

Constraints Faced by the Field Veterinarians in Livestock Insurance Scheme under National Livestock Mission

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ABSTRACT

Insurance for livestock is more essential because agriculture is the main occupation in India and our national income mainly depends on the agriculture sector. Many people involved in agriculture farming & dairying are benefited through livestock insurance but that benefit is not reaching to all. Hence, in the research an attempt is made to study the various constraints faced by field veterinarians in insuring the animals under National Livestock Mission. Altogether thirty-one districts are distributed among seven agro climatic zones of Tamil Nadu. From each district of Tamil Nadu, 30 insured farmers were selected by simple random sampling procedure, so as to have a total sample of 930 milch cow beneficiaries. The results indicated that most of the veterinarians felt that insuring the animals and claiming the settlement involvement involves so much procedure and formalities which need so much paper work and consume a lot of time and energy and hence considered as the top most constraint in implementing the scheme followed by engaged in different activities and claim procedure difficulties. The veterinarians felt that for the scheme to be successful, the first thing to do is to make prompt settlements within a stipulated time period say 60-90 days which would create a positive impact and the implementation mechanism has to be simpler, hassle free and prompt to make it successful. Hence, necessary steps may be taken to make the livestock insurance services available at doorsteps of the farmers / villages and individual animal assessment which would make the scheme more popular and bring more and more farmers under the ambit of the scheme.

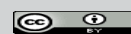
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Livestock is the largest sub-sector of the agriculture business; it plays a pivotal role in the Indian economy, mainly in the rural socio-economic system. There are lots of risk and uncertainties in the agriculture sector some of which are due to natural hazards such as floods, drought, fire, earthquake, and disease outbreak and pest attack (Jensen *et al.* 2015; Pradhanang *et al.* 2015). Since the farmers cannot predict the probability of occurrence of any of these and cannot bear these risks and uncertainties alone,

he is faced with the option of transferring or sharing the risks involved in the day-to-day management of his farm with one or more individuals or firms (Ajieh, 2010; Mobarak & Rosenzweig, 2012).

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Insurance is an important risk management tool to safeguard against unforeseen loss (Wenner, 2005). The simple definition of insurance is the equitable transfer of a risk of small loss to prevent a large and possibly catastrophic loss (Adhikari and Bidari, 2018). Agriculture insurance may broadly be defined as an institutional response to risks faced by the farmers (Mohapatra & Dhaliwal, 2014). Livestock insurance have included cattle, sheep and goat, horse/pony/mule, pig camel, duck rabbit etc. Livestock insurance provides cover against death of animals or livestock arising as a result of accident, disease, parturition or pregnant condition. Insurance for livestock is more essential because agriculture is main occupation in India and our national income mainly depends on agriculture sector (Skees *et al.* 2002; Ahmad *et al.* 2019). Many people involved in agriculture farming & dairying are benefited through livestock insurance but that benefit is not reaching to all. Hence, in the research an attempt is made to study the various constraints faced by farmers in insuring their animals. Under the scheme, BPL beneficiaries can avail a subsidy of 70 percent and APL beneficiaries 50 percent in normal areas and 80% and 60% in Nilgiris district. The age of the milch cattle/buffaloes should be between 2.5 years to 8 years, sheep and goat between 1-3 years and pigs between 1-5 years. The constraints in insuring and claiming by the farmers are not known. In this context, the present study has been organized with the objective of.

Sampling design

For this research work, the primary data were collected from seven agro climatic zones of Tamil Nadu i.e. Cauvery, Rainfall, Hill, North east, North west, Southern and Western. Altogether thirty one districts are distributed among seven agro climatic zones of Tamil Nadu. From each district of Tamil Nadu, 30 insured farmers were selected by simple random sampling procedure, so as to have a total sample of 930 milch cow beneficiaries. The data for the study were collected during the period 2019-2020. The primary data was collected on constraints faced by field veterinarians in insuring the animals under National livestock mission.

Analytical tools used

The tools used for the analysis of the data were

tabular and percentage analysis and to rank the constraints, Garret ranking was used.

Garret's Ranking Technique

Garret's ranking technique was adopted to assess the constraints faced by field veterinarians. A list of constraints was given to the consumers to rate it (1 to 5). The order of merit given by the respondents was converted into ranks (Garret and Woodworth, 1971).

$$\text{Percent position} = \frac{100(R_{ij} - 0.50)}{N_j}$$

Where,

R_{ij} = Rank given for i^{th} factor by j^{th} individual

N_j = Number of factors ranked by j^{th} individual.

The percent position of each rank thus obtained was converted into scores by referring to table given by Garret. For each reason, the scores of the individual respondents were added together and divided by the total number of respondents for whom scores were given and thus based on the mean scores, the ranks were given. These mean scores for all the reasons were arranged in descending order and the most important reason for the preference of dairy products was ranked first and the least important reason was ranked as the last.

RESULTS AND DISCUSSION

An attempt was made to identify the constraints faced by the field Veterinarians who are all involved in the scheme and the results are presented in Table 1. Most of the Veterinarians felt that insuring the animals and claiming the settlement involvement involves so much procedure and formalities which needs so much paper work and consumes lot of time and energy and hence considered as the top most constraint in the scheme. They felt that for insuring an animal involves convincing the farmer about the usefulness of the programme which itself requires lot of efforts and time from their side. When the farmers are willing to insure their animals, they were asked to submit so much of documents and asked to go from one office to other which makes so much delay. Likewise, when they are claiming the settlements, it becomes very difficult for the veterinarians themselves to approach the insurance agencies. They have to report it to the insurance agencies within

24 hours of the death of the animals. When they were making phone calls to report the death, the insurance agencies are not picking up, not seeing the whatsapp image or not sending acknowledgements to the emails sent. Afterwards, the insurance agencies claim that the case was not reported within 24 hours and hence could not be considered. A separate transparent online reporting mechanism has to be developed which could address this issue. Likewise insuring process has to be made simpler, transparent by linking his aadhar card, bank details, animal's tag which would improve the implementation of the scheme. The Veterinarians are already overloaded with their daily routine works, like treating the animals, attending meetings, free milch and sheep and goat scheme and most of them are holding additional charge for 2-3 other dispensaries and hence felt it as the second most important constraint. Most of the veterinarians felt that for insuring the animals they have to be provided with an incentive of ₹ 50/animal which they do not get even after 6 months.

