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Argentina

Agricultural insurance: three companies concentrate 57% of total coverage

An official report shows how the insured percentage of the crop fell to the lowest levels of at least 10 years.

The Office of Agricultural Risk (ORA) shared figures for the agricultural insurance market during the last year. The insured area was 16.5 million hectares, representing a slight fall against 2017, when 16.7 million were secured.

"In the last decade, until 2013 the insured area has grown, with some ups and downs, accompanying in general terms the evolution of the area sown," they said from ORA and added that since 2014, the insured hectares have remained relatively constant, with a slight fall in 2017 and 2018.

According to the report, the agricultural insurance market, in the 2017-18 campaign reported 4,642 million pesos of premiums issued (approximately 156 million dollars as of June 2018), registering 16.5 million hectares insured, representing approximately 42 % of the sown area of the country.

Thus, after increasing insurance penetration as of 2010, "the insured area has not accompanied the increase in the area sown, which is reflected in the lower percentages of recent years," notes the ORA report.

The report also shows that three insurers concentrate 57% of total agricultural insurance production, operating mainly on hail risks for cereals and oilseeds in Buenos Aires, Córdoba and Santa Fe.

The total number of insurance entities in all branches authorized to operate as of June 30, 2018 was 189, of which only 27 entities carry out activities in the Agricultural or Forestry sector.

While most companies offer traditional hail policies, only 1 offers MPCCI coverage. 5 cover cattle, 4 cover fire in forest plantations, 3 operate in other branches: agricultural integral, silo, bag silo and fire of stoves for drying tobacco leaves and 1 covers Robo (other agricultural goods).

These types of coverage, represent less than 1% of the total net issued premiums in the insurance sector.

Among the different types of insurance, the most relevant in the agricultural sector of Argentina is the insurance of damages, being the cover that compensates for damages caused by the hail the most widespread.

This traditional insurance has other risks that may add to the coverage: for example, damage caused by strong winds, frost and fire, commonly known as "additional" to hail insurance.

With respect to assured production, annual crops constitute a large majority, mainly oilseeds with 57.9% of premiums (9.4 million hectares of oilseeds are insured) and cereals with 35.1% (6.6 million hectares covered).

In 2018, with respect to the previous year, there is a drop in the relative participation of annual Crops, which contrasts with the increase in production insured in the case of Perennial Crops.

Among the main insured crops are soy, corn and wheat, altogether exceeding 85% of the insurance market. In this agricultural campaign (2017/18), there is a significant increase in the insured area of wheat, to the detriment of soybeans and corn. Likewise, there is an increase in insurance penetration in wheat production.

Within the Perennial Crops, they stand out in terms of amounts of premiums issued first, the Fruits of Pepita and Carozo followed by the Vine and Vegetables. Citrus and Blueberries (included in Other Perennial Crops), have a low presence within this area.

In the 2017/18 campaign there is a fall in the share of insured crops by the Province of Buenos Aires and Entre Ríos, while Mendoza and Río Negro recorded an increase in insured area and premiums issued.

At a general and provincial level, in insured volumes, the production under coverage is practically made up of cereals and oilseeds. With the exception of Buenos Aires, in this last campaign there is a drop in the surface and reduction of the share within the total insured soybean crop and an increase in wheat.

With regard to the main insured risks, both the provinces of the humid pampas and the extra Pampas, there is an outstanding predominance of the hail insurance, for the most part registering in the province of Salta multi-risk insurance and other agricultural coverage (hail for greenhouse crops) in Santa Fe and Corrientes.

Agrofy <https://news.agrofy.com.ar/noticia/182064/seguros-agricolas-tres-companias-concentran-57-cobertura-total>

Argentina

With drought insurance, Argentina could have halved 2018 losses

S4 uses NASA's database and calculates drought and flood rates. These indices are structured and generate climate risk coverage.

In 2018, Argentina suffered the greatest drought in the last 50 years, thus depriving it of having more than US \$ 11 billion, generating damage not only for producers but also for the entire agricultural chain and for the State at the level added, enhancing imbalances in the foreign exchange market.

There are options on the market so that both producers and the State can use to minimize the risks of drought or flooding and that, in this way, extreme cases such as those of 2018 will not generate imbalances as seen last year. For this, the Chronicler spoke with Santiago González Venzano, director and co-founder of S4, a company that is responsible for calculating the coverage index, used to measure climatic risk of drought and flood. With insurance against drought, Argentina could have halved 2018 losses For González Venzano, climate change is a real scenario that is impacting production. "It is important to have efficient tools to measure risk and reduce it to make the agricultural business more effective and profitable," he said.

What is the coverage against climate risk?

The covers we design are for both drought and flood. The investor can hire any of the two and will do so depending on the area in which it is located. That is, in areas where rain problems are lacking, they will generally be covered against drought, while, in more humid areas, they will contract flood coverage. See also Dollar today: how much does it quote in each bank

What does S4 do on time?

From satellite data we calculate indices that measure the impact of drought and flooding on agricultural production. These are called "S4Index Drought" and "S4Index Flood." We index these indexes on a product that we call "Index coverage." In addition to having developed the index, it already has a modeling of the risk of each productive place and therefore allows producers and the chain to cover paying a premium. Places where there is less rain, it is probably more expensive to cover against drought since it is more likely to occur in the future. The calculation of the Premiums is done with the history of the Index of each place objectively.

How do they calculate the index?

We develop algorithms that, by managing satellite databases, interpret what may be happening to the crop, that is, if it is suffering from some kind of stress related to drought or flooding. This is a very large technological development that uses database analysis and machine learning to obtain such information (We are Google Technology Partners). The satellite database has a lot of information but with a learning process that relates it to reality. In this way, you can interpret what crop is in each place and what kind of stress you are suffering.

What are the components of the index?

The components of the S4 Index are related to variables that measure the amount of photosynthetic energy absorbed by the plant. If it is not optimal, it is because something is happening to the plant. At the aggregate level, it is the drought that explains the poor performance

Where do they take the data for index calculation?

The database comes from NASA. It is public although the key to the development of these products is the whole big "big data" process behind to interpret and develop the indexes.

How is the cost of coverage calculated?

