya, general insurance and vehicle division manager of Pacífico Seguros. In the case of Mapfre, the insurer has 200 claims notices to date, said Felipe Ríos, director of the Risk Unit. The main branch affected is all-risk fire insurance, hired by financial institutions, he added.

COMMERCIAL AGRICULTURAL INSURANCE: AN OPPORTUNITY

In this context, agricultural insurance is a niche market with possibilities of expansion given the low level of insurance. Of the country's 4.15 million hectares of agriculture, only 14% are insured, according to Lourdes del Carpio, associate agricultural manager of La Positiva insurance. The 13% insured corresponds to the catastrophic agricultural insurance, subsidized in its entirety by the Minagri and directed to subsistence agriculture. The remaining 1%, aimed at agricultural exports and commercial agriculture, corresponds to commercial agricultural insurance, launched in 2013.

The latter protects the crops against climatic phenomena - rain, drought, frost - and ensures a percentage of the expected yield. Its loss ratio (payment for claims / premiums received) amounted to 49.26 in 2018, slightly above the 45.91 for general insurance. Currently Mapfre and La Positiva are the only companies in the market that offer this type of insurance. However, Pacífico insurance "has been studying with interest the possibility of entering this market," said Bedoya.

Executives believe that the expansion of commercial agricultural insurance coverage requires state support through subsidies. "The climatic risk for agriculture is quite expensive [Therefore] countries like Germany, Argentina and Chile are betting on the subsidy," said Del Carpio. Although this year the State will grant a subsidy of S / 15 million to subsidize commercial agricultural insurance, this would be insufficient, he added. Although this year the State will grant a subsidy of S / 15 million to subsidize commercial agricultural insurance, this would be insufficient, he added.

PREMIUMS AND STRATEGIES

Unlike other items, catastrophic risk premiums are governed by the international [reinsurance] market, indicate Ríos, from Mapfre, and Bedoya, from Pacífico insurance. Thus, particular events of national scope such as recent rains and frosts will not directly affect the cost of premiums. However, in the international insurance market there are upward pressures due to the increase in the level of catastrophes worldwide, Ríos added.

In fact, after the coastal El Niño (FEN) phenomenon of 2017, premiums were reduced, contrary to what was expected. This was due to a local event: all the insurance accounts competed, so they had to sacrifice costs to recover what was lost, said Gonzalo Valdez, of La Positiva insurance

From the climatic events of the last months, insurers will work on two pillars: the strengthening of the culture of prevention and the increase of care channels. In the case of La Positiva, a "more thorough analysis of streams and flood zones will be carried out," said Yuri Noriega, technical manager of the company. In addition, the insurer will promote prevention directly with farmers via text messages containing weather warnings and reminders. On the other hand, coverage of these insurances will be promoted through "a penetration strategy based on the proximity and implementation of offices at a national level," Ríos said. Along the same lines, Bedoya, from Pacífico, pointed out that "the industry has the pending task of continuing to build a preventive culture, simplify products and improve service channels".

Semana Económica <http://semanaeconomica.com/article/mercados-y-finanzas/seguros/338798-las-aseguradoras-resisten-las-lluvias-y-las-heladas/>

Perú

Apeseg: subsidized commercial agricultural insurance must be ready by April

Minagri has already approved a budget of S / 15,000,000 internally, which could benefit some 30,000 farmers this year, the association said.

The Government and the Peruvian Association of Insurance Companies (Apeseg) are fine-tuning the details for the implementation of the Commercial Agricultural Insurance - partially subsidized with public funds-, that would allow small and medium farmers to protect their crops from adverse events such as the El Niño Phenomenon, which leaves millions in losses in each of its steps. In April, the details of the agreement should be ready, said Apeseg Risk Manager Renato Bedoya.

"The MEF (Ministry of Economy and Finance) is currently working on the regulation. By the end of April, all the variables should be defined," Bedoya told Gestion.pe. The participants of this dialogue are still waiting for the results of a consultancy developed by the Inter-American Development Bank (IDB) and Agrobanco that will allow to know how many producers are in each zone and which are the most risky crops. This way the State will be able to determine how to distribute this subsidy.

