

# Sustainable Canadian Agricultural Partnership

Competitive. Innovative. Resilient.

## Canada-Newfoundland and Labrador AgrilInsurance Agreement

### Producer Handbook Basket of Crops Insurance 2025 Crop Year



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## 1.0 Program Overview

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The Canada – Newfoundland and Labrador AgrilInsurance Program is funded by the Sustainable Canadian Agricultural Partnership, a \$3.5-billion, 5-year agreement (2023-2028), between the federal, provincial and territorial governments to strengthen the competitiveness, innovation, and resiliency of the agriculture, agri-food and agri-based products sector. This includes \$1 billion in federal programs and activities and a \$2.5-billion commitment that is cost-shared 60 per cent federally and 40 per cent provincially/territorially for programs that are designed and delivered by provinces and territories.

The objective of this handbook is to outline the roles and obligations of both the Newfoundland and Labrador Crop Insurance Agency and the insured producer (the Insured). There are several resources associated with the AgrilInsurance Program, which can be used in conjunction with this handbook to assist the producer throughout the growing season. These documents offer detailed specifications and contractual obligations for the producer and include:

- Newfoundland and Labrador Crop Insurance Act
- Canada – Newfoundland and Labrador Agreement for AgrilInsurance

Please note that the Agreement for AgrilInsurance supersedes information contained within this Producer Handbook.

All vegetable producers, regardless of tenure of land, with one or more acres or a combination of the insurable crops are eligible to make an application for insurance under this plan. A minimum insurable area of one acre, per farm, is required for participation in the program. All fields of a particular crop must be insured, not just the high-risk areas.

All **applicants** must meet the following eligibility requirements:

- Must be at least 19 years of age.
- Must be an individual or recognized legal entity capable of entering into a contractual agreement with the Government of Newfoundland and Labrador.
- Must be producing crop(s) on land in Newfoundland and Labrador.
- Must have at least one acre of eligible crop in production. This can be in combination of those crops included in the basket.

The following cucurbit vegetables are insurable crops under the Newfoundland and Labrador AgrilInsurance Program:

- Cucumber
- Pumpkin
- Melon

- Summer Squash
- Winter Squash
- Zucchini

AgrilInsurance offers financial protection against crop losses due to uncontrollable, natural, insurable perils. Natural perils include drought, excessive moisture, excessive rainfall, flood, frost, insect infestation, plant disease, wind, hail, snow, wildlife, and any other condition beyond the control of the Insured that results in the loss of a crop or part thereof. The final determination of an uncontrollable peril is at the discretion of the Agency.

However, no indemnity shall be given or paid in respect of or resulting from:

- Any area that, in the opinion of the Agency, is not properly prepared by the Insured for planting of transplants (e.g. excessive stone, rock or weeds);
- Loss of crop from insect infestation, plant disease or excessive weeds where the Insured fails to implement a control program acceptable to the Agency, including crop rotation plans, in a timely manner for the control of same;
- Negligence or misconduct of, or application of, poor farming practices or standards by the Insured or employees of the Insured;
- Shortage of labour or machinery or misapplication or improper use of labour, machinery, fertilizer or pesticides by the Insured;
- Failure by the Insured to adhere to planting/harvesting dates as outlined in the Agreement for AgrilInsurance; and
- Crop loss due to adverse conditions, of a field situated on a flood plain.

Under the Agreement no indemnity shall apply or be paid unless:

- Total area planted is harvested, or
- Consent of the Agency is obtained in writing for the abandonment or destruction of the crop or any part of it, or the use of the area planted or any part of it for another purpose, or
- Total area or any part of it is unable to be harvested by reason of destruction by a designated peril as defined, or

- The Insured notifies the Agency of any crop loss or damage by a designated peril within five days of the damage becoming apparent and on or before the set deadlines, and
- The Insured's premiums and/or outstanding payments are paid in full.

The Agency reserves the right to accept or reject AgrilInsurance applications from producers. Decisions on AgrilInsurance applications that are rejected or deemed ineligible will be communicated to producers within 60 days of the application deadline.

## 2.0 Level of Coverage

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This is a non-yield based insurance program that will compensate producers based on cost of production. There is a minimum acreage requirement of one acre of any combination of crops included in the basket.

**Table 2.1. Crop profiles and cost of production (COP) associated with the “cucurbit” basket.**

<b>Basket</b>	<b>Cucurbits*</b>
<b>Cost of Production/Acre</b>	\$2,000
<b>Crops included</b>	Cucumber
	Pumpkin
	Melon
	Summer Squash
	Winter Squash
	Zucchini

\*Basket of Crops includes field-produced cucurbits from transplants only.

