

Programme Director

Reshmy Nair

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Fee : ₹ 34,000/-
(US \$ 1495) +
Applicable Service Tax

INDEX BASED CROP INSURANCE - CONCEPTS, DESIGN AND IMPLEMENTATION

Programme Overview

The crop insurance sector in India in the country has been constantly evolving since the introduction of the Comprehensive Crop Insurance Scheme (CCIS) in 1985. There have been both technical and operational improvisations in its journey from CCIS to National Agricultural Insurance Scheme (NAIS), Weather Based Crop Insurance Scheme (WBCIS), Modified National Agricultural Insurance Scheme (MNAIS), the National Crop Insurance Programme (NCIP) and the most recent Pradhan Mantri Fasal Bima Yojana (PMFBY). The PMFBY brings forth important improvements in the technical, financial and operational aspects of the yield based insurance scheme besides a restructured WBCIS to cater to the insurance needs of the farming community.

Among the important technical and operational improvements in the PMFBY that has replaced the NAIS and MNAIS include reduction in premium rates, setting up of uniform cut-off dates, non-capped sum insured, expanded coverage of localized calamities in terms of perils and geographical areas, digitization of the CCE process, use of satellite imagery for CCE sampling, cost sharing of CCEs/technological improvements by Govt. of India, greater insurance support to insurance companies/banks for implementing the scheme, stability to insurance companies for implementation of the scheme in an areas for three years, clustering approach to diversify and spread the risks among implementing agencies and stress on evaluating the implementing insurance companies through an established framework. The restructured WBCIS brings about some fundamental improvements in WBCIS. The significant among these are removing capping of premium rates (which adversely affected the indemnity payment capability of the product); sharing of cost by Government of India to expand network of weather stations, stress on coverage of those adverse weather incidences that can cause substantial losses and adequate coverage of crop losses at the later stages, coverage of localized perils as add-on/Index plus products and increased responsibility of banks/financial institutions for compliance of compulsory provisions.

Objectives

1. To critically understand the technical nuances of the latest crop insurance product offerings
2. To share good practices in the area of index insurance
3. To share awareness of the existing institutional set-up and required reforms in the legislative/institutional set-up governing the crop insurance sector.
4. To provide an understanding on the key action points, time frame, monitoring mechanisms and role and responsibilities of key stakeholders for successful implementation of the reform measures in crop insurance sector.

Participant Profile

Executives in the insurance and reinsurance sector, state government, financial institutions, and non-governmental organisations dealing with agricultural insurance.