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Study Tour Report

Cambodian Delegation's Study Tour to India

6th – 12th of August 2018



"India as a pioneer in crop insurance worldwide with extensive experience in the implementation of nationwide crop insurance schemes on a large scale"

Introduction

Background of RIICE

RIICE (Remote Sensing-Based Information and Insurance for Crops in Emerging Economies) is a public private partnership sponsored by the Swiss Development Corporation (SDC) and the German Federal Ministry for Economic Cooperation and Development (BMZ) in cooperation with Sarmap SA, the International Rice Research Institute (IRRI) and Swiss Re. The partnership aims to reduce vulnerability of smallholder farmers through more efficient and transparent crop insurance programmes as well as improved food security policies, based on more accurate and timely information on rice crop. The parties of RIICE make use of a combination of remote-sensing and crop modeling technologies.

The RIICE project has been cooperating since 2012 for the Phase I with the Cambodian Agricultural Research and Development Institute (CARDI) and in Phase II with the Department of Statistics of the Ministry of Agriculture, Forestry and Fisheries (MAFF) to achieve such rice area and yield forecasts on a large scale. RIICE Phase III is working with key stakeholders including insurance and reinsurance companies, MAFF and the Ministry of Economy and Finance (MEF) and other development partners to promote crop insurance in Cambodia.

In 2015, the private insurer FORTE piloted the first crop insurance in Cambodia for rice farmers. They started to offer a weather-index based crop insurance product to farmers in Battambang and Pursat province, north-western Cambodia where comparable to other provinces larger, commercial farmers produce rice. The number of farmers who enroll in the crop insurance is slowly increasing as the benefits of crop insurances are spread amongst farmers.

However, to scale-up crop insurance for small-scale farmers there are a lot of challenges that need to be addressed such as lack of a regulatory framework and support from the government (i.e. in form of subsidies), lack of policies, data availability and technical capacity with the insurance industry. Therefore, RIICE Phase III will work closely with the key stakeholder mentioned above to implement a pilot crop insurance scheme using RIICE technology that has the potential for nationwide scale-up. Capacity building of the RIICE partnership focuses on three areas: (1) crop insurance product development using RIICE technology, (2) development of an enabling policy framework, and (3) farmer crop insurance literacy.

Objective and scope of the study tour

During the study tour to India, participants should gain a better understanding on the policy and regulatory framework on crop insurance in India. As in India a crop insurance scheme has already been implemented that uses the RIICE-technology, the study tour will enable participants to understand the structure of a crop insurance scheme and the implementation procedure in which the public and private sector are involved. The role of technology in crop insurance schemes with a specific focus on the remote-sensing technology will be made clearer to the participants during the study tour. Therefore, participants will visit and exchange information with farmers, insurance companies and policy makers and will also learn about the impact of crop insurance schemes. By the end

of the study tour, participants should have obtained new ideas and incentives for the implementation of a crop insurance scheme and the institutionalization of RIICE technology in Cambodia and have developed ideas on how to transform the new insights into concrete action steps.

The Program: Institutions visited and main topics of discussion

During the five days program, a variety of partners and institution were paid a visit to. Next to the GIZ, which engages in policy dialogue with the Government of India to implement the RIICE-technology, the Ministry of Agriculture in New Delhi, NABARD, an agricultural insurance company in India, as well as the Tamil Nadu Agricultural University of Coimbatore, a project partner of RIICE, were visited.

Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ)

On August 6, the first official day of the program, the participants were welcomed at the GIZ New Delhi Office by Dr. Konrad Uebelhör and Mr. Rajeev Ahal.



Figure 1 Mr. Rajeev Ahal, Mr. Manoj Yadav and Dr. Konrad Uebelhör during the opening ceremony

GIZ is Germany's leading provider of international cooperation services. As a federal enterprise, it supports the German Government in achieving its objectives for sustainable development. For over 60 years, GIZ GmbH has been working jointly with partners in India for sustainable economic, ecological, and social development. After an introduction to GIZ, the clarification of the expectations of the participants and an outlook on the agenda, Mr. Manoj Yadav gave a brief introduction to the crop insurance in India and the RIICE project. He briefly described how in India the project was initiated in 2012 in the state of Tamil Nadu, and has been actively collaborating with the Government, academia as well as the insurance community towards establishing a successful model of a remote sensing supported crop insurance program.