The cost of the premium (coverage value) is calculated according to historical information of the S4Index of each zone. For each location we calculate the index from the year 2000 to the present and define an average value of the index. The producer can choose a certain coverage on his production. That is, you can choose to cover 80-90% of the index value and that coverage value implies a premium according to historical volatility (the more volatility, the higher the premium)

How is the coverage contracted? The producer has different forms of access. On the one hand it is like a financial derivative and in which the contracting of the Coverage is through the market agents, through Rofex-Matba. Currently we are also presenting the product in the Super Insurance Administration for approval for this campaign with 3 Insurance Companies. Finally, the producer can access through the purchase of inputs that have already added the Index Coverage based on S4Index within the value proposition of the Seedbed. We are working Indigo, Don Mario, Bayer and other companies.

Who are your customers?

We have three customer segments. On the one hand the producer itself. On the other hand are aggregators, that is, agents within the chain. For example, the one that sells vans for producers or in rural areas, a drought probably impacts your business as a domino effect. That is, it is a systemic effect and covers several areas within the agribusiness chain. The State is the third client or important participant. For example, the government of Córdoba has a Good Agricultural Practices Program plan in which, to the producer who efficiently manages its climate risk, the cost of the coverage premium is subsidized, that is, it subsidizes it. The producer that is covered is a more socially responsible producer.

How is the coverage charged, in case of a drought or flood?

The collection of coverage is through a very clear and transparent process, without intermediaries within the process. In the 2017 and 2018 drought, our coverage paid US \$ 8 million and payments were made automatically without the producer having to call the broker or make a complaint. The payment was agreed upon reading the index. There were no experts verifying the drought since it was verified based on the index that measured and verified the stress that the crops were suffering, based on

the S4 Index drought index, which we elaborated using the Nasa databases and through machine learning processes. We publish the index at a certain date and after 10 days the producer charges based on the difference in the premium paid and the value of the index. Munich RE makes the payment and the producer charges through the Rofex clearing chain. It has a pay-per-difference model of the Campaign Index with a "trigger value" as it measures intensity.

Can you give an example of the process?

If I am a producer of Colon, Entre Ríos and last season I bought the coverage in Rofex to cover a capital of 100 thousand dollars (200 has x 500 dls / ha), and pay a premium of 3%, total 3 thousand dls. As the drought was intense and the index fell sharply below the Trigger, the Coverage was activated and paid, in that case 51% of the capital covered. That is 51 thousand dls, which were automatically credited to the producers account. The results at the country level were as follows: In the first map we see the drop in yields according to official data, in the 2nd map the payments of the Index Coverage, and in the 3rd map the final account, where the sum harvested is collected for the coverage and the rest of the premium paid. Who pays, if applicable? We are only index calculation agents and we are not the ones who pay. The one that pays is Munich RE Trading LLC, the world's largest German reinsurer holding company. That is, Munich RE Tradind LLC is the one who takes the risk of the contracts

Why do you think this type of coverage is important?

Although Droughts and Floods always existed, in recent years we see that the frequency and intensity of these events increases. On the other hand we see that the available technologies allow us to innovate, both in the products (coverage) and in the way of integrating them into the commercial processes (the climate impacts the entire chain). This combination of need with opportunity gives a lot of value to our proposal.

How much would Argentina have saved as an Argentine State if this coverage had been applied in a generalized way?

I would have multiplied the premium by five or six. Literally hiring this coverage could have saved many producers and the state. If Argentina lost \$ 12,000 million from the drought, at least half of it could have been collected with this coverage. You never know what may happen in the future and what may be happening with the weather in the coming months. This is why hiring a coverage is key. Climate changes are increasingly serious for producers.

How did they see the opportunity?

Until a few years ago, producers and those agents participating in the agricultural chain could only cover themselves from possible damage caused by hail through the purchase of hail insurance. There was no efficient coverage against drought or flood. We saw the niche and designed a product so that those who are part of the chain can

cover themselves against such negative effects of nature and that harms the crop and its businesses.

How long have you been working with climate risk coverage? We have been working on this project for 4 years. We were born as an "Agtech" company applied to agriculture and precision technology projects, that is, using satellite and GPS information applied to the agricultural business. Then, with the incorporation of this instrument, we became a Fintech company within the insurtech segment, that is, insurance.

What degree of sophistication does Argentine agriculture have?

Argentine agriculture incorporated a lot of technology and worldwide it is very developed. However, when climate risk has to be managed, there was only an insurance policy against hail, just like the one 50 years ago. The insurance industry did not incorporate the available technologies to manage the growing climate risk.

Cronista <https://www.cronista.com/finanzasmercados/Con-seguros-contrasequia-Argentina-podria-haber-reducido-a-la-mitad-las-perdidas-de-2018-20190726-0016.html>

Argentina

Agricultural insurance: increased compensation by producers by 54%

This is the third campaign in which the benefit will be provided by a group of insurers hired by the Government of Mendoza.

The insurance will continue to operate with a mixed system in which a group of private companies are responsible for coverage against the risk of hail and late frost. The coverage targets producers of up to 20 hectares of vines, fruit trees, summer vegetables and cereals for fodder throughout the province. As always, losses greater than or equal to 50% damage in each crop will be compensated.

Regarding the last campaign, the compensation will be 53.8% higher. In cases where late frosts and / or hail affect production with damage equivalent to 100%, vine and / or fruit growers will receive \$ 20,000 per hectare. Meanwhile, producers of vegetables, corn and fodder would charge \$ 3,900 per hectare damaged 100%. In the 2018-19 season, the system had an accident rate of 103%.

That is to say, for every 100 pesos of premium, the insurance pool had to pay 103 pesos in compensation. On the other hand, it should be noted that compensation payments arrived in a timely manner, and at the end of May the total settlements were canceled.

There is time to join the insurance and pay the first installment until August 30. Until that day the annual payment can also be made with a 10% discount. Ballots for payment can be obtained on the website of the Directorate of Agriculture and

Climate Contingencies: www.contingencia.mendoza.gov.ar, or in person at their delegations and receiving centers.

