

# WORKSHOP ON RISK MANAGEMENT

## *FACILITATING RISK MANAGEMENT VIA THE FARMING COMMUNITY*



18 – 19 May 2017  
BRUSSELS

**AS.NA.CO.DI.**  
associazione nazionale dei consorzi di difesa

PAOLA GROSSI

# SUMMARY

- DATA
- CONDIFESA
- RELATIONSHIP WITH FARMERS
- RELATIONSHIP WITH INSURANCE COMPANIES
- RELATIONSHIP WITH PUBLIC BODIES
- INNOVATION&TECHNOLOGY
- MANAGEMENT OF MUTUAL FUNDS



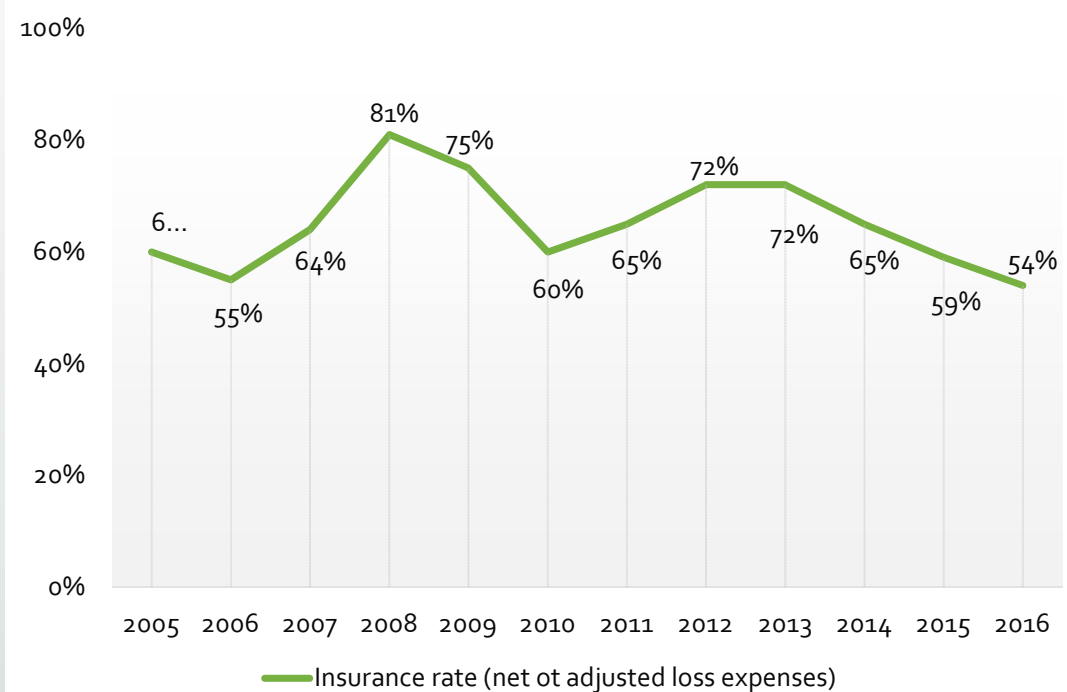
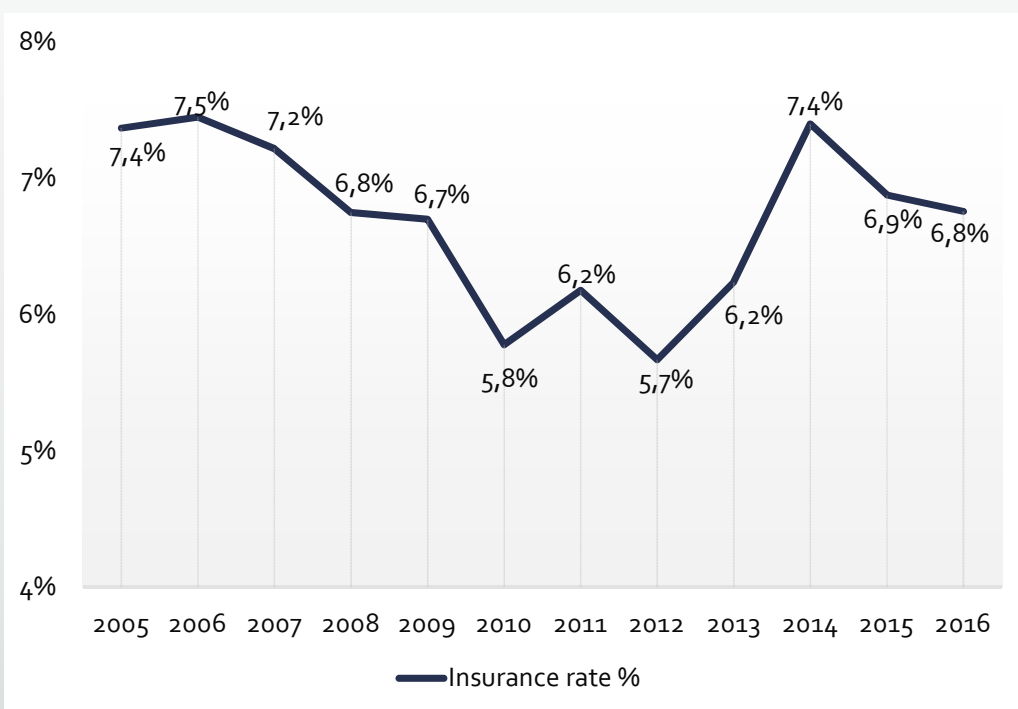
# INSURANCE SUBSIDIZED CONTRACTS DATA