Ministry of Agriculture & Farmer's Welfare, Government of India

In the afternoon of the 6th of August, the group visited the Ministry of Agriculture & Farmer's Welfare, Government of India in New Delhi. As far as crop insurance is

considered the Ministry of Agriculture & Farmer's Welfare is entrusted with the responsibility of formulating the crop insurance scheme guidelines apart from sharing the premium subsidy with the state governments.

After a brief introduction of the Cambodian Delegation the expression of sincere appreciation, the joint secretary, Dr. Ashish Bhutani gave a short overview over the activities in the area of crop insurance. He explained, that crop insurance has been taken up on national level in 1985. Between 1999 and 2016, a further crop insurance scheme, was implemented. The insurance sector was first run by government agencies, as it was not open for the private sector in the beginning. In 2016, the current scheme for crop insurances was rolled out, which is in its third phase at the moment. The scheme comprises 4,5 billion dollars. Still, technological development plays an important role for the development of such an insurance scheme. While the government of India has prepared the guidelines for the scheme, it includes different stakeholders. The farmers pay fixed amounts, irrespectively of the crop that they plant. The government allocates the areas to be insured and the different crops and insurances involved, but the farmers all pay the same price with the provincial and federal governments sharing the additional costs. It is thus a subsidized scheme that is supported financially and administratively by the government.

Dr. Ashish Bhutani furthermore explained, that the scheme also involves loans which are given by financial institutions and have a low interest rate of 0 – 4%. Combining both measures, farmers apply for a loan and subsequently also get covered by a crop insurance – as long as the state government has notified the crop to be covered. If not, farmers stay uninsured while being supported through a loan.

All the institutions involved are connected and share their data, with 250.000 bank branches and 150.000 common service centers entering data and supplying services on the ground. Different kinds of banks cover 75% of all farmers within India, while they also try to offer coverage through post offices as those have a broad presence in the country. The insurance company does not to take any effort, as it automatically gets provided with farmers that already take a loan from a bank. Only farmers without a loan are to be targeted actively. The insurance covers a broad range of risks like floods, droughts, etc. However, the damage done by wild animals is not covered as of now, but that option is explored at the moment. An average is calculated based on the last seven seasons. The farmers themselves have not to individually claim anything, as the compensation is calculated internally. As that creates the problem of internal manipulation, different mechanisms to prevent this are in place. Last year, around 50 million farmers were insured which is about 30% of the total amount of farmers in India.

The government is heavily subsidizing this scheme from tax money to ensure that insurance comes at a low cost for the farmers.

After the presentation by Dr. Ashish Bhutani, the participants of the study tour had time to ask questions and discuss further topics. One participant asked for the reason, why only 30% of the farmers are insured yet. Dr. Ashish Bhutani explained, that, although the scheme is open to all farmers, farmers (mostly in low risk areas) decide to save money and to not get insured. However, in high-risk areas, almost all farmers are insured.

Concerning the relationship between the ministry and the involved companies, Dr. Ashish Bhutani explained that weekly meetings take place and regular comprehensive reviews to ensure a smooth process of cooperation. Incentives for insurance companies include the possibility of income generation for the companies as in many cases no extreme weather events are taking place.

A big discussion point was about the compulsory component of the scheme that loan-taking farmers have to be insured. Dr. Ashish Bhutani stated that it was decided by the Indian government as a rule as long as the crop is notified and that farmers pay less than the actual price for insurance. The difference is paid by the government. All farmers availing Seasonal Agricultural Operations (SAO) loans from Financial Institutions (i.e. loanee farmers) for the notified crop(s) would be covered compulsorily. For non-loanee farmers it would be an option to join the crop insurance service. The insurance companies are thereby controlled through the ministry of finance, which is closely cooperating with the ministry of agriculture within this program. The premium for a crop insurance ranges from 10-17 percent of total production costs. The farmer only pays 2 percent, and the rest of the premium's cost is shared equally by the state and federal government. The prices offered by the insurance companies are regular market prices.

