

Agricultural Insurance in Vietnam

Decree on Agriculture Insurance and Decision to Implement its Support Policy

Introduction

This factsheet provides an overview of Vietnam's Agriculture Insurance Decree 58 issued on April 18, 2018, and the complementary Decision 22 on the implementation of the support policy described in the Decree, issued on June 26, 2019.

Decree 58 agricultural insurance support policy

The Decree stipulates the agricultural insurance and its support policy. It aims to **a)** encourage insurers to implement agricultural insurance, and **b)** enable individuals and organizations working with various crops, livestock, and aquaculture to proactively recover from financial losses due to:

- Natural disaster risks**, including typhoons, storms, tropical depression, cyclone, thunderstorm, heavy rain, flood and consequent landslide or subsidence of land, water surges, saline intrusion, heat wave, drought, cold, hail, hoarfrost, earthquake, and tsunami.
- Disease risks**, including animal diseases and plant pests.

The Decree outlines the **state support** for insurance premiums to three target groups engaged in agricultural production:

Target group	Maximum support
Poor or near-poor individuals	90%
Not poor or near-poor individuals	20%
Agricultural production organizations	20%

Decision 22 on the implementation of the policy

The Decision on implementing the agricultural insurance support policy, which details the supported individuals, organizations, agricultural producers, locations, eligible crops, livestock and aquaculture, covered risks, and other details

Agricultural subjects eligible for support

The Decision specifies that the organizations and individuals engaged in the production or raising of the following subjects are eligible for agricultural insurance premium support:

Agri-type	Subjects eligible for premium support
Rice	Rice
Livestock	Buffalos and cows
Aquaculture	Black tiger shrimps and whiteleg shrimps

Locations eligible for support

The insured must be located in the following provinces or cities:

Agri-type	Locations eligible for premium support
Rice	7 provinces: Thai Binh, Nam Dinh, Nghe An, Ha Tinh, Binh Thuan, An Giang and Dong Thap
Livestock	8 provinces: Ha Giang, Vinh Phuc, Hanoi, Thanh Hoa, Nghe An, Binh Dinh, Dong Nai and Binh Duong
Aquaculture	5 provinces: Ben Tre, Tra Vinh, Soc Trang, Bac Lieu and Ca Mau

Ultimately, People's Committees of these provinces and cities will select the districts and communes that are supported.

The **insurable risks** that are covered by the supported agricultural insurance premiums include:

- Natural disaster risks**, which include most risks specified in the Decree with minor differences per agricultural activity. Natural disaster risks apply to all three types of insurance: livestock, crop and aquaculture.
- Disease risks**, as described in the following table:

Agri-type	Disease risks covered
Rice	Yellow dwarf diseases, dwarf twisted leaves, black stripe dwarfs, blast, leaf blight; translating brown planthopper, stem borer
Livestock	Foot and mouth disease, hyperthermia
Aquaculture	None

Time for implementation of premium support

The duration of supporting agricultural insurance premiums is from the date of the signing of the Decision on June 26, 2019, until December 31, 2020.



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