The annual cost per acre cultivated of the new insurance is differentiated by productive zones and for the producers that have surface covered with anti-hail mesh, they only pay the late freeze component. For more information, interested persons should go to the DACC delegations or receiving centers

Los Andes <https://www.losandes.com.ar/article/view?slug=seguro-agricola-aumentaron-un-54-las-indemnizaciones-que-cobrarán-los-productores>

Bolivia

Agro familiar has 10 years to raise contribution

Government drives 11 measures. Cipca sees that industry standards are not operational.

While the Government ensures that support for family farming is permanent, Cipca believes that a national policy is needed that protects and encourages the sector, which demands access to land, water, technology, financing and markets.

These are the first evaluations of a Committee made up of 76 civil society institutions after the launch on May 29 of the United Nations Decade for Family Farming (2019-2028).

"The ideal is to have a policy on family farming," said Coraly Salazar of the Center for Research and Promotion of Peasants (Cipca), which is part of the Committee in charge of generating proposals for public actions, programs and plans for the sector.

The Vice Minister of Rural and Agricultural Development, Pedro Damián Dorado, does not think so, who considered that the support to the sector is permanent and increases.

For the Government "rural and agricultural development will always be a priority to strengthen food security, so that work with producers dedicated to family farming is permanent, allowing access to programs, projects, technology and working capital," said the Authority to Reason.

SUPPORT FOR. In this framework, he detailed, the execution of programs and projects of Inclusive Territorial Development (Deti), of Community Investment in Rural Areas (PICAR), of Rural Alliances (PAR), of Creation of Rural Agricultural Initiatives (Criar II), were prioritized. as well as for the best and largest production of fruits, vegetables, potatoes, tomatoes, cattle, small ruminants and fish.

Machinery is also delivered and agricultural insurance, credit lines and trusts established for quinoa, coffee, fruits, vegetables, ruminants, fishing, poultry, viticulture, grains, livestock and cane.

With a view to the Decade, the Government will also promote the rights and role of the sector; the organizational strengthening that consolidates the activity and allows its inclusion in the economy; actions to preserve agrobiodiversity, the environment and culture; the participation of young people in programs and projects; and gender and generational equity.

In addition, it will continue with the investment policy at the local level, diversify production, allowing these producers to improve access to healthy and nutritious food, improve their production conditions so that they can face climate change, improve their access to land tenure, assess and promote indigenous and traditional knowledge, and increase the availability of diverse, nutritious and adequate food.

Added to this support are other measures that accompany or arise from the legal framework established to support the sector, said Dorado.

In this regard, the representative of Cipca said that this regulation has many flaws, such as the lack of financial resources. "They have not been operationalized more than in a few decrees," he said and added that the participation of municipal governments is also required to meet the demands of producers.

The Decade aims to create an enabling environment that strengthens the position of the sector and maximizes its contributions to food security and nutrition globally, as well as to a healthy, resilient and sustainable future.

Advances in family farming in the Plurinational State

1. At the regulatory level, family farming was included in the Constitution; in laws 144 (of the Agricultural Community Productive Revolution), 338 (of Peasant Economic Organizations, Indigenous Indigenous), 448 (of programs in favor of the item); in the 2025 Patriotic Agenda, and in decrees.
2. Inclusion in the National Agricultural Registry, an essential tool for planning rural development public policies to achieve the country's food security and sovereignty goals.
3. Improvement in the structure of land tenure and women's access to it.
4. Inclusion in state purchases for school breakfast, so that small farmers sell their food in local markets.
5. Protection network for rural women through bonds and other productive inclusion policies.
6. 94% of the approximately 775,000 productive units in Bolivia are family farming.

7. The sector is characterized by the small size of the plots, with an average extension of 5 hectares (ha) in highlands and valleys, where it combines various forms of traditional and subsistence production, and up to 50 ha in the lowlands, where it is articulated to the market and agro business.

8. In the world, more than 90% of all farms producing 80% of food, in terms of value.

9. 60 million women and men operating in family farming in Latin America and the Caribbean, which means that the life of about one in 11 people is closely linked to this sector, which provides work in rural areas, where the highest poverty rates are still concentrated.

La Razón http://www.la-razon.com/suplementos/el_financiero/Agro-familiar-anos-elevar-contribucion-financiero_0_3188681161.html

Bolivia

Mechanization of agro potentiated crop yield and improved the quality of life of Bolivians

The mechanization of agriculture, promoted by the Government through the execution of the Direct Support Program for the Creation of Rural Agrifood Initiatives (CRIAR), boosted crop yields and improved the quality of life of thousands of producers in the nine departments of the country.

In Bolivia, from 2012 to date, with the delivery of agricultural machinery to small producers, their income rose 10 times more, according to official data.

"Because we asked them how much silver you earned in your production and say 500 Bolivians and now with this technology the improvement has been made and how much earns 3,000, 4,000 to 5,000 Bolivians," explained the coordinator of CRIAR II, Gróver Obando.

He said that before 2006, in the so-called neoliberal governments, in the productive areas of the field "there was no such help", much less the execution of projects to incentivize the agricultural sector.

«We go to the municipalities, clearly the authorities say: But this is an achievement of God, this type of communities never reached this type of help. Now it reaches the communities we need most, because we know very well that rural people sometimes have few economic resources, "he explained.

He informed that, with this program, the Government supported the producers with an investment of 113 million dollars for the provision of 51,566 machines, including

motor pumps with sprinkler and drip irrigation system, grain and multi-purpose mills, weeding machines, potato sorters, harvesters and greenhouses.

On the other hand, since 2006, the Government benefited more than 2.4 million producers with the delivery of more than 1.1 million executive titles and with the consolidation of 87.1 million hectares of land, according to the National Institute of Agrarian Reform (INRA).

Property for the peasant sector increased from 30 to 57%, while for the business sector it decreased from 68 to 9.8%.

In the last 13 years, women have gained access to 45% ownership of titled land, in accordance with the philosophy of gender equality and equity, compared to 10% who had access to land in 1992 and 2005.

As of 2007, the Government decided to execute the Organized Entrepreneurship Program for Self-managed Rural Development (Empower) to execute productive projects with at least 1.4 billion Bolivians, aimed at reducing the extreme poverty of more than 115,000 producing families in the rural area, with higher vulnerability index and low resources.

