

Apiculture Pilot Insurance Program

Honey, Pollen Collection, Beeswax, Breeding Stock

December 2008

The Risk Management Agency is now offering a pilot insurance program for apiculture. This new pilot program uses vegetation greenness and rainfall indices to estimate local rainfall and plant health so beekeepers can buy insurance protection against production risks. The Rainfall Index and Vegetation Index use the same Rainfall Index and Vegetation Index Basic Provisions as the [Pasture, Rangeland, and Forage](#) pilot program. Basic Provisions are the terms and conditions included in all policies of this insurance type.

<http://www.rma.usda.gov/policies/ri-vi/apiculture.html>.

The Vegetation Index uses data from the U.S. Geological Survey Earth Resources Observation and Science data center called the Normalized Difference Vegetation Index (NDVI). The NDVI is another measure of vegetation greenness and is used to estimate plant condition in approximately 4.8 x 4.8 mile grids. These data are not a direct measure of honey and other apiculture production. They are a measure of all vegetation in a grid. In general, the healthier the plants in a given grid,

The Apiculture Pilot Insurance Program provides a safety net for beekeepers'

primary income sources – honey, pollen collection, wax, and breeding stock. Apiculture systems consist of different types of plants

or crops and often contain mixtures of different species, each with different growth habits and seasons, vegetation greenness and health, rain requirements, and other climate conditions necessary to maintain plant growth over extended periods of time. The Rainfall Index and Vegetation Index apiculture programs use new technology to assess losses in plant production across diverse plant conditions and environments.

The Apiculture Pilot Insurance Program is only available in selected States and counties (see table above). To test each index in various climates, soils, and weather conditions, the Apiculture Pilot Insurance Program is available in six regions across the country: the warm and humid Southeast, the cool and humid Northeast, the Northern Great Plains, the Southern Great Plains, the semi-arid Southwest, and the intermountain region of the Northwest. You can see the States and counties where the Rainfall Index and the Vegetation Index pilot programs are available at:

	Rainfall Index	Vegetation Index
States	Alabama, Colorado*, Georgia, Idaho, Missouri, Montana, North Dakota, Pennsylvania*, South Carolina*, Texas, Utah	Colorado*, Kansas, Minnesota, Nebraska, New York*, North Carolina, Oklahoma, Oregon, Pennsylvania*, South Carolina*, South Dakota, Virginia, Wyoming
Sales Closing Date	November 30	November 30
Notes	* Select Counties Only	* Select Counties Only

the higher the NDVI value will be. With this insurance plan you may select one or more 3-month time slots that represent your apiculture practices. These time slots are called index intervals. **Coverage is based on losses within the 4.8 x 4.8 mile grid rather than on an individual producer's losses.** Losses for the Vegetation Index are paid based on the difference between the normal NDVI data (expected grid index) and the actual grid index experience during the index interval you have chosen to insure. When the final grid index falls below your "trigger grid index," (coverage level times the expected grid index) you may receive a loss payment.

The Rainfall Index uses National Oceanic and Atmospheric Administration (NOAA) data, and each grid covers an approximate 12 x 12 mile grid. You must select at least two 2-month time slots where rain is important to your operation in your area. These time slots are called index intervals. Your insurance payments will be

calculated based on the actual rainfall in the grid and how it differs from normal rainfall within the grid and index interval(s) you have chosen to insure. When the final grid index falls below your “trigger grid index,” (coverage level multiplied by the expected grid index) you will receive a loss payment. This insurance coverage is for a single peril—lack of rain. **Coverage is based on the experience of the entire grid. It is NOT based on individual farms, ranches, or specific weather stations in the general area.**

County base values for the Apiculture Insurance Program are based on honey production and use a 5-year rolling average of USDA National Agricultural Statistics Service (NASS) data. The yield data are based on the NASS State average and the price is the national average honey price for a given year.

The Apiculture Pilot Insurance Program was designed to give you maximum flexibility. You do not have to insure all your colonies. However, you cannot insure more than the total number of colonies you own. By selecting a productivity factor, you can establish a value between 60 and 150 percent of the county base value and match the amount of protection to the value of the production that best represents your specific operation, as well as the productive capacity of your colonies.

You will be asked to make several choices when insuring your operation, including coverage level, index intervals, productivity factor, and number of colonies. You should work with your crop insurance agent to view the decision tool, map, and historical indices for your area. Colonies will be assigned to one or more grids based on the location that is to be insured. **The Vegetation and Rainfall indices do not measure your direct production or loss.** You are insuring a rainfall or vegetation index that is expected to estimate your

operation, including honey production. **Please review historical indices for your area to make sure that this product will be helpful to you.**

You can find more information about this pilot program on the RMA Web site at:

<http://www.rma.usda.gov>

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