



ASIAN PRODUCTIVITY ORGANIZATION

PROJECT NOTIFICATION

2 August 2016

1. **Project Code** 16-AG-15-GE-WSP-B
2. **Title** Workshop on Agricultural Insurance Systems
3. **Duration** 28 November–2 December 2016 (five days)
4. **Venue** Manila, Philippines
5. **Implementing Organization**
Bureau of Agrarian Reform Beneficiaries Development (BARBD)
Department of Agrarian Reform (DAR)
3rd Floor, DAR Building
Elliptical Road, Diliman
Quezon City, Philippines
Tel: 63-2- 9261890
e-Mail: susan.e.leones@gmail.com;
elencabanes2164.ph@gmail.com
6. **Co-sponsor**
Centre on Integrated Rural Development for Asia and the Pacific (CIRDAP)
Chameli House, 17, Topkhana Road, Dhaka 1000, Bangladesh
Tel: 880-2-9586508; 9558751; Ext. 205
Fax: 880-2-9562035; 9571880
e-Mail: evatuzon@cirdap.org
7. **Number of Overseas Participants**
Up to 18 qualified participants from Bangladesh, Cambodia, Republic of China, Fiji, India, Indonesia, Islamic Republic of Iran, Republic of Korea, Lao PDR, Malaysia, Mongolia, Nepal, Pakistan, Sri Lanka, Thailand, and Vietnam. However, other member countries with special interest in this project may nominate candidates upon consultation with the APO Secretariat. (See 13. Qualifications of Participants)
8. **Number of Local Participants**
Up to six qualified participants
(See 13. Qualifications of Participants)
9. **Closing Date for Nominations** 30 October 2016

10. Objectives

- a. To enhance the knowledge of participants on the principles, mechanisms, and management of agricultural insurance as a policy instrument and intervention approach to raise the productivity and income of small farmers and minimize their risk;
- b. To share models and schemes of agricultural insurance provision in Asia and the Pacific and identify the best practices that can be disseminated and promoted in member countries; and
- c. To formulate strategic action plans for scaling up the best practices.

11. Background

Natural calamities and subsequent havoc wreaked on agricultural production cause immense losses to farmers in most countries in the Asia-Pacific region. Farmers are not only deprived of their livelihoods but are also saddled with the problem of settling their financial obligations for farm operations and investments. Although farmers in general have learned to live with most of these risks by employing various devices on their own or with the support of government to prevent and/or cope with them, the problem of residual risks persists. In this situation, appropriate measures are needed to reduce loss or relieve farmers from it and to maintain their productive capacity. The provision of agricultural insurance coverage may be one of the solutions.

Agricultural insurance has been proven to be an effective mechanism for this purpose and to help farmers smooth their income flow and provide a financial buffer to rehabilitate damaged enterprises. In addition, agricultural insurance also brings collateral benefits such as enhancing farmers' access to loan facilities. Financial institutions are more inclined to lend to farmers who have insurance premiums. Through agricultural insurance, governments are relieved from administering expensive disaster relief operations for the farming sector in times of calamity. The burden of the government is also reduced as several parties contribute to the insurance fund in the form of capital from the insuring agency and premium contributions from farmers and other entities.

A number of countries have successful experience in implementing various agricultural insurance systems, while there are also many in which the schemes were not sustained. In other countries, there is still the need to address the general perception that small-scale farmers are not within the threshold of insurability in view of their small operations, which makes narrow profit-making insurance premiums costly. There is also the view that the dispersed locations of small farms make it costly for the insuring entity to reach and service a critical mass of farmers.

This workshop is being organized to provide participants a platform to share agricultural insurance models and schemes, discuss the principles and analyze the issues and challenges in implementing and managing different agricultural insurance schemes, and learn useful lessons from countries where agricultural insurance is available.