While in 2001, it implemented the Agrarian Insurance, which in eight years of validity gave 107 million Bolivians compensation to small producers in the country who lost their crops due to natural disasters, confirmed the director of the National Institute of Agrarian Insurance (INSA), Erick Murillo.

He said that, in the years of validity of the agricultural insurance, it was found that the producers invest 70% of the compensation in the purchase of inputs between, seeds, fertilizers, fertilizers and others to reactivate their agricultural production.

Meanwhile, 25% of these resources are used in food for the family, to continue working in the field, and 5% is used for health, transportation or household supplies, such as calamine and bricks that "benefit the farming family."

«We measure the impact in that sense, we have had an important reactivation of production, we think that with the compensated resources they have been motivated and have contributed to the production of almost 300,000 hectares, generally speaking approximately more than 6,000 tons of production of food, "said Murillo.

FM Bolivia <https://fmbolivia.com.bo/mecanizacion-del-agro-potencio-rendimiento-de-cultivos-y-mejora-la-calidad-de-vida-de-los-bolivianos/>

Bolivia

Producers in the upper area of Tarija receive Bs 339,000 of agricultural insurance for loss of production

The mayor of El Puente, Hugo Girón, reported Monday that more than 664 producing families in the upper Tarija area received some 339,000 Bolivians through agricultural insurance, as compensation for the loss of production they had due to natural disasters.

«Our municipality year after year suffers natural disasters, that is why we have assured our producers, so after the loss of harvest of 2018 and 2019 we had the damage occasions and we made the evaluation and we had more than 664 families affected, with more than 70 percent of its production, that is why last weekend the national government came to cancel the affected families the sum of 339,000 Bolivians, "he told reporters.

He added that since the implementation of agricultural insurance by the national government in the department of Tarija, producers in the municipalities of Puente, Yunchará and Padcaya received more than 2 million Bolivians for the loss of their crops.

He added that now the producers in the upper zone who received the insurance resources acquired seeds and fertilizers, to re-sow.

FM Bolivia <https://fmbolivia.com.bo/productores-de-la-zona-alta-de-tarija-reciben-bs-339-000-de-seguro-agricola-por-perdida-de-produccion/>

Brasil

In five months, Tokyo Marine achieves the Agro Crop Insurance objective scheduled for the year

The production of R \$ 27 million was announced during the Experience in agricultural products, which was attended by former Agriculture Minister Roberto Rodrigues

From January to May, Tokyo Marine reached R \$ 27 million in insurance premiums from Agro Cosechas and exceeded the goal set for the year of R \$ 20 million. The numbers were shared firsthand during Agro Products Expertise, an event in which the Insurance Company brought together brokers and specialists in São Paulo to discuss the importance of protecting insurance in the field for the Brazilian economy. Speakers at the event included meteorologist Desirée Brandt and former Agriculture Minister Roberto Rodrigues.

"La estrategia de expansión de Tokio Marine Agro Cosechas para todo el país y el aumento de la cobertura para más de 70 cultivos, entre otros cambios que hicimos en el producto, demostraron ser muy efectivos y ya hemos superado la meta de 2019. Un gran trabajo para fortalecer la cultura de seguros que también estamos haciendo entre los productores, debemos oficializarlo en los próximos días por parte de la Susep de que habíamos alcanzado R \$ 40 millones en primas para junio ", dijo Felipe Smith, Director Ejecutivo de Productos Corporativos.

Agro's product manager, Joaquim Neto, reinforced with the Brokers the Tokyo Marine product differentials, such as the quotation system at the end, the ease of sending documents and payments in six installments without interest to the producer. The speaker of Somar Meteorology, Desirée Brandt, spoke about planting perspectives in relation to the forecasts for the coming months, based on the analysis of the meteorological maps, and commented how the fundamental risk analysis is that the producer be careful with Climate effects in your region.

One of the main names in agribusiness, agronomist and former minister of Brazil, Roberto Rodrigues, highlighted the importance of rural insurance as a key tool for the development of the sector and to guarantee the supply of the population. "A UN study reports that by 2050 it will be necessary to increase the production of food for peace throughout the world and that Brazil is the country that can contribute most to achieve this result. Insurance is the basis of agricultural production and protects the Agriculture". It is the guarantee of production, distribution and supply. We need a state agricultural policy that, among other priorities, encourages the producer to take out insurance, "said Rodrigues.

El presidente de Tokio Marine, José Adalberto Ferrara, y el director ejecutivo comercial, Valmir Rodrigues, también hablaron sobre los últimos resultados y la disposición de la compañía para actuar cada vez más estratégicamente en el segmento de seguros de agronegocios. Agro ProductsExpertise reunió a 50 corredores de todo Brasil.

Segs <https://www.segs.com.br/seguros/182541-em-cinco-meses-tokio-marine-bate-meta-do-seguro-agro-safras-prevista-para-o-ano>

Brasil

The Ministry of Agriculture will promote rural insurance for the north and northeast regions

In order to stimulate the hiring of rural grain insurance in the North and Northeast regions, an exclusive amount of R \$ 20 million will be released in the Rural Insurance Premium Subsidy Program (PSR), divided into the PSR calendar in September and October. In recent years, rural insurance has consolidated in some regions of the country, but in the north and northeast the development of the rural insurance market has not kept pace with the growth of other regions.

According to the Director of the Risk Management Department, Pedro Loyola, this unprecedented measure aims to encourage the increase in the supply of insurance in these regions, with the insertion of new insurers, the creation of new distribution channels in financial institutions, cooperatives, resale of inputs and increasing the number of insurance brokers specialized in this market.

"The measure also aims to arouse producer interest in this crop protection mechanism," he explains. In 2018, the number of policies contracted in the northern and northeastern states represented only 1% of the total program, covering 200

thousand hectares. With this contribution, the estimate is at least double the number of contracts.

"Producers from the southeast and especially the southern states are already accustomed to hiring insurance, we need to expand this crop to other regions of the country," Loyola added.

Climate is the main risk factor for rural production. By hiring a rural insurance policy, the producer can minimize his losses by recovering the capital invested in his harvest. Since 2005, the federal government, through the PSR, has helped the producer in the acquisition of rural insurance, paying part of the value of the policy (premium).

