



**alasa**

Asociación Latinoamericana para  
el desarrollo del Seguro Agropecuario



# **Newsletter Agro Insurance No.30**

May 27, 2019

Argentina Agricultural Insurance: 57% of the beneficiaries reside in the South

From the provincial government they announced that the final delivery of Agricultural Insurance checks in the province was reached and the numbers show that the vast majority of the beneficiaries correspond to the South zone. In total, 2,387 producers from all over Mendoza were registered, who registered losses of between 50% and 90% due to hail or frost.

The most extensive payroll is that of the adherents of the South oasis, since it includes 1,367 beneficiaries. The payments of the East zone reached 272 producers; in the Uco Valley there were 14 and in the northern departments also 14 producers.

In this way, the provincial South has 57% of the beneficiaries of the insurance, which makes it the area most affected by the climatic contingencies of the last season. The cancellation of payments for the season began on January 16 and was destined to the affected producers with 100% damage in climate events of December 2018. The Province disbursed about \$ 14 million.

The second payment was made on February 25, for a total of \$ 1.2 million, and included those who had suffered losses greater than 90%. The third payment included all the beneficiaries who had damaged their farms above 90%.The total amount was \$ 24 million and was deposited on April 3.

The last liquidation was destined to farmers who lost between 50% and 90% of their production. It was completed on May 3 and exceeded \$ 84 million.

With this agreement another closing season with positive numbers for the Agricultural Insurance is completed. The main objective of the compensatory payments that arrived within the established deadlines was widely fulfilled. The final figure deposited by the Province in the 2018-19 period is \$ 125,208,796.

Diario San Rafael <https://diariosanrafael.com.ar/seguro-agricola-57-de-los-beneficiarios-residen-en-el-sur-169224/>

---

## Brasil

Crop insurance reaches the Azores.

Farmers pay only 30% of the Premium

"Today is a historic day for agriculture in the Azores." Five years after the beginning of the PRORURAL + insurance of the harvest in the Azores, "the regional secretary of Agriculture and Forestry, João Ponte, at the presentation session of the Harvest Insurance System, on the island of San Miguel.

The farmer only has to bear 30% of the cost of the insurance premium.

The regional secretary of Agriculture and Forestry announced on May 13 that farmers of the Azores can now make crop insurance to protect their crops and their yield from adverse natural phenomena, a "process that demanded a lot of determination and commitment" from the Regional Government to become a reality.

With the Agricultural Credit Insurance

The governor stressed that what competed the Regional Government and Agricultural Credit Insurance (Caixa Agricultural Credit Group) "is done and well done", being that now the challenge is on the side of farmers and producer organizations.

João Ponte stressed that the fact that in the safe Azores harvest can promote risk management in agriculture, compensate and minimize losses caused by adverse weather events, as well as protect the performance of agricultural activity.

The regional secretary of Agriculture and Forestry understood that this way a good response to climate change was created, which means a greater risk associated with agriculture.

The farmer pays only 30% of the Premium

"For the Government of the Azores, crop insurance is a good measure for farmers, since it reduces exposure to adverse natural phenomena," said João Ponte, adding that the farmer can only bear 30% of the cost of the insurance premium.

In addition, João Ponte said, crop insurance ensures compensation to the farmer, whose activity is affected by adverse phenomena and that destroy more than 20% of their production.

Policy tested in Madeira

"The Government of the Azores considers that it is a good policy, which was already tested in the open air that affected the banana production in Madeira in 2018," said the president, adding that the application of crop insurance in the Azores is also "the commitment, determination and persistence of the Regional Government in making available another instrument at the service of the agricultural sector and farmers.

For João Ponte crop insurance, which will now be implemented for the first time in the Azores, should be addressed by farmers not as a cost for their activity, but as a protection to their performance.

Agricultura y Mar <http://agriculturaemar.com/seguro-de-colheitas-chega-aos-acoeres-agricultores-pagam- apenas-30-de-premio/>

---

## Brasil

AIG Insurance expands action in the agricultural sector with covers to agricultural machinery

Within the framework of the opportunities and expectations of the resumption of the agricultural sector in Brazil in 2019, AIG Seguros, one of the leading organizations in the international securitization market and with 70 years in Brazil, is expanding its activities in the area of agribusiness with the Insurance Equipment Green Line. The product includes planters, harvesters, harvesters, sprayers, among other equipment used in the sector.

The insurance covers losses and damages caused to equipment directly related to agricultural and forestry activities, in the event of an external cause accident, in addition to fire, total or partial collapse of the place where the equipment was located. Among the coverages are also robbery and robbery qualified, nature events, and others occurred during its operation, stay and transfer, according to the general conditions.

"In addition to the basic coverages, we manage to customize the policies according to the characteristics and activity of the insured," explains Martin Molla, leader of the Transport Sector (Marine) at AIG. This is due to the fact that green line equipment insurance can be used both for the producer that owns the machinery and for companies with their own fleet available for rent, covering equipment that was not offered as a guarantee of rural credit operations.

"We managed to include additional coverage for rented equipment and those that can be rented to third parties, including to cover losses and non-payment," said Molla. "Another differential is for operations in the vicinity of water and the ascent".

For brokers, the AIG insurance oriented to the green line is more an opportunity to diversify their portfolio. "The agribusiness moves billions from year to year, and the producers of different sectors and entrepreneurs of the sector are always looking for the best products and cutting edge technology for more productivity and security in their lands. We are in frequent contact with brokers from different regions of Brazil for presentation and training on our products so that they can offer the best coverage and the AIG experience in large risks to customers in that segment," says Martin Molla.

In addition to the adequate coverage for the agricultural sector, the AIG equipment insurance also covers the machinery used in large constructions (yellow line), such

as power transmission works, wind farms, open-pit mining operations, airports, shopping centers, others. The aim of the product is to guarantee from smaller equipment such as forklifts, platforms for work at height, to heavy equipment such as excavators and loaders commonly used in large infrastructure works.

