

## Paddy Farmers' Intention to Participate in Agriculture Takaful: An Application of the Theory of Planned Behavior in Sri Lanka

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### Abstract

The contribution of the Agricultural sector is extremely important to the development of a country. Nearly 70 percent of the total population living in rural areas depends completely or partially on the agriculture sector. Agriculture is an economic sector that is exposed to effect many kinds of risks such as floods, droughts, rainfalls, disease, and pest's attack. Thus, the study aims at identifying the risks faced by the farmers, and to analyze the farmer's willingness to participate in agriculture Takāful as well. Apart from this, this study also aims at investigating the relationship of participant intention in agriculture Takāful by applying the Theory of Planned Behaviour which included three factors that are Attitude, Subjective Norms, and Perceived Behavior Control. The sample size of this study is 160 that were randomly chosen from the Sammanthurai division. Descriptive analysis for demographic factors, and Pearson correlation and regression analysis are used to measure the relationship between the variables. Finally, this study indicates that the risk often faced by the farmers is caused by pests' attack among popular affecting reasons in the industry. Thus, two factors that attitude and subject norm are the most significant impact on farmers' intention to participate in Agriculture Takaful to survive or protect from the injuries and losses which happens in agriculture.

**Keywords:** Agriculture Takāful, Intention, Participation, Farmers, Risk