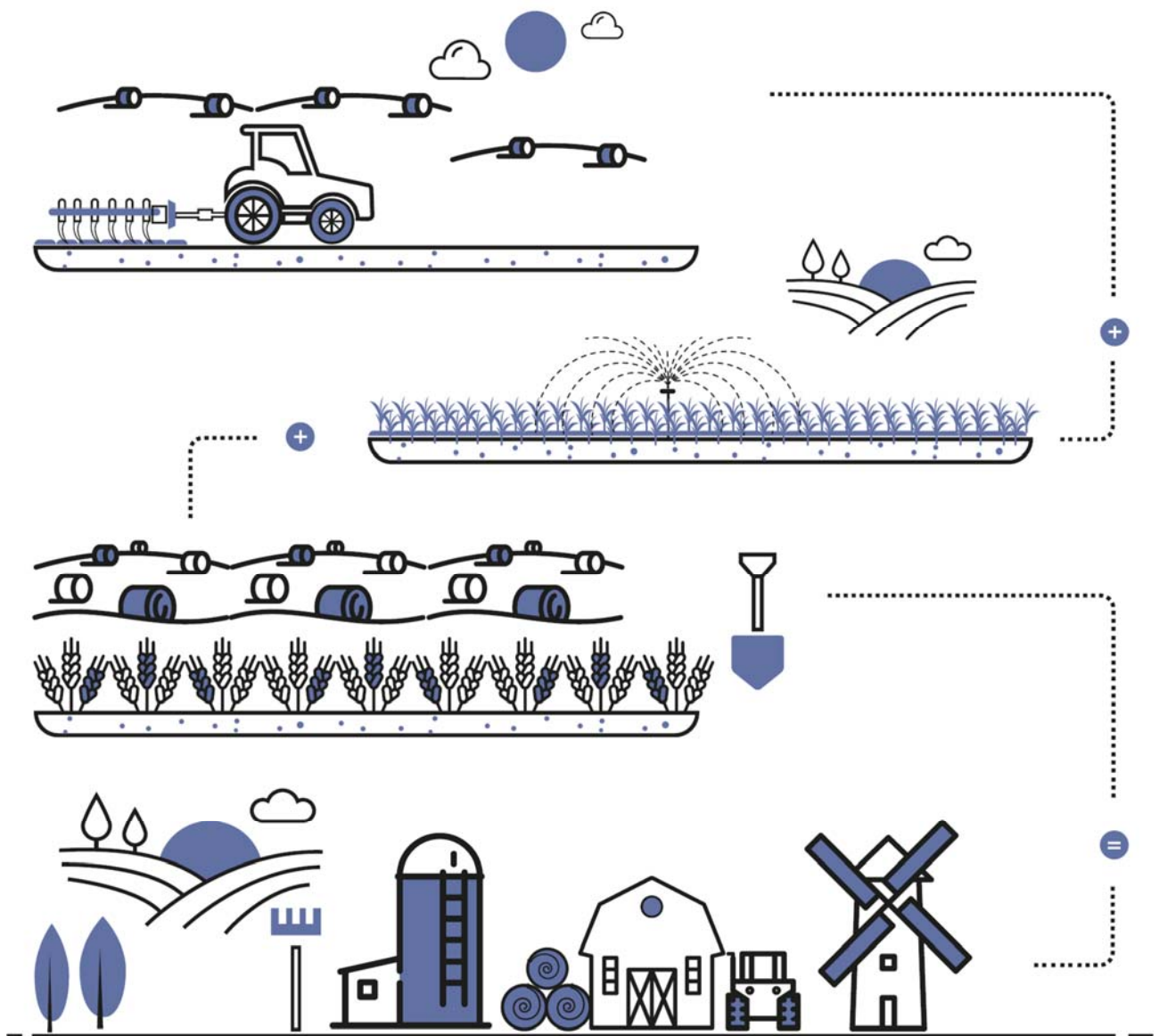


Risk management in agriculture

Report 2022 - Summary



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Data sources

When not listed below the tables and charts, data source is: "ISMEA on SGR/SIAN data and insurance companies' data". ISTAT is the source for the data on the Utilised Agricultural Area (UAA) and Production value at basic prices (PBP).

The Agricultural Risk Management Plan 2022 and the national planning and financial framework for risk management measures

The Agricultural Risk Management Plan 2022 confirms the range of risk management tools in its broader composition, as already tested in previous years.

Subsidized instruments set puts together with "traditional" insurance policies, within 2014-2020 PSRN 17.1 sub-measure, mutual aid funds against adverse weather conditions and phytosanitary and health risks (sub-measure 17.2 of the 2014-2020 PSRN) and the sectoral income stabilization (IST) (2014-2020 PSRN 17.3 sub-measure).

In addition, the ex-ante interventions, financed with National Solidarity Fund resources, consisting of insurance to cover damage to company structures, lost income for the production of milk and honey and costs of carcass disposal and experimental policies (index based and revenue policy).

The National Solidarity Fund also continues to work for the implementation of ex post compensation measures.

The new Plan, while remaining unchanged compared to the previous year in its general structure, is characterized by the introduction of some new measures aimed at harmonizing and further expanding the mix of public support interventions to the risk management system.

In particular, the following innovations are shown: the damage threshold of mutual funds goes from 30% to 20% in line with sub-measures 17.1 and 17.3 sectoral IST; the index-based subsidies extension to the livestock production of cattle and bees, wine grapes and hazelnuts; the inclusion of the sugar beet sector among those eligible for the activation of the Income stabilization tool (IST); the enlargement of the list of plant diseases and parasitic infestations that can be insured or subjected to mutual coverage; the expansion of crops and crop types for which it is possible to subscribe to subsidized agricultural insurance policies or join mutual funds; the implementation of the definitions used to specify the meteorological indices calculation for the index-based policies damage definition; the expansion of the types of expenditure eligible for public support from mutual funds and IST funds (interest on commercial mortgages contracted for the payment of compensation to participating farmers); definition of the combinations of atmospheric risks of crop production subject to mutual coverage by mutual funds, aligning them with those relating to insurance policies.