Dr. Ashish Bhutani explained, that Banks have been on board with this scheme from the beginning on. The ministry has also been trying intensively to engage them when upscaling this scheme. The main difficulty is to coordinate all parties involved, so that farmers can get their insurance payout in time if needed. Furthermore, there is a portal where all data is entered which is administered by the Ministry of Agriculture. It aims at centrally steering the process and ensuring its standards. The platform is free for everybody to use and has been taken up well by all actors involved. Additionally, the government protects farmers through a minimum support price, which acts as a protection floor for the farmers in case that the prices drop below that level.

When discussing the role of insurance on income development, Dr. Ashish Bhutani highlighted that insurances are key for supporting farmers in climbing up the income ladder in the long term. The case of Tamil Nadu also illustrates, that farmers learn from experience, meaning that extreme weather events push them into using insurances.

One expert from the Ministry of Agriculture explained the online platform used for the insurance scheme. It is called an insurance portal www.agri-insurance.gov.in for better administration, coordination amongst stakeholders, proper dissemination of information and transparency for bankers, insurance companies and state workers can log in onto the platform. Furthermore, farmers can also login and buy their insurance directly online. The basic information like notified areas, crops, sum insured, government subsidy, premium to be paid by farmers, and concerned insurance companies in the particular insurance unit has been digitized and put on the web portal so that farmers and other stakeholders may get the relevant information online and through SMS. It also ensures better administration and ease in accessing information by farmers. State Government and concerned Implementing Agencies i.e. the insurance companies operating in a particular state, will be responsible for entry of all requisite information/ data as per notification issued by the states in the crop insurance portal well in time so that information may be available in digitized form to all stakeholders. The details of entry of

data/ information on the web portal have already been available on the portal (www.agri-insurance.gov.in).

National Bank for Agriculture and Rural Development (NABARD)

NABARD is an apex development financial institution in India, headquartered at Mumbai with regional offices all over India, including New Delhi. Its mission is to “Promote sustainable and equitable agriculture and rural development through participative financial and non-financial interventions, innovations, technology and institutional development for securing prosperity”. It has experience in the implementation of crop insurance and was therefore visited on the second day of the study trip.

In the beginning, Shri. Rajiv stated the problems of agricultural production in India. Although it accounts for 48% of employment, India is experiencing issues with securing the production of agricultural products, which is why products such as insurances are an important factor in the discussion about fostering this sector. NABARD focusses strongly on fostering rural infrastructure, and has also already been cooperation with GIZ for 25 years by now. This year NABARD works with around 62 billion Dollar.



Figure 2 Mr. S. K. Dora, from NABARD presenting to the delegation at their New Delhi office

After the introduction, Mr. S. K. Dora talked more in detail about the agricultural sector in India. The first issue in India is the structural transformation in the agricultural sector. Two third of India's population are dependent on the agricultural sector. Even more, Indian farmers are becoming poorer and poorer. The Indian economy has been growing significantly in the last year, but that has not entailed the agricultural sector in the recent past. Instead, a deceleration of land acquisition has contributed to this issue. Secondly, climate change also impacts farmers in India as it does all around the world. This directly affects the livelihood of local farmers, putting farmers in a state of distress. In addition, Indian agricultural production has grown until a point where there is less demand than production, resulting in stress on farmers and their families as prices decrease.

Farmers face different direct risks: droughts, floods, volatile prices, etc. – this even results in some farmers committing suicide. Furthermore, overusing fertilizers and other chemicals is heavily impacting the quality and usability of drinking water. Lastly, farmers are also vulnerable towards policy risks. NABARD is financing about 20% of the rural infrastructure in India.