As specified, the Ministry of Agriculture and Irrigation (Minagri) already approved internally a budget of S / 15'000,000, which in a first year will allow some 30,000 small and medium farmers across the country to secure their crops.

At present, only 13% of the crops are backed by the Catastrophic Agricultural Insurance, which only covers subsistence agricultural production in the poorest areas of the country.

Meanwhile, Commercial Agricultural Insurance, even entirely private and destined to small and medium scale production, barely covers less than 1% of this type of crop, according to Apeseg. However, the agricultural sector is one of the most vulnerable to the El Niño phenomenon: in 2017, losses in the sector in the north exceeded S / 850,000,000, according to reports from the regional agricultural directorates in March of that year. heavy rains..

This lack of protection is due in large part to the small profit margins of many small and medium farmers, which do not allow them to afford commercial insurance.

"For many small farmers, who do not have a significant profitability (may be 10%), it is very expensive to cover a commercial agricultural insurance, which has a rate of 5 or 6% approximately. So, it is important that the Government can co-finance this insurance premium. If the premium is 6%, the subsidy can cover 50% of the rate, then the farmer would pay a premium of only 3% ", explains Renato Bedoya.



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How does this insurance work?

While the Catastrophic Agricultural Insurance is paid 100% with public budget, it is destined to the production of subsistence and compensates the affected S / 600 for each hectare, the Commercial Agricultural Insurance indemnifies the farmer according to the amount invested in the crops and the degree of affectation that they have registered.

The premium is calculated by a rate (usually 6% or less) applied to the average cost per hectare. "If this average cost is S / 7,000 and you have a 6% insurance rate, then the producer would have to be paying S / 420 premium. If the subsidy is 50%, the Government will pay S / 210 and the other S / 210 will pay them," said Bedoya as an example.

The commercialization of these insurances would mainly be carried out by small financial institutions, such as rural banks, municipal savings banks and Agrobanco, which could offer the insurance along with the loan for agricultural production. However, Apeseg does not rule out the implementation of other marketing channels.

Gestión <https://gestion.pe/economia/apeseg-seguro-agricola-comercial-subsidiado-debe-listo-abril-261953>

Perú

La Positiva enlists insurance for agroexport

The insurance company is developing policies to cover climate risks in export fruit trees. They seek to expand distribution channels beyond the boxes

Since 2014, the company has entered the agro-export segment with the plant death policy.

The insurance company La Positiva is moving towards what it considers the third phase of agricultural insurance in Peru. With a presence in the Catastrophic Agricultural Insurance (SAC) since its implementation in 2009 and in the commercial agricultural insurance -channelized through rural banks-, the firm's next bet is to accelerate the development of policies for the agro-export sector.

According to Lourdes del Carpio, deputy manager of agricultural insurance for the company, the trigger for the need for this type of policy was the coastal El Niño (FEN) phenomenon of the summer of 2017, which in the north affected mostly grape plantations. (production fell 10% in that area). "He has become aware of the exposure to this risk," he says in an interview with Día1.

In effect, from 2014 to date, the company has entered the segment with only one product: the flood plant death policy. The sales of this insurance went up after the FEN, registering an increase of 77% in 2018.

In this sense, in the medium term, the insurer's goal is to structure tailor-made insurances aimed at covering three fronts: the productive chain affected by climatic risks that becomes a breach of programs. In quality, which can have an impact on the return of the business; and the price. "Sometimes because of the weather, the harvest is delayed and it does not reach the expected price in the market anymore," he says.

Evolution of the death insurance for La Positiva plant 2014-2018

He explains that in order to position themselves among the agro-exporters, they will design multi-year insurance for a minimum of 3 years. "The idea is to take out the insurance when none of the parties knows what will happen climatically," he says. This, he notes, would reduce the cost of the premium.