Segs <https://www.segs.com.br/seguros/172226-aig-seguros-amplia-atuacao-no-setor-agro-com-coberturas-a-maquinario-agricola>

---

## Brasil

The private sector discusses proposals to strengthen insurance

The Consultative Commission of the Private Entities of the Rural Insurance Prize Grant Program discussed this week the proposals of the private sector to strengthen agricultural insurance in the country. The meeting took place in Brasilia, at the headquarters of the Confederation of Agriculture and Livestock of Brazil ("CNA"), which is the school's coordinator.

"Two points are very important in the current situation: the private sector needs to be a protagonist and rural insurance needs to be attractive and not mandatory," said Pedro Arantes, coordinator of the Commission and market analyst of the Federation of Agriculture and Livestock of Goiás (Faeg) .

Arantes stressed that, in the short term, the current model of Brazilian rural insurance progressed if there was regularity and predictability in the government resources allocated to the subsidy. "In addition, the lack of transparency about whether the producer benefits or not with the subsidy is also an inhibitor of that market".

For the group, the structuring proposals for the Brazilian rural insurance model, despite being different, present converging points. "Being a risk mitigator, rural insurance should provide a lower interest rate on financing to producers that do so," said Pedro Arantes.

"Es importante entender el momento en que estamos demandando ese tipo de discusión, pues todo está cambiando, tanto el crédito y la economía. "Necesitamos, por lo tanto, tener nuevas propuestas para el crédito rural, siendo el seguro a base de ese nuevo modelo", comentó Antonio da Luz, vicepresidente de la Comisión de Política Agrícola de la CNA.

Fernanda Schwantes, technical advisor to the Agricultural Policy Commission of the Confederation, said that soon CNA will release the study that estimates the real demand for rural insurance.

"Based on this study, it will be possible to propose to the government more precisely what is the amount of resource needed for the subsidy, taking into account the specificities of crops and insurance products available in the market".

The Advisory Committee is formed by the CNA, the National Federations of Reinsurance Companies (Fenaber), Rural Insurance (Fenseg), the Private Insurance and Reinsurance Brokers, Capitalization, Private Pension, Insurance Brokerage Companies and Reinsurance Fenacor), Organization of Brazilian Cooperatives (OCB) and Pensar Agro Institute (IPA) of the Parliamentary Front of Agriculture (FPA).

#### Noticias Agrícolas

<https://www.noticiasagricolas.com.br/noticias/agronegocio/236074-setor-privado-discute-propostas-para-fortalecer-seguro-rural.html#.XOiGhBRKjIU>

---

Colombia

Caldas is a model in insurance of the agricultural and livestock sectors

As an example in the country highlighted the Vice President of Agricultural Guarantees and Risks of Finagro, Jorge Eduardo Soto, the leadership of the Governorate of Caldas, through the Ministry of Agriculture, so that farmers and field workers protect their investments against adverse climatic effects and that can affect agricultural and livestock processes, which occur in our territory.

The official highlighted the participation and the intention of the department to protect and accompany the entrepreneurs of the field and called for all the departments of the country to have as a reference to Caldas and provide assurance tools to producers.

"I want to highlight the process that the Government and the Ministry of Agriculture is carrying out. It is perhaps the best tool to protect the investments of the producers, because these insurance cover all types of crops of short and late yield, all livestock activities, poultry, swine, before phenomena such as excessive rainfall, floods, frost, landslides and also phytosanitary risks such as diseases and pests, "said Soto Mejía.

The Secretary of Agriculture and Rural Development, Carolina Gómez Ramírez, invited the producers to come to the Secretariat and learn more about the benefits of securing their crops, shielding their investments and being part of this process led by Caldas in favor of the agricultural production, livestock and also food security.

Mapfre, La Previsora, Insurance Bolívar, Allianz, Sura and ProaAgro are the 6 insurance companies interested in protecting the investments of the agribusiness of Caldas.

The National Government covers between 50% and 90% of the production and the Government of Caldas takes care of the remaining 10%. The producers will only have to pay VAT.

BC Noticias <http://www.bcnoticias.com.co/caldas-es-modelo-en-aseguramiento-de-los-sectores-agricola-y-pecuario/>

---

Costa Rica

Costa Rica government creates commission for the development of crop insurance

The Government of Costa Rica today created the Coordinating Commission for the Development of Crop Insurance in order to coordinate inter-institutional efforts in order to achieve efficiency, coverage and massification of agricultural and aquaculture insurance.

The coverage of agricultural insurance in Costa Rica represents only three percent of the area of agricultural use, which makes evident the urgency of promoting the use of these insurance throughout the national territory, as part of the processes of the necessary risk management associated to agricultural activity, said President Carlos Alvarado.

Alvarado made that announcement in the celebration of the Costa Rican Farmer's Day, held in the Old Market of Ciudad Colón, where they also presented the National Medal for Agricultural Merit to the young producer Jesús Murillo, from Upala; and the Integral Development Association of Río Jesús, of San Ramón, made up of women.

The president said that expanding the crops with the National Insurance Institute is a mechanism not only to protect the producer in the context of climate change that we face, but also to facilitate access to credit, which is fundamental for the economic reactivation in the regions.

The Minister of Agriculture and Livestock, Renato Alvarado, said that "we are determined to safeguard the agricultural production of the country, to protect it within the framework of permitted legality, with innovative tools such as crop insurance."

He considered that it is not the same for a producer to have insurance that guarantees that if he loses his harvest due to some climatic event, he will have to leave with afloat, without having that support.

La Prensa <https://www.prensa-latina.cu/index.php?o=rn&id=276897&SEO=gobierno-tico-crea-comision-para-el-desarrollo-del-seguro-de-cosechas>

---

Costa Rica

Commission seeks to "massify" agricultural insurance of 3% of current coverage

A new commission will help extend the use of agricultural insurance, which currently covers 3% of the area of agricultural use, according to President Carlos Alvarado..