	MU	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	VARIATIO N 2006-2016
INSURANCE CERTIFICATION	n.	216.171	241.857	272.082	233.668	217.072	210.207	214.711	215.842	206.395	176.109	166.552	-22,95%
INSURED VALUE	.000 €	3.982.341	4.690.900	5.858.133	5.586.167	5.865.181	6.559.088	6.826.557	7.282.590	7.951.793	7.064.075	6.758.842	69,72%
TOTAL PREMIA	.000 €	265.033	292.888	338.059	317.210	285.502	338.797	321.658	376.892	485.623	384.679	357.988	35,07%
COMPENSATIONS PAID	.000 €	145.975	184.626	272.711	234.781	169.259	215.824	231.022	268.254	316.362	216.696	180.830	23,88%

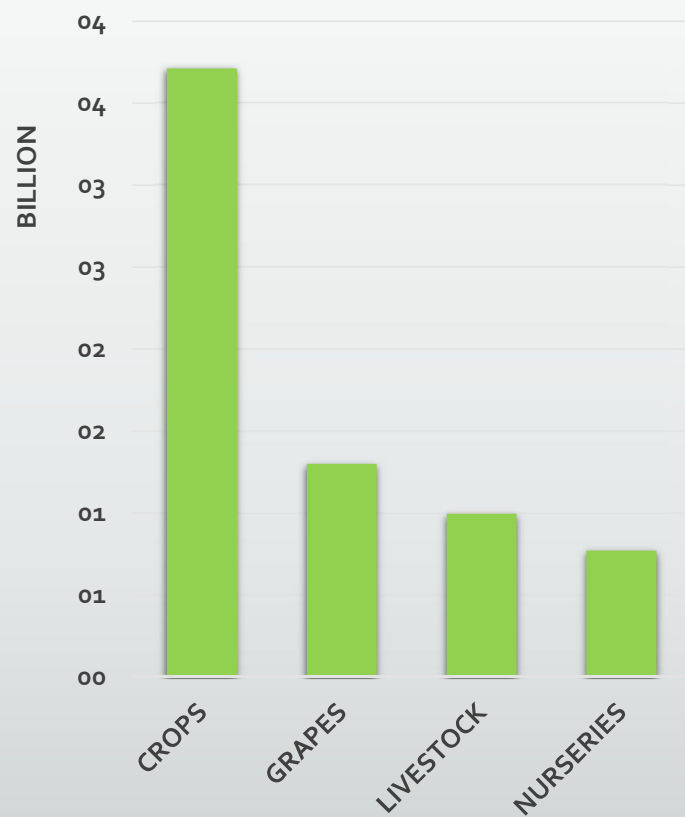
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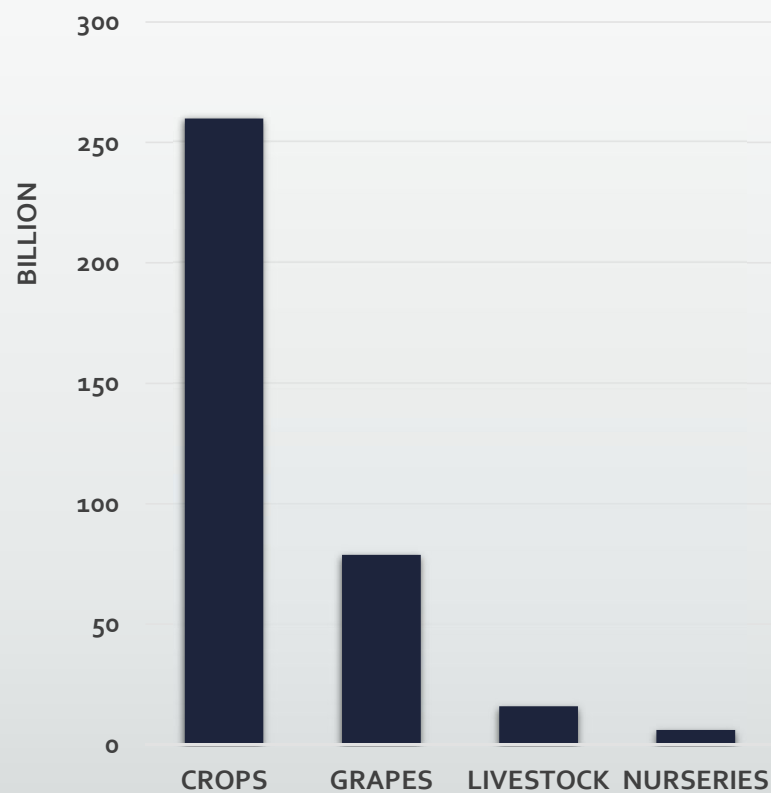
# ITALIAN AGRICULTURAL INSURANCE - CROP POLICIES