Finally, to enhance risk management tools in agriculture, the experimentation of a National Catastrophe Mutual Fund called AgriCAT was launched in 2022, for the supplementary coverage of damage to agricultural production caused by frost, drought and flood.

The tool, intended for the entire audience of Italian agro-companies, aims at sectoral and territorial rebalancing in the distribution of coverage and compensation as well as at reducing exposure to risk with respect to events with the highest intensity of damage.

RISK MANAGEMENT IN ITALY: ELIGIBILITY CONDITIONS AND FINANCIAL SOURCES – 2022 FRAMEWORK

Tool	Damage Threshold	Fund	Contribution
Crop, animal and plant insurance	Damage Threshold > 20%:	EAFRD (NRDP) NFS	Max 70% of eligible costs
	- Crops		
	- Livestock farming (loss of income guarantee; compulsory slaughter of animals guarantee; lack of milk production due to thermohygro-metric imbalances; lack of honey production)		
	- Crops (two-risks insurance)		Max 65% of eligible costs
	Without Damage Threshold:	NFS	Max 50% of eligible costs
	- carcass disposal - farm structures		
Index-based insurance (cereals, fodder crops, oilseed crops, tomatoes, citrus fruits, cucurbits, olive growing, wine grapes, hazel, cattle, bees)	Damage Threshold > 30%	NFS	Max 65% of eligible costs
Revenue insurance (durum and common wheat)	Damage Threshold > 20%	NFS	Max 65% of eligible costs
Mutual funds for adverse climatic events, animal and plant diseases, pest infestations	Damage Threshold > 20%	EAFRD (NRDP)	Max 70% of eligible costs
Income stabilisation tool for farmers of a specific sector (durum wheat, olive growing, fruit and vegetable, poultry farming, bovine milk, sheep and goat milk, pig farming, rice, sugar beet farming).	Loss of income threshold > 30%	EAFRD (NRDP)	Max 70% of eligible costs

Source: Ismea

In relation to the financial context, there are some news. With specific reference to the risk management measures financed within 2014-2020 PSRN, it should be noted that in 2021 a financial modification to the national rural development program took place, determining an increase in the resources allocated for risk management.

In particular, the new schedule sees an increase in the FEASR financial availability for measure 17.1 of approximately 341 million euros which determine a total increase in public spending of approximately 758.7 million because of national co-financing. The increase in planned spending is due to the allocation of additional resources for the transition period to the new CAP.

MEASURE 17: PROGRAMMED PUBLIC SPENDING PER MEASURE (EUR)

Measure description	Public spendig	from EAFRD	from National co-financing	Allotment
17.1 - Crop, animal, and plant insurance	2,156,355,874	970,360,143	1,185,995,730	95.7%
17.2 - Mutual funds for adverse climatic events, animal and plant diseases, pest infestations and environmental incidents	48,500,000	21,825,000	26,675,000	2.2%
17.3 - Income stabilisation tool	48,500,000	21,825,000	26,675,000	2.2%
Total M.17	2,253,355,874	1,014,010,143	1,239,345,730	100%

Source: Progress report on public spending 2014-2020 - fourth quarter 2021

As far as to the budget, for risk management measures, the progress of payments to beneficiaries has recorded a partial stop, with the ratio between expenditure incurred and planned expenditure decreasing from 77.97% at the end of 2020 to 74.32% in 2021.

This is largely due to the strong increase in planned public spending (which increased from 1.5 billion to 2.2 billion euros) which generates a reduction in the effective percentage of spending progress.

PUBLIC SPENDING INCURRED AT 12.31.2021 (EUR)

Measure description	Programmed Public Spending	Programmed EAFRD	Public spending incurred	from EAFRD	Spending progress
NRDP 2014-2020 Measure 17	2,253,355,874	1,014,010,143	1,674,729,824	753,628,421	74.32%

Source: Progress report on public spending 2014-2020 - fourth quarter 2021

Moving the attention to the analysis of the measures relating to risk management financed under the regional PSR, we note that - even at local level - there is a certain dynamism in the planning of interventions and in the periodic reorganization of the financial resources allocated. In fact, also in 2021, several Managing Authorities made changes to their PSR by reshaping resources allocation for concurrent measures to achieve Focus Area (FA) 3b (risk management).

PROGRAMMED PUBLIC SPENDING PER MEASURE FOCUS AREA 3B IN REGIONAL RDPs 2014-2020 (EUR)

Region	Measure 1	Measure 2	Measure 5	Measure 8	Measure 16	Total
Emilia-Romagna	44,853		43,438,769	15,043,484		58,527,106
Lazio	72,347		9,605,438			9,677,785
Liguria	85,000	90,000	7,330,000			7,505,000
Lombardia			12,000,000			12,000,000
Marche			13,850,222			13,850,222
Piemonte	1,589,824		16,500,000	12,000,000	147,192	30,237,016
Toscana	700,000	1,717,252	22,970,902		2,000,000	27,388,154
Umbria			16,779,807		3,479,738	20,259,545
Veneto			4,116,419			4,116,419
Abruzzo			9,300,000	6,000,000		15,300,000
Sardegna	60,000	37,500	22,500,000		30,000	22,627,500
Basilicata	276,186		11,420,832		990,064	12,687,082
Calabria	240,000		7,500,000			7,740,000
Campania			7,460,425			7,460,425
Puglia			49,000,000			49,000,000
Sicilia	41,931	80,000	49,167,571			49,289,502
Totale	3,110,141	1,924,752	302,940,385	33,043,484	6,646,994	347,665,756

Source: Progress report on public spending 2014-2020 - fourth quarter 2021

REMODELING OF PROGRAMMED PUBLIC SPENDING PER MEASURE FOCUS AREA 3B IN
Regional RDPs 2014-2020 (2021 VS 2020, EUR)