According to Del Carpio, this year they will work with technicians from agro-export companies in the design of insurance, with the aim of starting to market them in 2020

NEW CHANNELS

On the subsidy of S / 15 million that the government will allocate to the commercial agricultural insurance from this year, it thinks that it will allow to spread the assurance of the credits to producers.

In this regard, it indicates that it will encourage insurers to look for new channels of distribution beyond the boxes, such as cooperatives, associations and water user boards. "Reaching the small farmer one by one from the insurer is practically impossible, so we have to think about different channels," he says.

El Comercio <https://elcomercio.pe/economia/negocios/positiva-alista-seguros-agroexportacion-noticia-620425>



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Perú

Coverage of the Catastrophic Agricultural Insurance would be evaluated by districts and not by regions

According to the Minagri, the coverage of subsistence agricultural crops would reach new districts of additional departments to the eight in which it is already located. The Catastrophic Agricultural Insurance is intended to protect subsistence crops, unlike Commercial Agricultural Insurance.

The Ministry of Agriculture and Irrigation (Minagri) will decide, at the end of April, the new distribution of Catastrophic Agricultural Insurance (SAC) coverage, which is fully subsidized by the State in order to protect subsistence agriculture in the areas of greater poverty in the country, in the face of possible disasters caused by climatic factors, such as the El Niño Phenomenon.

In order to incorporate zones in other departments, in addition to the eight where the SAC is currently located, the Minagri has a budget of S / 45'000,000 this year, that is, S / 10'000,000 in addition to the amount allocated the previous year. for this type of insurance. When registering losses due to disasters in crops that have SAC coverage, the insurer compensates the farmer with up to S / 650 for each devastated hectare.

In agreement with the producers, the Minagri evaluates the effectiveness of the insurance coverage in the face of the heavy rains registered in the first months of the year, according to the vice minister of Agrarian Policies, William Arteaga Donayre, to Gestion.pe, after his participation in the "20 ° AgroExportador Lunch", organized by the Association of Exporters (ADEX).

"The insurance performance has been evaluated throughout this campaign. You have to see how many it has benefited in the emergency period, what the failure would be, how it could be improved. Depending on that, you will know if it is okay or if you have to make changes," he said.

One of the main points to be evaluated will be the selection of the zones, since, for example, Junín does not have SAC coverage, because the per capita income in this department is above the poverty average, but there are areas in that department that yes they would meet the criteria to have this insurance.

"What we had seen was how to identify some districts, some areas, that could have low per capita income, which we could be covering, even though the department itself has higher incomes. What we want is to discriminate by district," he explained, as well as specifying that by the end of April the new insurance distribution must have been defined.

España

Agroseguro and the Eureka Foundation continue with their agrarian training project in Burkina Faso

The initiative is part of the agreement signed in June 2018 between Agroseguro and the Eureka Foundation. In addition, they participate the Polytechnical School of the Almunia (center assigned to the University of Saragossa), the Third World Aid Association 'José Antonio Marín', from Calatayud, and the Polytechnic Agricultural School of Bobo-Dioulasso, in Burkina Faso.

The Spanish Association of Insurance Entities of Combined Agricultural Insurance (Agroseguro) and the Eureka Foundation continue with their agrarian training project in Burkina Faso, which aims to promote the professional insertion and self-employment of young people in agriculture in a country heavily affected by hunger and chronic vulnerabilities, such as droughts, floods or epidemics. This is the first Corporate Social Responsibility (CSR) action carried out by Agroseguro - more focused on donations before - and started in early December, with a group of 20 young people between 25 and 30 years old.

The course lasts 168 hours and a total of 15 subjects. Classes are held two days a week and, in them, students are trained in agricultural matters and learn, among other issues, about economic management, cooperativism, irrigation systems or product marketing, with the aim of making the most of qualities of the land that this African country offers. In addition, the new information technologies of the University of Zaragoza have been made available through the Moodle platform -a learning management tool- in a classroom located in Bobo-Dioulasso, where the Online training.

