

MAIN FEATURES OF CROP INSURANCE PUNJAB

1. 100% premium subsidy to insurance company for small and marginalized farmers having landholding of less than 5 acres. However, GoPb will provide 50% premium subsidy to farmers having landholding of >5 to 25 acres.
2. Started in Kharif 2018 with 4 districts (Sheikhupura, Sahiwal, Lodhran & R Y Khan) on pilot basis. **16,750** insurance policies were issued to farmers of Cotton & Rice. The sum insured was **Rs. 50,000 for E-Credit borrowers and Rs. 20,000** for (Crop Loan Insurance Scheme) CLIS borrowers. During Pilot only loanee farmers were eligible. Total premium paid **Rs. 41.60 million**. Claims of **Rs. 32.7 million were paid to 1,986** farmers of **ChichaWatni** Tehsil of Sahiwal District.
3. In Rabi 2018-19, five (5) more districts were added (Faisalabad, Multan, Muzaffargarh, Narowal & Rajanpur). **41,375 farmers** of Wheat crop were insured against the premium subsidy of **Rs. 54 million**. From this season onward, tenant loanee farmers were also included.
4. In Kharif 2019, nine (9) more districts were included (Bhakkar, DG Khan, Kasur, Khanewal, Layyah, MB Din, Bahawalnagar, Okara & Bahawalpur). Total of **226,832 farmers** (cotton & Rice) in 18 selected districts are insured against the premium subsidy of **Rs. 400.49 million**. Claims of **Rs. 98.20 million were paid to 4,958** farmers of **Rajanpur & Kabirwala** Tehsils of Rajanpur & Khanewal Districts respectively. From this season, non-loanee farmers were made eligible as well.
5. For Kharif 2020 season, **254,482 farmers** (cotton & Rice) in 18 selected districts are insured against the premium subsidy of **Rs. 482.90 million on the basis of "NO CLAIM BONUS REGIME"** that means in case of no yield loss or losses within the premium subsidy payment, **95%** of the remaining payment will be returned back to Government Treasury. In other words, the absolute premium subsidy paid is **Rs. 116.0 million**. From Rabi 2020-21, nine (9) more districts will be included namely *Vehari, Khushab, Jhang, Chiniot, Pakpattan, Toba Tek Singh, Sargodha, Mianwali & Hafiz-Abad*.

SUMMARY

Punjab Fasal Bema Program Status As Per World Wide Practice					
Crop Season	No. Districts	No. of Farmers Insured	Premium Amount Paid by GoP (mln)	Claims Paid to Beneficiaries	
				No. of Farmers	Amount (mln)
FY2017-18	4	16,750	41.60	1,986.00	32.00
	9	41,375	54.50	NIL	
FY2018-19	18	226,832	400.50	4,958.00	98.20
TOTAL		284,957.00	496.60	6,944.00	130.20

Punjab Fasal Bema Program Under "No Claim Bonus Regime"								
Crop Season	No. Districts	No. of Farmers Insured	Premium Amount Paid by GoP (mln)	Claims Paid to Beneficiaries Farmers		Return of Subsidy Back to Government If No Claims (mln)	Absolute Premium Paid (mln) @ 20% Admin Cost Only	Total Loss Coverage (mln)
				No. of Farmers	Amount (mln)			
FY 2019-20	18	254,482.00	482.90	Yet to be announced in Dec 2020		367.00	115.90	20,000.0