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Federal Crop
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Corporation

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SESAME PILOT CROP INSURANCE STANDARDS HANDBOOK

2025 and Succeeding Crop Years

**UNITED STATES DEPARTMENT OF AGRICULTURE
FARM PRODUCTION AND CONSERVATION
RISK MANAGEMENT AGENCY**

TITLE: SESAME PILOT CROP INSURANCE HANDBOOK	NUMBER: FCIC-24180 OPI: Product Administration and Standards Division
EFFECTIVE DATE: 2025 and Succeeding Crop Years	ISSUE DATE: November 27, 2024
SUBJECT: Provides the insurance standards for administering the Sesame Pilot crop insurance program.	APPROVED: <i>/s/ John W. Underwood for</i> Deputy Administrator for Product Management

REASON FOR ISSUANCE

This handbook provides underwriting and administration standards for the Sesame Pilot crop insurance program. This handbook replaces FCIC-24180, Sesame Pilot Crop Insurance Standards Handbook, issued November 21, 2023. This handbook is effective for the 2025 and succeeding crop years and is not retroactive to any 2024 or prior crop year determinations.

SUMMARY OF CHANGES

Listed below are the significant content changes to the FCIC-24180, Sesame Pilot Crop Insurance Standards Handbook. All major changes and additions are highlighted. Three asterisks (***) indicate where major deletions occurred. Minor changes and corrections are not included in this listing.

Reference	Description of Change
Handbook References	Updated the GSH Supplemental instructions to account for pricing structure modifications in the Sesame Crop Provisions.
Exhibit 2	Added Definition Exhibit.
Exhibit 5	Removed.

SESAME PILOT CROP INSURANCE STANDARDS HANDBOOK

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PART 1: GENERAL INFORMATION AND RESPONSIBILITIES

1 General Information

A. Purpose and Objective

This handbook provides procedure for administering the Sesame Pilot Program according to the Sesame Pilot CP, and supplements the CIH, GSH, LAM, and Sesame Pilot LASH via exceptions, changes, and additions.

If there is a conflict between this handbook and the CIH, GSH, LAM, or Sesame Pilot LASH, this handbook controls.

B. Source of Authority

The Food, Conservation and Energy Act of 2008 requires the Risk Management Agency to develop a pilot program for sesame. 7 U.S.C. 1523(g) requires that FCIC "...shall establish and carry out a pilot program under which a producer of non-dehiscent sesame under contract may elect to obtain multi-peril crop insurance, as determined by the Corporation."

C. Title VI of the Civil Rights Act of 1964

The USDA prohibits discrimination against its customers. Title VI of the Civil Rights Act of 1964 provides that "No person in the United States shall, on the ground of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance." Therefore, programs and activities that receive Federal financial assistance must operate in a non-discriminatory manner. Also, a recipient of RMA funding may not retaliate against any person because they opposed an unlawful practice or policy, or made charges, testified, or participated in a complaint under Title VI.

It is the AIPs' responsibility to ensure that standards, procedures, methods, and instructions, as authorized by FCIC in the sale and service of crop insurance contracts, are implemented in a manner compliant with Title VI. Information regarding Title VI of the Civil Rights Act of 1964 and the program discrimination complaint process is available on the USDA public website or www.usda.gov/oascr. For more information on the RMA Non-Discrimination Statement see the DSSH.

D. Related Handbooks

The following table identifies handbooks that shall be used in conjunction with this handbook.

Handbook	Relation/Purpose
CIH	This handbook provides the official FCIC-approved underwriting standards for policies administered by AIPs for the General Administrative Regulations, Common Crop Insurance Policy Basic Provisions, and Area Risk Protection Regulations.
DSSH	This handbook provides the official FCIC-approved form standards for use in the sale and service of any eligible Federal crop insurance policy; required statements and disclosures; and the standards for submission and review of non-reinsured supplemental policies in accordance with the SRA.
GSH	This handbook provides the official FCIC-approved standards for policies administered by AIPs under the General Administrative Regulations, Common Crop Insurance Policy Regulations Basic Provisions, including the Catastrophic Risk Protection Endorsement; the Area Risk Protection Insurance Regulations Basic Provisions; the Stacked Income Protection Plan of Insurance; the Rainfall Index Plan; and the Whole-Farm Revenue Protection Pilot Policy.
LAM	This handbook provides the official FCIC-approved general loss adjustment standards for all levels of insurance provided under FCIC unless a publication specifies that none or only specified parts of this handbook apply.
Sesame Pilot LASH	This handbook provides loss procedures and instructions for administering the Sesame Pilot crop insurance program.

- (1) Terms, abbreviations, and definitions general (not crop specific) to underwriting are identified in the GSH and the CIH.
- (2) Terms, abbreviations, and definitions specific to sesame underwriting loss adjustment and this handbook are in [Exhibit 1](#) and [Exhibit 2](#), herein.

E. Duration

The Sesame Pilot Program is available beginning with the 2011 crop year and is authorized until terminated or converted to a permanent program by the FCIC Board of Directors.