Basket of Crops insurance is an all-or-nothing insurance product. Clients can choose to harvest the insured acreage or receive an indemnity (crop insurance payment) for total crop loss based on a combination of the cost of production and the level of deductible. The insured acreage within a field cannot be split into smaller allotments.

Any significant (greater than 10%) harvest from the insured acreage prior to the harvest deadline will commit the client to harvesting the crop and will negate any indemnity.

Producers will be able to insure their crop with a 10 per cent deductible for the cost of production associated with the basket. The premium rate is set at 20 per cent, or \$144 per acre for the producer share of the premium and is due to be paid by October 31. Producers will be eligible for insurance payments up to \$2,000 per acre due to crop loss from insurable perils, less the 10% acreage deductible.

**Table 2.2. Premium rate at 10 per cent deductible for the crop profile in the “cucurbits” basket.**

Cost of Production/acre	\$2,000
Acreage Deductible	10%
Premium/acre at 20%	\$360

**Table 2.3. Cost-share breakdown of premium rate.**

Producer (40 percent)	Federal (36 percent)	Provincial (24 percent)
<b>\$144.00 per acre</b>	\$129.60 per acre	\$86.40 per acre

Producers only pay 40 per cent of the insurance premium and the Federal and Provincial Governments pay the remaining 60 per cent of the AgrilInsurance premium cost.

The program is intended to be all or nothing with regards to yield. Either the entire acreage is unsalvageable and therefore indemnified or it is harvestable, at least in part.

**Example:** An Insured producer has 8 acres covered under the plan, 3 acres in first field and 5 acres in second field, at 10% deductible (90% coverage), \$2,000 per acre COP. If the producer experienced a total loss on the 3 acre field, 2.7 acres would be paid out for a total payment of \$5,400.

Calculation: 3 acres X 0.10 deductible = 0.3 deductible  
 3 acres – 0.3 = 2.7 acres indemnity  
 2.7 acres X \$2,000 = \$5,400 payable

If the Insured producer has 8 acres insured in one continuous field and experienced 3 acres of loss in that field, there would be no indemnity paid since the producer would harvest the remaining 5 acres.

### 3.0 Crop Deadlines

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Crops will not be insured if they are planted prior to May 30 in any year. Table 3.1 below lists planting and harvest deadlines.

**Table 3.1 Crop Deadlines**

Crop	Deadline	
	Planting	Harvesting
Cucumber	June 30	September 30
Pumpkin	June 30	September 30
Melon	June 30	September 30
Summer Squash	June 30	September 30
Winter Squash	June 30	September 30
Zucchini	June 30	September 30

Note: The harvesting **deadline may be imposed earlier** than stated if the Agency determines that the crop is mature and at risk from one or more insurable perils.

Planting and harvesting dates have been set forth by the Crop Insurance Agency. In situations where poor weather delays planting or harvesting, extensions may be available at the discretion of the Agency upon written request from the Insured and approval by federal authorities. The written request must be received by the Agency office in Corner Brook at least five business days before the deadline listed in the above table. A request will only be considered by the Agency if extenuating weather conditions can be demonstrated in the producer's geographic region.

### 4.0 Responsibilities of Parties

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In general, producers are responsible for the following:

- Adhering to terms of the Agreement for AgrilInsurance and the Producer Handbook.
- Keeping invoices related to fertilizer, pesticides and other inputs for all crops in the event that the Insured files a claim. The Agency has the discretion to verify such invoices before approval is granted.
- Granting the Agricultural Inspectors permission to access insured fields in order to properly carry out duties related to the insurance program

with or without the presence of the producer. This may include the collection of plant tissue samples for diagnostic analysis and soil samples to have them tested in a timely manner for fertilizer and limestone recommendations.

- Ensuring Agricultural Inspectors are made aware of re-entry times for fields being treated with pesticides and/or any potential hazards on the farm.

Failure to adhere to these responsibilities may result in termination of the Agreement for AgrilInsurance and/or denial of any indemnity claim at the discretion of the Agency.

#### 4.1 April

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##### **Agency**

- Mail-out of the AgrilInsurance application package.

##### **Producer**

- Receives the AgrilInsurance application package. Application for AgrilInsurance must be completed, signed, and received at the Corner Brook office by April 30, annually. Producers should check with the Corner Brook office before April 30 to ensure their applications have been received. Late applications will not be accepted.
- All Applicants must provide soil sample test results for all fields to be insured.
- Returning clients must submit a completed and signed Crop Rotation Plan (with completed Application for AgrilInsurance) to the Corner Brook office before April 30.

#### 4.2 May and June

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##### **Agency**

- On-farm inspections of field to ensure proper seedbed preparation.
- Agricultural Inspector completes GPS mapping of the transplanted area and provides a copy to producer for review and signature.
- The Agency will review claims for replanting benefits,
- Agricultural Inspector will follow-up, with an inspection, any Notice of Crop Loss and Request for Inspection as indicated by the producer.