The Coordinating Commission for the Development of Crop Insurance will promote the use of insurance to protect producers in the face of climate change and facilitate their access to credit.



Achieving efficiency, coverage and massification of agricultural and agricultural insurance will be the goal of the commission that includes representatives of the Ministry of Agriculture, National Insurance Institute, private insurers, and university students.

La República <https://www.larepublica.net/noticia/comision-busca-masificar-seguros-agricolas-del-3-de-cobertura-actual>

---

Ecuador

Producers of Tipococha receive seeds of potato and a subsidy to have an agricultural insurance

Ten kits of potatoes were given to the inhabitants of the community of Tipococha of the Zhud parish, which belongs to the canton of Cañar, for the planting of a little more than eight hectares of fertile land.

The delivery was made by the technicians of the Ministry of Agriculture and Livestock, who execute the seed plan to improve production..

The kits are valued at \$ 2,000 and each contains 30 quintals of potato seed, 24 bags of fertilizer and agrochemicals to control pests and diseases.

Tipococha is one of the most remote and difficult-to-access communities in the province, said Juan Pablo Brito, district director of the Ministry in Cañar.

In addition, the residents receive a subsidy to have an agricultural insurance and "thus take care of our production," said one of the beneficiaries, José Angamarca.

El Tiempo <https://www.eltiempo.com.ec/noticias/region/12/productores-de-tipococha-reciben-semillas-de-papa>

---

México

Delivery Sedarpa 2.3 mdp Catastrophic Insurance in José Azueta

The Secretariat of Agricultural, Rural and Fishing Development (Sedarpa) made the payment of the Catastrophic Agricultural Insurance for an amount of 2 million 399 thousand 750 pesos, for the benefit of one thousand 102 producers, whose thousand 570 hectares were damaged in municipalities in the south of the state.

So far in the present administration, SEDARPA has paid the Insurance in Misantla, Sotepan, Actopan, Comapa, Coscomatepec, Paso de Ovejas, Villa Aldama, Acayucan, Manlio Fabio Altamirano, Camarón de Tejeda, Soledad de Doblado, Huayacocotla, Jesús Carranza, Chinameca, Las Vigas, Coatzintla and Cosoleacaque.

The head of the unit, Eduardo Cadena Cerón, informed that the resources were paid through the Undersecretariat of Agricultural Development, during four work meetings, within the framework of the Program of Support to Small Producers and under the component of Attention to Agricultural Losses , corresponding to the spring-summer 2018 cycle.

In Uxpanapa, 125 checks were delivered for 211 thousand 500 pesos, for 141 hectares; in Jáltipan, 295 beneficiaries received 520 thousand 500 pesos, which cover 347 hectares; in Vicente Beach, 235 checks for 917 thousand 750 pesos, for 582 hectares, and in José Azueta, 750 thousand pesos, in support of 447 people and 500 hectares.

El Demócrata <https://eldemocrata.com/entrega-sedarpa-2-3-mdp-del-seguro-catastrofico-en-jose-azueta/>

---

México

Jimenez Merino promotes crop loss insurance

When visiting the main streets of this municipality, as well as those of Nopalucan and Soltepec, the Institutional Revolutionary Party (PRI) candidate for governor, Alberto Jiménez Merino, offered his support to the producers of the area with the start-up of insurance against crop losses.

Through a statement it was indicated that the standard bearer highlighted his objective of strengthening the production of the field through this insurance, as well as providing more support for planting, for machinery, training and advice so that farmers can carry out their crops.

"A new beginning is a commitment with the farmers, so that they have the support they need for sowing, for cultivation, for harvests, for sale, for machinery, training and advice, to produce and sell better, because now that there are problems with droughts and with the weather, we can have the insurance that allows recovering resources when there are natural losses, "he said during his visit to Nopalucan".

In the auxiliary meeting Álvaro Obregón, belonging to Soltepec, Jiménez Merino said that as governor, the first priority actions for this municipality will be the dignification of the Vicente Suarez Bachillerato and the Telesecundaria of the town: "As governor of Puebla, I am committed to making the Vicente Suarez High School the first thing we begin to attend here in Obregón; when we turned around we saw that the telesecundaria has the walls of its dining room, but it has not finished the walls yet and it still does not have the roof. "The bachillerato and telesecundaria should be the priority jobs we should be doing," he said.

The candidate of "the walks" later toured San José Chiapa and Mazapiltepec, accompanied by supporters of "A new beginning", with whom he talked about the main needs of the region and the possible solutions to be implemented, to reach the state government.

e-Consulta <https://www.e-consulta.com/nota/2019-05-11/elecciones/promueve-jimenez-merino-seguro-contra-perdidas-de-cosechas>

---

México

Veracruz delivers Catastrophic Agricultural Insurance payment

Sedarpa delivered 291,000 pesos to repair 194 hectares damaged by the drought.

The Secretariat of Agricultural, Rural and Fishing Development (Sedarpa) delivered 291,000 pesos of the Catastrophic Agricultural Insurance to 96 corn producers, to repair 194 hectares damaged by the drought in Zentla.

During the second half of May, the payment of these resources will continue in the municipalities of Alto Lucero and Jalacingo, as part of the Support Program for Small Producers of the Agricultural Loss Compensation Component.

The owner of Sedarpa, Eduardo Cadena Cerón, recalled that in the state of Veracruz 667,600 hectares of crops are in this program; therefore, the entity occupies the fifth place at the national level by assured agricultural extension, after Michoacán, Puebla, Chiapas and Oaxaca.

With respect to protected crops, for the spring-summer and autumn-winter agricultural cycles, there are: corn, beans, rice, forage oats, zucchini squash, jalapeño peppers, beans, forage corn, potatoes, watermelon, tomato, tomato peel, peanut, chayote, jicama, sorghum and tobacco, among others.

