

FarmWeb Environmental Insurance Key Messages

Introduction

Via the FarmWeb Combined Insurance for the Farmer 2013 policy wording, FarmWeb NIG have inserted a new section, Section 17, that provides additional protection to the Insured from environmental liabilities.

This note provides a short summary of the key sales messages behind the product.

Objective

The objective of Section 17 is to provide, subject to the conditions of the policy, protection from liabilities arising from pollution events that the insured is legally liable for.

This Section extends beyond that provided by standard Public Liability insurance in that it provides cover for:

- Gradual and sudden pollution events; and
- Clean up within the boundary of the farm.

Why Environmental Liability is an Issue

By their very nature, farming causes damage to the environment by handling pollutants (whether it be fuel, pesticides or even the storage of silage and milk) in very sensitive areas. Farmers therefore have liabilities under significant pieces of legislation such as:

- **Wildlife and Countryside Act, 1981**
- **Water Resources Act, 1991**
- **Nitrate Pollution Prevention Regulations, 2009**
- **The Environmental Damage (Prevention and Remediation) Regulations 2009 - European Union Directive 2004/35/EC on environmental liability**

Most pollution caused by Farmers occurs as slow or diffuse events (like crop spraying) within their own property.

Therefore coverage provided by Public Liability insurance (that is limited to sudden events that impact beyond the boundary of the insured's property) provides little or no protection.

These liabilities can be significant – and should be considered as extremely damaging to the Farmer's business and livelihood.

These pollution events are occurring now, and with time and a growing awareness in the general public, the frequency of them being realised as liabilities will increase.

The FarmWeb Section 17 Coverage

With competitive premiums against stand alone alternatives, the Section 17 wording provides (subject to the conditions of the policy):

- £1M limit of liability, subject to an excess of £500;
- Cover for pollution cover (gradual and sudden) over and above that already provided by the rest of FarmWeb Combined Insurance for the Farmer 2013 policy wording; and
- Cover for the insured premises and activity undertaken by the Farmer
- Retroactive cover date – cover becomes more valuable with each renewal

Further Information

For further information please see:

- FarmWeb Environmental Insurance – Summary of Cover; and
- FarmWeb Environmental Insurance – Insurance Briefing Document

Alternatively, please contact EDIA via info@ediainsurance.com.