Region	2020					2021					Total planned expenditure absolute change (€)	Percentage change of planned expenditure FA 3b
	Measure 1	Measure 2	Measure 5	Measure 8	Measure 16	Measure 1	Measure 2	Measure 5	Measure 8	Measure 16		
Emilia-Romagna	44,585		38,443,989	12,460,631		44,853		43,438,769	15,043,484		7,577,901	14.9%
Liguria	85,000	90,000	6,330,000			85,000	90,000	7,330,000			1,000,000	15.4%
Marche			12,850,222					13,850,222			1,000,000	7.8%
Piemonte	1,589,824		10,500,000	12,000,000	147,192	1,589,824		16,500,000	12,000,000	147,192	6,000,000	24.8%
Toscana	700,000	1,150,000	19,970,902		2,000,000	700,000	1,717,252	22,970,902		2,000,000	3,567,252	15.0%
Umbria			9,774,371		3,479,738			16,779,807		3,479,738	7,005,436	52.9%
Sardegna	60,000	37,500	15,000,000		30,000	60,000	37,500	22,500,000		30,000	7,500,000	49.6%
Basilicata	323,046		11,420,832		652,619	276,186		11,420,832		990,064	290,585	2.3%
Puglia			46,000,000					49,000,000			3,000,000	6.5%
Sicilia	41,931	80,000	18,167,571			41,931	80,000	49,167,571			31,000,000	169.5%
Total	2,844,386	1,357,500	188,457,887	24,460,631	6,309,549	2,797,794	1,924,752	252,958,103	27,043,484	6,646,994	67,941,174	30.4%

Source: ISMEA on Progress report on public spending 2014-2020 - fourth quarter 2020 and 2021

PROGRESS OF PUBLIC SPENDING AT 12.31.2021 FOR FOCUS AREA 3B (Regional RDPs)

Region	Programmed Public Spending (EUR)	from EAFRD (EUR)	Public spending incurred (EUR)	from EAFRD (EUR)	Spending progress at 12-31-2021	Progress at 12-31-2020	Spending progress compared to 12-31-2020 (p.p.)	
More developed regions	Emilia-Romagna	58,526,836	25,236,772	8,924,673	3,848,319	15.2%	9.6%	+5.6
	Lazio	9,677,785	4,173,061	4,569,046	1,970,172	47.2%	19.3%	+27.9
	Liguria	7,505,000	3,225,649	3,502,505	1,505,377	46.7%	47.5%	-0.8
	Lombardia	12,000,000	5,174,400	9,476,106	4,086,097	79.0%	55.1%	+23.9
	Marche	13,850,222	5,972,216	50,222	21,656	0.4%	0.4%	+0.0
	Piemonte	30,237,016	13,038,201	10,785,111	4,650,540	35.7%	35.6%	+0.1
	Toscana	27,388,154	11,809,772	2,546,180	1,097,913	9.3%	4.7%	+4.6
	Umbria	20,384,545	8,789,816	7,052,095	3,040,864	34.6%	41.4%	-6.8
Veneto	4,116,419	1,775,000	301,444	129,983	7.3%	7.3%	+0.0	
Regions in transition	Abruzzo	15,300,000	7,344,000	1,278,602	613,729	8.4%	8.2%	+0.1
	Sardegna	22,627,500	10,861,200	10,437,269	5,009,889	46.1%	64.0%	-17.8
Less developed regions	Basilicata	12,687,082	7,675,685	3,819,275	2,310,661	30.1%	18.3%	+11.8
	Calabria	7,740,000	4,682,700	2,686,777	162,500	34.7%	29.0%	+5.7
	Campania	7,460,425	4,513,557	6,516,880	3,942,712	87.4%	75.0%	+12.4
	Puglia	49,000,000	29,645,000	32,421,076	19,614,751	66.2%	46.0%	+20.2
Sicilia	49,289,502	29,820,149	3,149,979	1,905,737	6.4%	11.6%	-5.2	
TOTALE	347,790,486	173,737,177	107,517,239	53,910,900	30.9%	27.3%	+3.6	

Source: ISMEA on Progress report on public spending 2014-2020 - fourth quarter 2020 and 2021

In addition to the European Union co-financed measures, national interventions financed by the National Solidarity Fund remain active as mentioned above.

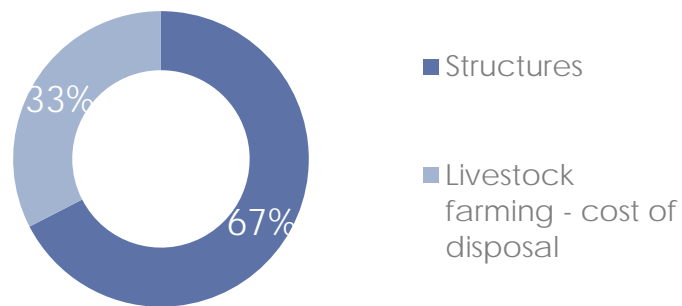
In particular, the disbursed funds continue to subsidize both the premiums on insurance policies against damage to company structures and for the disposal of animal carcasses (ex-ante interventions) and part of the expenses paid by agri-companies for the restoration of productive activity (interventions compensatory or ex post) following damage to production, structures, infrastructures and plants, as long as they are not caused by events included in the Agricultural Risk Management Plan.

SUBSIDIZED AGRICULTURAL INSURANCE - NSF (2021)

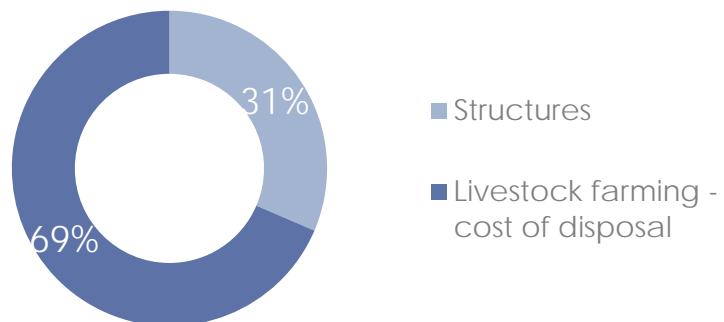
Insured value (EUR)	
Structures	1,120,001,020
Livestock farming - cost of disposal	541,025,031
Premiums (EUR)	
Structures	10,274,902
Livestock farming - cost of disposal	22,392,033
Public spending (EUR)	
Structures	5,137,451
Livestock farming - cost of disposal	10,076,415

