

The role in agricultural development in Iran

Hasan azimi

PhD in Atmospheric Administration economics science academy, Doshanbe, Tajikistan

Abstract: Crop insurance as one of the new strategies to deal with the risks of farming activities and thus reduce the volatility of interest income to farmers and emphasis is placed. Investment in the agricultural sector of the needs of sustainable economic growth and development, process development and increased production of certain agricultural products Food security is needed and consequently the uncertainty of investment returns is the most important issues Farmers are faced with a crisis for the Economy and the uncertainty in the agricultural field, thus providing new investment Agricultural products in the insurance sector as one of the best strategies and focus the attention of scholars has been. In Iran after the Agricultural Insurance Act 1363; Insurance to cover all types of agricultural crops and livestock As a means to achieve goals and policies of the agricultural sector, the Bank has started and its activity in agriculture. In the present paper is descriptive and through Internet search and has a library and a questionnaire to gather information; Try the Overview of studies within the field of agricultural policy, objectives and tasks of the Fund and paid for agricultural products And the importance of crop insurance in the agricultural economy and the national economy have mentioned.

[Hasan azimi. **The role in agricultural development in Iran.** *J Am Sci* 2013;9(2):198-201]. (ISSN: 1545-1003). <http://www.jofamericanscience.org>. 27

Keywords: crop insurance, crop insurance, agricultural economics, national economy

Introduction

Unstable nature and the changing nature of non-predictable phenomena and natural disasters has created special conditions for this section The result is that farmers with agricultural production and the future is uncertainty (Trkmanan 1375, Hello God Ahmadabad Vyn 1380).

Activity in the agricultural sector due to high dependence on nature and its dependence on climatic conditions and environmental factors, activity is associated with risk (Harvvaytz Vvaychnbrg, 1993).

And manufacturers in this sector, with the damage caused by natural events and disasters, emerging economies grow and their lives are in jeopardy; And manufacturers in this sector, with the damage caused by natural events and disasters, emerging economies grow and their lives are in jeopardy (Rahimi, 1389). Hence the survival and sustainable production activities in this sector requires the support of producers and investors, this is serious. Insurance policies in support of various agricultural products, as useful and appropriate way to deal with these risks and that is always considered. Crop insurance to farmers helps to reduce risk, the best programs to enhance the sustainable management and strategy (Hogg et al, 2003). According to Becker (1990) crop insurance is a type of technology, the arrival at the rural community may be faced with many obstacles. Barnett and colleagues (1990) argue that the expected rate of return insurance is the most important factor determining the demand for crop insurance.

Researchers have conducted studies of crop insurance Rmvrđ a few of them are mentioned. In a

study Bakvt and Smith (1996) on crop insurance application by the Montana Wheat farmers did. Found that variables such as education to farmers, the risk of exposure, amount of debt to credit institutions and banks, as well as the product of fluctuations in premium rates for farmers involved in crop insurance scheme is effective. In the study, Williams and colleagues (1993) was also determined by changing the interest rate premium Brdarany with different degrees of risk aversion will tend to the crops insured. In reviewing the Gvdyn (1993) about the demand for insurance agents Mvsrbr corn in Iowa was the conclusion reached America. The owners of larger farms are more likely to crop insurance and land values and rental management and property insurance for a temporary positive effect on ground corn and corn-producing farmers to increase the insurance to be.

In a survey Vandvr and Yang (2001) about the impact of federal crop insurance program conducted on the land of wheat Found that the subsidies to crop insurance decisions are influenced by culture, which also affect agricultural production and prices will affect them.

Turkmen and victims in the survey (1387) Factors affecting demand for insured crops in the city of Sari did, It was found that farm size and part-time beneficiary of the insurance has a negative impact on demand. In a study of victims and colleagues (1385) conducted on factors affecting adoption of crop insurance; Found that increasing levels of Insurance to examine factors affecting the demand for policy makers can play an important role in this process is to

identify strengths and weaknesses. It was found that crop production in the year before, land ownership, education level, age, risk-oriented capital and experience of a farmer on the farm for crop insurance.