# INSURED VALUE 2016



# PREMIUM 2016



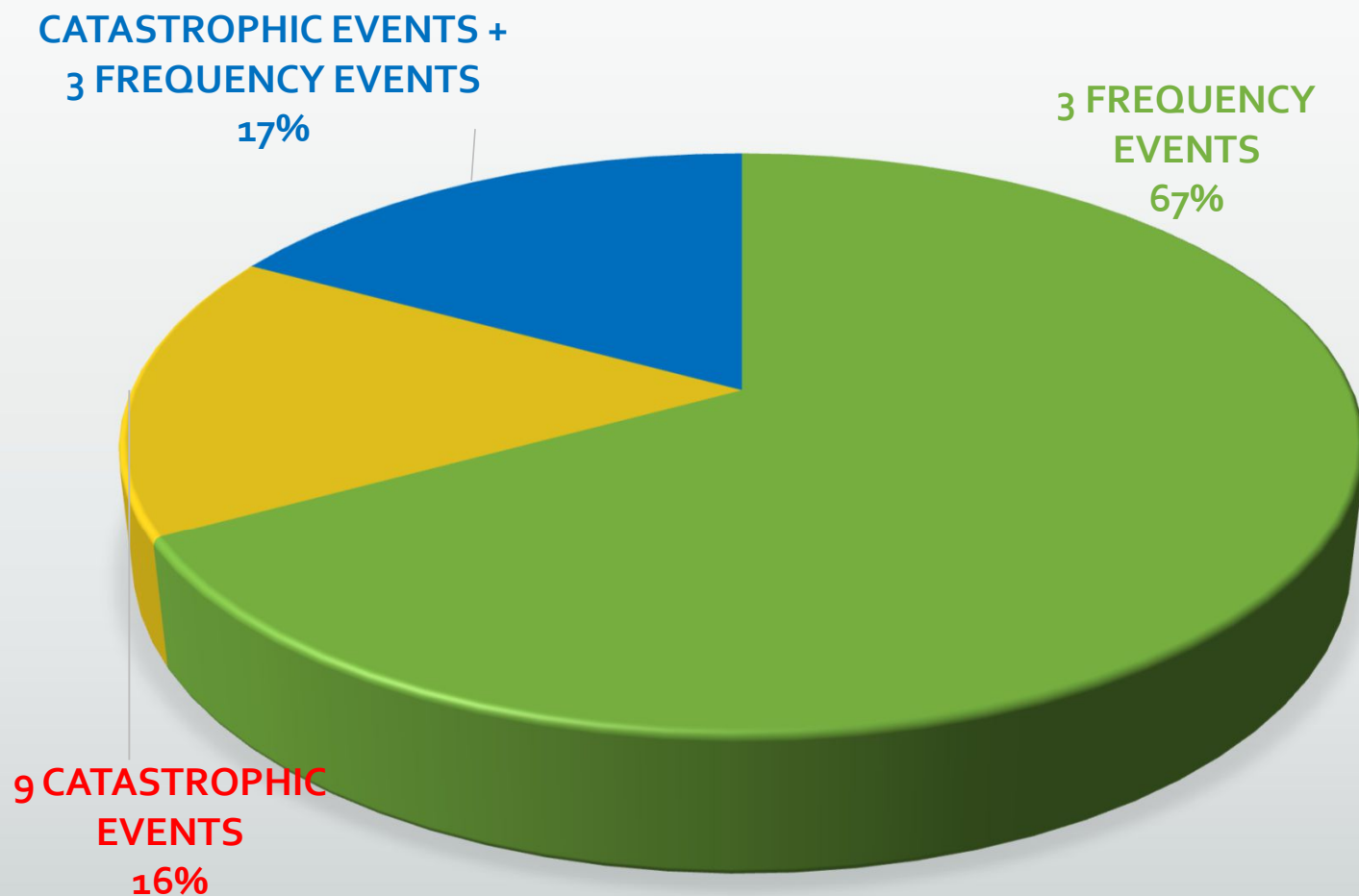
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# INSURED FARMERS 2016