While in perennial products: avocado, coffee, cane, guanábana, lemon, litchi, tangerine, mango, orange, papaya maradol, pineapple, vanilla, taro, banana, belle, tangelo, tangerine and grapefruit.

El Economista <https://www.economista.com.mx/estados/Veracruz-entrega-pago-de-Seguro-Agricola-Catastrofico-20190515-0106.html>

---

## México

### Propone Bonilla a viticultores migrar a seguro comercial

A total of 400 people received attention from the field secretary, Adolfo Bonilla Gómez, at the public hearing he held in Ojocaliente. Among the attendees were farmers, ranchers, wine growers, representatives of social organizations and heads of families whom the secretary heard, in addition to informing them about programs and supports.

The official offered the backing to the viticultores that had damages by frosts in 2mil 500 hectares, as well as to face to the climatic change that punished to this zone with frosts and hail during April and May. The proposal is to move from catastrophic agricultural insurance to commercial insurance that protects the investment with 50 thousand pesos per hectare, instead of the current coverage of 1,500 pesos per hectare damaged. In addition, Bonilla Gómez proposed financing to acquire technology packages, anti-hail nets and pergolas, according to a statement.

The secretary informed that after the publication of the Agreement of Coordination of the Government of the State and the Secretariat of Agriculture and Rural Development, they opened the windows to have access to the programs to acquire machinery and agricultural implements. On the other hand, the beneficiaries were grateful for the construction of the El Refugio and Los Bordos dam, and they requested the line of irrigation conduction and technification at a parcel level, in addition to the planting of fish. Heavy machinery both for the reconstruction of boards and for the settlement of decals, as well as for installing perimeter fences that protect livestock, were the most recurrent requests in the hearing.

In the public event, Bonilla Gómez signed three agreements with the municipal president, Daniel López: that of Concurrency with Municipalities, for 2 million pesos; the dereforestation, which includes the endowment of 6 thousand trees; and that of heavy machinery, for the repair of roads. Women asked for inclusion in productive activities; support for greenhouses of cactus, vegetables and vegetables; sheep-goat breeding feet; agricultural implements and support for the marketing of strawberry. The local Livestock Association demanded help for loads of thik baths, modernization of the equipment for the traceability program, as well as a pharmacy.

Imagen ZAC <https://www.imagenzac.com.mx/nota/164721-Propone-Bonilla-a-viticultores-migrar-a-2/2>

---

## México

### Government and producers that work to form a 350 mdp exchange to benefit the countryside

The coordination between the federal, state and municipal governments allowed the producers of the field to have a bag of 350 million pesos.

The Secretary of the Field, Adolfo Bonilla Gómez, informed that the Governor Alejandro Tello signed the agreement of Concurrence with Federative Entities with a budget of 97 million pesos, which added to the contribution of the small producers will make a bag superior to 220 million pesos.

While the program of Concurrence with Municipalities has a budget of 32 million pesos, which added to the contribution of 55 municipalities and that of the producers, add up to 128 million pesos.

When there is willingness and coordination, resources are multiplied to improve the conditions of rural families, assured Bonilla Gómez, who gave 51 support for machinery and agricultural implements worth two million pesos.

The municipal president of Noria de Angeles, Rosa Elena Flores Ruiz, acknowledged that the government of Alejandro Tello because their programs respond to the demands of the people; together with the beneficiary Fermín Hernández, he demanded to increase the stock exchange of the program with Municipalities to 2.8 million pesos.

In addition, they requested to the Secretary of the Field heavy machinery to improve the roads and the support to the producers who had losses in 336 hectares of vine with the frosts of the past 14 of April. In response, the Governor instructed to facilitate the conformation bikes and to commit themselves so that before the end of June deliver the checks of the Catastrophic Agricultural Insurance, for 600 thousand pesos.

#### Rescue resources for Fresnillo

On the other hand, the municipal president of this municipality, Saúl Monreal Ávila, acknowledged the will of the Secretary of the Field to rescue and expedite the delivery of two million pesos, the program in Concurrence with Municipalities of 2018, and meant 57 support in machinery and agricultural implements.

Saúl Monreal requested to double or triple those resources of the program in concurrence and undertook to work together with the other orders of government to strengthen agricultural activity.

He reported that they supported 231 producers through the Concurrence Program with Federal Entities; they delivered sunflower seed, barley and wheat to 420 producers for 2 thousand 500 hectares; technological packages, certified seed, biofertilizer in 177 hectares; and they delivered resources from the Catastrophic Agricultural Insurance to 55 winegrowers and 60 bean producers.

Asimismo, en Fresnillo avanza la tecnología y la modernización del riego en las comunidades de San Juan de la Casimira, El Ahijadero, Santa Rosa y la presa Leobardo Reynoso.

Fresnillo <http://fresnillo.com.mx/gobierno-y-productores-trabajan-unidos-para-formar-bolsa-de-350-mdp-en-beneficio-del-campo/>

---

## México

They receive producers of Alto Lucero Seguro Catastrófico.

The Secretariat of Agricultural, Rural and Fisheries Development (SEDARPA) delivered one million 050 thousand pesos of the Catastrophic Agricultural Insurance to 158 producers of Alto Lucero, who suffered damages due to the drought.

In this way, the payments of the Small Producer Support Program for the Agricultural Loss Component were covered, paying attention to corn, bean, jalapeño and zucchini crops.

Acrópolis Multimedia <https://acropolismultimedios.mx/reciben-productores-de-alto-lucero-seguro-catastrofico/>

---

## México

The amount of agricultural insurance in Michoacán decreased 30%

The State Government this year hired a catastrophic insurance for 115 million pesos to cover, as of June, more than 700 thousand hectares of agricultural activity and livestock producers.

This represents a decrease of 50 million pesos, 30 percent compared to last year, when it was protected between federation and state 994 thousand hectares with an investment of 165 million pesos.

