

Five years of the Pradhan Mantri Fasal Bima Yojana

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In news : The Pradhan Mantri Fasal Bima Yojana (PMFBY) successfully completes 5 Years of operations on 13th January 2021

About the Pradhan Mantri Fasal Bima Yojana (PMFBY)

Pradhan Mantri Fasal Bima Yojana (PMFBY) was launched from Kharif 2016 with aim to support production in agriculture by providing an affordable crop insurance product to ensure comprehensive risk cover for crops of farmers against all non-preventable natural risks from pre-sowing to post-harvest stage.

Objectives

- To provide insurance coverage and financial support to the farmers in the event of failure of any of the notified crop as a result of natural calamities, pests & diseases.
- To stabilise the income of farmers to ensure their continuance in farming.
- To encourage farmers to adopt innovative and modern agricultural practices.
- To ensure credit worthiness of the farmers, crop diversification and enhancing growth and competitiveness of agriculture sector besides protecting the farmers from production risks

National Crop Insurance Portal (NCIP)

In an endeavour to integrate Technology in implementation and execution of the Scheme, Government of India has designed and developed a National Crop Insurance Portal (NCIP) which has

been in use since Kharif 2018

Coverage of farmers

All farmers including sharecroppers and tenant farmers growing the notified crops in the notified areas are eligible for coverage. However, farmers should have insurable interest for the insured crops and lands. Such farmers are required to submit necessary documentary evidence of land records prevailing in the State (Records of Right (RoR), Land Possession Certificate (LPC) etc.) and/or applicable contract/agreement details/ other documents notified/ permitted by concerned State Government in case of sharecroppers/tenant farmers and the same should be defined by the respective States in the notification itself. Such farmers are also required to essentially submit Aadhaar Number and declaration about the crop sown/ crops intended to be sown.

Coverage of Crops:

- Food crops (Cereals, Millets and Pulses).
- Oilseeds.
- Annual Commercial / Annual Horticultural crops.
- In addition, pilots for coverage can be taken for those perennial horticultural/commercial crops for which standard methodology for yield estimation is available

Coverage of Risks and Exclusions:

Basic Cover: The basic cover under the scheme covers the risk of loss of yield to standing crop (sowing to harvesting). This comprehensive risk insurance is provided to cover yield losses on an area based approach basis due to non-preventable risks like drought, dry spells, flood, inundation, wide spread pest and disease attack, landslides, natural fire due to lightening, storm, hailstorm, and cyclone. **Add-On Coverage:**

Apart from the mandatory basic cover, the State Governments/UTs, in consultation with the State Level Coordination Committee on Crop Insurance (SLCCCI) may choose

any or all of the following add-on covers based on the need of the specific crop/area in their State to cover the following stages of the crop and risks leading to crop loss.

Implementing agency

The Scheme is implemented through a multi-agency framework by selected insurance companies under the overall guidance & control of the Department of Agriculture, Cooperation & Farmers Welfare (DAC&FW), Ministry of Agriculture & Farmers Welfare (MoA&FW), Government of India (GOI) and the concerned State in co-ordination with various other agencies; viz Financial Institutions like Commercial Banks, Co-operative Banks, Regional Rural Banks and their regulatory bodies, Government Departments viz. Agriculture, Co-operation, Horticulture, Statistics, Revenue, Information/Science & Technology, Panchayati Raj etc

Other risks covered are

- Prevented Sowing/Planting/Germination Risk
- Mid-Season Adversity
- Post-Harvest Losses
- Localized Calamities
- Add-on coverage for crop loss due to attack by wild animals

General Exclusions: Losses arising out of war and nuclear risks, malicious damage and other preventable risks shall be excluded.

Loss/damage for localised calamities and post-harvest losses will be assessed at the level of the individual insured farm and hence lodging of loss intimation by the farmer/designated agencies is essential. For remaining risks, losses are due to widespread calamities, hence lodging of intimation for claims by insured farmers / designated agencies for such wide-spread calamities is not essential. Claims will be calculated based on the loss assessment report submitted by the District Level

Joint Committee (DLJC) and/or average yield submitted by concerned State Government

Submission of UID (AADHAAR) by farmer:

Aadhaar has been made mandatory for availing Crop insurance from Kharif 2017 season onwards.

Therefore, all enrolment agencies are advised to mandatorily obtain Aadhaar Number of their farmers. 6.4.2 Farmers not having Aadhaar Identity (ID) may also enrol under PMFBY subject to their enrolment for Aadhaar and submission of proof of such enrolment as per notification No. 334.dated 8th February, 2017

Current status: Achievements

- The average sum insured per hectare has increased from Rs.15,100 during the pre-PMFBY Schemes to Rs.40,700 under PMFBY
- Integration of land records with the PMFBY portal, Crop Insurance mobile-app for easy enrollment of farmers and usage of technology such as satellite imagery, remote-sensing technology, drones, artificial intelligence and machine learning to assess crop losses are some of the other key features of the scheme.
- The scheme makes it easier for the farmer to report crop loss within 72 hours of occurrence of any event through the Crop Insurance App, CSC Centre or the nearest agriculture officer
- **As an endeavor to constantly bring about improvements, the scheme was made voluntary for all farmers, post its revamp in February 2020.**
- Further the States have also been provided flexibility to rationalize the sum insured so that adequate benefit can be availed by farmers.
- The Scheme covers over 5.5 crore farmer applications year on year.

- **Till date, claims worth Rs 90,000 crores have already been paid out under the Scheme.** Aadhar seeding has helped in speedy claim settlement directly into the farmer accounts.
- Even during COVID lock down period nearly 70 lakh farmers benefitted and claims worth Rs. 8741.30 crores were transferred to the beneficiaries.