In a study of the goodness and Turkmen (1386) Factors affecting demand for insured crops in the province did Tasy Rmsbt and factors such as number of pieces of land, land value, leaving land fallow have a negative impact on the insurance application.

Crop insurance

Support and participation of farmers in order to compensate for losses caused by natural disasters and risks and natural disasters, As a means to achieving the goals and policies of self-sufficiency in agricultural production Half of 1363 crop insurance regulations with legal personality and financial autonomy of public enterprises in the Agricultural Bank was established with initial capital of one billion rials (servant Adam, 1386). Based on crop insurance association, executive director of the Agricultural Bank, managing director of insurance is And the General Assembly, including Ministers of Agriculture, Economics and Finance, Commerce and Chairman of the Management and Planning Organization's (Ismail Ali, 1380).

Planning activities, technical and insurance executives are divided into five chapters:

Chapter One: Research and Planning and Economic

Chapter Two: Education and Policy Development

Chapter three: Crop Insurance and Horticulture

Chapter four: insurance, livestock, poultry and fish

Chapter Five: Insurance Forest and Rangeland and Watershed

Now mandate insurance of agricultural products through bank branches across the country are agriculture (Ismail Ali, 1380).

Objectives and functions of insurance

Insurance obligations, to provide protective cover for a variety of agricultural products (crops and garden), livestock, poultry, bees, silk worms, aquatic farm, forest working plans, Rangeland and Watershed you against losses caused by natural disasters and natural disasters such as hail, hurricanes, droughts, earthquakes, floods, frost and ice, fire, lightning, pest Vegetable and animal quarantine and communicable diseases and diseases of quarantine as a means to achieving the goals and policies is agriculture (R. F, 1387).

Performance of agricultural insurance

Insurance activities in three sub-sectors are agriculture, including that of: (Neutral, 1388)

A - Agriculture and Horticulture Insurance

Agriculture and Horticulture Department of Insurance that the insurance is an insurance organization's operational performance, Its activities from 1363 to insure the cultivation of sugar beet and cotton began in the provinces of Khorasan and Mazandaran And has gradually expanded to other provinces.

Currently the executive office of the insurance activities of 12 crops, including wheat, dry land wheat, sugar beet, cotton, rice, soybeans, potatoes, Corn, onions, sunflower, barley and sugar beet seed will perform. Insurance Bureau of Agricultural and horticultural research activities in the field of insurance of the gardens began in 1373 and was responsible The major horticultural crops such as dates, apples, citrus, grapes, pistachios, pomegranate tea and put them under his protection.

B - Insurance of livestock, poultry and fish

Variety of animal health enforcement activities of cattle and sheep began in 1372 with the insurance plan And now the insurance industry (cattle - beef), sheep, goats, bees, bison, horses, traditional (ethnic Turkmen, and Arab) , Farmed fish (warm water fish, cold water fish and shrimp) and poultry types of support services have been covered.

C - Insurance Forest, Rangeland and Watershed

Insurance Office of forests and rangeland research activities in this sector since 1374 has begun.

Currently working forests and pastures of the country's province of Gilan, Mazandaran and Golestan is covered by agricultural insurance support services. The public investment in Biology in 1378 Watershed protection insurance is covered.

Insurance operations

Insurance operations units deployed in the branch of Agricultural Bank into two parts, "the insurance contract." And the assessment of damages and compensation "is divided into (Ismail Ali, 1385).

A - Actions of insurance contract

After submission of regulations, administrative procedures, fees and insurance premiums from the headquarters of the Bank's branches in provinces, These branches across the country in matters related to insurance operations of various crops and livestock are. Branch of Agricultural Bank started the season with a contract of insurance, the insurer shall adjust the related forms and present. Thus, agricultural products and natural force causing the loss of insurance.

In agriculture that are supervised by a responsible organization, such as cotton, soybean, sugar beet and Insurance organizations to encourage the cooperation of farmers and the insurance contract uses. In such cases, insurance experts from

the regional branches of the Agricultural Bank for signing contracts to refer to the relevant agencies. These organizations may be directly responsible for insurance agents and their contract to the insurer. In this case, the amount of the fees they receive Srvq insurance.