Rubén Medina Niño, Secretary of Rural Development and Agrifood, pointed out the importance of agricultural producers being certain of their investment in the event of climatic events such as a flood, hail or rain.

"Michoacán is one of the first five in the country that has a very large area and coverage for agricultural insurance. Last year we had a compensation of 140 million pesos for severance payments," he said.

Medina Niño announced that for this year a technical study was carried out to find out which are the most vulnerable areas to be affected, so that precautions are also taken to avoid the occurrence of any type of catastrophe.

"With the machinery that the state has, we are working very hard to clean drains and channels, especially in the Bajío, the Ciénaga and the Apatzingán Valley. Last year we cleaned 250 kilometers," he added.

Quadratin <https://www.quadratin.com.mx/sucesos/disminuyo-30-el-monto-del-seguro-agricola-en-michoacan/>

---

Perú

Minagri will bring together catastrophic and commercial agricultural insurance in a single product

Minister Fabiola Muñoz points out that more than 90% of the beneficiaries are small producers and this subsidized insurance will be focused on meeting their needs.

Insurance aims to protect the economy of small farmers against disasters.

The Minister of Agriculture and Irrigation, Fabiola Muñoz, announced that her sector seeks to provide farmers with a single subsidized insurance to protect their crops from disasters such as the El Niño Phenomenon. This insurance would replace two differentiated products: the Catastrophic Agricultural Insurance (totally subsidized) and the Commercial Agricultural Insurance co-financed.

"I do not even know how to finally call (the insurance), but what I do know is that we have to have an instrument that allows the producer to be protected. We want it to be a single product, because we want to simplify the life of the producer," he said today.

Weeks ago, Muñoz had reported that it would restructure the Catastrophic Agricultural Insurance - which was totally subsidized by the State -, considering that its application was not effective for subsistence agriculture producers in eight regions, which it compensated with up to S / 650 for every hectare devastated.

A different product was the Commercial Agricultural Insurance, in which the State and the Peruvian Association of Insurance Companies (Apeseg) were working, which announced its implementation for this year. This product was going to be destined to small and medium farmers, who would have an insurance partially subsidized by the State to protect up to all the credits obtained for their crops, according to Apeseg a Gestion.pe in last March.

The minister said that 90% of farmers who require these types of insurance are small producers, so this product will be used to meet their needs.

"If I have insurance for one who has from one to three hectares and I have another one for the one who has three to five, what happens then if the producer also has crossed subjects in one type of insurance and the other? What I have to do is simple: have an insurance that serves me as a State to be efficient and above all that serves the producer to be served as it deserves," he added.

Finally, he indicated that the structure of the insurance will be decided based on the dialogue that the State holds with representatives of the unions. Among other points, it will be defined what percentage the State will subsidize.

"I want to know what the position of the farmers is: what they need, what should cover them (the insurance), because now they tell me that what covers them does not work for them," he said.



Within the framework of the agrarian strike, which is currently carried out in 15 departments of the country, the National Congress of Agro Peruano (Conveagro) expressed its dissatisfaction with the Catastrophic Agricultural Insurance and requested its conversion in "the fund for the prevention and mitigation of contingencies in the agricultural and livestock sector. of South American Andean camelids, due to natural disasters".

Gestión <https://gestion.pe/economia/minagri-seguro-agricola-catastrofico-comercial-producto-266738>

---

Perú

Financial tools for agriculture, by Eduardo Morón

"One would like to promote their assurance every year and not only when the threat is imminent," says the president of the Peruvian Insurance Association (Apeseg).

The agricultural strike allows us to focus on the needs of the different sectors of our agriculture. The multiple requests and the list of policy suggestions are always welcome because it is important to put on the table the real dimension of the different problems and face them with the correct tools. In this context, I would like to put some perspective on the use of some financial tools that can address some of the problems of our agriculture and also of our livestock.

A first problem for small producers is that it is much more complex for them to face catastrophic events, because as they are small productive units they do not have the financial backs, nor enough productive diversification to mitigate this risk. In these cases two things can be done: one is to respond after the misfortune via a destined fund; and the other is to ensure this risk, defining in advance a compensation amount in case the risk materializes.

From the point of view of financial management, it is much cheaper to do it via insurance because, otherwise, we would have to immobilize many more resources for systemic events. For part of this group, today the Minagri offers catastrophic agrarian insurance (SAC) free in the poorest districts of eight regions of the country. It would be interesting for regional governments to also allocate their resources so that more farmers are properly protected. It is critical to define which products and in which districts protection will be received, and what that level of protection will be.

For the next level of productive units the problem is that even though they are relatively small and do not have insurance mechanisms, they are very risky. This high risk implies a higher credit cost than their own profitability allows them to pay. This prevents them from breaking the vicious circle: credit would allow them to have greater scale and productivity.

Not being units in poverty, they do not qualify the SAC, so the options of the financial toolbox in this case are three. A first option is to give (artificially) cheap credit. We have done this many times and it has gone badly for us. The incentives to get in line without deserving it are enormous.

A second option is the one that Minagri was working on, which is to create the possibility of a semi-subsidized commercial agricultural insurance; that is, the State helps reduce the risk profile, but producers must pay part of that insurance. One would like to promote their assurance every year and not only when the threat is imminent. The third option is that all loans have an insurance component to reduce the client's risk and be reflected in lower credits.

Another problem that farmers face is overproduction, which translates into very low prices. For this, financial solutions may not be the most effective. Before, the government has chosen to allocate resources to buy part of this overproduction. The problem with this is that the farmer is given a bad signal, saying that his mistakes do not matter. The solution is to open new markets.

Let's support agriculture, but with the right tools. A more resilient agriculture solves problems of poverty and gives us greater food security.

El Comercio <https://elcomercio.pe/economia/opinion/herramientas-financieras-agro-eduardo-moron-noticia-635035>

---

Puerto Rico  
Increase sales of agricultural insurance

They prepare for the hurricane season

The crops must have six months to be insured.

