

# ENHANCING THE EFFECTIVENESS OF INSURANCE RISK MANAGEMENT IN AGRICULTURAL, LIVESTOCK, AND FISHERY SECTORS IN THAILAND

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## ARTICLE HISTORY

**Received:** 9 July 2023

**Revised:** 15 July 2023

**Accepted:** 27 July 2023

## ABSTRACT

This paper presents a systematic process framework and guidelines for viable and sustainable agricultural insurance implementation in Thailand. The methodology employed within this study includes an extensive review of the development of Thai agricultural insurance, together with a comprehensive review of agricultural insurance laws and regulations, government support and intervention, product design and implementation, and risk management strategy, in six selected countries: the United States, Australia, Japan, Korea, China, and India. The study includes key respondents from both the public and private sectors in the agricultural and agricultural insurance fields. This study employed qualitative approaches, including surveys, interviews, and group discussions with key stakeholders in five regions of Thailand. Furthermore, public hearings were conducted to gather views and feedback on a revised draft of agricultural insurance legislation before it was submitted for cabinet approval. The results indicate that the Thai government needs to provide further details on the development plan and implementation for scaling up and establishing compelling sovereign insurance schemes in the future. To address this, six key mechanisms for public sector involvement in Thai agricultural insurance are proposed: 1) agricultural insurance legislation, 2) government support and subsidies, 3) agriculture reinsurance and catastrophe risk financing and management, 4) agricultural insurance product design and development, 5) data provision and digital technology, and 6) strong and effective public-private partnerships to empower the agriculture sector and secure farmers' livelihoods. Additionally, the findings suggest that the government of Thailand should establish a Catastrophe Agriculture Risk Financing Fund, provide high-quality agricultural data for insurers, and enhance knowledge and awareness among farmers.

**Keywords:** Agricultural insurance, Sustainable, Government support and intervention, Subsidy, Legislation, Reinsurance, Catastrophe risk financing and management, Public-private partnerships

**CITATION INFORMATION:** Chaiyawat, T., Mekkiengkrai, S., & Phanwichit, S. (2023). Enhancing the Effectiveness of Insurance Risk Management in Agricultural, Livestock, And Fishery Sectors in Thailand, 1(7), 141.

**Data Availability Statement:** The raw data supporting the conclusions of this article will be made available by the authors, without undue reservation.

**Conflicts of Interest:** The authors declare that the research was conducted in the absence of any commercial or financial relationships that could be construed as a potential conflict of interest.

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