12. Scope and Methodology

The tentative main topics to be covered are:

- a. Role of agricultural insurance in managing risks and improving productivity on small farms;
- b. Challenges and strategies in extending agricultural insurance to small and marginal farmers;
- c. Principles and practices of selected agricultural insurance models (annual crops, perennial crops, livestock, fisheries, etc.);
- d. Comparative analysis of government-sponsored and private-sector agricultural insurance schemes: strengths, weaknesses, threats and opportunities (SWOT);
- e. Recent approaches and techniques in estimating and compensating farm losses for insurance coverage;
- f. Capacity development needs of agricultural insurance companies in member countries; and
- g. Successful models and schemes and best practices in the management of agricultural insurance schemes/programs.

The workshop will consist of presentations and discussion of resource and country papers, group breakout sessions, and field visits in the host country.

The resource papers will discuss the principles, mechanisms, and management of agricultural insurance schemes and selected successful models in other countries.

The country papers will review the present status of agricultural insurance systems/programs in participants' countries, sharing successful models and schemes, and highlighting the success factors and issues and impediments to improve their operation.

The field visits will provide opportunities for participants to visit relevant implementing organizations and insurance program beneficiaries in the host country to observe and discuss issues and best practices.

The group breakout sessions are meant for enhancing interaction and knowledge/best practice sharing among participants in small groups and formulating strategic action plans for scaling up the best practices of agricultural insurance.

The tentative program and itinerary of the workshop are given in Attachment 1.

13. Qualifications of Candidates

The participants are expected to possess the following qualifications:

Present Position	Managers and officers of private and state agricultural insurance companies and researchers and extension personnel of research institutions and academia in charge of actuarial studies and providing advisory and consultancy services on agricultural insurance.
Experience	At least three years of experience in the position described above.
Education	University degree or equivalent qualification from a recognized university/institution.
Language	All proceedings of the project are conducted in English, and participants are frequently required to make oral and written presentations. They must therefore be proficient in spoken and written English. Those who are not proficient in English will not be accepted.
Health	Physically and mentally fit to attend an intensive project requiring

participants to complete a number of individual and group activities and strenuous fieldwork. It is therefore recommended that member countries do not nominate candidates likely to suffer from physical and mental stress.

Age	Candidates who fit the above profile are typically between 30 and 50 years of age.
APO Certificate	Participants are required to attend the entire program to receive the APO certificate of attendance.

14. Financial Arrangements

To be borne by participants or participating countries

- a. Participants' insurance premiums: All participants should be fully insured against accident and illness (including hospitalization and death) for a principal sum equivalent to USD10,000.00 for the entire duration of the project and travel and must submit to the APO Secretariat a copy of the comprehensive travel insurance certificate before participation. Such insurance should be valid in the host country. This insurance requirement is in addition to existing government insurance coverage in some member countries. If any participant is unable to insure himself/herself as stipulated above, he/she should secure this insurance in the host country at the commencement of the project and pay the premium himself/herself, if necessary, from the per diem allowance provided. Neither the APO nor the implementing organizations will be responsible for any eventuality arising from accident or illness.
- b. All expenses related to visa fees and airport taxes.
- c. Any expenses incurred by participants for stopovers on the way to and from the project venue as well as for extra stay at the project venue before and/or after the official project period because of early arrival or late departure, for example, due to either limited available flights or any other reason.

To be borne by the host country (CIRDAP and DAR)

CIRDAP

- a. Per diem allowances and hotel accommodation for up to 18 overseas participants for up to six days at the rate to be specified later.
- b. Hotel accommodation for up to three local resource persons/experts.

DAR

- a. Costs of local resource persons and up to six local participants.
- b. All local implementation costs (venue and conference facilities, project/site/field visits, workshop kit, supplies and materials, etc.) for all participants.
- c. Cost of all official local transport arrangements.