The entry of new young farmers combined with the recent experience of hurricanes Irma and María is generating a marked increase in the purchase of agricultural insurance as the deadline for its subscription approaches.

The purchases of insurance registered so far have allowed the Agricultural Insurance Corporation (CSA) to recover the numbers it lost with the departure of farmers who lost everything or who retired after the cyclone.

"We have had an increase in new farmers. We have recovered much of that 20% that we had reduced after María ", Javier Lugo Rullán, executive director of said corporation, informed Negocios.

To date, the amount of insurance purchased amounts to 4,000. The period of sale of the insurance for the bulk of the farmers began last April accompanied by a 40% incentive granted by the Department of Agriculture to the agribusinesses to help them in their acquisition.

El Nuevo Día

<https://www.elnuevodia.com/negocios/empresas/nota/aumentanlasventasdesegurosagricolas-2495585/>

---

España

Mapfre puts name and surnames to the challenges of agricultural insurance

Forty years ago the Law of Combined Agricultural Insurance was born. On the occasion of the celebration of this anniversary, Mapfre organized an event to commemorate the rule that allowed, for the first time, protect the farmer from the consequences of catastrophic events.

After highlighting the important role played by Public Administrations, the Insurance Compensation Consortium, Agroseguro, the mediators and the insurance companies, without forgetting the farmers and ranchers, as well as rural entrepreneurs and aquaculture companies, the president of Mapfre, Antonio Huertas, went on to list the challenges of the sector. Which are? "The challenges include increasing current levels of insurance, adapting products to the effects of global warming and climate change, digitizing all processes, from contracting to assessing damages, and improving efficiency in relation to customers. insured," said Antonio Huertas.

"We must adapt products to the effects of global warming and climate change," says Antonio Huertas

In addition, he emphasized the need to continue promoting "the natural preservation of the rural environment", and contribute to "create value for the future". In this way, its "transformation and modernity" will be promoted, at the same time that it would be necessary to accelerate, from all the institutions, "the digitalization, essential to fix the population and make the projects viable," he concluded.

#### MAPFRE, THE LAW AND THE STEP OF TIME

Luis Planas, acting Minister of Agriculture, Fisheries and Food, also intervened during the event, stressing that "the Combined Agricultural Insurance System has become a fundamental pillar of the Spanish agrarian policy". And he stressed that, during these four decades, he has known how to evolve and adapt to the needs of producers.

Words that were corroborated by the president of Mapfre, Antonio Huertas, who stressed that "there are few laws so relevant that have endured so well the passage of time. This law continues to be a stable legal framework that allows the development of a sector that continues to be of the first level and that makes these agricultural and livestock enterprises essential for the food chain.

AXA will boost (more) the reduction of the carbon footprint

AXA is immersed in the drafting of its new strategic plan in which the environmental measures already begun will be continued, in addition to others of different depth.

The event was also attended by Ignacio Machetti, president of Agroseguro, who stressed that "situations caused by exceptional weather events of various kinds represent a difficult challenge at present. Of course, he stressed that "an agrarian

insurance system like the current one is, without a doubt, the best alternative to ad hoc aid, with innumerable advantages, both for the Public Administrations, which allow them to budget the cost, while reduce it, as for the producers, who enjoy a contractual guarantee and who do not depend on budgetary availability that, in addition, only activate before catastrophic damages".

Merca2 <https://www.merca2.es/mapfre-retos-seguro-agrario/>

---

España

The Combined Agricultural Insurance Law celebrates its 40th anniversary

From left to right, Jaime Lamo de Espinosa, former Minister of Agriculture and Fisheries and promoter of the Combined Agricultural Insurance Law in 1978; Luis Planas, Minister of Agriculture, Fisheries and Food; Antonio Huertas, president of MAPFRE; and Ignacio Machetti, president of Agroseguro (Fundación MAPFRE)

Fundación MAPFRE celebrated today, at its headquarters in Madrid, an act to commemorate the 40th anniversary of the Law on Combined Agricultural Insurance, a rule that allowed, for the first time, protect the farmer from the consequences of catastrophic events and that in Today is considered one of the best and most efficient in the world.

The event was attended by Luis Planas, Minister of Agriculture, Fisheries and Food; Antonio Huertas, president of MAPFRE; Jaime Lamo de Espinosa, former Minister of Agriculture and Fisheries and promoter of the Combined Agricultural Insurance Law in 1978; and Ignacio Machetti, president of Agroseguro.

"The Combined Agricultural Insurance System has become a fundamental pillar of the Spanish agrarian policy". This was stated today by the Minister of Agriculture, Fisheries and Food, Luis Planas, who has highlighted the important role played by the insurance system for maintaining the income of farmers, ranchers and fish farmers. For the minister, the Spanish model of agricultural insurance has been able to evolve during its 40 years and has been adapted to the needs of producers.

In the same vein, Antonio Huertas, MAPFRE's president, said that "there are few laws that are so relevant that they have stood the test of time so well". The president of MAPFRE has made reference to the fact that said law "continues to be a stable legal framework that allows the development of a sector, which continues to be of the first level and which makes these agricultural and livestock enterprises essential for the food chain".

There are few laws that are so relevant that they have stood the test of time so well

ANTONIO HUERTAS President of the MAPFRE

In this sense, he has also pointed out the importance of "claiming the success of a decision made 40 years ago and that today is more important than ever to face the serious problem of rural depopulation in our country, an activity, he has indicated, that protect for the sake of our economy, cohesion and social development.

He has also emphasized the importance of insurance, "one of the most powerful social instruments we have" and has referred to the important role played in this regard by Public Administrations, the Insurance Compensation Consortium, Agroseguro, the mediators and the insurance companies, "that we have been able to develop a structure that makes possible the maintenance of the Spanish field in situations of climatic catastrophes", as well as farmers and ranchers, rural entrepreneurs and aquaculture companies, who in their opinion have greater "merit", since they believe in everything that insurance provides them with and they give it their confidence every year".

