

CEIRA



BC POULTRY ASSOCIATION

OCTOBER 2018

OVERVIEW



Mission

- *To be the industry leader, offering affordable insurance solutions, serving producers of the Canadian regulated poultry industry*
- First policies issued on August 1, 2011 covering certain losses due to *Salmonella enteritidis* (SE) for producers in the Canadian regulated egg supply chain.
 - Business interruption
- Issued over \$11M in claim settlements to date

OVERVIEW - CONTINUED



Members are producers from

- British Columbia Egg Marketing Board
- Canadian Hatchery Federation (Leghorn Hatchery Members)
- Egg Farmers of Alberta
- Egg Farmers of New Brunswick
- Egg Farmers of Nova Scotia
- Egg Farmers of Newfoundland and Labrador
- Egg Farmers of Prince Edward Island
- Fédération des producteurs d'œufs du Québec
- Manitoba Egg Farmers
- Northwest Territories Egg Producers
- Pullet Growers of Canada
- Saskatchewan Egg Producers

AVIAN INFLUENZA



AAFC Ag Risk Initiative Grant

- Funds for Avian Influenza Research and Development;
- Launched Underwriting Group 2 (AI) on September 5, 2018;
- Objective to cover losses not recognized by H of A;

AVIAN INFLUENZA COVERAGE



- Coverage includes
 - margin coverage for unrealized production;
 - margin coverage for placement delays;
 - veterinary expenses;
 - laboratory analysis expenses;
 - imposed CFIA biosecurity expenses;
 - litter/manure heating and disposal expenses;
 - additional cleaning and disinfection expenses;
- Issued policies on September 5, 2018;
 - All birds in production on this date covered

CEIRA 3 AND CEIRA 4



- Underwriting Group 3
 - Quebec Poultry groups and related service providers
 - ✦ 4 Federally reportable diseases (Avian Influenza, Newcastle, Typhoid, Pullorum);
 - ✦ ILT and MG
- Underwriting Group 4
 - Quebec Hatching Egg Producers;
 - ✦ SE and MS
- Expect to issue policies on Jan. 1, 2019 for both CEIRA 3 and 4.

ASSESSING NEW UNDERWRITING GROUPS



- CEIRA receives a request from the Quebec Poultry industry in fall 2017 requesting whether CEIRA would be willing to host their indemnity initiatives;
- The request fits well with CEIRA's Mission Statement of
... offering affordable insurance solutions, serving producers of the Canadian regulated poultry industry;

CRITERIA



- To ensure solvency of new Underwriting Groups to protect the existing subscribers' capital, the Board of Directors developed criteria used to evaluate potential new underwriting groups;
- All Underwriting Groups are required to maintain the Regulator's minimum capital requirements at all times;
 - Deficiencies must be addressed by the Group members (not by other underwriting groups);

BOARD SUBMISSION



At a minimum, CEIRA's Board of Director will require the following when assessing new underwriting groups:

- 5 year financial projection, showing annual MCT;
- Actuary's *Expected Future Financial Condition* Report (DCAT);
- Proposed reinsurance structure;
- Proposed policy wording; and,
- Premium collection process.



Questions