

Compensation Policy

■ **Members:**

- Dr. Linette Peters: **Group Leader**
- Dr. Joseph Ryan
- Mr. Geoffrey Goddard
- Mr. James Paul
- Mr. Robin Philips
- Mr. Leon Headley
- Mr. Orlando Habet
- Ms. Helen McConnie: **Rapporteur**

Compensation Policy

- Background Information to governments
 - Study of cost/benefit analysis by country on the Economic and Social Impact
 - Show the figures of the World Bank and other Organizations on the Economic and Social impact on affected countries

Objectives/Why compensate?

- To Encourage early reporting and transparency
- To provide an incentive to encourage registration and Compliance with Sanitary Standards.
- To Return industry to state of normalcy ASAP after an Outbreak
- To Reduce risk of the spread of disease
- To Ensure Food security
- To Maintain existing level of investment in the poultry Industry

Strategy:

- Establish Private and public Sector partnerships
- Develop an appropriate compensation scheme
- **How:**
 - Introduction of CESS paid by producers towards compensation Fund (pvt sector)
 - Voluntary or Legislative (mandatory)
- Allocation of % of the levy on imported poultry products toward compensation fund (public support)
- Note: Determine quantum of fund required

Strategy cont.....

- Facilitate the execution of formal insurance arrangement/packages for protection of the industry
- Need to have good communication strategy that will reach the Insurance companies so as to convince them of the size and profitability of the industry including the Biosecurity measures in place to protect the industry

Strategy cont.....

- Establishment of a National Animal Disease Emergency Compensation Fund
- Develop, promulgate and Implement Legislation for a compensation
- Facilitate Access to soft loans from Lending Institutions viz. World Bank, IDB as per GF-TAD recommendations
- Sensitization of the Banking Institutions through the Central Banks of the need for availability of funds and for extensions/special repayment arrangements for loans in times of disaster (AI/END)

Basis for Compensation

- **-Who should be compensated?**
- Every poultry (broilers, ducks, turkeys, breeders) and egg farmers whose birds are culled during stamping out
- Commercial Processors
- Cottage processors
- Hatcheries
- (Feedmills) ?????

Compensation Criteria cont..

- 1. Approved Biosecurity programme as per CPA Protocols (Need to be made Mandatory and adapted by Member States); Identify Regulatory Body that will monitor and certify.
 - Bio security and Food Safety Code of Practice for Cottage processors
 - On-farm Biosecurity and Food safety program for Table Egg Producers
 - On-farm Biosecurity and Food safety program for Broiler Producers
- 2. Registered producer
- 3. Number of Birds destroyed during Stamping out

Criteria cont.....

- 4. Birds confirmed dead by the Authority and linked to a particular disease (AI/END)
- 5. Recommended that: Culled birds compensated on higher level than dead birds to encourage early reporting
- 6. Early detection and reporting and subsequent Laboratory confirmation of disease
- 7. Termination of flock mandated by the MAF/CVO/Evaluation team

How Much to compensate?

Based on Individual Country's capacity for compensation

How to Compensate

- 1. Through recommendation of the CVO based on advise of an evaluation team of the registered producers Commercial/backyard
- 2. Guideline on compensation rate
 - **Guidelines:**
 - Average market price on previous three months
 - Age of bird
 - Category of the bird (broiler, layer. Breeder etc)
 - Downtime for layers, layer breeder and broiler breeders

Who Funds It?

Recommendation!

HPAI

- Government: 100%
- Private Sector: Biosecurity

LPAI

- Government : 80%
- Private Sector: 20%

Way Forward:

– In timeframe of 2-3 months

- Develop draft compensation program
- Develop draft compensation schedule by category
- CPA: Identify financing models from different countries
- Compensation working Group reconvenes with Technical compensation specialist (FAO/IICA experts) to review proposed CARICOM program
- Seek funding from Agencies to support :
 - Compensation Expert
 - legal drafting

Other Considerations

- Adding compensation package to AI Plan

Muchas Gracias!

