



Determination of Functional Role of Insurance in Agricultural Subsectors in Iran

E. Mohammadi Solaimani*, Dr. M. Shokat Fadaci** & F. Sharifi***

Abstract

Regarding the supportive role of insurance in crop production and using receivable premium – claim ratio and profit – cost ratio as well, the present study investigates the performance of Agricultural Insurance Fund in subsectors like farming, horticulture, livestock, aquaculture, and natural resources.

The needed basic data of this study for the period of 1374-1390 years had been obtained from Agricultural Insurance Fund.

According to this study, in all agricultural subsectors the average ratio of premium to claim is less than the unit. This ratio is the highest in birds and livestock sections, %89 and %87 respectively. However, this is the lowest in case of aquaculture and farming, %53 and %48 respectively. Totally, for all agricultural products only %66 of the paid claims has been covered by the Agricultural Insurance Fund using the receivable premiums. Also, in all subsectors profit – cost ratio displayed similar results, confirming previous results. Therefore, it is expected to (both qualitatively and quantitatively) extend crop insurance and assign its incumbency affairs to private sector & on the one hand uneconomic performance of A.I.F, thus, needed to reconsider supportive policies related to A.I.F and determine revenue resources on the other hand.

Key words:

Agricultural Insurance Fund (A.I.F), Premium Insurance, Compensation, Performance, Agricultural Subsectors

*. Ph. D, Student of Agricultural Economics, Payam Noor University of Tehran.

** . Associate Professor of Payam Noor University of Tehran, Eastern branch.

*** . Manager of Agricultural Insurance Services Group of Southo of Kerman Province.