



Setting the Scene: the Climate Change Challenge for Effective Agricultural Insurance

Hansueli Lusti, Swiss Hail Insurance



- Climate is changing, globally and nationally
- Agricultural adaptation strategies are only applicable to a limited extent



- E.g. Germany: since 1990 compensation payments from agricultural hail insurance over 1.9 billion Euros
- Yield losses caused by dryness, flooding, storms, torrential rain or frost:
additional 370 million Euros per year



- From single peril to multi peril crop insurance
- State aid for extended multi peril crop insurance



- Farmer's responsibility to cope with
 - capricious weather
 - epizootic diseases
 - dramatic market
 - yield fluctuations
- Contractual agreements
- Insurance
- Futures



- Single peril insurance and multi-peril insurance
- New forms:
 - Farm revenue and farm yield insurance
 - Regional revenue and yield insurance
 - Weather derivatives



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- Hail more often
- Increasing heavy storms
- Heavy rain and flooding
- Frost
- Drought



To face up to the challenge of climate change:



1. Integrated approach
2. Agree a policy
3. Build up knowledge
4. Monitor developments