Table 1: Constraints faced by field veterinarians in livestock NLM programme

Sl. No.	Factor	Sum of scores	Garrett Score	Rank
1	Tedious Insurance procedure and requirements	34667	74	I
2	Engaged in scheme or other works	35933	73	II
3	Claim procedure difficulties	31683	70	III
4	Delay in payments	30300	65	V
5	Insurance policies are not attractive	31683	55	VI
6	Lack of cooperation from farmers	31050	49	VII
7	Not much propaganda given to insurance	30533	45	VIII
8	Lack of priority given to extension education	30000	43	IX
9	Low incentive provided	34767	68	IV
10	Lack of attention given to research regarding livestock insurance	31400	38	X

Hence, serious efforts should be taken to provide incentives to the veterinarians within a stipulated period of time and the amount may also be increased. Otherwise veterinarians would lack the feeling to popularize the scheme or work for the scheme. The veterinarians themselves felt that there has been so much delay in the payments that the farmers and veterinarians become desperate. The delay in payments create doubts in the minds of the farmers that when veterinarians approach farmers for insuring the animals, the farmers questions them about what is the usefulness of the scheme. Most of the farmers felt that Livestock Insurance is a one way channel and they will not get their settlements etc. which makes the scheme very unpopular among both farmers and veterinarians. Hence an efficient mechanism has to be created whereas insuring the animal is easier, valuation is based on market rates, reporting is online and settlement is prompt which would make the scheme more popular. Likewise a separate veterinarian should be asked to take care of all these activities in TNLDA who should act as a liaison officer between veterinarians and insurance agencies so as to facilitate the process. The veterinarians felt that while making claims, the insurance agents refuse that the colour, skin coat of the cow insured is different than that of cow that is being claimed. There is time gap between insurance and claim ranging from few months to 1 or 2 years based on case by case, during which time the animals skin coat, colour, texture etc., changes which the insurance agencies are not accepting. Because of these practical difficulties, the insurance policies and rules are not attractive to the farmers and hence the veterinarians' role becomes more difficult.

Suggestions for improvement of the livestock insurance schemes

Suggestions were sought from the veterinarians about how to improve the scheme for better reach and the same were presented in Table 2. The veterinarians felt that the scheme to be successful, the first thing to do is to make prompt settlements within a stipulated time period say 60-90 days which would create positive impact. The veterinarians felt that the implementation mechanism has to be simpler, hassle free and prompt to make it successful. The animals should be assessed individually rather

than a blanket cover for all the cases, as each cow is unique. The veterinarians felt that documents needed for the scheme should be made simple, transparent and the entire process should be made easier for the success of the scheme. Likewise there should not be any target under NLM and the scheme should be made voluntary. Fixing target for the veterinarians creates stress for them and hence they are forced to convince the farmers in spite of their reluctance for the scheme.

Table 2: Suggestions for improvement in livestock insurance schemes

Sl. No.	Factor	Sum of scores	Garrett Score	Rank
1	Making scheme voluntary	46750	65	V
2	Individual assessment	53517	72	III
3	Reduce premium	45033	64	VI
4	Quick settlement of claims	62833	74	I
5	Insurance service at doorstep / at village level	42833	56	VII
6	Raise the Indemnity level	29717	45	IX
7	Assessed with the presence of villagers / insurance company's representatives	36883	53	VIII
8	Awareness program should be launched	29183	42	X
9	Should improve the implementation mechanism	57383	73	II
10	Cover more risk under scheme	26600	35	XI
11	Documentation procedures should be easy	50750	69	IV

On the other hand, though the farmers were not for insuring their animals, they are forced to insure them as they have to depend on veterinarians and government machinery for various purposes which makes the scheme unpopular. The veterinarians felt that insurance services should be made available at doorsteps of the farmers / villages which would make the scheme more popular and bring more and more farmers under the ambit of the scheme. Some 20 years back, Artificial insemination was done only in the veterinary dispensaries by the veterinarians or livestock inspectors, whereas, AI is now performed at the doorsteps of the farmers by village level workers.

Likewise mechanism can be created for extending insurance services in the village level as in the case of private insurance agencies.

CONCLUSION

The present study on analyzing the various constraints faced by field veterinarians in insuring the animals under National Livestock Mission indicated that most of the Veterinarians felt that insuring the animals and claiming the settlement involvement involves so much procedure and formalities which needs so much paper work and consumes lot of time and energy and hence considered as the top most constraint in implementing the scheme followed by engaged in different activities and Claim procedure difficulties. The veterinarians felt that the scheme to be successful, the first thing to do is to make prompt settlements within a stipulated time period say 60-90 days which would create positive impact and the implementation mechanism has to be simpler, hassle free and prompt to make it successful. Hence, necessary steps may be taken to make the livestock insurance services available at doorsteps of the farmers / villages and individual animal assessment which would make the scheme more popular and bring more and more farmers under the ambit of the scheme.

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