Hiring

A producer who is interested in hiring rural insurance should look for a broker or financial institution that markets the rural insurance policy. Currently 14 insurers are qualified to operate in the PSR.

The economic subsidy granted by the Ministry of Agriculture can be claimed by any natural or legal person that grows or produces species contemplated by the Program. For grains in general, the percentage of premium subsidy can vary between 30% and 40%, depending on the type of coverage contracted. In the case of fruits, vegetables, sugar cane and other modalities (forests, livestock and aquaculture), the premium subsidy percentage will be set at 35%.

Ministerio de Agricultura <https://odocumento.com.br/ministerio-da-agricultura-vai-fomentar-o-seguro-rural-para-as-regioes-norte-e-nordeste/>

Chile

Seremi of Agriculture calls fruit producers to contract insurance with state subsidy

The Agriculture Seremi of the O'Higgins Region, Joaquín Arriagada, today called on farmers in the region to contract with the state subsidy the "Fire Insurance with additional risks" for major and minor fruit trees, so that they can protect their plantations, fruits and irrigation and / or conduction systems associated with production, against risks such as fires, wind, floods, earthquakes, among others.

"Today the fruit producer can opt for two insurances to protect their production. The first is agricultural insurance for fruit trees against climatic events that covers the production (fruit) of a particular fruit tree against risks such as frost, rain, wind, hail or snow. It can also ensure the initial investment, fruits and risk or driving systems associated with production against events of nature in order to be completely protected", explained Seremi.

He also said that with this, "we seek with these instruments to support the competitiveness of the sector and narrow the inequality gaps, in the event of a disaster, such as the unfortunate floods of past years or an earthquake, the farmer has the resources to meet their commitments and can recover productively and do not have to abandon the activity".

For his part, the executive director of Agro insurance, Ricardo Prado, recalled that the State grants a subsidy to the co-payment of the premium or insurance cost to these insurances, which is 40% of the cost of the premium, plus 1 UF by policy.

"Being able to be 50% in case of collective bargaining through an agglutinator recognized by Agro insurance, such as Fedefruta, Banco Estado, INDAP, Codesser, Banco de Chile, BCI and others and 60% when it exists insurance renewal, highlighting that this coverage can be contracted throughout the year, "he added.

For more information, farmers can check on the website www.agroseguros.gob.cl or directly in the insurance companies HDI Seguros, Mapfre Seguros, Renta Nacional and / or with their usual insurance broker.

Al Día 24 <https://aldia24.com/2019/07/seremi-de-agricultura-llama-a-fruteros-a-contratar-seguro-con-subsidio-estatal/>

Colombia

"We see potential in agricultural insurance jointly worked from the Nation"

The firm Confianza Insurance will launch this week its participation in the group life, the CEO of the company also pointed out the messes of the compliance policies

Competition in the insurance industry's compliance branch has led companies in the sector to lower their prices, an effect that according to Luis Alejandro Rueda, president of Confianza Insurance, could make it unsustainable for insurers to meet their obligations. The leader of the firm also said in Inside LR the goals he has with his entry to the Transportation and Life Group, as well as his intentions in attending insurance for the agricultural sector.

How did you close the first semester of operations?

This has been a year of transformation in the organization, of many technological challenges and of the Compliance branch, and of working on the opening of new business lines. We see a year in which there will be growth for the industry but also for Trust in equity growth

What is the fastest growing branch in the company?

For five years with the acquisition of Swiss Re we have come in transition to be in more branches in Colombia. We are focused on growing in new business lines,

particularly in Property, where we are growing between 2017 and 2018 by more than 50%. Two months ago we launched the Transportation branch and this week we will launch the Life Group in the country. Last year we achieved \$ 157,000 million in premiums. We estimate that this year we will decrease up to \$ 140,000 million, but this should lead to the next five years reaching \$ 250,000 million.

Since the purchase of 51% of the shares by Swiss Re, what has been the growth of the company?

We have maintained the participation, we consider that the sufficiency of premiums and the adequate participation creating value in a market is more important than the same participation of growth. We seek to create more than coverage and risk mitigation policies with the client.

What is the market share of Confianza Insurance?

In Compliance we have a participation close to 12%, we were a company that had more than 20% but there has been a decrease in the branch that produces in Colombia about \$ 780,000 million in premiums. In Civil Responsibility we see a branch in which our participation is growing and we have 4%. In Vida Grupo, where there are \$ 3.7 billion in premiums, we see a great possibility of creating coverage options for citizens as members of projects and companies that are the focus of the organization.

Are you thinking of expanding your operation in other branches? What would they be and when?

We already have the approval of the Superfinancial to enter Vida Grupo. For 10 days we were notified of the good news and the launch we are doing this week with a product focused on small, medium and large businesses, with the participation of more than 10 employees. We want to generate a disaster mitigation for people and their families. With a view to the future we have the option of choosing the Agricultural branch, we see potential in agricultural insurance jointly worked from the Nation in options of how to mitigate climate changes and focus on what it has to do in infrastructure development. In Vida Grupo we expect premiums for \$ 2.9 billion and in Transportation we expect \$ 2.3 billion.

Regarding Compliance, what has been the result in terms of accidents and how do you see the infrastructure landscape in Colombia?

Accident loss in the country is very difficult. The overall market line is not positive. The figures for the technical result have doubled dramatically, with the understanding that the technical result is the value of the premiums minus the cost of expenses and claims. In 2017 this went from a loss of \$ 59,000 million to one of \$ 121,000 million today. This is due to a competitive situation that has led to lower prices every day and, if we do not review carefully, the industry can enter into economic difficulties.

What have been the causes?

The price has become the decision factor in the acquisition of insurance and that is why it has tended to fall, which is because the person who buys the policy is not the same as the one that makes it effective. In ten years we have destroyed in value nine out of ten units, which makes paying expenses increasingly difficult. There is also corruption, which has affected the branch. When a contract is found, there are situations that Colombians would not want to see, in which the compliance policy ends up being the guarantor of everything that happens.

What big construction businesses are they in?

