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## A Framework for Developing Livestock Insurance

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This paper provides a framework for the development of livestock insurance, and examines how livestock insurance may be developed, using Canada as an example. Both multi-peril and disease only livestock insurance are discussed. Despite the increased interest in livestock insurance, livestock insurance is not commercially widespread, and has been relatively slow in development, mainly because there are a number of challenges associated with developing successful livestock insurance. The relatively slow development of livestock insurance is in contrast to crop insurance, which is well established, and has been in widespread commercial operation for many years in a number of countries. Livestock insurance often includes beef cattle, dairy cattle, poultry, pigs, and other livestock, however, this paper examines livestock insurance for pigs in Canada. As well, a number of potential challenges related to developing livestock insurance are also discussed, such as moral hazard and adverse selection.