



# News Release

## FCIC Suspends Sales of Livestock Risk Protection for Lamb

WASHINGTON, May 27, 2020 – The Federal Crop Insurance Corporation (FCIC) on May 21 suspended sales of the Livestock Risk Protection (LRP) insurance for lamb due to data being unavailable to make offers and settle existing insurance contracts. The data needed, the formula price normally reported by USDA's Agricultural Marketing Service in its *National Weekly Slaughter Sheep Review*, was suspended to comply with confidentiality requirements. The FCIC Board plans to revisit the LRP Lamb suspension at the August 11-13 meeting.

Without the formula price, USDA's Risk Management Agency (RMA) is unable to calculate the Actual Ending Value (AEV) on any active LRP policies for lamb that reflects current market price conditions. Therefore, RMA will now use the comprehensive price, also published in the *National Weekly Slaughter Sheep Review*, to calculate the AEV for existing policies. While the comprehensive price will be used to create the AEVs, it will not be used to create offers. RMA is taking this action to ensure that producers can appropriately be compensated for the recent price declines.