1 General Information (Continued)

F. Pilot Area

See AD for the pilot area.

G. Written Agreements

Only written agreements under Section 18(f)(2) of the BP (for counties without AD for the crop) are applicable. No other policy provisions may be modified.

H. Applying for Sesame Pilot Program

AIPs shall use the standard application for Sesame Pilot Program.

2 Responsibilities

A. AIP Responsibilities

AIPs must use standards, procedures, methods, and instructions as authorized by FCIC in the sale and service of crop insurance contracts. Each AIP is responsible for using RMA-approved procedure. AIPs should report any pilot program issues or concerns to PASD of RMA. AIPs must submit all yield records for APH databases for sesame.

B. Insured's Responsibilities

To be eligible for the Sesame Pilot Program, insureds must comply with all terms and conditions of the Sesame Pilot CP, BP, and all other applicable documents.

3-20 (Reserved)

PART 2: ELIGIBILITY REQUIREMENTS AND INSURABILITY

21 Eligibility Requirements

A. Production Experience

Production and yield data must be on the basis of the pounds of clean dry sesame seed for which a processor paid the producer.

B. Eligible Acreage and Crop

Insurance coverage is not authorized for any of the following, unless allowed by the SP:

- (1) Sesame inter-planted with another crop;
- (2) Sesame planted into an established grass or legume; or
- (3) Non-irrigated sesame planted on land on which any of the following occurred in the same calendar year:
 - (a) a hay crop was harvested, including a harvested small grain hay crop;
 - (b) a small grain crop reached the headed stage, regardless of the percentage of small grain plants that reached the headed stage; or
 - (c) a crop was grazed past March 15, or other date provided in SP.

22 Insurability

A. Insurable Types, Varieties and Practices

Types are specified for White Sesame and Black Sesame. No varieties are specified. Both irrigated and non-irrigated practices are insurable.

B. Insurable Coverage Levels, and Units

Eligible growers may select coverage from CAT levels through 75 percent of APH yield. Coverage levels greater than 75 percent are not offered in this program.

Coverage is available for basic, optional, and enterprise units. In addition to optional unit structure allowed under Section 34(c) of the BP, the APH Sesame Pilot CP Section 2 allows optional units to be established by type.

23-30 (Reserved)

PART 3: APPLICABILITY OF HANDBOOKS

31 General Overview

This Part identifies information specific to the applicability of the CIH, GSH, LAM, and any other issuance that may require supplemental information with regard to sesame or to the APH plan of insurance. Unless specifically amended or supplemented by information in this handbook, all policy and procedure issuances apply to sesame and to the APH plan of insurance.

32 Specific Information Regarding the CIH, GSH, and LAM

The following table provides general information, changes, additions, and modifications, termed supplemental instructions, regarding the CIH, GSH, and LAM, applicable to Sesame Pilot Program.

Handbook Reference	Supplemental Instructions
LAM	<u>Replanting</u> Sesame is added to the Crop Replanting Requirements table but is not eligible for replanting payments.
CIH Part 10 Section 2	<u>Optional Units</u> Optional units by type are authorized for sesame if types are designated on the SP.
CIH Part 10 Section 3	<u>Enterprise Units</u> Enterprise units are authorized when allowed by the AD.
CIH Part 10 Section 4	<u>Whole Farm Units</u> Sesame is not eligible for Whole Farm units.
CIH Part 12 Section 2 Para. 1215	<u>Late Planting</u> Late planting provisions do not apply to sesame.
CIH Part 13	<u>Production Report</u> Acceptable Production Reports and Submission of Production Reports rules apply to sesame.
CIH Part 15 Section 3	<u>APH Yield Adjustment</u> Procedures set forth in CIH Section 3 regarding APH yield adjustment shall apply to the Sesame Pilot APH Program with the exception that yield floors do not apply.
CIH Part 15 Section 6	<u>Reviewing and Correcting APH Yields</u> AIPs will follow APH review procedures as outlined in Section 6 of the CIH in the event APH yield adjustment is required.

Handbook Reference	Supplemental Instructions
CIH Part 17	<u>Category B Crop Procedures</u> Sesame is added as a crop for which the Category B underwriting and APH responsibilities apply. Yield floors do not apply.
CIH Part 18	<u>Category C APH Crops (Perennial Crops)</u> Not applicable.
CIH Part 19	<u>Additional Provisions by Crop</u> Sesame. (a) Acceptable supporting records. A copy of the contract and settlement sheet is required. Statements or contract summaries from processors must indicate the quantity of clean dry sesame seed purchased, dollars received for product delivered, the base contract price, and the area planted. If farm management records are used to support production reports, they must be substantiated by records from a processor. (b) The insured crop. Non-dehiscent varieties of sesame adapted for mechanical harvesting are the only varieties insurable. The insured crop and the production to count are the clean dry sesame seed. Production and yield data must be recorded on the basis of the pounds of clean dry sesame seed paid for by the processor.
GSH Part 8 Section 2 Para.837	Price (a) You may select only 1 base contract price percentage for all the sesame in the county insured under this policy. (b) If there are multiple base contract prices within the same unit, each will be considered a separate price election that will be multiplied by the number of insurable acres under the applicable processor contract. These amounts will be totaled to determine the premium, liability, and indemnity. (c) If the base contract price is a formula and: (1) the fixed price is finalized with the processor by the acreage reporting date (for example, by locking in the CME futures market price), the resulting fixed price will be used for the base contract price; or

