

Meeting Notice on Working Group of Insurance Intermediaries to Facilitate Aqua Insurance Product Development

The Government of India has announced a new sub-scheme named Pradhan Mantri Matsya Kisan Samridhi Sah-Yojana (PM-MKSSY), which is a Central Sector Sub-scheme under PMMSY with an objective to enhance the earnings and incomes of fishermen, fish vendors and micro & small enterprises engaged in fisheries sector.

A component for creating **aquaculture insurance products** and their adoption by **aquaculture farmers** has been introduced in the PM-MKSSY. Market Aqua crop insurance products will be developed, and aquaculture farmers will be facilitated to adopt these products through 'one-time incentive' extension and outreach activities.

While the Insurance companies will develop, scale up and mobilize resources for creating the aquaculture insurance market, NFDB, Department of Fisheries, Govt. of India will create awareness and promote adoption of insurance.

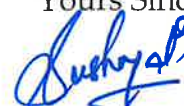
In view of the above, and to involve public participation in product development, it is felt necessary to coordinate with all stakeholders to develop an Aqua crop Insurance Product and facilitate adoption of the same, NFDB proposes to create a working group of all stakeholders and interested participants. The Stakeholders including Insurance Companies, Scientists from Research Institutions, Fishermen Associations, Insurance intermediaries, etc are requested to participate. The Stakeholders can play a vital role in communicating & guiding the Insurance Companies to develop suitable Aqua Crop Insurance Products in accordance with the requirement of aqua farmers & prevailing market demand in Aquaculture Sector.

In this lines, the following is conveyed:-

- **Weekly meetings of the above Group will be convened on every Friday at 11:30 Hrs at NFDB, Hyderabad** to discuss & facilitate the Aquaculture Insurance Product Development.
- **The first meeting of the Working Group is scheduled on 09th August 2024 at 11:30 hrs.**

Suitable representatives, who are well conversant with the above subject are requested to be deputed to attend the said meeting.

Yours Sincerely,



Sr. Executive (I/c)
Insurance Division, NFDB

Summary of the Scheme:

Name of Sub scheme: Pradhan Mantri Matsya Samridhi Sah Yojana (PM-MKSSY)

Component 1-B: Facilitating adoption of aquaculture insurance

Objective: Facilitating Creation of appropriate and affordable aquaculture crop insurance products

- **Area Coverage:** One lakh hectares of aquaculture with a major share for shrimp culture
- Enable non-life insurance providers to **develop suitable insurance products** for aquaculture
- Create **efficient delivery channels** for offering insurance to aquaculture farmers
- **Onetime Incentive** for purchasing aquaculture insurance policy by the aquaculture farmers including intensive aquaculture such as cage culture, RAS, bio-floc, raceways, etc.
- **Outreach program** including **awareness campaigns** for promoting aquaculture insurance.
- **Types of Insurance Products**
 - **Basic Insurance:** Covers yield losses due to non-preventable risks like summer kill, pollution poisoning, malicious acts, earthquake, riots, cyclone, floods, and other natural calamities
 - **Comprehensive Insurance:** Includes coverage under Basic Insurance and additionally covers crop loss due to diseases
- **Onetime Incentive for Aquaculture Insurance for**

Aquaculture Farms	Intensive Aquaculture Units
• Incentive: 40% of the cost of premium	• Incentive: 40% of premium
• Limit: ₹25,000 per hectare of water spread area	• Maximum incentive: ₹1 lakh
• Maximum incentive: upto 4 ha with a ceiling of ₹100,000	• Maximum unit size eligible: 1800 m ³
• Farms less than one hectare: Incentive paid on pro-rata basis	• Types: Cage culture, RAS, bio-floc, raceways, etc.

- Additional Incentive for SC, ST, and Women Beneficiaries :10%
- Incentive for aquaculture insurance purchased for one crop cycle only
- Onetime incentive amount paid in 'one go' directly to the beneficiary through DBT