Source: ISMEA on insurance companies data

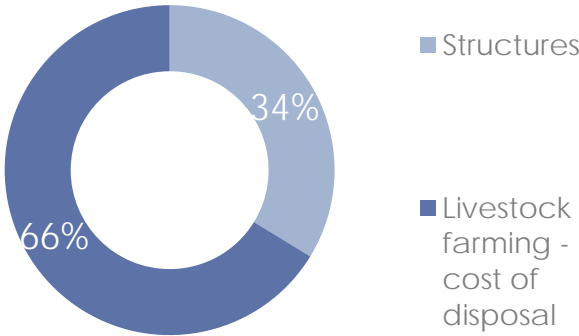
SUBSIDIZED AGRICULTURAL INSURANCE - NSF (2021) - BREAKDOWN BY INSURED VALUE



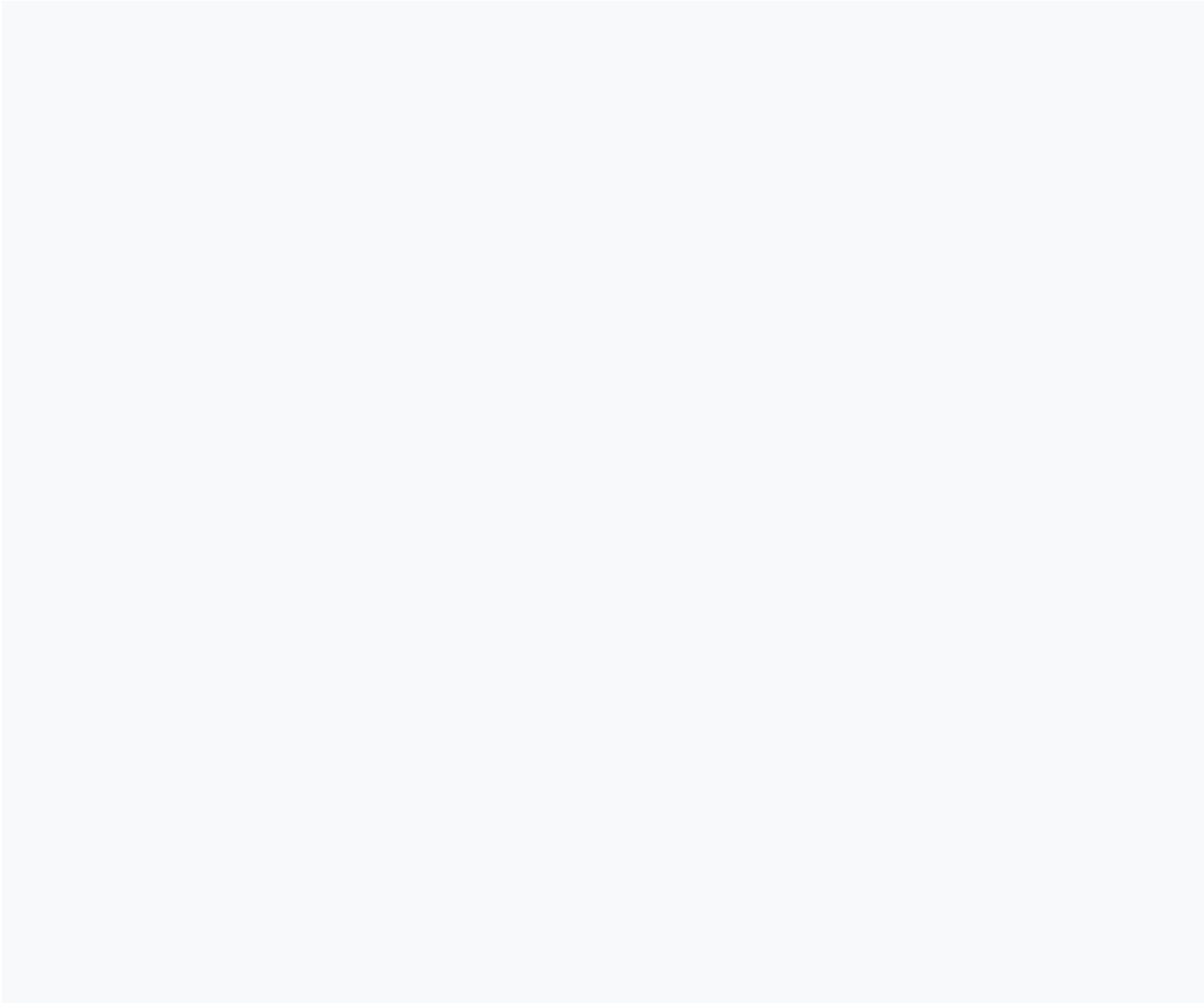
SUBSIDIZED AGRICULTURAL INSURANCE - NSF (2021)- BREAKDOWN BY PREMIUMS



SUBSIDIZED AGRICULTURAL INSURANCE - NSF (2021)- BREAKDOWN BY PUBLIC SPENDING



Source: ISMEA on insurance companies' data



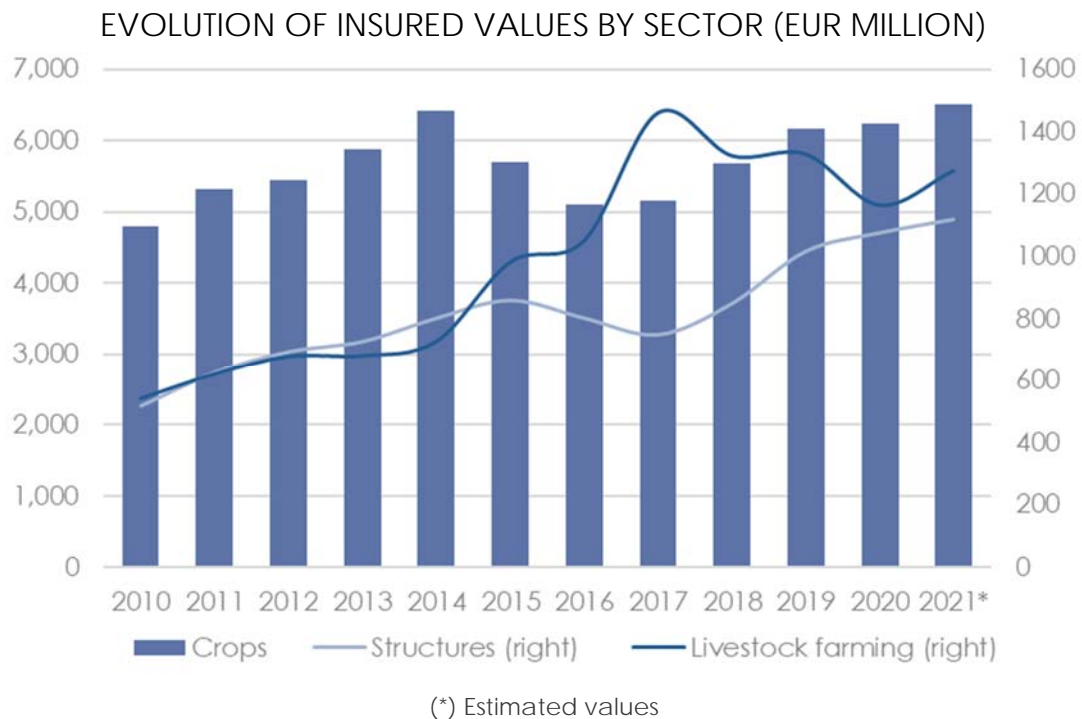
Subsidized agricultural insurance in Italy: data from the 2021 campaign

The subsidized agricultural insurance policies with a public contribution up to 70% of the premium recorded, in the 2021 campaign, the highest insured value ever.

Even in the context of the pandemic emergency, the market has shown a good ability to adapt and according to insurance companies' preliminary data, a total insured value of just over € 8.9 billion is shown, recording an annual growth of 5%.

TREND OF INSURED VALUES (EUR MILLION)

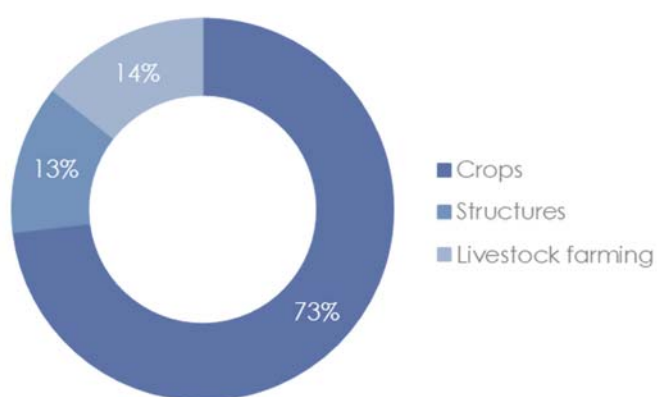
Year	Crops	Structures	Livestock farming	Total
2010	4,805	520	541	5,866
