

Market Garden Crops – 2016 – Perennial Vegetables –

Individual crop insurance offers coverage tailored to the participant's farming operation. It is based on the farming operation's production volume. The coverage is offered for organic or conventional production.

INSURABLE CROPS

Sous-groupe	Cultures
Perennial vegetables	Asparagus and rhubarb

RISKS COVERED

Plan A

- × Excessive wind, rain, humidity and heat
- × Floods
- × Frost, hail, snow, hurricanes, tornadoes, drought
- × Ice formation in the soil from November to April
- × Uncontrollable insects and diseases
- × Wild animals against which there is no adequate means of protection, with the exception of the waterfowl provided for through the damage compensation plan of the Federal/Provincial Agriinsurance Agreement

Plan B

- × Hail

Plan C (plant mortality)

- × Ice formation in the soil from November to April
- × Uncontrollable insects and diseases

Plan D

- × Late frost (spring) and early frost (fall)

PROTECTION OFFERED

- × Benefit options:
 - Plan A: **60%, 70%, 80% or 80% with abandonment** of the total insurable yield.
 - Plan B: **60%, 70%, 80%, 80% with abandonment or 85 %** of the total insurable yield.
 - Plan C: **95%** of the total insurable value.
 - Plan D: **60%, 70%, 80%, 80% with abandonment or 85 %** of the total insurable yield.
- × Deductibles: **40%, 30%, 20%, 15% or 5%** according to the benefit option chosen.
- × Unit price options: **100%, 80% or 60%**¹

$$\text{Total insurable yield} = \text{Probable yield} \times \text{Number of insurable units}$$

$$\text{Total insurable value} = \text{Total insurable yield} \times \text{Unit price}$$

- × Probable yield: tailored to the participant's operation, expressed in kilograms per hectare or units per hectare, depending on each crop.
- × Unit price: Based on the production cost.
- × Start of coverage:

Plan A: November 1 preceding the insurance year.

Plans B and D: April 30.

Plan C:- November 1 preceding the insurance year for second year plants and over;
- April 30 for the first planting year.

× End of coverage:

Plans A, B and D: **At harvest completion.**

Plan C: **October 31.**

FINANCING OF THE PREMIUM

The financing of the premium for the Crop Insurance Program, assumed by the governments and the participant, varies according to the different benefit options.

Benefit option	Contribution gouvernements	Contribution participant
60%	80%	20%
70%	70%	30%
80%	60%	40%
80% with abandonment	56,2%	43,8%
85%	60%	40%
95%	60%	40%

The governments cost-share in a proportion of 60% for Canada and 40% for Québec.

FINANCING OF ADMINISTRATIVE COSTS

The costs inherent in administering the Crop Insurance Program are shared in a proportion of 60% by the Government of Canada and 40% by the Government of Québec.

ENROLMENT

× Deadline for enrolment:

Plan A: November 1 preceding the insurance year (November 15 this year)

Plans B and D: April 30.

Plan C: - November 1 preceding the insurance year for second year plants and over;
- April 30 for the first planting year.

× Specific terms:

- Minimum area: **1.0 hectare per crop**
- Area accepted following an inspection
- Insure all crops covering one hectare and over included in a same subcategory. However, when the area of the crop to be insured is at least five (5) hectares, it is possible to insure only this crop.
- Abide by the standards recommended by the Centre de référence en agriculture et agroalimentaire du Québec or approved by La Financière agricole.

¹ Plans A, B et D : \$/kg (asparagus and rhubarb)
Plan C : \$/1 000 crowns (asparagus)
\$/1 000 roots (rhubarb)

CROSS COMPLIANCE MEASURES

When the Ministère du Développement durable, de l'Environnement et de la Lutte contre les changements (MDDELCC) gives La Financière agricole information which establishes that a member has, for a given year, failed to file a compliant phosphorus report, as set out in the Règlement sur les exploitations agricoles (agricultural operations regulations, REA), the following consequences are applied. Any compensation to which the member is entitled under the program is reduced by 25% for all of the member's insured products, for the insurance year targeted by the missing phosphorus report, without a decrease in the contribution owed. This reduction is limited to a maximum of \$50,000 for all payable compensation. However, a member who fails to produce a compliant phosphorus report for a second consecutive year is denied all compensation for the second targeted insurance year, for all of the member's insured products.

The provisions related to the phosphorus report concern all the raising or spreading sites owned, leased or on which the operation custom produces. It targets all the operation's productions, whether or not they are covered by a program at La Financière agricole .

For more information on the requirements related to the phosphorus report, participants should consult an agrologist or the regional office of the MDDELCC.

- × In accordance with the AOR, La Financière agricole excludes from insurable areas those on which it is prohibited to cultivate crops. This measure may concern in particular areas that have been deforested and used for agricultural purposes while on the territory of one of the municipalities listed in the AOR.
- × In accordance with the Protection Policy for Lakeshores, Riverbanks, Littoral Zones and Floodplains, La Financière agricole excludes from insurable areas those cultivated within a three-metre strip of vegetation with respect to riverbanks.

CHANGES TO CERTIFICATE

Participants must notify La Financière agricole of any change to their agricultural program that could change their insurance certificate.

Deadline for modifications: August 1.

Participants cannot change their crop insurance coverage after the enrolment deadline when this deadline is November 1.

NOTICE OF DAMAGE

When a participant's insured crops are damaged, the participant must immediately notify La Financière agricole.

- × *Deadline for producing a notice of damage:* as soon as possible and **at the latest 2 business days** before the beginning of the harvest, so that an assessment can be conducted while **the crop is still standing or, if applicable, 2 business days before urgent work or before the crop is destroyed.**

Neglecting to submit a notice of damage within the prescribed timeframes can lead to a loss of the right to compensation.

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

COMPENSATION

Abandonment

When the crop is damaged by a risk covered by the insurance, to the extent of abandoning this crop over part or all of the affected area, abandonment compensation is paid out for the affected area when the subscriber has opted for the 80% guarantee with abandonment. Losses are estimated taking into account by considering the marketing standards and vegetable grades listed in the Canada Agricultural Products Standards Act (R.S., ch. A-8) and the Fresh Fruit and Vegetable Regulations (C.R.C., ch. 285). The compensation is calculated as follows:

$$\begin{array}{l} 80\% \text{ of the insurable yield of the area affected} \\ \times \text{ Unit price} \end{array}$$

Abandonment can be authorized at any time during the season, as long as a La Financière agricole advisor can assess the damages while the crop is still in the field.

- × Minimum area: **Entire field or 0.5 hectare (undivided).**
- × Salvage value and nonincurred expenses: Deducted from compensation, if any.

Drop in yield

When damages incur loss higher than the deductible corresponding to the benefit option listed on the participant's certificate.

$$\begin{array}{l} \text{Indemnity} = \\ ((\text{Total insurable yield} \times \text{Benefit option}) - \text{Actual yield}) \\ \times \text{Unit price} \end{array}$$

When the benefit option only covers certain risks, the loss in yield indemnified cannot exceed that attributable to these risks, as determined by La Financière agricole.

Salvage value and nonincurred expenses: Deducted from compensation, if any.

APPLICATION FOR REVIEW

Any request for a review of a final decision rendered regarding a participant's insurance file must be made in writing, explaining the motives behind the request, and sent to the Service Centre in charge of the participant's file or delivered in person to a representative of La Financière agricole within ninety (90) days from the date of the decision in question. However, program conditions and parameters or program premises, the results of collective appraisals for crop insurance losses and exclusion from programs for motives provided for in the programs may not be subject to a request for a review.