##### **Producer**

- Must notify the Agency if there is any significant crop damage.
- Transplant Deadline: June 30



#### 4.3 July

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##### **Agency**

- The Agency will review claims for replanting benefits. If approved, the replanting benefit will pay out at 50% of COP.
- Acreage information will be forwarded to head office for completion of Schedule D of the Agreement for AgrilInsurance.
- Agricultural Inspector will follow-up, with an inspection, and Notice of Crop Damage and Request for Inspection as indicated by the producer.

##### **Producer**

- Review and sign GIS map provided by Agricultural Inspectors.
- Must notify the Agency if there is any significant crop damage.

#### 4.4 August

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##### **Agency**

- Final Schedule D of the Agreement for AgrilInsurance and an invoice for premiums will be sent to the producer following the confirmation of planted acreage and deductible level.
- Agricultural Inspector will continue to monitor insured area.
- Agricultural Inspector will ensure the producer completes the Crop Report forms.
- Agricultural Inspector will follow-up, with an inspection, any Notice of Crop Damage and Request for Inspection as indicated by the producer.

##### **Producer**

- Must notify the Agency if there is any significant crop damage.
- Complete Crop Report forms and submit by August 31.

#### 4.5 September

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##### **Agency**

- Agricultural Inspector will follow-up, with an inspection, any Notice of Crop Damage and Request for Inspection as indicated by the producer.

##### **Producer**

- Must notify the Agency if there is any significant crop damage.
- Harvesting Deadline: September 30

#### 4.6 October

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##### **Producer**

- Premiums must be received at the Corner Brook office by October 31.

## 4.7 December

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### **Agency**

- The annual general meeting is tentatively scheduled to review and discuss the claims as presented by the Agricultural Inspectors. All field work and supporting documentation must be completed by the Agricultural Inspectors before the claims can be presented.

### **Producer**

- All field work and supporting documentation must be completed by the producer before the claims can be presented to the Board. Claims will not be reviewed until all paperwork is completed and premiums and/or late payment fees have been paid in full.

## 5.0 Crop Rotation

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Crop rotation is an integral part of the crop production system. The greatest benefit to a good crop rotation is increased yields. A well-planned crop rotation will help with insect and disease control and aid in maintaining or improving soil structure and organic matter levels. Using a variety of crops can reduce weed pressures, spread the workload, protect against soil erosion and reduce risk. Research and experience have proven that a good crop rotation will provide more consistent yields, build soil structure and increase profit potential. ([www.omafra.gov.on.ca](http://www.omafra.gov.on.ca))

The Crop Insurance Agency implements restrictions on insurance coverage based on crop rotation practices. Producers who do not demonstrate proper crop rotation practices are subject to restrictions in the form of limited coverage. For example, if a producer does not demonstrate adherence to a recommended crop rotation for a crop, the coverage for that crop will be restricted to wildlife and/or weather damage. Losses due to disease or pest infestation will not be covered unless it can be shown that the disease/pest problem is not related to improper crop rotation. It is the responsibility of the producer to complete a Crop Rotation Plan and submit it to the Crop Insurance Agency by April 30, annually. Agricultural Inspectors may assist producers with Rotation Plans, if requested.

There may be a three-year grace period for **new** applicants to allow time to implement the required rotations.

### 5.1 Minimum Crop Rotation Requirements

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Planting that does not adhere to the following minimum crop rotation requirements may be subject to restricted coverage for disease and insect related perils.

Cucurbits 3-year rotation. Rotate between crop families to reduce disease and pests.

## **Example Crop Rotation Plans**

### **Crop Families:**

**Brassicas:** Brussels sprouts, cabbage, cauliflower, kale, kohlrabi, oriental greens, radish, turnips/rutabagas and canola

**Legumes:** Peas and broad beans

**Onions:** Onion, garlic, leek, shallot

**Potato Family:** Potatoes, peppers and tomatoes

**Roots:** Beet, carrot, celeriac, celery, Florence fennel, parsley, parsnips and all other roots.

**Cucurbits:** Winter squash, summer squash, pumpkin, melons, zucchini and cucumber

### **Example Three-year Rotation Plan**

#### Year One

Field 1: Cucurbits

Field 2: Onions and/or Roots (or legume)

Field 3: Brassicas

#### Year Two

Field 1: Onions and/or Roots (or legume)

Field 2: Brassicas

Field 3: Cucurbits

#### Year Three

Field 1: Brassicas

Field 2: Cucurbits

Field 3: Onions and/or Roots (or legume)

## **6.0 Replanting/Abandonment Benefit**

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If damage occurs before the transplanting deadline, clients may be eligible for a replanting benefit paid at 50% of the COP. They would also be eligible for a claim if the crop is damaged during the season after planting. Clients will either harvest

the insured acreage, or notify the Agency if there is a complete crop loss to submit a claim indemnity. In cases where insured acres are deemed by the Agency to be damaged or abandoned, then the affected acres must be destroyed before an abandonment is issued.

