

CROP INSURANCE FOR PADDY FARMING IN AMPARA DISTRICT



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ABSTRACT

Agriculture is subject to risk and uncertainty in production and income level while it has significant contribution on development of country's economy.

Crop insurance is a collective system for reducing economic uncertainties due to crop failure. It accomplishes this through the basic technique of risk pooling.

The study attempt to analyze and improve the present situation and adoption of paddy insurance in Ampara district.

Both primary and secondary data were used in this study. The primary data were gathered through personal interviews from 75 of rural farmers in coastal belt of Ampara. Purposively random sampling was used in this survey and data collected through pre structured questionnaire, data were analyzed using descriptive and frequency statistics.

There are three types of farmers identified in sample; namely non insured farmers, insured farmers and early insured farmers. The aspect of socio economic characteristics of farmers varied with an average of 10.83 years of farming experience, while insured farmer had 14.18 years. The education level of insured was 7 years of schooling, but 6.28 years of schooling for total sample, and 68.7% were occupied as a full time farming.

There are 386 farmers engaged in paddy insurance in Ampara district from which 11 insured farmers and 16 farmers who have dropped out insurance were interviewed in 4

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