Of the nearly 24 4G concessions there are, we are in more than 50%, participating in 16 of them. As well as in other percentages in coinsurance. Yes we want to be in the new 4G pathways, as long as the technical conditions allow it.

How is the digitization going?

The company is investing in 11 projects in particular in technology issues, five of them are in rethinking operational processes and six in digitalization. We want people to connect via cell phone with the options we have and we are coming out in September with a new platform, together with an Indian company called Tata. We have invested more than US \$ 5 million in technology issues.

Do you think the insurance sector should have greater participation in the economy?

We have to generate resources so that the final policyholder has what to pay for. The insurance sector must play a more active role every day, the possibility of penetration in the economy is very large, but I think we can not forget an issue and is that insurance when there are basic needs to be met, is relegated to a second level . That is why we are working hard in microinsurance with cheaper policies that for that segment imply insured interest values. Microinsurance serves the base of the population that we have to protect

How would you rate the regulation in the sector?

The relationship with the regulator is very open and very transparent, likewise with the union. The regulator has paid close attention to the aspects that the Compliance branch is going through. There are four relevant aspects that are being worked on: accumulations, counter guarantees, analysis of technical notes and constitution of reserves. The regulator knows that this branch requires an important transformation, what we see is that the Compliance branch cannot become the next pyramid in the country, where premiums enter but there is not enough capital tomorrow to honor the obligations.

Ecuador

Low Insurance Market for the Agricultural Branch

The Ecuadorian Insurance Market for the Agricultural Branch ended the month of June 2019 12ms with an amount in the Issued Premiums account of USD 9.4 million, which compared to the month of December 2018 meant a decrease of USD 8.5 million (47.5%).

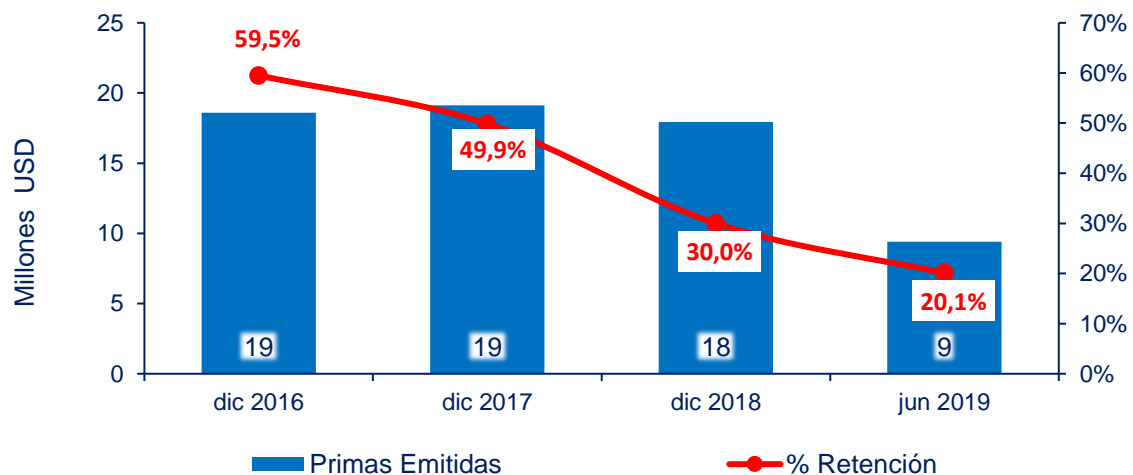
The Retained Premiums account went from USD 5.3 in December 2018 to USD 1.9 million in June 2019 12ms, so the retention percentage increased from 30.0% to 20.1% in the respective periods.

The participation of this branch in the Total Insurance Portfolio went from 1.06% to 0.54%.

The groups with the highest value of Issued Premiums:

PREMIUMS ISSUED							
Económico Group	jun 2019			2018-2019	dec 2018		
	Rank.	Value	Part.		Rank.	Value	Part.
	(miles USD)				(miles USD)		
SUCRE	1	8.180	86,9%	-22,5%	1	10.559	58,9%
ZURICH	2	1.234	13,1%	-83,3%	2	7.370	41,1%
COLON	3	1	0,0%	0,0%	3	1	0,0%
TOTAL SELECTED		9.415	100,0%	-47,5%		17.930	100,0%

Premiums Issued:



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

Ecuador

Ecuador will host an international seminar on agricultural insurance

One of the objectives will be to find ways to improve the insurance service considering the impacts of climate change for small and medium-sized farmers.

From August 6 to 8, 2019, the International Seminar "Agricultural insurance for the strengthening of policies, financial services and inclusion of technological tools" will be held in Quito.

The objective is to strengthen the development of the agricultural insurance market in Latin America, analyzing the Ecuadorian experience; also propose proposals to improve the insurance service considering the impacts of climate change for small and medium farmers.

This event is organized by the Ministry of Agriculture and Livestock, through the Agro Seguro Project, together with the German Technical Cooperation (GIZ) and in collaboration with the Latin American Association for the Development of Agricultural Insurance (ALASA).

The seminar will include representatives of government institutions at national and international levels, insurance and reinsurance companies, insurance brokers, unions and associations in the productive sector, as well as international cooperation agencies.

The dynamics of the seminar involve keynote presentations; presentations of practical applications worldwide of agricultural insurance, experiences involving technological tools, real cases of several countries, as well as participatory forums with producers.

The expected results focus on strengthening regional knowledge and exchange and fostering private public cooperation in the agricultural insurance market.

At the national level, the agricultural insurance scheme in the country will also be strengthened, especially taking into account concrete proposals to improve climate change adaptation measures for micro, small and medium farmers in the Sierra del Ecuador, particularly in the moor ecosystem, applying good practices from other countries.

Finally, it is expected to strengthen processes or mechanisms to improve the collection of both climatic and agricultural information for specific crops and their production areas, actions that improve risk management and increase producer resilience.

La Hora <https://lahora.com.ec/noticia/1102262656/ecuador-sera-la-sede-de-un-seminario-internacional-sobre-seguros-agricolas>

México

They go for the payment of the agricultural insurance premium subsidy

The National Integration Agency of Insurance Funds will meet in Mexico

Continuing with the procedures for the federal government to cover them through the corresponding instance, which is owed to them for the subsidy of the agricultural insurance premium, this Tuesday the National Integrating Agency of Insurance Funds; He will meet with the Mexican Association of Institutions and Insurance to deal jointly with the social sector, this problem, as well as the lack of support to the field.

