

Experts call for climate risk insurance in fisheries sector

At a time when the lives and property of thousands of fisher families are jeopardised by sea level rise and climate-induced weather uncertainties, fisheries experts have suggested climate risk insurance which, according to them, could be an option for dealing with the risks following natural calamities. Viewing that penetration of insurance is still low in the fisheries sector, especially in the capture fisheries, they highlighted that parametric insurance could be a viable option to move forward in mitigating climate risks.

"Parametric insurance programmes can be developed based on weather and ocean observation models even with limited data," they said.

The experts were speaking at an international symposium on 'Insulating Marine Fisheries Sector in South Asia from Uncertainties: Global Experiences with Insurance' jointly organised by the Bay of Bengal Programme Inter-governmental Organisation (BOBP), the Central Marine Fisheries Research Institute (CMFRI), and Tamil Nadu Dr J Jayalalithaa Fisheries University in collaboration with the World Bank, as a side event during the 12th Indian Fisheries and Aquaculture Forum held in Chennai, an official release said here on Tuesday.

The symposium called for subsidising the insurance premium initially to popularise them, even though in the long run, it is desirable that such products be made affordable to small-scale fishers and farmers. It also recommended that micro insurance can also be a potential solution as effective linkages between insurance companies and fishers are yet to be developed. Experts further said that technology solutions including risk modelling and forecasting as well as legislative support would also be required to create the necessary incentives for buyers and sellers to consider the appropriate insurance products.

Apart from marine scientists and socio-economic experts from research institutes, representatives from the World Bank, FAO, Asia-Pacific Rural and Agricultural Credit Association (APRACA), Nalanda University and ICICI-Lombard participated in the discussion. During the discussion, speakers pointed out that out of 4.56 million vessels globally, only 0.45 million vessels are insured citing the studies by the FAO during 2006 to 2022.

Inaugurating the symposium, Dr C Suvarna, Chief Executive of the National Fisheries Development Board (NFDB) said that the fisheries sector is at the crossroads of possibilities and vulnerabilities and climate risks mitigation should be factored in while developing strategies. Dr K S Palanisamy, IAS, Commissioner of Fisheries, Tamil Nadu, Dr J K Jena, Deputy Director General (Fisheries) of Indian Council of Agricultural Research (ICAR) and Dr A Gopalakrishnan, Director of the CMFRI spoke during the occasion. Besides, country representatives from Sri Lanka, Maldives, India, Bangladesh and Thailand presented their experiences and future plans for mitigating the risks of marine fishers.