

GENERAL INFORMATION ON THE RICE CROP INSURANCE PROGRAM

OBJECT OF INSURANCE

The object of insurance shall be the standing rice crop planted on the farmland specified in the insurance application and which the assured farmer has an insurable interest on.

AMOUNT OF COVER

The insurance shall cover the cost of production inputs per Farm Plan and Budget, plus an additional amount of cover (at the option of the farmer) of up to a maximum of 20% hereof to cover portion of the value of the expected yield, subject to the following prescribed cover ceilings:

Inbred Varieties	
Irrigated/Rainfed	P41,000 per ha.
Seed Production	P50,000 per ha.
Hybrid Varieties	
Commercial Production (F1)	P50,000 per ha.
Seed Production (A x R)	P65,000 per ha.

TYPES OF INSURANCE COVER

Multi-Risk Cover - This is a comprehensive coverage against crop loss caused by natural disasters (i.e., typhoon, flood, drought, earthquake, and volcanic eruption) as well as pest infestation and plant diseases.

Natural Disaster Cover - This is a limited coverage against crop loss caused by natural disasters.

PERIOD OF COVER

The insurance coverage shall be from direct seeding or upon transplanting up to harvesting, provided that insurance coverage shall commence from the date of issuance of the Certificate of Insurance Cover (CIC) or, from the emergence of seed growth (coleoptiles), if direct seeded or upon transplanting, whichever is later.

INSURABLE RICE VARIETIES

All rice varieties accredited for production by the National Seed Industry Council (NSIC) are insurable.

PREMIUM RATE

Premium rate is variable per region, per season and per risk classification. This shall be shared by the farmer, lending institution and the government.

National Composite Rates and Premium Sharing (%)

Borrowing Farmers

	Multi-Risk Cover		
	Low Risk	Medium Risk	High Risk
Farmer	1.46	2.91	4.37
L.I.	2.00	2.00	2.00
Gov't.	5.90	5.90	5.90
Total	9.36	10.81	12.27
	Natural Disaster Cover		
	Low Risk	Medium Risk	High Risk
Farmer	1.12	2.23	3.35
L.I.	1.50	1.50	1.50
Gov't.	4.22	4.22	4.22
Total	6.84	7.95	9.07

Self-Financed Farmers

	Multi-Risk Cover		
	Low Risk	Medium Risk	High Risk
Farmer	3.46	4.91	6.37
Gov't.	5.90	5.90	5.90
Total	9.36	10.81	12.27
	Natural Disaster Cover		
	Low Risk	Medium Risk	High Risk
Farmer	2.62	3.73	4.85
Gov't.	4.22	4.22	4.22
Total	6.84	7.95	9.07

COVERED RISKS

- Natural disasters including typhoons, floods, drought, earthquakes, and volcanic eruptions.
- Plant diseases, e.g., tungro, rice blast/neck rot, grassy stunt, bacterial leaf blight and sheath blight.
- Pest infestation by any of the following major pests: rats, locusts, armyworms/cutworms, stemborer, black bugs and brown planthopper/hopperburn.

EXCLUDED RISKS

Losses arising from:

- Fire from whatever cause;
- Theft and robbery, pillage, sequestration, strikes or other commotion, war, invasion, acts of foreign enemies, hostilities (with or without declaration of war), civil war, rebellion, revolution, insurrection, acts of terrorism, military or usurped power or radio-active contamination whether controlled or uncontrolled;
- Any measure resorted by the government in the larger interest of the public;
- Avoidable risk emanating from or due to neglect of the assured/non-compliance with the accepted farm management practices by the assured or person authorized by him to work and care for the insured crop;
- Strong winds and heavy rains not induced by typhoon; and
- Any cause or risk not specified in the covered risks;
- Unintentional acts of persons, natural or judicial, that may cause damage to the insured crop; and
- Losses arising from failure to comply with the eligibility requirements.

Losses occurring:

- Prior to the effectivity of insurance;
- Prior to seed growth (coleoptile);
- Beyond the scheduled date of harvest, unless harvesting could not be undertaken on such scheduled dates due to adverse weather conditions as certified to by the production technician/municipal agricultural officer or death of the insured and the the subject loss occurs within five (5) days after the scheduled date of harvest.

FARMER/FARMER ORGANIZATION ELIGIBILITY

- Any borrowing farmer or group of farmers who obtains production loans from any lending institution participating in the government-supervised rice production program and GOCCs/GFIs/NGOs/DILG-LGUs-sponsored credit programs.
- Any self-financed farmer/farmer organization (FO)/ people's organization (PO) or group of farmers who agrees to place himself/themselves under the technical supervision of PCIC-accredited agricultural production technician.
- Any Farmer Organization (FO) or People's Organization (PO) or group of farmers duly qualified under the Government Corporation Insurance System (GCIS).

