**DETERMINANTS CROP FARMERS’ UTILIZATION OF AGRICULTURAL INSURANCE SCHEME IN OSUN STATE, NIGERIA**

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**ABSTRACT**

The Nigeria Agricultural Insurance Scheme (NAIS) was implemented with the aim of cushioning event of loss in agricultural production, and high risk and uncertainties often associated with agriculture. Hence, this study investigated the determinants of utilization of NAIS among crop farmers in Osun State by examining the socio-economic characteristics, enterprise characteristics, knowledge on agricultural insurance scheme, attitude towards agricultural insurance scheme; constraints, and benefits of agricultural insurance for farmers. Multi-stage sampling technique was used to sample 238 respondents (66 insured and 72 uninsured crop farmers) Ilesha west, Odo Otin and Iwo LGAs. The data collected were analyzed with the aid of descriptive statistical tools and independent sample T- Test. The results revealed that mean age was 44.3 ± 9 years, 38.4% of males and insured while only 9.40% of females were insured females. Majority (95.7%) was married, 98.5% and 83.3% of the insured crop and uninsured crop farmers had formal education respectively. Majority (49.3%) of respondents earned above N300,000 annually from agricultural activity. A higher percent (23.1%) of the insured crop farmers derived their source of finance from commercial banks. Mean farm size was 7.8±8 ha. Crops mostly grown were: maize, cassava, and yam. To increase production capacity was reasons for insuring. Over 85% of the insured crop farmers had ever received claim. Insured crop farmers had high knowledge and favourable attitude towards agricultural insurance than uninsured crop farmers. Constraint to utilization of insurance was bureaucracies in accessing compensation. Constraints (t=-9.39), attitude (t=7.55) and knowledge (t=4.36) differed significantly among insured and uninsured respondents. Farm size, knowledge source of finance, attitude and benefits were determinants of utilization of NAIS. It is recommended that there be reduction of bureaucracy involved in paying compensation.

***Keywords***: Crop farmers, insured, uninsured, utilization, agricultural insurance policy.