

HAY, CORN SILAGE AND CEREALS

2018

For hay production, collective crop insurance offers the choice between coverage against loss in yield (quantity) or coverage against loss in quantity and quality. For cereals, coverage includes loss in quantity and quality.

Damage appraisal is made collectively for all farming operations:

- associated with a same weather station for hay
- in a same geographical zone for other insurable crops

Protection is offered for productions in organic or conventional mode.

INSURABLE CROPS

- Forage, “feed needs” option: corn silage and hay (hay and pasture)
- Forage, “area” option: corn silage and hay (excluding pasture)
- Cereals: barley, oat and wheat harvested for grain

Note: Spelt wheat and triticale are insurable as wheat crops. Mixed grains are insurable under the species most prevalent in the mixture.

RISKS COVERED

Collective risks¹

- Wild animals against which there is no adequate means of protection, with the exception of waterfowl, covered through the Wildlife Damage Compensation Program under the Federal-Provincial Agreement on the AgrilInsurance Program
- Floods
- Excessive wind, rain, humidity or heat
- Frost
- Hail
- Uncontrollable insects and diseases
- Snow
- Hurricanes, tornadoes
- Drought

¹ Hay and pasture: Insurance protects the insured crop only against a loss due to frost during the previous months of November to April, lack of rain and excess rain.

Individual risks (*spot loss*)

- Wild animals against which there is no adequate means of protection, with the exception of waterfowl, covered by the

Wildlife Damage Compensation Program under the Federal-Provincial Agreement on the AgrilInsurance Program

- Floods
- Frost that damages corn silage prior to September 2
- Hail
- Uncontrollable insects and diseases
- Snow during seeding done before cut-off dates for all insurable crops, except hay
- Hurricanes, tornadoes

PROTECTION OFFERED

- Benefit options:
 - Cereals: 65%, 70%, 80% or 85% of the insurable value
 - Hay and corn silage: 70%, 75%, 80%, 85% or 88% of the insurable value
- Unit price options (\$/t): 60%, 80% or 100%
- A unit price specific to organically certified hay production is offered
- Options for number of cuttings: 2 or 3
- Options for harvest start date:
 - 2 cuttings: by June 25 or starting on June 25
 - 3 cuttings: by June 16 or starting on June 16
- Insurable values:
 - Cereals: according to the insured surface areas and the zone’s probable yield
 - Corn silage: according to the insured surface areas and the zone’s probable yield
 - Forage, “feed needs” option: according to the feed requirements of the participant’s herd
 - Forage, “area” option: according to the insured surface areas and the reference yield of each weather station
- Probable or reference yield: yield expressed in kilograms per hectare based on a moisture rate of 15%
- Specific term: It is possible to insure a crop in more than one zone or associate it with more than one weather station
- End of coverage: When crop is harvested, without exceeding the date found in the *Directory of the dates* (www.fadq.qc.ca/en/documents/crop-insurance/documents-in-effect)

ENROLMENT

- Enrolment deadline: April 30, 2018
- Minimum area: none

The seed used must be a Canada pedigreed grade (Breeder, Select, Foundation, Registered or Certified) having been subject to valid registration for Québec.

- Seeding cut-off dates for cereals: See *Directory of the dates* (www.fadq.qc.ca/en/documents/crop-insurance/documents-in-effect)

Farming methods

Produce cereals using a cultivation plan that complies with the *Guide to Farming Standards approved by La Financière agricole* (www.fadq.qc.ca/en/documents/crop-insurance/documents-in-effect) or present a cultivation plan when the farming methods differ from those in the Guide.

ELIGIBILITY CONDITIONS AND CROSS-COMPLIANCE MEASURES

The program sets out eligibility conditions and cross-compliance measures related to environmental standards in effect.

Participants who do not comply with these conditions or measures will lose the benefits to which they are entitled or see them reduced.

CHANGES TO CERTIFICATE

Participants must notify La Financière agricole by August 1, 2018, of any change that could modify their insurance certificate.

NOTICE OF DAMAGE

Collective risks

Participants do not need to notify La Financière agricole when a collective risk affects their insured crops.

Individual risks (*spot loss*)

When a participant's insured crops are damaged following an individual risk, the participant must notify La Financière agricole immediately, and no later than two business days before the harvest begins or urgent work is carried out or the crop is destroyed.

COMPENSATION

Collective risks

For hay, the percentage of loss of yield associated with a weather station is established using three tables – one for Frost, one for Quantity (for lack of rain), one for Quality (for excess rain).

For other crops, La Financière agricole makes an appraisal of different farming operations in the zone.

For all crops, compensation is paid when the loss is greater than the deductible corresponding to the benefit option listed on the participant's certificate.

Replacement value

For hay "feed needs" option, compensation for the replacement value is added to the compensation calculated for a drop in yield when regional yield loss exceeds 15%.

Individual risks (*spot loss*)

Compensation is possible when damage following an individual risk occurs causing a loss greater than the deductible corresponding to the benefit option listed on the participant's certificate.

- Minimum area:
 - Cereals and corn silage: 1 undivided hectare
 - Hay: 4 undivided hectares

Adjustment for crop quality when collective compensation is paid

Cereals: actual yield is adjusted if grain is downgraded.

GOVERNMENT PARTICIPATION

Administrative costs are fully assumed by the governments of Canada and Québec. The Government of Canada pays 60% of these costs and the Government of Québec pays 40%.

Financing of the premium is assumed by the governments (60%) and the participant (40%), for all benefit options.

This coverage summary in no way takes precedence over the provisions of the Crop Insurance Program, of the regulation in effect and of the agreements with the Government of Canada.

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