#### Creating future value

The president of MAPFRE, the first insurer in the Spanish rural area with premium income of more than 1,500 million euros, has also referred to the sector's challenges, which "include increasing the current levels of insurance, adapting the current products for the effects of global warming and climate change, digitize all processes, from contracting to the assessment of damages, and improve the efficiency in the relationship with insured customers. "The president of MAPFRE, the first insurer in the rural sector in Spain with premium income of more than 1,500 million euros, has also referred to the sector's challenges, which" include increasing current levels of insurance, adapting current products for the effects of global warming and climate change, digitize all processes, from contracting to the assessment of damages, and improve the effectiveness in the relationship with insured customers. It has also indicated the need to continue promoting the "natural preservation of the rural environment", contribute to "create future value", in order to promote its "transformation and modernity", and "accelerate from all institutions the digitization, essential for fix population and make the projects viable".

Ignacio Machetti, president of Agroseguro, stressed that "situations caused by exceptional weather events of various kinds represent a difficult challenge at present.

"Ignacio Machetti, president of Agroseguro, stressed that" situations caused by exceptional climatic phenomena of variability have a difficult challenge at present". He has also indicated that "an agrarian insurance system like the current one is, without a doubt, the best alternative to ad hoc aid, with innumerable advantages, both for Public Administrations, as well as for the budget, time, time reduce, as for producers, a contractual guarantee that does not depend on budgetary availability, which, in addition, is only triggered by catastrophic damages".

#### Gestionar y minimizar riesgos.

Fundación MAPFRE has presented the Guide to protect the Agricultural Company in Spain, with which the entity, which periodically prepares different reports to bring insurance to society, provides simple and clear information on the possible risks that may affect the agricultural exploitation. Also, to help companies in the agricultural and livestock sector to carry out an adequate management of them and propose possible alternatives and solutions to reduce them or transfer them to a third party.

In this sense, the publication shows that thanks to combined agricultural insurance, crops and animals are adequately protected from inclement weather, accidents and diseases. It also reports on the risks that are seen and how companies in the industrial sector of the country are made, with sales that represent 20.5% of the industrial group; what aspects should be considered in their hiring and management; And how to act when a sequence or hail occurs.

It also highlights a decalogue that includes the end, which indicates the importance for these companies of analyzing costs, markets and productive improvements, key to managing their risks; raise the possibility of transferring them to a third party in exchange for an affordable cost, especially when all the risks can not be controlled; request the advice of a professional in the management of this type of risk; take into account that exploitation is evolving, and that the risk management program needs to be updated; and that in the event of a disaster, all means must be put in place to mitigate its consequences and communicate it to the insurer so that it can implement all the mechanisms included in the insurance contract.

La Vanguardia <https://www.lavanguardia.com/seguros/20190521/462399143463/seguros-agrarios-ley-de-seguros-agrarios-combinados-temporales-mapfre-agroseguro-espana-vaciada.html>

---

#### España

The extensive livestock, agricultural insurance and irrigation lead the Agrarian Week of Jacetania

From 27 to 31 May, in Hecho, Jaca and Puente la Reina, interesting topics for professionals in the primary sector will be discussed

The headquarters of the region has welcomed the presentation of the 6th Agrarian Week of the Jacetania, organized by UAGA, within the framework of the previous events of Expoforga, the Fair of the Region of Jacetania. From May 27 to 31, in Hecho, Jaca and Puente la Reina, will be discussed on topics as interesting for professionals in the primary sector as extensive livestock, new developments in livestock insurance and irrigation.

María Brun, technician of the Comarca de la Jacetania responsible for the organization of the Fair, said that "Expoforga is a professional fair, which provides solutions to the primary sector." The topics addressed in the technical seminars are a useful tool for professionals in the sector. Brun has highlighted the success of the conference, one more year, and thanked the collaboration of UAGA in the fair and the organization of the Agrarian Week. There are still two technical days, the 23rd and the 30th of May, both in Puente la Reina, on issues related to sheep and precision farming, organized by Oviaragón and UPRA-Grupo Pastor and ANGRA, respectively.

Daniel Lacasa and Miguel Ara, regional managers of UAGA in Jacetania, thanked the Jacetania Region for its collaboration in the organization of the Agrarian Week, being



one of the pioneering areas, since this year the sixth edition was reached. They have also encouraged all the population to attend the conference, which will deal with interesting and topical issues, such as the threat of the bear and the wolf for extensive livestock, technical developments in livestock insurance or the creation and financing of new irrigation.

Regarding the issue of irrigation, Fernando Rey, Environment Technician of the Jacetania Region, has indicated that the day of May 31 is organized jointly by UAGA and the Comarca and two interesting studies that will be presented carried out, promoted by the Commission for Rural Development and Environment of the county entity, on the situation of the Irrigation Communities that exist in Jacetania and on the water resources in the subsoil of the Comarca.

Rey explained that these studies are intended to know the census of communities of Irrigators that exist, their surfaces and endowment of flows, in addition to seeing the potential of irrigated areas and groundwater that could be exploited by drilling wells for agriculture. In addition, UAGA will present experiences in the creation and financing of irrigation that have been carried out in other regions and then a round table will be held and with the contributions of all participants in the day will try to specify a future proposal on irrigation in the region of the Jacetania.

Cope [https://www.cope.es/emisoras/aragon/huesca-provincia/jaca/la-manana-en-jaca/noticias/ganaderia-extensiva-los-seguros-agrarios-regadios-protagonizan-semana-agraria-jacetania-20190522\\_419567](https://www.cope.es/emisoras/aragon/huesca-provincia/jaca/la-manana-en-jaca/noticias/ganaderia-extensiva-los-seguros-agrarios-regadios-protagonizan-semana-agraria-jacetania-20190522_419567)

---

## España

Premium sufficiency is a guarantee of the viability of the Agrarian Insurance system

Throughout its 40 years of experience, Agrarian insurance has established itself as the most useful tool for risk management, supporting farms to maintain their viability and profitability after the occurrence of a claim. In addition to the successful institutional framework of the system, based on public-private cooperation, its success lies in its technical balance, which is what guarantees the sustainability of the scheme.