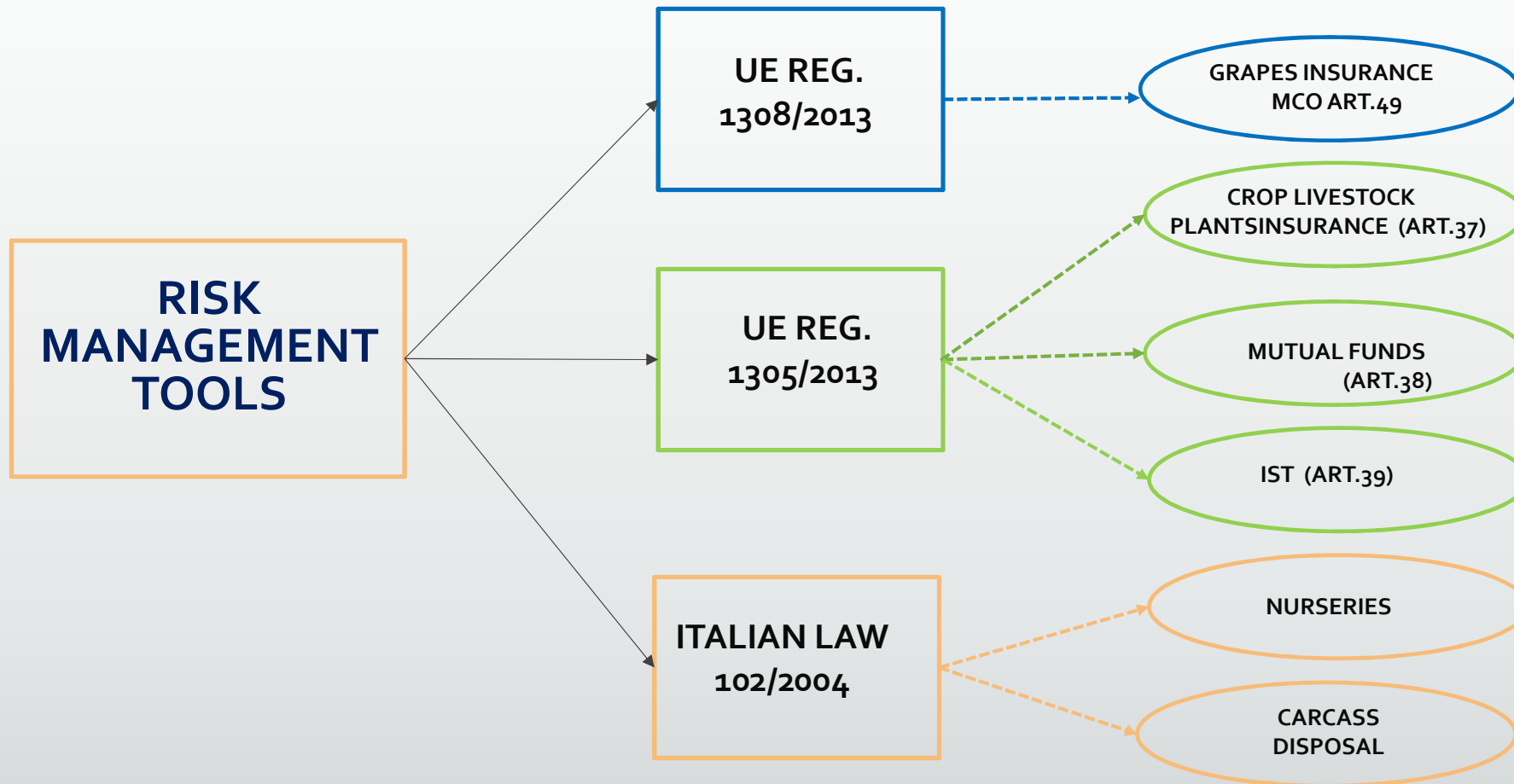


# INSURED VALUE 2016 EVENTS COVERED

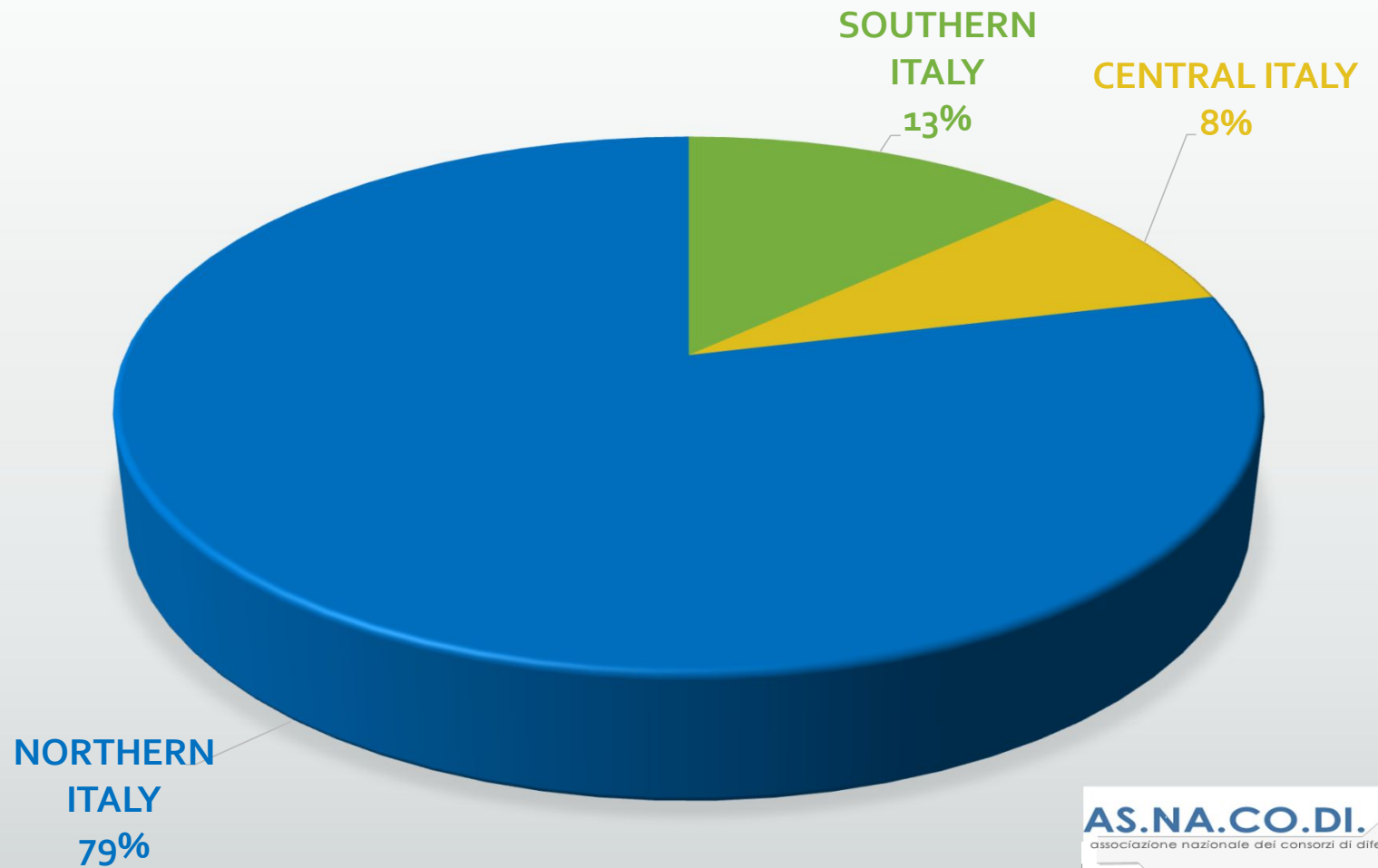




# LEGISLATIVE FRAMEWORK



# GEOGRAPHIC AREAS



# BUDGET

## RDF – NATIONAL COFINANCING

**RISK MANAGEMENT TOOLS ARE PART OF A NATIONAL RURAL DEVELOPMENT PROGRAM**

**RISK MANAGEMENT**

**1.640 BILL**

**7,86%**



# 56 CONSORZI DI DIFESA ASNACODI NATIONAL ASSOCIATION

	2010	2016
FARMERS	77.925	81.344