2011	5,314	628	620	6,562
2012	5,454	696	678	6,828
2013	5,873	729	680	7,282
2014	6,422	804	727	7,953
2015	5,705	861	982	7,548
2016	5,103	804	1,051	6,958
2017	5,156	751	1,461	7,368
2018	5,680	851	1,323	7,854
2019	6,164	1,018	1,328	8,510
2020	6,233	1,077	1,164	8,474
2021*	6,506	1,120	1,275	8,901
Var. 21/20	4.4%	4.0%	9.5%	5.0%



As in previous subsidized campaigns, the main component of the insurance portfolio is represented by insurance guarantee on vegetable crops, with a market share that reaching 73%, compared to 14% for livestock production and 13% for company structures.

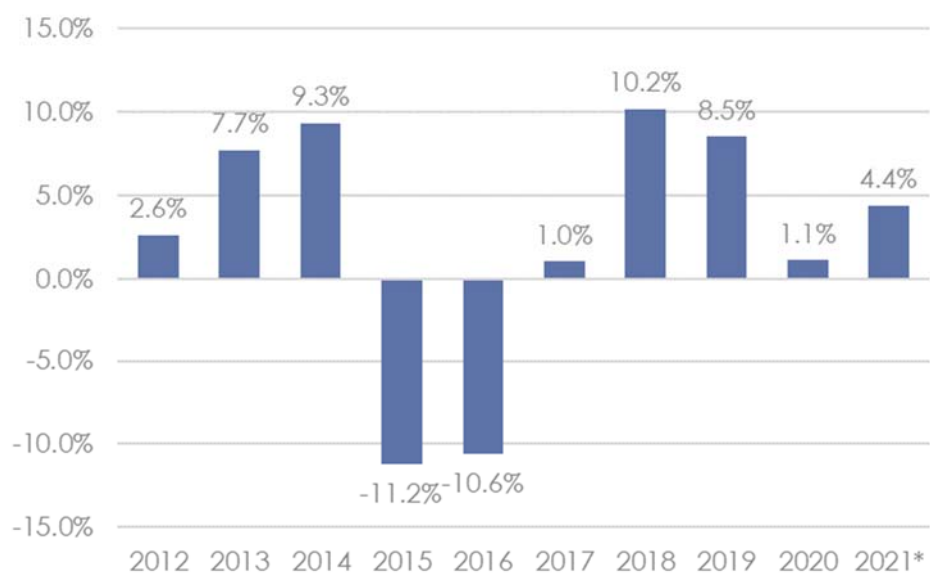
Furthermore, vegetable crops and company structures in 2021 achieved the highest insured values ever (€ 6.5 billion for veg crops, with an increase of 4.4% compared to 2020, and € 1.12 billion for company structures, with an increase of 4%). The insured values annual dynamics, however, rewards livestock production - with 1.27 billion euro of insured value in 2021 - recording a 9.5% increase compared to the previous campaign.