The national president of the Integrating Agency, said that it is definitely unfortunate what is happening with the decisions of the Federal Government regarding the activity of the countryside in the country whose impact is already being lived as is the case of the reduction of the subsidy to the premium Insurance. He cited that the strong risk that has the producer who is encouraged to sow without that insurance.

TV Pacífico <https://tvpacifico.mx/noticias/234694-van-por-el-pago-del-subsidio-a-la-prima-del-seguro-agricola>

México

SEDARH delivery 8.9 MDP of Catastrophic Agricultural Insurance for producers and producers of the Altiplano

Alejandro Cambeses Ballina, Secretary of Agricultural Development and Hydraulic Resources (SEDARH), reported that this week 2 thousand 38 producers and producers of Venado and Moctezuma in the Potosino Altiplano received 8.9 million pesos from the Catastrophic Agricultural Insurance (SAC).

The official said that the compensation is part of the delivery initiated by the State Governor, Juan Manuel Carreras López, and will reach a total amount of 105 million pesos for 42 municipalities.

In Venado, 688 people received 3 million 83 thousand 520 pesos for damages caused by drought in 2 thousand 56 hectares, while in Moctezuma a little more than 5.8 million pesos were paid to thousand 350 people for damages in 3 thousand 883 hectares.

It is important that the producers and producers receive the compensation, since they are still in time to sow in the places where there have been rains and the required humidity has been generated.

He said that in the dependency under his charge, emergent actions are prepared in case it does not rain throughout the state and the adequate conditions for planting are not given.

Canal 7 <https://canal7slp.tv/2019/entrega-sedarh-8-9-mdp-de-seguro-agricola-catastrofico-para-productoras-y-productores-del-altiplano/>

México

Rio Verde producers receive catastrophic agricultural insurance

Little more than one million pesos were paid for damages in 716 hectares to 293 producers

In the municipality of Rio Verde, 293 producers and producers received just over one million pesos of compensation from Catastrophic Agricultural Insurance, as announced by the Director General of District Development of the Secretariat of Agricultural Development and Hydraulic Resources (SEDARH) Hugo Mendoza Noriega. He mentioned that this payment corresponds to 716 hectares that were ruled with damages by the insurance company and added that, the resources delivered are part of a total amount of 105 million pesos that began to be distributed in May of this year by Governor Juan Manuel Carreras López and that will reach 42 municipalities.

In addition to Rio Verde, Agricultural Insurance was paid this week in the municipalities of Venado and Moctezuma in the Altiplano region; Mendoza Noriega said that, although there have been some rainfall, they have not been couples for the entire State, however, it is expected to rain these days and spring-summer cycle crops can still be established.

El Sol de San Luis <https://www.elsoldesanluis.com.mx/local/productores-de-rioverde-reciben-seguro-agricola-catastrofico-3952348.html>

México

They re-hire Proagro in Veracruz

The head of the Secretariat of Rural Agricultural and Fisheries Development, Eduardo Cadena Cerón confirmed that the corresponding to the Catastrophic Expenses Insurance of the 2018-2019 cycle was completed and said that they continue the contract with the Pro-Agro insurance company for this new cycle agricultural.

"I can inform you that we continue with the coverage, Pro-Agro Company. I can tell you that next year 2019-2020 has already been paid, it is already paid at 100 percent," said the state official.

He indicated that during the recently concluded cycle, 13 thousand people benefited, with an amount of 26 million coverage, but it is expected that this week the last check will be covered with just over 4 million pesos, which would have 30 million pesos of support for people who had a problem with their crops.

Also, before the complaint of several livestock producers in the sense that they have not been supported, he clarified that this livestock insurance is in the hands of the National Confederation of Livestock Associations and with them they have to see the support, but not all enter.

"That's where we have to see how we are going to support them for the next cycle, the president has made a new insurance contract with the Confederation and I hope they have more coverage, but we cover grasslands, aquaculture and others."

On the resources put for insurance coverage, he stressed that the federation put an amount of 33 million pesos and the state 9 million, since the Catastrophic Expense Insurance cost just over 42 million pesos.

He also said that with this payment, coverage is maintained at 100 percent in the event of any contingency that could put the production at risk.

Finally, Cadena Cero reported that seed, fertilizer has been delivered to support producers.

El Demócrata <https://eldemocrata.com/recontratan-a-proagro-en-veracruz/>

México

It will seek to exercise agricultural insurance

Given the possible losses in the field of the Mayan zone, because of the intense drought that persists, the governor of Quintana Roo, Carlos Joaquín González, assured that the agricultural insurance will be sought.

Interviewed in Tihosuco during the inauguration of the beginning of the Mayan Social War, he mentioned that a working tour will be held shortly with the head of the Ministry of Agriculture and Rural Development SADER to address this problem of the field through the application of agricultural insurance.

Atypical climate facing the field currently puts the risk at risk

It is worth mentioning that the atypical climate facing the countryside currently puts the harvest of farmers in the Mayan zone at risk, because it has not rained, this situation has caused that many farmers in the Chunes area have not been able to sow their crops plots.

Given this government promise, various ejidos in the Mayan area are integrating their documents to justify the agricultural damage this season and thus be able to benefit from a loss of their crops.

Turquesa news <https://turquesanews.mx/jose-maria-morelos/se-buscara-ejercer-el-seguro-agricola/>

Paraguay

Agricultural insurance is treated in the Senate

The Chamber of Senators, chaired by Blas Llano (PLRA, bench A), will analyze in ordinary session several projects related to the creation of agricultural insurance for peasant families.

The plenary must choose one of the proposals and then analyze modifications. One of the texts was presented by the Guasu Front; another by the PLRA's Llanista bench and the last proposal of the same tenor is in charge of the red senators Lilian Samaniego, Juan Afara and Blanca Ovelar.

The bill "Promotion and protection of the right to live as a family, which regulates alternative care and adoption of children and adolescents" will also be analyzed.