Pradhan Mantri Fasal Bima Yojana (PMFBY), the current insurance scheme covers all kinds of different risks and crop as indicated below:

- a) Prevented Sowing/ Planting Risk: Insured area is prevented from sowing/ planting due to deficit rainfall or adverse seasonal conditions
- b) Standing Crop (Sowing to Harvesting): Comprehensive risk insurance is provided to cover yield losses due to non- preventable risks, viz. drought, dry spells, flood, inundation, pests and diseases, landslides, natural fire and lightening, storm, hailstorm, cyclone, typhoon, tempest, hurricane and tornado.
- c) Post-Harvest Losses: coverage is available only up to a maximum period of two weeks from harvesting for those crops which are allowed to dry in cut and spread condition in the field after harvesting against specific perils of cyclone and cyclonic rains and unseasonal rains.
- d) Localized Calamities: Loss/ damage resulting from occurrence of identified localized risks of hailstorm, landslide, and inundation affecting isolated farms in the notified area.

As has been already explained, loanee farmers who took a loan are compulsorily covered under the insurance. The channel distribution is only through the bank for loanee farmers. Non-loanee farmers can apply for the crop insurance through banks, intermediaries, direct or the online portal. However, they need to enclose the following documents:

- a) Proposal form
- b) Copy of Land Record
- c) Original cancelled cheque
- d) Copy of tenancy/share cropper agreement (if applicable)
- e) Premium instrument

The premium is calculated based on actual market developments; the exact rates depend on the season. Ideally, the farmers are compensated within 30 days, although it can also take up to one and a half months.

The target of the overall program was to increase the coverage from 30% to 50% in only a few years. Overall, this approach works better as the government is also trying to include new technologies such as the central platform and an app. Many processes have thus been standardized and improved.

After the presentation given by Mr. S. K. Dora, the discussion was opened with a question on what else the government is doing to improve the process to get insured. Mr. Rajiv stated that he sees the major role in digitalization. Besides the app and the platform, smartphones play an increasingly important role as farmers for example photograph their crops and upload to the system to access information about crop diagnosis (nutrient, disease and pest) in order to take intervention activities for controlling on time.

The allocation process is done following some steps: For allotting an area to an insurance company, each company is asked to give a bid for a particular area, normally with a

certain premium per hectare. Whoever has quoted the least amount wins the bid. As soon as the subsidized amount is then decided upon and the contract is signed, the company will start its work. This is decided based on defined areas or clusters. Upon request of one participant, Mr. Rajiv said that fair play is achieved through regular audits of how contracts are provided which encompasses various levels of sharing the responsibility to control it by the Government of India. In case of a dispute about any of the involved processes, there is a committee which is responsible for resolving it at the state level.

When asking about the actual role of NABARD, Mr. S. K. Dora said, that NABARD's role is the facilitating and designing of policy in this scheme. NABARD is responsible for the supervision of the involved banks, be it private, public, or cooperative roles. For the loanee farmers, their insurance is always implemented through the banks. This also illustrates the overall importance of banks: Insurance companies would never have the capacities to reach out to the farmers as potential customers – therefore banks are needed to work on the forefront and implement loans and insurances together on the micro level. The important component hereby is that more farmers can be nudged to insure their crops. In addition, NABARD is also participating in conducting trainings for capacity building, which is also supported by training institutes. Jointly, bankers are trained for awareness raising and technical knowledge on crop insurances. Mr. S. K. Dora added that it is not a collateral instrument, only a risk-reduction mechanism that transfers the risk to the insurance companies. Historically, the government in India has been compensating farmers for a long time – but the current mechanism makes this both more standardized and more just. The money ultimately goes to the farmer.

When asking about potential pitfalls and challenges, Mr. S. K. Dora explained that one issue is the lack of sufficient coverage that turns out difficult to achieve. NABARD has thus suggested to focus on postal offices for enrolling non-loanee farmers as not enough bank-branches are available on the ground. Furthermore, there is the perception of farmers that an insurance is not sufficient as it always took around 6 months to get financial compensation. This has already changed, but it will take time to build trust. Also, more details and data are needed to efficiently work and plan on a macro level. Still, a lot of ghost financing is taking place and farmers are taking different loans for the same areas at the same time. One linked digital platform or system could prevent that and make the system more efficient and just. Apps and drones are further possibilities to be explored.