SHARE OF INSURED VALUES BY TYPE OF INSURANCES IN 2021*



(*) Estimated values

DYNAMICS OF INSURED VALUES - CROPS (ANNUAL CHANGES)



(*) Estimated values

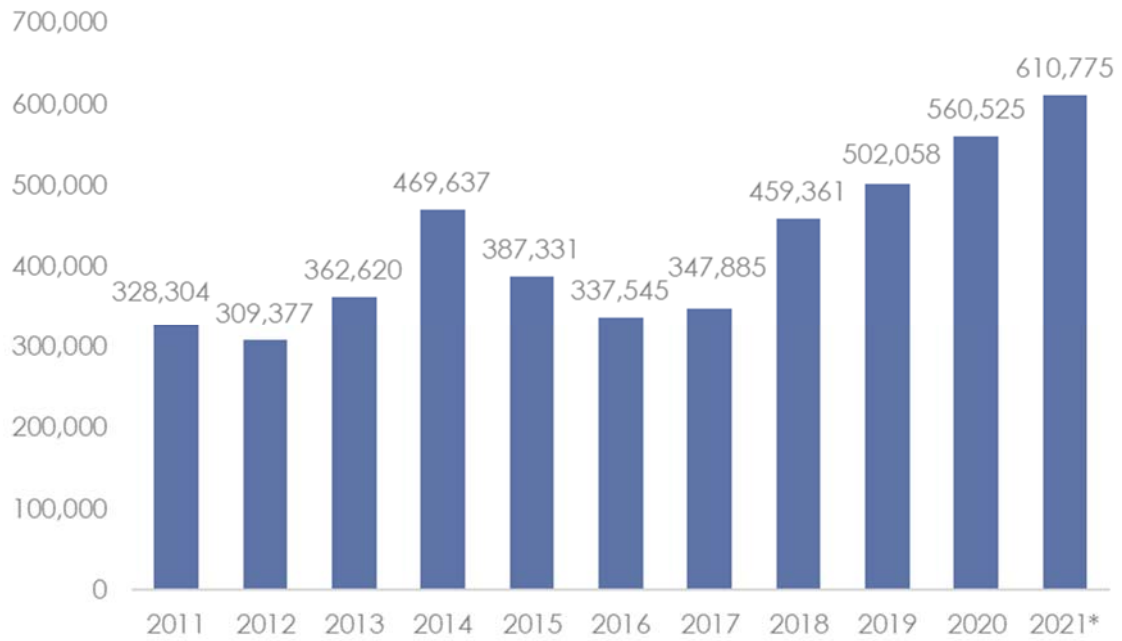
CHANGE 2021* / 2020 INSURED VALUES BY TYPE OF INSURANCE



(*) Estimated values

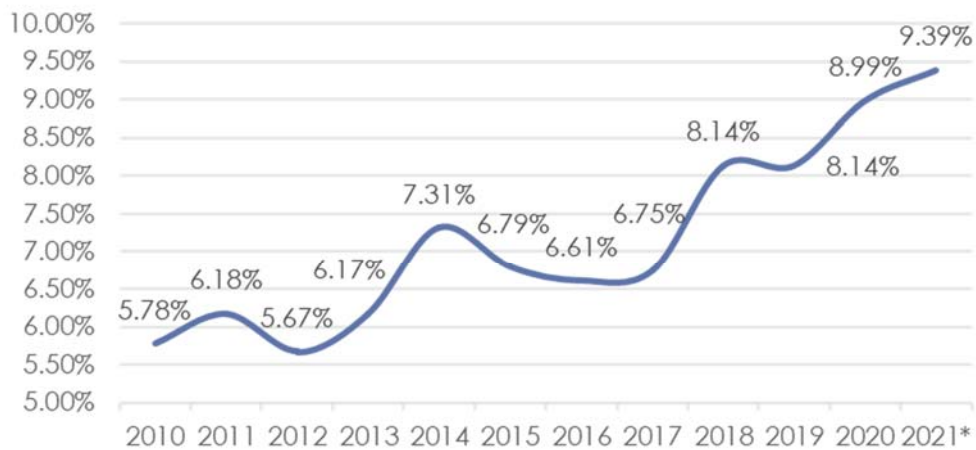
The 2021 insurance costs evolution confirms the already observed trend during the previous subsidized campaigns. As a matter of fact, premiums reached - for vegetable crops - the highest level ever (610.8 million euros), recording a 9% increase compared to 2020. At the same time, the average rate is growing, exceeding the 9% threshold in 2021; in this way, the increase in average insurance costs in real terms (net of inflation) is around 2.5% (+ 4.4% nominal).

PREMIUMS EVOLUTION (EUR THOUSAND) - CROPS



(* Estimated values)

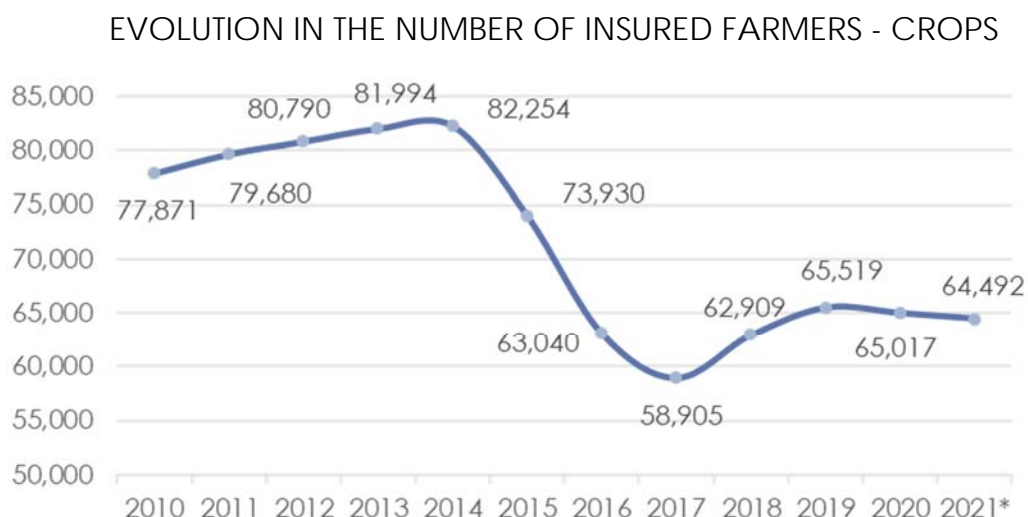
ANNUAL DYNAMICS OF AVERAGE TARIFFS - CROPS



(* Estimated values)

As far as the number of insured farms, 2021 recorded just a minimal negative change (0.8%), with a total of 64,492 agricultural companies subscribing subsidized policies to guarantee vegetable crops.