INSURED VALUE	5,6 BILL	6,8 BILL
PREMIUM	268 MILL	358 MILL
AVERAGE TARIF PERCENTAGE OF INSURED VALUE	4,8%	5,3%





# CONSORZI DIFESA CONDIFESA

**FARMERS' MUTUAL NON  
PROFIT ASSOCIATIONS**

**THE MAJORITY OF ITALIAN  
INSURED FARMERS ARE  
MEMBERS**

**80.000 FARMERS ASSOCIATED  
VOLUNTARY**



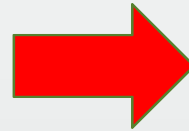


AGRRICULTURAL MINISTRY

**PUBLIC AGENCY FOR PAYMENTS  
TECHNICAL PUBLIC AGENCY  
RULES**

CONDIFESA /ASNACODI

FARMERS



INSURANCE COMPANIES  
IN FREE MARKET

# RELATIONSHIP WITH FARMERS

- **AGREE COLLECTIVE CONTRACTS WITH INSURANCE COMPANIES ON BEHALF OF THEIR ASSOCIATED FARMERS**
- **SUPPORT FARMERS IN EXPERTISE**
- **PAY PUBLIC CONTRIBUTION IN ADVANCE**
- **STUDY INNOVATIVE SOLUTIONS - EIP**
- **SUPPORT FARMERS' DEALINGS WITH PUBLIC BODIES**
- **MAKE PROPOSALS TO PUBLIC BODIES**
- **MANAGE MUTUAL FUNDS**