Insurance in case of livestock, poultry and fish should be noted that this group of experts (including experts and veterinary insurance) The operation and control of health insurance and free health checks for cattle and sheep ear mounting plate, the contract will After receiving the premium, the insured under an insurance cover placed. Forest and Range Management and Watershed insurance at work, visits by experts from the Natural Resources Department oversees the implementation plans And crop insurance premiums and to determine the maximum term contract for a solar year is done.

B - the assessment of damages and compensation

The damage assessment that the primary role of the operating system of insurance is considered by experts in the insurance coordinator (based on the management of Bank Branches); Private insurance companies and experts (based Drshb Bank) runs. Azatla insurance experts after the occurrence of damage (the deadline imposed by the insurer to the insurance subsidiaries are the Bank). In compliance with the provisions contained in regulations and administrative instructions, are present at the scene. After visiting the damaged items, make the necessary assessments After confirmation of damages and compensation from the insurer pursuant to its technical staff are sent to the insurance fund. During major events such as flooding and ... Insurance experts visiting the province, and evaluation of damage to the company to do this more carefully. In some cases, according to the type and amount of damages, according to insurance experts, technical experts and researchers from other institutions Agriculture and livestock facilities and natural resources in the country are using to perform their duties of care and more effort should be used.

Compensation, the final step in a crop insurance operations is considered. Insurance experts based on calculations of the damage assessment reports Mtlq is; Calculate the compensation to victims compensation and cash or deposit the money into savings accounts to pay the insurer.

The importance of crop insurance, agricultural economy and the national economy

The insurance of crops and livestock farming economy and national economic importance of following directions are:

- Security and investment in agricultural production.

- Increase in computing power and planning for farmers to prevent fluctuations in income and risk management practices.

- Separation of right and wrong management of the insurance and segregated Ghramat.

- Continuous monitoring of health experts on how to produce and encourage farmers and ranchers to use proper management practices and compliance with standards and technical regulations and sanitary.

- Reduce or cut off direct aid and grants to farmers during the financial risk of unexpected losses.

- Controlling pests and diseases, especially in the insurance sector, livestock, poultry and fish through duly informed of the disease and the gradual elimination of animal contagious diseases such as tuberculosis and brucellosis, fever, thrush, and the flu ...

- Elimination of non-financial products from the production cycle and replace it with a more economic production and productivity in the agricultural economy.

- Contribute to the production of strategic products through changes in government subsidies to the insurance.

- The role of insurance as an approach to eliminate the vulnerability of rural deprivation in the rural community is one of the dimensions (Chambers, 1386).

And its role in sustainable rural development to the effect that as a good entry in the economic system, Social, cultural, rural community and led to the formation of positive feedback and the desired output of the system (Jamshidi, 1388).

- Securing private investment in agriculture, because that increase risk and reduce investment risk is And investment risks of the major obstacles to growth are known (Jamshidi, 1388).

- And finally the formation of a focused and precise in order to record, analyze and evaluate a range of risks and adverse events in the agricultural sector The way for strategic policy to reduce losses in national and regional level would pave (Chambers, 1386).

Conclusions and recommendations

Given the positive effect of insurance Brkahsh Drtvlyd harmful damage to agricultural crops is recommended that insurance For all risks that are beyond the scope of farm management as a mandatory minimum term Drkvtah done Advantages of this type of farmer participation Vdrntyjh insurance costs and insurance executive forced to eliminate the phenomenon of adverse selection Insurance Fund and backed by the confidence of the

vast majority of producers of agricultural insurance in case the damage is extensive.

Awareness of the benefits for farmers and to facilitate the necessary connection Rbymh insurance experts and farmers continued to increase. Viewed in this context of rapid and accurate assessment of the damage and damaged areas and the timely payment of the amount of damages Some of the most important factor that can be insured Drtblygh for other farmers and promote the culture of insurance in rural communities have Close supervision and continuous insurance coverage on how the products performed particularly well in this case, It's quick and detailed estimates of damages and payment of the complaints and suggestions from the insurer is necessary.