Also considering livestock policies and insurance contracts to protect plants and structures, the number of companies adhering to the subsidized insurance system is 74,192 units (0.54% lower than the 74,598 companies insured in 2020).



(*) Estimated values

According to a preliminary assessment, whilst number of insured farms appears to be slightly down in 2021 it can be estimated that, in the same period, the insured areas will amount to over 1.23 million hectares, with an increase of +2.2 % on 2020.

This is the highest result ever in terms of insured hectares per farm (19.1, which is 3% more compared to 2020 and 15% more compared to 2016), confirming the trend of land consolidation and average growth of farm utilized agricultural area which is involving the national agricultural sector according to the ISTAT surveys.

About territorial market shares, data confirm Northern area primacy, with a concentration of 80% out of the national total for insured values (as far as vegetable crop policies is concerned), 9 tenths of a percentage point more compared to the previous year.

On the other hand, participation of Southern areas, including islands, keeps on strengthening, going from 11.5% in 2020 to 12.2% in 2021, the highest level since 2014 campaign.

Finally, in Central Italy, in 2021 the share is the lowest ever (mainly due to the decline in plant nurseries), standing at 7.9%, recording a reduction of 1.4 percentage points compared to the previous two subsidized campaigns.

THE GEOGRAPHY OF INSURED VALUES - CROPS

Year	EUR thousand				Share %		
	Italy	North	Center	South	North	Center	South
2010	4,805,218	3,728,494	392,403	684,321	77.6%	8.2%	14.2%
2011	5,313,911	4,161,613	458,941	693,357	78.3%	8.6%	13.0%
2012	5,453,706	4,277,689	455,507	720,509	78.4%	8.4%	13.2%
2013	5,872,818	4,619,260	481,707	771,852	78.7%	8.2%	13.1%
2014	6,422,124	5,016,721	551,275	854,129	78.1%	8.6%	13.3%
2015	5,704,970	4,611,746	516,186	577,039	80.8%	9.0%	10.1%
2016	5,102,639	4,274,551	459,292	368,796	83.8%	9.0%	7.2%
2017	5,155,597	4,298,883	497,026	359,689	83.4%	9.6%	7.0%
2018	5,679,798	4,727,583	487,529	464,687	83.2%	8.6%	8.2%
2019	6,164,396	4,940,572	572,480	651,343	80.1%	9.3%	10.6%
2020	6,232,801	4,932,667	581,603	718,531	79.1%	9.3%	11.5%
2021*	6,506,402	5,203,047	511,934	791,420	80.0%	7.9%	12.2%
Var. % 21/20	4.4	5.5	-12.0	10.1	-	-	-

(*) Estimated values

In 2021, therefore, the territorial reallocation process shown in data relating to previous insurance campaigns is only partially confirmed.

This happens because whilst the South continues to grow for the fourth consecutive year, approaching the record results achieved before 2015, the Center, after a decade of progressive growth, records a significant setback, losing almost 70 million euro in absolute value of insured values in just one year (12%).

Finally, the North, in 2021, with the highest insured values ever (€ 6.5 billion, 4.4% annual increase) represents 80% of the national total, recording an increase in its share of nine tenths of a percentage point compared to 2020.

EVOLUTION OF INSURED VALUES, PREMIUMS AND NUMBER OF FIRMS IN THE LAST THREE YEARS – CROPS

Insured values (EUR)

Geographical macro-area	2019	2020	2021*	Var. 20/19	Var. 21/20
North	4,940,572,387	4,932,667,033	5,203,047,301	-0.2%	5.5%
Center	572,480,459	581,602,980	511,934,051	1.6%	-12.0%
South	651,343,109	718,531,213	791,420,425	10.3%	10.1%
ITALY	6,164,395,955	6,232,801,226	6,506,401,777	1.1%	4.4%

Premiums (EUR)

Geographical macro-area	2019	2020	2021*	Var. 20/19	Var. 21/20
North	417,388,385	461,976,782	502,551,248	10.7%	8.8%
Center	35,990,943	39,067,234	40,170,951	8.5%	2.8%
South	48,678,535	59,480,641	68,052,471	22.2%	14.4%
ITALY	502,057,863	560,524,657	610,774,670	11.6%	9.0%

Number of firms

Geographical macro-area	2019	2020	2021*	Var. 20/19	Var. 21/20
North	48,813	48,088	48,005	-1.5%	-0.2%
Center	5,359	5,286	4,762	-1.4%	-9.9%
South	11,347	11,692	11,775	3.0%	0.7%
ITALY	65,519	65,017	64,492	-0.8%	-0.8%

(*) Estimated values

Different crops data analysis confirms the primacy of products with a strong propensity to export, thus confirming the importance and selectivity of the insurance tool to protect and strengthen the "made in Italy".

In particular, wine grapes, which exceed 2 billion in insured values in 2021, up 4.7% on 2020. Apples maintain the second position with more than 700 million, recording a 5.2% growth compared to 2020, followed by rice with more than 500 million euros (+18%). Finally, industrial tomatoes and grain corn also recorded significant values, respectively with 474.7 million euros (+16%) and 432.3 million (+12.4%).

THE MAIN PRODUCTS FOR INSURED VALUES IN 2021

Product	EUR thousand	Share %	Var. 21/20
Wine grapes	2,085,273	32.0%	4.7%
Apples	700,930	10.8%	5.2%
Rice	500,233	7.7%	18.0%
Industrial tomato	474,774	7.3%	16.0%
Grain corn	432,358	6.6%	12.4%
Corn for silage	264,788	4.1%	2.6%
Kiwi	167,679	2.6%	-0.8%
Tobacco	144,607	2.2%	-2.3%
Common wheat	141,029	2.2%	9.6%
Soy	127,469	2.0%	25.3%
Nectarines	106,124	1.6%	18.7%
Pears	104,650	1.6%	-43.2%
Durum wheat	83,066	1.3%	37.8%
biomass corn	82,520	1.3%	12.5%
Apricots	82,251	1.3%	43.3%
Other products	1,008,650	15.5%	-7.1%
Total	6,506,402	100%	4.4%

As far as guarantees subscribed types, there is a generalized reduction in the number of adversities insured with subsidized policies. This is due to the fact that insurance packages market shares including a lower number of events are growing. This is probably due to the need of companies to contain insurance costs, in the face of the progressive but constant average increase in recent years, reducing the number of adversities covered.