This initiative is part of the agreement signed in June 2018 between Agroseguro and the Eureka Foundation and more than 100 people collaborate, mainly Agroseguro staff, who volunteer their free time to share their knowledge and experiences for the development of the training of these 20 young boys. He also participates as representative in Spain of the Eureka Foundation, the Third World Aid Association 'José Antonio Marín', of Calatayud, and as a local partner, the Polytechnic School of Bobo-Dioulasso, in Burkina Faso.

Agroseguro

The Spanish system of Combined Agricultural Insurance offers coverage to the agricultural sector in the face of damages caused to agricultural and livestock production by accidents of diverse nature. The extreme and changing climatic conditions that occur continuously and the damaging effects they have on crops show the convenience of protecting farms with agricultural insurance that can cope with these situations.



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http://www.lacomarcadepuertollano.com/diario/noticia/2019_03_19/58

España

Farmers ask for improvements in rice insurance

The Valencian Association of Farmers (AVA-ASAJA) has asked the Territorial Commission of Agricultural Insurance of the Valencian Community to transfer to ENESA - the state entity under the Ministry of Agriculture in charge of preparing the annual plans for agricultural insurance - and Agroseguro - the grouping of insurance companies - a formal request aimed at introducing a series of improvements in the contracting modalities established in rice cultivation.

The main reason that leads this agrarian organization to take this request in favor of rice farmers is the fact that during the last years the rice insurance, within the line of extensive herbaceous crops, has obtained positive results for the companies, a circumstance that gives them a sufficient margin of maneuver at the time of being able to materialize in the future contracts the claims that AVA-ASAJA proposes.

The requests formulated by the agrarian organization basically focus on three essential points: first, it is claimed that a downward revision of the insurance policies be applied for those rice farmers that choose to subscribe it, while in the second term it is demanded to advance the coverage for damages caused by the fauna at the time of sowing instead of continuing to apply the criterion currently in force and that only includes and includes those damages when the plant has three leaves.

Finally, the third of the requests refers to the need to also include, among the coverages provided by the insurance, the costs caused by the replanting of those areas that have been negatively affected by the incidence of fauna, a common practice between the growers with whom it is persecuted as much to diminish those damages as to avoid the called effect that that surface that already has undergone the attack of the avifauna has on the animals.

"We think it is fair" says the president of AVA-ASAJA, Cristóbal Aguado, to apply rational criteria in the design of future plans for rice insurance, since the balance between costs and results obtained by said crop in recent years has been positive. Therefore, it would be a wise decision and an act of responsibility to lower the cost of the policies that rice farmers will sign next year, especially taking into account the loyalty to the agricultural insurance system that has always been accredited by this sector".

El Periódico https://www.elperiodic.com/agricultores-piden-mejoras-seguro-arroz_613259



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España

Catalunia will increase its contribution to agricultural insurance for young people and professional farmers by 2%

The Department of Agriculture of the Catalan Government has confirmed to Young Farmers and Cattle Ranchers of Catalonia (JARC) that is committed to increase by 2% the regional subsidy aimed at professional farmers and young people to facilitate the contracting of agricultural insurance. This increase will mean a cost reduction of more than 5%.

The Catalan agrarian organization has been claiming improvements for these two groups for years and this was transferred to the Minister of Agriculture, Teresa Jordà, during the last bilateral meeting held on December 20 last year.

Subsequently, on January 22 of this year, JARC reiterated the written request to Agriculture, arguing, among others, that the people who join the agricultural activity had to pay 10% more than the rest of the producers in the hiring of the agrarian insurance for the fact of not having previous history. In this sense, the agrarian organization celebrates the improvement, but maintains the negotiations with Agriculture to avoid damages to the entrepreneurs.

The representatives of the producers have also defended to increase the support directed to the professional farmers in all the scopes, since they consider them key to assure the production of foods, watch over the maintenance of territories of high environmental and social value and increase the activity economic development of rural areas.

Agro Información <http://www.agroinformacion.com/cataluna-incrementara-un-2-su-aportacion-a-los-seguors-agrarios-para-jovenes-y-agricultores-profesionales/>