



J. B. BODA



Years

1943 - 2018

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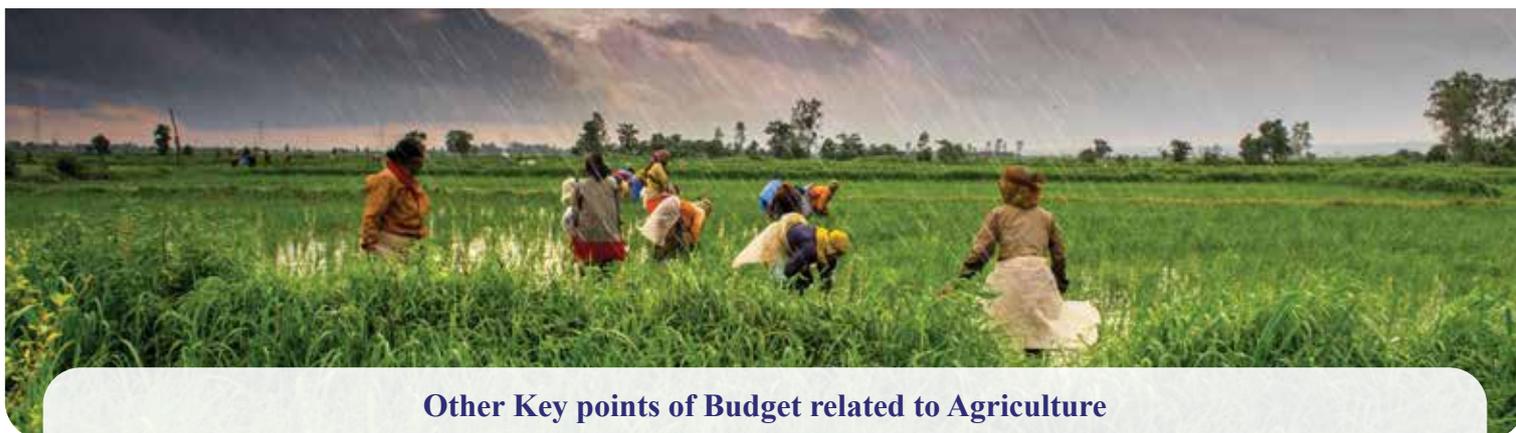
# *Blossom*

Issue: February 2018



The Finance Minister Arun Jaitley proposed to increase the budget allocation for the crop insurance scheme—Pradhan Mantri Fasal Bima Yojana (PMFBY) – by 44 percent year-on-year to Rs 13,000 crore (USD 2.02 Bn) for 2018-19. For the current financial year 2017-18, the government had allocated Rs 9,000 crore (USD 1.4 Bn) in its budgeted estimate for the scheme. However, in the revised estimates, the amount has been increased to Rs 10,698 crore (USD 1.6Bn). The crop insurance scheme aims to support sustainable production in agriculture by providing financial support to farmers suffering crop damage or loss arising out of unforeseen events. The scheme was launched in April, 2016 to ensure the flow of credit to the agriculture sector, which will in -turn contribute to food security, crop diversification.

Source: <http://www.moneycontrol.com>



1. MSP (Minimum Support Price) of all the crops to be fixed at 1.5 times the Cost of Production.
2. Promote Cluster based development of Agricultural Commodities and regions in partnership with Ministries of Food Processing, Commerce and other allied ministries.
3. Three public sector General Insurance Cos. Viz. National Insurance Company, United India Insurance and Oriental Insurance Company will be merged into a Single Insurance Entity and will be subsequently listed.
4. Tax Incentive for Promoting Post Harvest activities in Agriculture.
5. Extension of Kisan Credit Cards to Fisheries and Animal Husbandry Farmers to help them meet their Working Capital Needs.
6. Proposed to launch ‘Operation Greens’ a mission to promote Farmer Producers Organizations (FPOs), Agri Logistics, Processing facilities and Professional Management which will help resolve challenge posed by Seasonal and Regional Production of these Perishable commodities. It is Proposed to allocate INR 5 Billion (USD 80 Mn) for this purpose.
7. Proposal to launch restructured National Bamboo Mission with an outlay of INR 13 Billion (USD 200 Mn)
8. Fisheries and Aquaculture Infrastructure Development Fund and Animal Husbandry Infrastructure Development Fund will be set up for financing infrastructure requirements of Fisheries and Animal Husbandry Sector respectively.