To be borne by the APO

- a. All assignment costs of overseas resource persons.
- b. Round-trip economy-class international airfare by the most direct route between the international airport nearest to the participants' place of work and Manila. As far as

practicable, all participants should purchase discount tickets. Please note that the arrangements for the purchase of air tickets should follow the "Guide on Purchases of Air Tickets for APO Participants," which will be sent to the selected participants. It is also available on the APO website and from APO Liaison Officers in member countries.

- c. The APO may select more than 18 overseas participants in anticipation of last-minute withdrawals or no-shows. If more than 18 overseas participants attend, per diem allowances and hotel accommodation costs will be borne by the APO for up to two additional overseas participants at the rate to be prescribed for up to six days.

15. Actions by Member Countries

- a. Each participating country is requested to nominate three or more candidates in the order of preference. Please ensure that candidates nominated meet the qualifications specified under section 13 above.
- b. No form of self-nomination will be accepted. All nominations must be endorsed and submitted by an APO Director, Alternative Director, Liaison Officer, or their designated officer.
- c. Please note that nomination of a candidate does not necessarily guarantee that he/she will be selected. Selection is at the discretion of the APO Secretariat. A basic criterion for selection is the homogeneity of the participants in terms of qualifications and work experience. Nonselection therefore does not mean that the candidates concerned are not competent enough. Sometimes candidates are not selected because they are overqualified for a project.
- d. Each nomination should be accompanied by the necessary documents. A nomination lacking any of these documents may not be considered: two copies of the candidate's biodata on the APO biodata form together with a passport-sized photograph. The biodata form can be downloaded from the APO website (www.apo-tokyo.org). We encourage submitting the biodata form to the APO Secretariat in electronic form as an attachment to a cover e-mail message from the APO Director, Alternate Director, or Liaison Officer. The nomination documents should be sent to the Agriculture Department, APO Secretariat (e-mail: agr@apo-tokyo.org, fax: 81-3-5840-5324).
- e. The APO Medical and Insurance Declaration/Certification Form. Every candidate must complete and submit a copy of the APO Medical and Insurance Declaration/Certification Form with his/her biodata at the time of nomination. Please note that self-declaration is sufficient for candidates without any of health conditions or illnesses listed on the reverse side of the medical form. However, for all others, medical certification by a licensed physician on the reverse side of the medical form is required.
- f. Necessary documents are to be submitted electronically. In that case, there is no need to send a hard copy by postal mail. However, if the documents are submitted by fax, member countries are requested to mail the originals of the documents to the APO Secretariat as well. If a digital photograph of a nominee is not attached to the electronic biodata form, a hard-copy photograph should be sent to the APO Secretariat by postal mail. Please give the candidate's name and the project code on the reverse side of the photograph.
- g. Member countries are requested to adhere to the nomination deadline given on page 1. The APO Secretariat may not consider late nominations as they have in the past resulted in considerable difficulties to the implementing organization in its preparatory work for the project.
- h. For member countries where nominations are required to be approved by higher government authorities and require a longer time, the APO Liaison Officers/NPOs are

urged to send the names of nominees on or before the deadline, indicating that government approval will follow.

- i. If a selected participant becomes unable to attend, he/she should inform the APO Liaison Officer/NPO in his/her country immediately and give the reason for withdrawal. The NPO concerned is requested to transmit that information to the APO Secretariat and the host country promptly.
- j. NPOs are requested to inform the selected participants that they are not to bring family members or to engage in any private business activities during the entire duration of the project.
- k. Each selected participant should be instructed to arrive at the venue one day before the start of the official project. Also, he/she is expected to return home upon completion of the official project because he/she is visiting the host country for the specific purpose of attending this APO workshop.
- l. NPOs should inform participants that they must attend all five days of the project to qualify for the certificate of attendance.

16. Actions by the APO Secretariat

- a. Under normal circumstances, candidates who are selected will be informed of their acceptance at least four weeks prior to the start of the project.
- b. If some candidates fail to qualify or be unable to participate after selection, or if some member countries fail to nominate any candidate, their slots may be filled by alternates from the same or another member country on a merit basis.