## **7.0 Claim Process**

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The Crop Insurance Agency meets annually to review and decide on the validity of all indemnity claims. The meeting is held at the end of the growing season and claims are presented to the Agency by the Agricultural Inspectors.

If any crop damage is observed by the producer throughout the growing season a Notice of Crop Damage and Request for Inspection form should be submitted to the Agricultural Inspector or the Agency. This form should be submitted within five days of the issue becoming apparent. The purpose is to notify the Agency that there is damage to the insured crop and outlines instructions to the Insured as to their obligations when damage is discovered. This process may begin at any time throughout the growing season up to harvest deadline when damage is evident. Upon receipt of this form by the Agency, the Agricultural Inspector will follow up this notice with the Report on Notice of Crop Damage and Request for Inspection. If there are multiple problems with the crop throughout the season, then a Notice of Crop Damage and Request for Inspection should be completed for each problem.

The Report on Notice of Crop Damage and Request for Inspection is completed by the Agricultural Inspector. This report summarizes the damage to the insured crop, previously identified by the producer. The Insured must sign the form and is given the opportunity to agree or disagree with the Agricultural Inspector's assessment of the crop and its damage. This report should include pictures of damaged crops/fields.

The Final Claim Report is completed at the end of the crop season. It specifies the dollar amount of claims associated with the crop loss. This form is submitted to the Agency for its consideration during the annual meeting. It allows the Insured to agree or disagree with the claim amounts and provide comments. Submission of the Final Claim Report does not guarantee approval of the claim (disclaimer on form). If there is no crop loss, a Final Report is still completed.

At the end of the growing season all producers who are either in a claim situation or disagree with their Final Claim Report will have their files presented to the Crop Insurance Agency for decision during the annual claims meeting. The Crop Insurance Agency consists of five members: two vegetable producer representatives and three government representatives. All board members vote on each potential claim and a decision of majority is made. Any Insured in a claim situation, will receive a letter immediately following the meeting, notifying them of

the decision. It should be noted that all outstanding premiums and fees must be paid in full before claims will be reviewed by the Agency.

Note that no indemnity shall be given or paid in respect of, or resulting from:

- Any area that, in the opinion of the Agency, is not properly prepared by the Insured for seeding or planting (e.g. excessive stone, rock or weeds);
- Loss of crop from insect infestation, plant disease or excessive weeds where the Insured fails to implement any acceptable control program, including crop rotation plans;
- Negligence or misconduct of, or application of, poor farming practices or standards by the Insured or employees of the Insured;
- Shortage of labour or machinery or misapplication or improper use of labour, machinery, fertilizer or pesticides by the Insured;
- Failure by the Insured to adhere to planting/harvesting dates as outlined in the Agreement for AgrilInsurance ; and
- Crop loss due to adverse conditions as a result of a field situated on a flood plain.

Indemnity requirements under the agreement:

- No indemnity will be paid out if a significant portion of the insured area is harvested, or
- Consent of the Agency is obtained in writing for the abandonment or destruction of the crop or any part of it, or the use of the area planted or any part of it for another purpose, or
- Total area or any part of it is unable to be harvested by reason of destruction by a designated peril as defined, or
- The Insured notifies the Agency of any crop loss or damage by a designated peril within five days of the damage becoming apparent and on or before the set deadlines, or
- The Insured's premium's and/or outstanding payments are paid in full.

If the Insured disagrees with the decision, they may choose to file an appeal.

## **8.0 Appeal Process**

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The Insured may refer to the Crop Insurance Act regarding the appeal process.

The Insured may file an appeal within 14 calendar days of the date of the notification from the Agency advising the outcome of their claim. A \$100-non-refundable processing fee must accompany the appeal. An appeal is filed by serving the Chairperson of the Crop Insurance Agency, by registered mail or email only, with a statement setting out in writing the grounds for the appeal and the specific decision(s) being appealed. The Chairperson of the Agency shall acknowledge receipt of an appeal by serving a written response to the Insured appealing within 14 calendar days of the postage marked date on the Insured's appeal letter.

An Insured who files an appeal and the Chairperson of the Crop Insurance Agency may agree to resolve the dispute by voluntary arbitration on those terms agreed by the parties. When such an agreement is made, no appeal may be made to the appeal board. The decision of the arbitrator is final and binding.