Source: <http://www.indiabudget.gov.in/>



### Zambia - Dry spell chokes 36% Central maize fields

About 36 per cent of more than 192,500 hectares of maize in Central Province have been damaged beyond redemption due to the prolonged dry spell. Like many parts in the southern half of the country, Central Province has witnessed nearly one month without significant rain in much of the region's 11 districts. Most cereals, particularly maize are at mid-vegetative and tussling stage of development, but lack of rain has seen premature drying up of the crop in all the districts, except for Chitambo and some parts of Mkushi and Serenje. There has been little or no rain in most parts of the province since last Christmas, with Kabwe recording just nine millilitres this month compared to 398.2mm received in the same period last rainy season. According to a preliminary report, Ngabwe is the most affected district where 60 per cent of maize in 1,000 hectares that was planted has been lost followed by Chisamba with 50 per cent loss of the 28,220 hectares. Apart from maize, soya beans is the second most affected crop with a 29 per cent damage by the extreme weather conditions while cassava is the least lost crop at two per cent of the planted 3,165.5 hectares. It should be noted that very little rain, if any, has fallen since December 25th (2017) in most districts of the province and that some of the maize crop in the field has started drying up prematurely. In Mkushi District, for example, no effective rains have so far been received in the last three weeks. The fall army worm has also contributed to the poor state of the crop, especially in districts like Mumbwa.

Source: <http://www.times.co.zm>



### Philippines – Two million farmers to get free crop insurance

The Philippine Crop Insurance Corp. (PCIC) will extend P65.1 billion (USD 1.27 Bn) worth of free crop insurance coverage to more than 2 million farmers and fishermen this year to help them cope with the ill effects of climate change on farm production. Congress had allocated P3.5 billion (USD 70 Mn) for the government's free crop insurance program this year which is 40 percent higher than the P2.5 billion (USD 50 Mn) given last year. PCIC, an attached government-owned and -controlled corporation under the Department of Agriculture, is targeting to cover some 25 percent of the country's total number of farmers, pegged at 10 million. The P65.01 billion (USD 1.27 Bn) worth of crop insurance to be provided by the PCIC this year is 30 percent higher than last year's P50.032 billion (USD 0.97 Bn). The number of total farmers insured by year-end would be 32 percent higher than the 1.52 million farmers and fishermen registered beneficiaries in 2017 and it would be the "highest" in the PCIC's history.

With the free crop insurance coverage, PCIC's penetration rate in the rice and corn sector would increase to 20 percent, from the current 17 percent. The ratio of high-value crops insured by the PCIC in relation to total hectareage planted would reach 9.6 percent by year-end, from last year's 7 percent. In 2017 the PCIC paid P1.9 billion (USD 40 Mn) worth of insurance claims to around 175,000 affected farmers, 25.83 percent higher than the P1.51 billion (USD 30 Mn) it paid to farmers in 2016. The total number of farmers covered by the PCIC last year, pegged at 1.52 million, was 38.81 percent higher than the 1.095 million farmers it insured in 2016.

Source: <https://businessmirror.com.ph/>



### Nigeria - Five insurers to sell index-based agric insurance

The National Insurance Commission (NAICOM) has granted product approval to five insurance companies participating in the Index-Based Agricultural Insurance (IBAI) pilot scheme. IBAI is a relatively new financial instrument for transferring agriculture risks from individuals or groups of farmers to international risk carriers Insurers. In an Index-Based System, when a claim is triggered for a specific area, all insured units, farmers, within a given geographical area and having similar characteristics, are compensated at the same payout rate, usually a percentage of the sum insured, on events specifically covered by the policy (usually those for which the proxy(ies) meet the specified triggers). IBAI pays out benefits on the basis of a predetermined index (e.g. rainfall level, crop yield) for loss of assets and investments, primarily working capital, resulting from weather and catastrophic events, without requiring the traditional insurance services and that the purpose is to compensate farmers in the event of a loss resulting from shared risks (rather than individual risk) associated with weather fluctuations, disease outbreaks or poor yield. NAICOM is collaborating with the Nigeria Incentive-Based Risk Sharing System for Agricultural Lending (NIRSAL) on the initiative to expand insurance products for agricultural lending from the current coverage of 0.5 million to 3.8 million agricultural primary producers. The pilot scheme is running in 10 states – Adamawa, Bauchi, Benue, Kaduna, Kano, Kasina, Kebbi, Nasarawa, Taraba and Zafara, whilst the crops are, rice, maize, soyabean and sorghum.

Source: <https://independent.ng>

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