Figure 3 HE Ty Sokhun expressing his gratitude to Mr. S.K. Dora for hosting the delegation

Agriculture Insurance Company of India Limited (AICI)

The Agriculture Insurance Company of India Limited is a public sector insurance company. It covers almost 20 million farmers, making it the biggest crop insurer in the world (in number of farmers served).

After a brief introduction and welcome speech by each the Cambodian Delegation and a representative of the Agriculture Insurance Company of India Limited, Dr. Sudhakar gave a presentation of crop insurance schemes in India. He stated, that at present, 52% of India's total land under agriculture is still unirrigated and rain-fed. The Economic Survey 2017-18 states that climate change could reduce annual agricultural incomes by between 15% and 18% on average, and between 20% and 25% particularly for unirrigated areas. The measures that governments need to take up on war footing include extending irrigation via efficient drip and sprinkler technologies and replacing untargeted subsidies in power and fertilizer with direct transfers.

The crop insurance program in India is growing and currently covers close to 45 million farmers, while increasingly operating in an open market. AICI has been implementing various crop insurance schemes including the government backed PMFBY and has grown 15 times over the last 15 years. During the last three decades, the format of crop insurance has largely remained the same i.e. in the form of an Area Yield Index scheme. While more crops and more risks and perils were added over the years, the scheme expanded by building on the base of the pre-existing banking and credit network. All stakeholders have access to the crop insurance portal.

Yield estimation is done by the State Government agencies and weather data comes from both Governments as well as private data providers. Area yield index and weather index insurance schemes are mainly being implemented in India.

Following the presentation, a discussion took place between the Cambodian delegation and the representatives of AICI. The first question was about the capital requirement for the company. Mr. M. K. Poddar stated that for AICI it is 50 million US Dollar and it is continuously growing. Especially during the last years it would have been difficult to sell other stand-alone products without subsidies.

Regarding the process of bidding, Mr. Ajay Singhal explained that the bidding happens based on the premiums. Each company is asked to give a bid for a particular area, normally with a certain premium per hectare. Whoever has quoted the least amount wins the bid. As soon as the subsidized amount is then decided upon and the contract is signed, the company will start its work. This is decided based on defined areas or clusters.

By now it has not been seen, that insurance companies hand over price increases and losses to consumers. Every village has a responsible person that is in charge of ensuring that money actually reaches the villagers and that the system works fairly.

The delegation was also interested in how to motivate farmers to participate in the crop insurance process and how to involve them. Mr. Ajay Singhal explained that when designing the projects, local government people as well as local NGOs were asked to invite farmers to meetings which laid the ground of developing the insurance model. Thus, their input went into the final project and trust was built from early on. Furthermore, the definition of the risk bracket gives a hint on whether a farmer should be monitored more in detail and what exactly can be offered to him. Secondly, compulsory training is also a part of the insurance process. Lastly, when approaching the farmers through the government this also fosters trust – the government should be involved when working with such an insurance scheme.

Tamil Nadu Agriculture University (TNAU)

Dr. K. Ramasamy, vice-chancellor of TNAU and the director of the different departments, welcomed the delegation and gave a brief introduction about the larger role of agriculture in nation building and how TNAU has been actively working towards realizing that vision.

After the introduction, the delegation visited the insect museum before Dr. S. Pazhanivelan and his team of Master students hold a presentation on RIICE at the Department of Remote Sensing and GIS.

The focus of the presentation was on the application of remote sensing technology to generate information pertaining to crop statistics, flood and drought monitoring. He explained that the remote sensing application is used to determine the area mapping and yield estimation of different crops, soil and land resource mapping, land degradation mapping, assessing the impact of climate change and environmental monitoring as well as for water resources monitoring and irrigation water management. In addition, examples of the capability for the technology to detect information is really effective and high accurate.