FARM ELIGIBILITY

- The farm must not be part of a riverbed, lakebed, marshland, shoreline or riverbank;
- The farm must have an effective irrigation and drainage systems. Rainfed areas are eligible farms during wet cropping season subject to planting cut-off date;
- The farm must be accessible to regular means of transportation;
- The farm must be suitable for production purposes in accordance with the recommended Package of Technology (POT), e.g., right zinc content; and
- Farm location must have generally stable peace and order condition and not hazardous to health.

DOCUMENTS REQUIRED IN APPLYING FOR COVER

Individual Borrowing Farmer

- Application for Production Loan (APL) which also serves as application for crop insurance.
- Farm Plan and Budget (FPB) - showing schedule of farm activities, e.g., date of planting and harvest, etc.
- Location Sketch Plan (LSP)/Control Map (CM)- showing landmarks and names of adjoining lot owners.

Farmers Borrowing as a Group

- List of Borrowers (LOB)- containing the names and addresses of the borrowers, the farm area, location, planting schedules, variety, amount of loan and signatures of borrowers.
- Standard Farm Plan and Budget (SFPB)
- Control Map (CM)

Self-financed Farmer

- Application for Crop Insurance (ACI)
- Farm Plan and Budget (FPB)
- Location Sketch Plan (LSP)/Control Map (CM)

WHERE TO FILE APPLICATION FOR COVERAGE

- Lending institution where farmers obtained their production loans.
- PCIC Regional Offices/PCIC authorized underwriting agents.

WHEN TO FILE APPLICATION FOR COVERAGE

Any day before the date of planting up to fifteen (15) calendar days after planting.

NOTICE OF LOSS

In the event of loss arising from risks insured against, a written Notice of Loss (NL) shall be sent to the PCIC Regional Office within ten (10) calendar days from occurrence of loss

and before the scheduled date of harvest. In cases where the cause of loss is due to pest infestation, disease or drought and where the effect of damage is gradual or the full extent thereof is not immediately determinable, the NL shall be filed upon discovery of loss. In no case shall this be later than twenty (20) calendar days before the scheduled date of harvest. The NL shall at least contain the following information: name of the assured farmer, CIC number, lot number, time of occurrence of loss, stage of cultivation, nature, cause and extent of loss.

CLAIM FOR INDEMNITY

The Claim for Indemnity (PCIC Indemnity Form) shall be filed by the assured farmer or any immediate member of his family with the concerned PCIC Regional Office within forty five (45) calendar days from occurrence of loss.

ADJUSTMENT AND SETTLEMENT OF CLAIM

Verification and Loss Assessment

A team of adjusters composed of two (2) members, one from PCIC and the other from either the DA/DILG or DAR or NIA or concerned LI, shall verify the claim.

Loss Category:

- Total loss - if loss is 90% and above.
- Partial loss - if loss is more than 10% and below 90%
- No loss - if loss is 10% or less.

Amount of Indemnity

The amount of indemnity shall be based on the ff:

- Stage of cultivation at time of loss.
- Actual CPI (per FPB) already applied at time of loss.
- Percentage of yield loss.

Settlement of Claim

A claim shall be settled as expeditiously as possible but not later than sixty (60) calendar days from submission by the affected farmers of complete claims documents to PCIC RO. A claim not acted upon 60 calendar days shall be considered approved.

NO-CLAIM BENEFIT

The assured is entitled to a no-claim benefit of ten percent (10%) of his net premium paid if he/she has not filed any claim during the immediately preceding three (3) insured crop seasons not subject of any claim.

DEATH BENEFIT

This is a built-in death benefit component of the insurance package for rice crop equivalent to P10,000 per assured farmer who may suffer death within the term of coverage; provided said farmer is not more than 75 years of age at the inception of insurance.

CROP INSURANCE FOR RICE

General Information on the Rice Crop Insurance Program



DEPARTMENT OF AGRICULTURE

**PHILIPPINE
CROP INSURANCE
CORPORATION**



**“Sa Paglaban sa Kahirapan at Gutom,
Crop Insurance, Katulong sa Pagbangon.”**

7th Floor, Building A, NIA Complex, EDSA, Diliman,
Quezon City, Philippines
TeleFax (02) 441-1324
Email rmg@pcic.gov.ph