

COCONUT PALM INSURANCE SCHEME (CPIS)

The Coconut Palm Insurance Scheme (CPIS) is being implemented on pilot basis during years 2009-10 and 2010-11 in the selected areas of Andhra Pradesh, Goa, Karnataka, Kerala, Maharashtra, Orissa and Tamil Nadu. Under the Scheme, insurance coverage to be extended to the total loss of the individual palm in the age group of 4 to 60 years for dwarf & hybrid; and 7-60 years for tall variety, leading to either death of palm or the palm becoming useless due to various natural and others perils. The farmer should have at least 10 healthy nut bearing Palms in the age group of 4 to 60 years in contiguous area/plot and have been enrolled by State Agriculture/Horticulture Department or CDB or any other such agency under rehabilitation/development/expansion scheme.

The scheme proposes to cover entire palms in the region selected for implementation, according to eligibility criteria (i.e. in the age group of 4 to 60 years). The Sum Insured (SI) is based on the average input cost of the plantation and the age of the specific plant. The SI should vary from Rs. 600 per palm (in the age group of 4-15 years) to Rs. 1150.00 per palm (in the age group of 16-60 years). The premium rate per palm ranges from Rs. 4.25 (in the age group of 4 to 15 years) to Rs. 5.75 (in the age group of 16 to 60 years) and it varies from about 0.75% to 0.5% of the SI per year, considering the age of specific palm. 50% of premium would be contributed by Coconut Development Board (a Central Govt. agency); 25% by the concerned State Govt. and the remaining 25% by the farmer. The Insurance Company i.e. Agriculture Insurance Company of India (AIC) would be responsible for making payment of all claims within a specified period and will implement the scheme. The CPIS is being administered by the Coconut Development Board (CDB).