Dr. Pazhanivelan informed the delegation that capacity building is one of the core agenda of RIICE and that translates to in-country generation of RIICE products like area and yield information by TNAU. To achieve this scientists from TNAU have been trained over the years by other partner institutions like IRRI and Sarmap to independently generate the remote-sensing derived information that further gets applied in the context of crop insurance and disaster risk mapping and loss assessment.

He further elaborated the RIICE technology's successful application case studies. He shared that during the calamity year 2015, the government based on the flood report prepared by TNAU, mobilised 50 metric tons of rice seeds and 30,000 vegetable seedlings for the affected farmers in Cuddalore district, India. Similarly, he explained the major achievement of the RIICE project in the year 2017 when India became the first RIICE country and Tamil Nadu became one of the earliest states in India to compensate farmers for prevented sowing (due to severe drought) based on inputs from the RIICE project. The above-mentioned compensation, he informed, extended to farmers fall within the existing crop insurance architecture in India (an area-yield index insurance scheme called PMFBY), which is largely publicly funded and administered by the federal and state governments respectively in conjunction with public and private insurers. While concluding the insurance application case he informed the delegation that the RIICE insurance partner, Agriculture Insurance Company of India alone, for instance compensated a total of EUR 5.75 million to 22,547 rice farmers in Tamil Nadu during the Rabi (Winter) 2016-17 season.

During and after the presentation the delegation used actively the chance to discuss and compare the progress of the RIICE technology component in Cambodia. The delegation was very much interested to learn about the multi-purpose usages of RIICE beside pure rice statistics. Also, the institutional set up including co-financing through insurance companies was a very useful take away for the group to unlock the full potential of RIICE in Cambodia.



Figure 4 Dr. Mak Seoun receiving his certificate of participation by Head of Dept. of Economics and Head of Department of Remote Sensing and GIS, TNAU

Connected to TNAU the delegation could visit the last day the Paddy Breeding Station. Paddy Breeding Station, TNAU, Coimbatore was established in the year 1912 with the objective of developing high yielding varieties of different duration groups through Inter disciplinary approach and is the oldest rice research station in India. This centre is internationally renowned with its record in rice history, headed by the British scientists like F.R. Parnell, and also by the first Indian paddy specialist Dr. K. Ramaiah. Collaborative research programmes are being carried out with the co-ordination of Directorate of Rice Research, Hyderabad through All India Coordinated Rice Improvement Project (AICRIP) including long standing cooperation with the International Rice Research Institute (IRRI), the Philippines. The centre also promotes transfer of technology to create awareness by organizing training programmes, front line demonstrations and study tours for the benefit of the farming community.



Figure 5 Rice grown on the Paddy Breeding Station

The Participants (Information about the target group)

Participants of the study tour included representatives from the public and the private sector. Their institutions have a mandate to establish a crop insurance scheme in Cambodia and are interested in starting a crop insurance pilot that uses potentially remote-sensing data as supported by the RIICE project.

From the **Ministry of Agriculture, Forestry, and Fisheries (MAFF)** of Cambodia:

- H.E. Dr. Sokhun Ty, Secretary of State
- Dr. Soeun Mak, Deputy General Director of GDA
- Dr. Minea Mao, Director of the Department of Agricultural Extension
- Dr. Sarom Men, Vice Rector of Royal University
- Mr. Sothy Men, Vice chief office of Agricultural Statistics

From the **Ministry of Economy and Finance (MEF)** of Cambodia:

- Mr. Meatra In, Director of Insurance and Pension
- Ms. Chou Soromoneath, Business Development Manager of Cambodia Re

From the **Climate Resilient Rice Commercialization Sector Development Program (Rice-SDP)** of the Asian Development Bank (ADB):

- Mr. Sotan Meam, Official Specialist of ADB
- Mr. Poralin Kuch, Procurement Specialist of ADB
- Mr. Biranchi Kumar Choudhury, Team Leader of RICE-SDP

