Determining Factors Effective on Demand for Industrial Livestock Insurance
Case Study: Mazandaran Province

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Abstract

This research has selected Mazandaran Province with regard to factors such as expansion of insurance covering, husbandry density, risk coefficient and climatic condition. In this province, data collected from 37 insured and 42 non-insured animal husbandries via questionnaires and survey in 2003. Logit model was used to determine willingness of the livestock breeders to insure their cattle. Results show that despite the positive effects of insurance systems of industrial animal husbandries in Iran, risk reduction and improvement of the level of animal husbandry management, insurance coverage and the amount of damage compensation is disproportionate to market price of the livestock. Also, results indicate that the number of livestock variables and access to veterinary services has positive effects on accepting insurance in three levels and other variables (the amount of farm debt, years of animal husbandry activity, academic level and income fluctuations) have negative effects on accepting insurance.

Keywords:

Insurance, Industrial Livestock, Risk Coefficient, Logit Model, Mazandaran Province.

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