# RELATIONSHIP WITH FARMERS AND INSURANCE COMPANIES



- TECHNICAL SUPPORT AND ASSISTANCE - AGRONOMIC ADVICE ABOUT CLIMATE PARAMETERS – PREVENTION OF PLANT DISEASES
- MONITORING AND REDUCING CONSEQUENCES OF CLIMATE CHANGE BY INNOVATION – INCREASE INTEGRATED PEST MANAGEMENT
- COLLABORATION WITH INSURANCE COMPANIES TO EVALUATE DAMAGES AND PRODUCTION LOSS – COST REDUCTION BOTH FOR FARMERS AND FOR INSURANCE COMPANIES
- STUDY AND PROPOSE NEW INSURANCE TOOLS
- DATA COLLECTION OF FARMERS PRODUCTION

# RELATIONSHIP WITH PUBLIC BODIES

- **CONDIFESA: COLLECTS FARMERS' DETAILS OF INSURANCE COVERS FOR THE YEAR, NEEDED TO PAY PUBLIC CONTRIBUTION**
- **CONDIFESA AND ASNACODI: FILTER AND CONTROL TO PREVENT ERRORS AND TO VERIFY COMPLIANCE WITH THE RULES**
- **ASNACODI: SEND ALL DETAILS TO PUBLIC AGENCY IN CHARGE OF THE CONTROL OF APPLICATIONS**
- **DETAILS ARE TRANSFERED FROM PRINTED TO DIGITAL FORMAT  
THIS ACTIVITY FACILITATES DIGITAL DATA ENTRY**
- **SYSTEM ANTICIPATES AND RESOLVES PROBLEMS WITH FARMERS' APPLICATION TO ENSURE COMPLIANCE**





## REDUCTION OF BUREACRATIC COMPLICATIONS

- II PILLAR PROCEDURES ARE MORE COMPLICATED THAN THAT OF I PILLAR – MORE DELAY FOR PAYMENTS
- CONDIFESA PAY IN ADVANCE TOTAL COST OF INSURANCE COVERS – EASE CONSEQUENCES OF THIS DELAY
- MONITOR PUBLIC PROCEDURES TO INFORM FARMERS ABOUT PAYMENT SITUATION - TRY TO SPEED UP PROCEDURES, ELIMINATE AND REMOVE BOTTLE NECK





# INNOVATION & SOLIDARITY



- **REDUCTION OF COSTS FOR FARMERS PARTICULARLY FOR SMALL FARMERS IMPROVING BARGAINING POWER OF FARMERS**
- **BETTER ASSESSMENT OF DAMAGES AND OF DAMAGES - ADVANTAGE FOR ALL MARKET PLAYERS**
- **BETTER CONTROL OF PUBLIC CONTRIBUTION - AUDITING COMMITTEE OF CONDIFESA INCLUDES 2 CIVIL SERVANTS**
- **TRANSPARENCY OF MANAGEMENT**
- **PROVISION OF STATISTICS AND TECHNICAL DATA**
- **INFORMATION – INCREASING RISK MANAGEMENT ATTITUDES OF FARMERS**
- **RESEARCH AND INVOLVEMENT IN EIP**

# MUTUAL FUNDS

- FARMERS' SAVE MONEY AND INSURE THEMSELVES
- TRANSPARENT POLICY - RULES
- INNOVATION
- MIND CHANGING BEHAVIOUR AND METHOD
- ADAPT SOLUTIONS ACCORDING TO FARMERS' NEEDS AND TO REGIONAL DIFFERENCES
- INTEGRATED PEST MANAGEMENT ENVIRONMENTAL - ECONOMIC PERFORMANCE
- COVER OFTEN NOT PROVIDED BY THE INSURANCE MARKET
- LIMITED FINANCIAL INDEMNITIES: CONTRIBUTIONS TO ASSOCIATED FARMERS UP TO AMOUNT OF CAPITAL STOCK OF THE FUND
- BIG CRITICAL MASS NECESSARY FOR A BETTER RISK DISTRIBUTION
- EVALUATION OF DAMAGES NOT REIMBURSED BY EU CONTRIBUTION
- NOT EASY TO DETERMINE FARMERS' CONTRIBUTION TO CAPITAL STOCK

