

## Agricultural Goods

Category: Insurance for the agricultural sector

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Written by redpinar

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The Agricultural Property Insurance covers all short- and long-cycle crops, as well as permanent plantations of coffee, cocoa, sugar cane, banana, fruit trees, flowers and their production.

The following assets are protected:

Cultivation of tobacco, vegetables, grains, rice and viands.

Coffee and cocoa

Sugar cane sowing

Sugar cane

Banana

Protected crops

Citrus

Fruit trees

Seedbeds

Nursery

Forestry

Organoponics

Temporary Cultivation of Flowers

Permanent plantations

Promotion of permanent plantations

When insuring these goods they are protected against damage or loss caused by or as a result of Cyclone (Depression, Tropical Storm, Hurricane), windsock, tornado, flood, heavy rain, hail, drought, fire, as well as pests and diseases provided that the crops have been sown on the optimal dates according to the calendars approved by the competent agencies.

In essence it ensures the vegetative development and production of plants, with their expected costs and yields. The insurance object of a temporary crop can be the investment made to it or the yield.

**Investment Insurance:** Amount of the direct investment for obtaining the expected harvest, considering the costs for work according to the crop, the planting season, the technology to be used and the planned area. The amount of the insured direct investment may never exceed the value resulting from the sale of the crop.

**Yield Insurance:** Values to be reached by the producer at the end of the harvest, based on an expected level of production per unit area, valued at a weighted average price. The highest yield obtained by the producer in the last 3 years or similar campaigns, the productive potential of the variety(ies), the soil and weather conditions in which the crop is grown, whether the crop is expected to be irrigated

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or dry, the technology used and the experience of the producer in managing the production will be taken as a reference. In the case of new producers for the determination of the insured value, the result of neighbouring producers with similar conditions shall be taken into account. Consideration of the behaviour of the different factors shall be in accordance with the provisions of the manuals and procedures.

**Permanent Plantation Insurance:** Sum of the values of all the plants that make up the plantation, determined from their cost sheets, considering the cuts or depreciation and crop technology.

### AMOUNT OF COMPENSATION:

a)-Losses before fructification.

Both for investment and for yield, in cases where reseedling is not carried out, 90% of the loss valued at the cost for the work performed up to the time of its occurrence shall be compensated, as reflected in the inspection and appraisal report.

When reseedling is carried out, the indemnity shall be calculated on the basis of one hundred per cent (100%) of the expenses incurred for work necessary to carry it out. In this case it will be necessary to restore the insured value.

b)-Losses after fructification.

**Investment** - The insurance indemnity shall be calculated by applying ninety percent (90%) to the loss reflected in the inspection and appraisal report, according to the actual work performed up to the time of occurrence of the loss valued at the cost per unit of production.

**Yield** - The amount of the indemnity shall be calculated by applying the % selected by the Insured during the process of taking out the insurance to the amount of the loss reflected in the inspection and appraisal report, valued at the sale price per production unit at which the insurance has been taken out.

Both in terms of investment and yield, no compensation shall be due when the value of the production obtained is equal to or greater than the amount of the insured value. If compensation was made before fructification, it shall be taken into account for the purposes of calculating the production obtained.

**Permanent Plantations:**

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The insurance indemnity shall be 100% of the value of the lost plants. In the event of partial loss, 90% of the costs of recovering the plant or rehabilitating the area (pruning, sanitation and clean-up) will be paid.