17. Project Preparation

The participants are required to prepare a country paper prior to departure for the project venue. In preparing the paper, they are expected to follow the "Guidelines for the Preparation of Country Papers" to be provided later.

18. Postproject Actions

All participants are required to prepare action plans and share the plans with their NPOs. The APO will also request participants to submit progress reports six months after completion of the workshop.

19. Evaluation of Participants

If the conduct/attendance/performance of a participant is not satisfactory, these will be reported to the APO director concerned.

20. Guide for Participants

Other conditions for participation are given in the *APO Guide for Participants*, which is available from APO Liaison Officers/NPOs in member countries and on the APO website (www.apo-tokyo.org).



Mari Amano
Secretary-General

16-AG-15-GE-WSP-B:

Workshop on Agricultural Insurance Systems
28 November–2 December 2016, Manila, Philippines

TENTATIVE PROGRAM AND ITINERARY

(to be finalized in consultation with the implementing organizations and resource persons)

Date/Time	Activity
Sunday, 27 November	Arrival of participants at project venue
Day 1: Monday, 28 November	
Opening session and Inaugural Ceremony	
- Keynote Address	
- Rationale of the Workshop and Expected Outputs	
Session 1: Importance of agriculture in Asia and the Pacific region and the role of agricultural insurance	
1A	<i>Resource Paper Presentation:</i> Agriculture in Asia and the Pacific region and climate change
1B	<i>Resource Paper Presentation:</i> Role of agricultural insurance as a risk-mitigating and productivity improvement measure for smallholder farmers
1C	<i>Country Paper Presentations:</i> Agricultural insurance: perspective, challenges, and opportunities
	Recap (summary and highlights) of session 1
Day 2: Tuesday, 29 November	
Session 2: Agricultural insurance provision in Asia and the Pacific region	
2A	<i>Resource Paper Presentation:</i> Principles of, trends in, and emerging practices on agricultural insurance
2B	<i>Country Paper Presentations:</i> Innovative products, models, and schemes of agricultural insurance delivery
2C	<i>Country Paper Presentations:</i> Role of science and technology in creating demand for agricultural insurance
	Recap of session 2
Day 3: Wednesday, 30 November	
Session 3: Government and private-sector support for agricultural insurance in Asia and the Pacific region	
3A	<i>Resource Paper Presentation:</i> Rationale for, policies on, trends in, and cost of public- and private-sector support for agricultural insurance
3B	<i>Country Paper Presentations:</i> Types of public- and private-sector support for and strategies in agricultural insurance design, promotion, and sustainability
3C	<i>Group Breakout Session 1:</i> Which agricultural insurance products, models, and schemes existing among APO and CIRDAP member countries do participants find relevant or could be replicated in their countries? Which key concerns/most promising areas do they think should be prioritized/focused on by their governments/institutions to

ensure affordable, acceptable, accessible agricultural insurance support for low-income/smallholder farmers?

Recap of session 3

Day 4: Thursday, 1 December

Session 4: Field visits

- 4A *Field Visit* to selected government and nongovernmental institutions engaging in agricultural insurance programs
- 4B *Field Visit* to successful smallholder farmers and organizational beneficiaries of agricultural insurance support

Recap of session 4

Day 5: Friday, 2 December

Session 5: Group breakout session, summing-up presentation, program evaluation, and Closing Ceremony

- 5A *Group Breakout Session 2: Which key options and recommendations can be forwarded to governments of Asia and the Pacific to support agricultural insurance initiatives? Which specific steps could participants contribute to achieving/operationalizing these options/recommendations?*

Reporting of outputs of Group Breakout Sessions 1 and 2

5B

Summing-up presentation: Synthesis of the overall workshop

5C

Program evaluation by participants, resource persons, and implementing organizations

5D

Closing Ceremony

- Closing remarks

5E

- Issuing certificates to participants
- Vote of thanks

Saturday, 3 December 2016 Departure of participants