Survival and sustainability of agricultural production activities in support of producers and investors, this is serious. Insurance policies in support of various agricultural products, as useful and appropriate way to deal with these risks and that is always considered. So in this section a few suggestions on crop insurance to be offered:

- Increase knowledge and awareness of the importance of farmers and farmers crop insurance, economic development and national development

- Development and expansion of agricultural insurance products in all agricultural products that have value and are produced with a commercial purpose.

- Insurance of crops and livestock without any restrictions in terms of risk factors.

- Cooperation of all authorities in the field of cultural development and cultural development of agricultural insurance in rural communities

- Research studies examining the factors affecting the health of farmers and agricultural producers.

Persian sources:

- 1 - Ismail Ali, N.. In 1380. Familiar with the kinds of insurance. Tehran's deputy and promote people's participation.
- 2- Bietaraf, L. 1388. Tables of statistics and research, economic planning and the Agricultural Bank. Tehran, the Agricultural Bank.
- 3- Turkmen, g . and the ghorbani, M. 1387. Factors affecting the demand for agricultural insurance:a case study in Sari city. Iranian Journal of Agricultural Sciences, 2,27-21.

- 4 - Jamshidi, D.. 1388. Vision system in rural sustainable development. Journal of Agricultural Bank, 68, 37.
- 5 - Chambers, R.. In 1386. Rural development - priority to the poor. (M, Azkya, Translator). Tehran, Institute of Tehran University Publications and Printing.
- 6 - Chadem Adam, N.. In 1386. Agricultural economics and policies of the Iranian regime. Tehran, dissemination of information.
- 7 - R. F, C.. 1387. The development of agricultural insurance programs and policies in Iran. Conference on agricultural insurance, investment, development and security. Tehran, the Agricultural Bank.
- 8 - Rahimi, AS. In 1389. Policies to support farmers (livestock and fisheries sectors in case study). Tehran, Ministry of Construction Jihad publications, research and rural issues.
- 9 - Ghorbani, (b). Karbasi, AS. And charismatic, you. (1385). Factors influencing the adoption of agricultural insurance. Proceedings of the Third Conference of the agricultural economy of Iran, Mashhad, Ferdowsi University of Mashhad.
- 10 - Nikoei, a the Turkmen.g .1386 (c). Factors affecting demand for insured crops Province: case study of wheat. Proceedings of the Third Conference of the agricultural economy of Iran, Mashhad, Ferdowsi University of Mashhad.

English source:

- 11- **Baker, J.R. 1990.** Demand for rainfall insurance in the semi- arid topics in India. **Resource management program,4 :101-151.**
- 12- Barnett, B.J., Skees, J.R., and Hourigan, J.D. 1990. **Examining participation in Federal Crop Insurance.** Staff Paper No.275, Department of Agricultural Economics, university of Kentucky.
- 13- Goodwin, B.K. 1993. An empirical analysis of the demand for multiple peril crop insurance. **American Journal of Agricultural Economics, 75: 425-434.**
- 14- Haq, A., Hartman, E., and Myers, A. 2003.**Agriculture and Green Insurance.** Research Report.
- 15- Horowitz, J.K., and E. Lichtenberg. 1993. Insurance, moral hazard, and chemical use in agriculture. **American Journal of Agricultural Economics 75: 926-935.**
- 16- Smith, V. and Baquet, A.E. 1996. The demand for multiple peril crop insurance: Evidence from Montana wheat farms. **American Journal of Agricultural Economics, 78: 189-201.**
- 17- Vandaveer, M.L. and Young, C.E. 2001. **The Effects of the Federal Crop Insurance Program on Wheat Acreage.** Economic Research Service. USDA. 21-30
- 18- Wiliams, J.R., Carriker, G.L., Barnaby, G.A., and Harper, G.K. 1993. Crop insurance and disaster assistance designs for wheat and grain sorghum. **American Journal of Agricultural Economics, 75: 435-447.**