# MAIZE MUTUAL FUND – VENETO MUTUAL FUND

<b>RISKS COVERED</b>	LOWER PLANTYIELD DUE TO: ADVERSE WEATHER CONDITIONS (I.E. DROUGHT, FLOODING, FREEZING COLD) SOIL PESTS (E.G. WIREWORMS, BLACK CUTWORMS) DISEASES (FUSARIUM - ROTTEN ROOTS - DIABROTICA) WILD FAUNA
<b>BENEFICIARIES</b>	FARMERS ASSOCIATED TO CONDIFESA
<b>RULES</b>	IMPLEMENTATION OF GOOD CULTIVATION PRACTICES; IMPLEMENTATION OF DIRECTIVE 128/2009/EC; FOLLOW SPECIFIC RULES OF BEST PRACTICES REQUIRED BY VENETO REGION
<b>COSTS</b>	€ 3-5/HA (INCLUDING FLOODING, EXCESSIVE RAINFALL, FROST, DROUGHT, PEST RISK)
<b>COMPENSATION</b>	UP TO € 500/HA INCLUDING: • RESEEDING (UP TO € 250/HA) • YIELD REDUCTION (UP TO € 250/HA) BASED ON SOWING DELAY, CROP CHANGE • UP TO € 1000/HA FOR DIABROTICA DAMAGES



# IST – TRENTO MUTUAL FUND



## RISKS COVERED

INCOME LOSS BIGGER THAN 30% OF AVERAGE  
INCOME FOLLOW EU REGULATION  
COSTS CALCULATED APPLYING STANDARD INDEXES  
INDEX : DATA PROCESSED BY SCIENTIFIC PUBLIC INSTITUTION OF  
AVERAGE COSTS OF EVERY PRODUCT – OFFICIAL DATA OF STANDARD  
FARM APPLYING GOOD CULTIVATION PRACTICES

## BENEFICIARIES

FARMERS ASSOCIATED TO CONDIFESA

## RULES

FARMERS PAY ANNUAL CONTRIBUTION TO CAPITAL STOCK OF THE FUND  
(RELATED TO RISKS, PRODUCTION, SURFACE OF THE FIELDS, ETC. OF THE  
SINGLE FARMER)  
THE ADHESION TO A COLLECTIVE INSURANCE MULTIRISKS POLICY IS  
MANDATORY  
SPECIFIC RULES OF BEST PRACTICES REQUIRED BY CONDIFESA

## COSTS

FUND COULD STIPULATE AN INSURANCE POLICY TO COVER SUBSIDIES  
PAID TO FARMERS (NOT CONTRIBUTED)

## COMPENSATION

MAXIMUM 70% OF THE REAL LOSS NET OF PUBLIC CONTRIBUTION,  
INSURANCE COMPENSATION



# IMPACT ANALYSIS

ECONOMIC	SOCIAL	OTHERS
<p data-bbox="100 544 680 804">MORE EFFICIENT TRANSFER OF PUBLIC FUNDS ADVANCE PAYMENT</p> 	<p data-bbox="815 475 1464 735">SUPPORT FOR FARMERS BUREAUCRATIC AWARENESS OF RISKS INNOVATION</p> 	<p data-bbox="1664 544 2013 735">PREVENTION SIMPLICITY MUTUALITY</p> 



# CONDIFESA

- IMPROVE COMPETITION AMONG INSURANCE COMPANIES
- PROTECT FARMERS' INCOME
- INTERACTION BETWEEN PUBLIC AND PRIVATE OPERATORS INTERACTION BETWEEN ALL THE MARKET PLAYERS
- FACILITATES RELATIONS BETWEEN INTERESTED PARTIES
- MAKE FARMER AWARE OF INNOVATION - RESEARCH INTO FARMERS' NEEDS
- IMPROVE COHESION AND MUTUALITY BETWEEN FARMERS



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THANK YOU FOR YOUR ATTENTION

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