Focusing on individual crops, the phenomenon of reducing the number of adversities covered with subsidized policies would be evident - for example - for wine grapes.

It is the first product for insured values in Italy and over the last few years has recorded a worsening trend in claims- with loss ratios exceeding 170% in 2017 and 120% in 2019 - and consequently also average insurance costs progressively increased by more than 2 percentage points from 2016 to 2020 (from 6.09% to 8, 24%).

Apples and industrial tomatoes are also important products - in terms of insured value - recording similar trends as to the reduction in the number of adversities insured with subsidized policies.

In the 2021 campaign, for the third consecutive year, the subsidized policies against damage to company structures recorded a total insured value of more than one billion euros, the highest level since the introduction of premium benefits.

All the policies signed in 2021 provide - in line with the provisions of the Agricultural Risk Management Plan - for the coverage of hail, tornadoes, snow, strong winds, hurricanes, lightning and excess rain, while only a few contracts (just over 60 out of over 3,000 policies) have also covered the damage caused by frost on arboreal and shrub production plants.

Even more than in previous campaigns, most of the company structures insured with subsidized policies in 2021 are represented by greenhouses, with about 99% of share (it was 90% in 2020 and 80% in 2019) and an insured value of more than one billion euros.

Policies protecting arboreal and shrub production plants amounted to 6.6 million euros, covering a share of less than 1%, while anti-hail nets and anti-frost plants record an amount, in terms of insured values, less than 1.6 million euros.

DISTRIBUTION OF STRUCTURES BY PRODUCTS AND MARKET VARIABLES, 2021

Product	Insurances number	Insured value EUR thousand	Premiums EUR thousand	Average annual tariff
Fixed greenhouses and tunnels with plastic film coating	2,327	800,170	8,934	1.20%
Fixed greenhouses covered in glass	303	208,062	749	0.37%
Fixed greenhouses with non-tempered glass or plastic coating	291	103,582	514	0.51%
Arboreal and shrub production plants	63	6,586	54	1.13%
Anti-hail nets and Anti-frost systems	36	1,600	24	1.77%
Total	3,020	1,120,001	10,275	0.98%

In 2021 campaign, the subsidized policies in the livestock sector recorded a significant increase in insured value compared to 2020 (+9.5%), without achieving, as in the case of vegetable crops and company structures, the highest level ever. Furthermore, extending the analysis to the last decade, the insurance market for livestock production has almost doubled, going from 678 million euros in 2012 to 1.27 billion in 2021.

Livestock insurance consists mainly of covering transport and carcasses disposal costs, representing 67% in policies number and 88% in premiums value. This is followed by the "forced abatement" insurance guarantee, covering the total or partial loss of the value of the livestock capital of the farm (consistency of the animals), with 19% of the policies and 5% of the premiums, and the "lost income" insurance guarantee (13% of the policies and 7% of the premiums).

Compared to 2020, the last campaign records significant increases for all insurance guarantees in terms of insured value, mainly policies to cover forced abatement (+12.3%) followed by those covering lost income (+9.3%) and disposal costs (+7%).

DISTRIBUTION AND CHANGE OF GUARANTEES ON LIVESTOCK FARMING PER MARKET VARIABLES, 2021

Guarantee	Insurances number	Insured value EUR thousand	Premiums EUR thousand	Average annual tariff
Mandatory slaughter	6,973	548,634	1,384	0.26%
Cost of disposal	24,270	541,025	22,392	4.35%
Loss of income	4,802	185,439	1,783	1.02%
Total	36,045	1,275,098	25,559	2.11%

DISTRIBUTION OF LIVESTOCK FARMING INSURANCES BY PRODUCT AND MARKET VARIABLES, 2021

Product	Insurances number	Insured value EUR thousand	Premiums EUR thousand	Average annual tariff
Diary cattle	9,514	684,126	8,101	1.22%
Beef cattle	11,194	228,892	3,052	1.39%
Pigs	4,266	128,164	6,173	4.99%
Egg poultry	546	90,451	1,949	2.32%
Dairy sheeps	4,122	74,026	4,281	6.52%
Fattening poultry	741	27,223	799	3.08%
Diary buffaloes	146	15,764	243	1.66%
Dairy goats	1,980	10,044	477	4.99%
Beef sheeps	1,099	7,827	152	2.07%
Rabbits	297	4,647	216	4.81%
Horses	1,984	3,627	106	3.02%
Beef goats	156	307	10.15	4.68%
Total	36,045	1,275,098	25,559	2.11%

Analyzing data in terms of breeding, despite the progressive spread of subsidized coverage also among farmers in the avicunicolo, buffalo, goat and sheep sectors, the market show a strong imbalance towards beef and dairy cattle, an expression of almost 72% of the insured values.

The other types of farming do not exceed, individually, 2%, with the exception of pigs, at 10% quota, and poultry from eggs (7%) and dairy sheep (6%).

At regional level, 2021 campaign registered adhesions in 18 regions (as in 2020), but with a strong concentration of insured values in Lombardia and Piemonte which represent, together, more than 65% of the total insured values. It is also significative the market quota in Emilia-Romagna (17%), whilst in the South the primacy goes, as already happened in 2020, to Sardegna with a market share of just over 8%.

Regional costs largely reflect the extent of the risk assumed by companies in relation to farms and insurance guarantees: while in Abruzzo and Sardegna the average annual rate is very high compared to the national average, 6.23% and

5.90% respectively, in the other regions it is always less than 4%, with the sole exceptions of Marche (4.77%), Toscana (4.47%) and Veneto (4.25%).