Another approach is the bill "That establishes the obligation of senior State officials to submit an Affidavit of Interest, and modifies article 9 of Law 276/94 Organic and Functional of the Comptroller General of the Republic." The bill "That establishes the timely payment in Defense of Micro, Small and Medium Enterprises" will also be studied.

ABC <https://www.abc.com.py/edicion-impres/politica/2019/07/16/seguro-agricola-se-trata-en-el-senado-el-jueves/>

España

Mayo and Rivero will ask the Government to encourage agricultural insurance

In addition, the two deputies will ask the Executive if there is a plan to control the increase in policies

Citizens' deputies for Valladolid, Soraya Mayo, and for Palencia, Enrique Rivero, record two questions to the Congressional Bureau about insurance coverage for

farmers and the price of policies, in addition to the measures planned to promote insurance for this group of workers.

In this regard, both national parliamentarians have reported that the Union of Farmers and Livestock Unions estimates a loss in the cereal harvest of 1,500 million due to the drought that is affecting our country. "One of the most punished regions will be Castilla y León, which will see its dryland cereal harvest reduced by almost 60 percent over the previous year, according to this organization," they said through a statement sent to Europa Press.

At the same time, Mayo and Rivero continued, the hectares insured through the Agro Insurance consortium "have increased from 80 percent to 62 percent" in the Community due to "the decline in coverage and the increase in the price of policies". In addition, during the 2011-2018 period, public investment by the General State Administration in agricultural insurance "was reduced by seven percent."

With all this, and according to these data, the deputies of Cs for Valladolid and Palencia have recalled that the fortieth Plan of Combined Agrarian Insurance "does not explicitly contemplate" the drought between insurable risks for agricultural and forestry productions, so they have asked if the Executive plans to "advance in the treatment of the coverage of 'other climatic activities' to accommodate this type of damage."

Similarly, Mayo and Rivero have been interested in knowing if the Executive will promote measures to promote agricultural insurance and other risk coverage strategies. Also, and taking into account the "progressive increase in policies", parliamentarians have asked the Government if "some kind of additional control over the calculation of the premiums of the different lines" is planned.

Finally, Soraya Mayo and Enrique Rivero question the Executive about whether it will increase the contribution foreseen in the Combined Agrarian Insurance Plan that, in their opinion, "have hardly changed in recent years."

Noticias CyL <https://www.noticiascyl.com/regional/campo-regional/2019/07/24/mayo-y-rivero-preguntaran-al-gobierno-sobre-incentivar-los-seguros-agrarios/>

España

The Insurance Consortium has received 1,873 claims for compensation

This entity has already processed 504 of them, paying 2.5 million that could well be 15 million at the end of the process

The Insurance Compensation Consortium has so far received 1,873 claims for compensation from which it has resolved with the expert reports included 504 which has led to the payment of € 2,526,300 to these affected with a remarkable agility fulfilling its July objective, a pace that will continue in August. Although the arrival of

parts has fallen, it is possible that at the end of the process this public entity of the central government that covers natural disasters may end up disbursing almost 15 million.

Of the applications, 931 correspond to homes and communities of owners; 655 to cars; 251 to businesses, offices and non-industrial buildings; 29 to industries; 7 to civil works. By towns, 1,126 correspond to Tafalla; 343 to Olite; 138 to Pitillas; 62 to Beire; 54 to Pueyo; 45 to San Adrián; 11 to Leoz; 7 to Orisoain; and there are several municipalities with 5 or less claims, according to Alejandro Izúzquiza, director of operations of the Consortium. - J.I.C.

Noticias de Navarra <https://www.noticiasdenavarra.com/2019/08/01/sociedad/navarra/el-consorcio-de-seguros-ha-recibido-1873-solicitudes-de-indemnizacion>

España

Estimate in 13 million losses suffered by fruit growers after storms

9,100 euros for each hectare of plum

Cooperatives Agro-alimentary Extremadura and the Afruex association estimate in 13 million euros the losses suffered by the fruit growers after the storms of pedrisco recorded last April, so they have requested the Board "urgent measures" to ensure the viability of These holdings.

The two entities have registered this Thursday in the Regional Administration the document in which they propose financial, fiscal and labor measures, accompanied by a report on the damages caused in the cultivation of plum and an economic study that estimates in more than 9,100 euros of losses per hectare affected in the region.

Documents that have also been submitted to the Ministry of Agriculture, Fisheries and Food through Agro-food Cooperatives of Spain and FEPE.

The specific norm for the assessment of fruit trees establishes that the fruit is not valid for the market if the damage suffered does not exceed an area of 0.15 cm, but only 10% of its value is compensated, according to cooperatives in a press release .

The hail registered in April caused widespread damage to plum that did not exceed that area, so that those affected are receiving compensation "well below the actual losses suffered", putting "seriously endangered" the viability of numerous farms fruit growers despite having hired fruit insurance.

Down

In fact, there have been cases in which the number of fruits affected by pedrisco is "greater than 45% but only less than 20% of the insured capital is compensated on the plot", so that farmers have chosen to throw I land its production because it has no commercial value.

The compensation is also, in his opinion, "clearly insufficient, especially given the high production costs that farmers assume."

For all this, Cooperatives Agro-alimentary and AFRUEX have requested the implementation of urgent measures that must be destined to "the owners of the fruit farms of Extremadura that, having in effect agricultural insurance policies, have suffered economic losses exceeding 30% of its production. "

The two entities have highlighted the "importance" of the Agricultural Insurance System to protect farmers and the "professionalism" of Agro Insurance when assessing the affected farms.

However, they consider that this whole situation has revealed "a lack of correlation between the compensation received and the real economic losses" that have occurred in numerous fruit farms in the region.

For this reason, they have asked the Administration to review and carry out an in-depth study of the possibilities and alternatives that could be established in the aforementioned standard of expertise to cover problems of this type.

This is so that when there are slight damages due to hail and the appraisal of the damage in quality does not correspond to the reality of the concept of market quality, adequate compensation can be given to real losses, especially in years where it is impossible to generate revenue from commercial sales".

El Diario https://www.eldiario.es/eldiarioex/agroeste/Estiman-millones-perdidas-fruticultores-tormentas_6_926767334.html