From **Forte Microinsurance Plc**:

- Mr. Vutha Chhem, Assistant General Manager
- Mr. Lyhoung Ny, General Manager
- Mr. Chamroeunrith Youk, Managing Director

From the **RIICE Team** in Cambodia and India:

- Mr. Claudius Bredehoeft, National Project Coordinator GIZ RIICE Cambodia
- Mr. Channa Samorn, Deputy National Project Coordinator GIZ RIICE Cambodia
- Mr. Manoj Yadav, National Project Manager GIZ RIICE India

Lessons Learnt

The study tour provided the participants with information about national policy creation and subsidies; supportive regulatory framework; institutional set-up; product development, data availability and the role of remote-sensing technology as well as information about field implementation.

Specifically, on three different topics lessons were learnt, namely legal framework, data availability and willingness of farmers to participate in the crop insurance scheme. On the topic of legal framework, the participants of the study tour learnt, that it is very important that the government takes the initiative to introduce the crop insurance scheme by developing a legal framework and an implementation guideline. They have to be active in monitoring the implementation process by setting up regular meetings in which the different sectors are involved.

Concerning the topic of data availability, in India the information from satellites and especially the RIICE data is being used effectively for the crop insurance scheme as well as other purposes to improve agricultural productivity and food security. The operating agency Tamil Nadu University also ensures the quality of the data. The private sector (insurance companies, rice millers, ...) has to pay a fee if they would like to use the data for their business. The information set-up is well organized in India, as well as reliable and self-sufficient.

In India, 30% of the farmers participate in the crop insurance scheme with an increasing interest among the non-insured farmers. The total premium cost is subsidized by the government with about 80%. There are two types of insured farmers, either loanee farmers or non-loanee farmers. Information on the crop insurance like the premium cost, crop and administration application can be accessed by an online app from the farmers. The involved actors in the crop insurance scheme (the government, insurance and reinsurance company) are cooperating well to promote the crop insurance according to the regulations set by the government.

Conclusion and next steps

During the study tour to India from 5th of August until 11th of August 2018 the Cambodian delegation visited different institutions and partners of RIICE to gain a deeper insight into the insurance sector and scheme of India.

The Government of India and especially the Ministry of Agriculture pays crucial attention in developing the crop insurance sector. In 1972, crop insurance has been introduced to farmers and keeps improving in order to adapt well the need of farmers with notified crops and area. The participation of the public and private sector is very active in terms of policy development and implementation. The government subsidies about 80% of the total premium with the premium ranking from 10% to 17% depending on the location, type of the crop as well as the result of the bidding. Area yield index & weather index insurance schemes are mainly being implemented in India.

During the study tour, the Cambodian delegation discussed about the way forward for Crop Insurance in Cambodia and the next steps. The first step should be a pre-multi-stakeholder dialogue with insurers, reinsurers, rural development bank, Ministry of Economy and Finance, Ministry of Agriculture, Forestry and Fisheries as well as development agencies such as ADB, Syngenta foundation, IFAD and GIZ. During the dialogue, a presentation about the ADB-RICE SDP should be hold with a focus on the feasibility study on crop insurance. This will be followed by lessons learnt from this study tour to India and an open discussion on the role, responsibility, communication, cooperation of stakeholders, financing for crop insurance, pilot and main streaming.

As a second step, the results of the pre-multi-stakeholder workshop shall be taken up by GIZ to facilitate with the involved government institutions and development partner to organize follow up consultations and to draft needed policy papers.

As a third step, an implementation guideline should be drafted with the future vision for crop insurance in Cambodia.

Parallel and to feed into the policy work, MAFF, FORTE and GIZ will continue with crop insurance literacy trainings and material development and together with the RIICE partner to develop an area yield index product using RIICE data.

Annexes

- 1) Study Tour Agenda
- 2) List of Participants of the Study Tour
- 3) Memorandum of Understanding (MoU)
- 4) Presentations of the Indian Institutions