The characteristics of the climatic risks covered by the Spanish Agrarian insurance system - which affect large areas of crops and cause very high intensity damage, especially in years when the climate is particularly unstable - translate into the technical aspect, in a series of requirements. Of course, and like any insurance operation, it needs sufficient premiums to guarantee that all the obligations derived from the insurance contracts will be able to be satisfied, mainly the payment of compensation after an accident; In short, the viability of the system. From the actuarial point of view, the premium must be able to support the risk that is covered and must do so in a sustained manner over time.

These phenomena, sometimes with long return periods, such as frosts and droughts, have to be analyzed in the medium and long term, because the study of an isolated

exercise or even two consecutive ones does not give enough perspective to quantify the premiums in such a way. Adequately. Precisely for this reason, the rates must also be kept updated as the historical series grows.

But, in addition, in the climatic risks, characterized by their extremely high potential intensity and by presenting long periods of recurrence - sometimes more than 10 years -, it is especially important that the Agrarian insurance has instruments that allow to face the sinister points, as, without going any further, are those produced in the last two years, 2017 and 2018, in which the excess of claims over premiums has exceeded 300 million euros. To deal with these super claims, the system has two specific instruments: reinsurance by the Insurance Compensation Consortium, which assumes a high percentage of these excesses, and the stabilization reserve of the co-insurance entities, which allow the rest to be covered, that is, retention.

The current reinsurance scheme has proven to be essential and adequately fulfill its function, addressing the extraordinary accidents that occur periodically. However, as with the calculation of premiums, it requires continuous review in order to adapt to the current situation and future prospects.

On the other hand, the reiteration of high loss claims has meant that the reserve of stabilization of the co-insurance entities that make up AGROSEGURO has decreased considerably, having been completely exhausted in the group of so-called experimental insurance (those that cover the most severe), which makes it necessary to introduce adjustments that allow a sufficient reserve to be set up again to face the excess of claims that are not compensated by reinsurance.

In short, in the current context, in which climatic events of increasing intensity are taking place and, therefore, an increase of the damages on the crops - to which insurance is no stranger the climatic change, it is necessary to guarantee the financial sustainability of the Agrarian insurance system through the maintenance of the sufficiency of premiums and the reinforcement of the instruments that allow compensating the loss peaks, that is, the compensation of the reinsurance and the endowment of the stabilization reserve.

Inese <https://www.inese.es/noticias/rosario-boveda-asume-la-maxima-responsabilidad-del-negocio-asegurador-de-american-express>

---

España

Agriculture calls for subsidies for the subscription of agricultural insurance

The Ministry of Agriculture and Livestock will allocate 8.1 million for beet and hops policies

The Ministry of Agriculture and Livestock has called subsidies for the subscription of agricultural insurance to which will allocate 8.1 million euros with an increase of up to 20 percent for subsidies for the subscription of policies for beet and hops.

The subsidies are aimed at contracting the agricultural insurance policies that are subscribed in the period between June 1, 2019 and May 31, 2020.

The subsidies of this call, published this Friday, May 24, in the Official Gazette of Castilla y León (Bocyl), are intended to encourage the signing of agricultural insurance policies, reduce their premium and promote the extension of the system of agricultural insurance to the agricultural and livestock sectors "as a way to compensate their incomes against the risks of nature and epizootic, non-controllable".

The aid of 20 percent is maintained in the line of 'insurance for fruit farms', for the production of apricot, plum, apple, cider apple, peach and pear, and for the insurance line with increasing coverage for farms of cherry ', "productions very sensitive to adverse weather conditions that affect both the flowering of the plant and the quality and quantity of the fruits".

Likewise, an aid of 10 per cent is established for insurance for the exploitation of vegetables in the open air of the autumn-winter cycle (potato and garlic) with "growing coverage" for extensive herbaceous crops (winter cereals, spring cereals, legumes) grain, oilseeds and straw of winter cereals) and insurance base with additional guarantees for vineyard operations (wine grapes).

Fodder crops (alfalfa, veza and esparceta) are also contemplated; horticultural outdoor spring-summer cycle (onion, pepper and green bean) and live plants, cut flower, seeds and nurseries (alfalfa seed).

Similarly, 10 percent is established for insurance lines for breeding cattle and production and bait, for sheep and goats, horses, meat and poultry, pigs, cunicultural and helicultural livestock and beekeeping.

The call also includes a 25 percent to subsidize the compensation insurance for loss of pastures.

As highlighted by the Ministry of Agriculture and Livestock, as a novelty increases to 20 percent subsidy percentage of policies that subscribe to the line 326 'Operations of non-textile industrial crops', for the production of hops and beet, that until now was at 10 percent.

The increase in the percentage of aid in hop crops is justified in that it is production "very sensitive" to adverse weather conditions, "which generates a clear risk to the viability of farms that are located at a national level, practically in its entirety, in the province of León.

For its part, the increase in the percentage of aid to beet crops is based on the situation of international markets, which justifies the support of the Junta de Castilla y León to a "strategic sector" that generates 6,000 direct jobs and 100 million euros in production and that is the one that more young people enter the field.

In addition, in order to alleviate the "negative effects" of the increase in production costs, the Ministry of Agriculture and Livestock has estimated the need to establish a single percentage of subsidy to the line of removal and destruction of dead animals in farms. For this reason, the subsidy percentage for all species is set at 30 percent of the commercial premium.

Noticias                      CyL                      <https://www.noticiascyl.com/regional/campo-regional/2019/05/24/agricultura-convoca-las-ayudas-a-la-suscripcion-de-seguros-agrarios/>