32 Specific Information Regarding the CIH, GSH, and LAM (Continued)

GSH Part 8 Section 2 Para.837(Continued)	(2) if the fixed price is not finalized with the processor by the acreage reporting date, the base contract price will be calculated by averaging the daily settlement prices of the CME futures contract specified in the processor contract for the five trading days prior to the acreage reporting date. Example: the processor contract specifies the base contract price is calculated as 2.4 multiplied by the November CME soybean futures contract for the current crop year. The five trading days prior to the acreage reporting date of July 15 are July 8 through July 11 and July 14 (due to a weekend). The average settlement price of the November CME soybean futures contract for the current crop year during these five days is multiplied by 2.4 to determine the base contract price. Note: Production guarantee and base contract price should be divided by 100 if contract is written in hundredweight (cwt.) to arrive at the guarantee and price per pound.
GSH Exhibit 8A	<u>Category B Crops</u> Sesame is added to the definition of Category B Crops.
GSH Exhibit 8A	<u>APH Yield Tolerance</u> The APH Yield Tolerance for sesame is 5%.
DSSH	Use APH form.

33 Prevented Planting Standards Handbook

The Prevented Planting Standard Handbooks is not applicable to the Sesame Pilot Program. Prevented planting coverage is not available for sesame.

34 Loss Adjustment Manual

The procedures identified in the LAM are adopted for the Sesame Pilot Program.

35 Sesame Loss Adjustment Standards Handbook

The Sesame Pilot Program Loss Adjustment Standard Handbook applies to this pilot.

36 General Standards Handbook

The General Standards Handbook applies to this pilot.

EXHIBITS

Exhibit 1 Acronyms and Abbreviations

The following table provides the acronyms and abbreviations used in this handbook.

Approved Acronym/Abbreviation	Term
AD	Actuarial Documents
AIP	Approved Insurance Provider
APH	Actual Production History
BP	Basic Provisions
CAT	Catastrophic Risk Protection
CIH	Crop Insurance Handbook, FCIC-18010
CP	Crop Provisions
DSSH	Document and Supplemental Standards Handbook, FCIC-24040
FCIC	Federal Crop Insurance Corporation
GSH	General Standards Handbook, FCIC-18190
LAM	Loss Adjustment Manual, FCIC-25010
LASH	Loss Adjustment Standards Handbook
OPI	Office of Primary Interest
RMA	Risk Management Agency
SP	Special Provisions
SRA	Standard Reinsurance Agreement
USDA	United States Department of Agriculture

Exhibit 2 Definitions

Terms in this handbook that are not defined can be found in Exhibit 2 of the GSH.

Base contract price: The fixed price per pound (in U.S. dollars per pound), or a formula for calculating a price per pound based on a Chicago Mercantile Exchange (CME) futures market price, of clean dry sesame seed stipulated in the processor contract (without regard to discounts or incentives) that will be used to determine your price election.

Clean dry sesame: Clean whole sesame seed after removal of dockage, foreign matter, and broken or damaged seed, with moisture adjusted to 5 percent. The seed must be marketable, for example, no heat damage, no mold damage, no Commercially Objectionable Foreign Odors (COFO), and not containing materials excluded by law such as glass or metal.

Harvest: Combining for seed.

Non-dehiscent sesame variety: A variety of sesame grown for food or industrial use that retains at least 65 percent of the seed in the capsule for at least 3 months after drying in the field and releases at least 95 percent of the retained seed from the capsules when mechanically harvested.

Planted acreage: In addition to the definition in the Basic Provisions, sesame seed must be planted in rows. Acreage planted in any other manner will not be insurable.

Price election: In lieu of the definition in the Basic Provisions, the price election is the “base contract price.” This value will be used for the purposes of calculating the amount of premium and of any indemnity.

Processor: Any business enterprise regularly engaged in buying and processing sesame seed that possesses all licenses and permits for processing sesame seed required by the state in which it operates, and that possesses facilities, or has contractual access to such facilities, with enough equipment to accept and process the contracted sesame seed within a reasonable amount of time after harvest.

Processor contract: An agreement in writing between you and a processor, containing at a minimum: (1) Your commitment to plant and grow non-dehiscent sesame of the types specified in the Special Provisions, and to deliver the sesame production to the processor; (2) The processor’s commitment to purchase all the production from a specified number of acres or the specified quantity of production stated in the processor contract; and (3) A base contract price.

Sesame: Non-dehiscent varieties of sesame adapted for mechanical harvesting of the seed for food or industrial use with minimal harvesting loss.
