

# 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 on the insurance application, 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 (FPB), plus an additional amount of cover (at the option of the farmer) of up to a maximum of 20% thereof to cover portion of the value of the expected yield, subject to the following prescribed cover ceilings per hectare:

Inbred Varieties	Maximum Cover Ceiling
Irrigated/Rainfed	PhP 41,000
Seed Production	PhP 50,000
Hybrid Varieties	
Commercial Production (F1)	PhP 50,000
Seed Production (A x R)	PhP 65,000

## 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, volcanic eruption and tornado) as well as infestation of selected major plant pests and 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 transplanting up to harvesting, provided, the 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) or as endorsed by the Municipal Agriculturist.

## 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.

## COVERED RISKS

- Natural disasters including typhoon, flood, drought, earthquake, volcanic eruption and tornado.
- 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, stemborers, rice grain bugs, black bugs and brown planthoppers/hopperburns.

## 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 Agricultural Technologist, or Supervising Credit Technician.
- Any Farmer Organization (FO) or People's Organization (PO) or group of farmers duly qualified under the PCIC rules and regulations.

## 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 Good Agricultural Practices (GAP)/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.

## 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;
- Unintentional acts of persons, natural or judicial, that may cause damage to the insured crop;
- Losses arising from failure to comply with the eligibility requirements; and
- Any cause or risk not specified under Covered Risks Section.

### Losses occurring:

- Prior to the effectivity of insurance;
- Prior to seed growth (coleoptile); and
- 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 Agricultural Technologist/Municipal Agriculturist or death of the assured and that the subject loss occurs within five (5) days after the scheduled date of harvest.

## DOCUMENTS REQUIRED IN APPLYING FOR COVER Individual Borrowing and Self-Financed Farmers

- Application for Crop Insurance (PCIC Pro-Forma Individual Application)**  
Showing the basic information about the farmer, the farm (e.g., planting/harvest schedules, farm location, farm size, variety planted, boundaries), and other details of the coverage.
- Farm Plan and Budget**

## Borrowing/Self-Financed Farmers Applying as a Group

- **Application for Crop Insurance (PCIC Pro-Forma Group Application)**

Containing the names and addresses of the borrowers/self-financed farmers, planting/harvest schedules, farm sizes, farm locations, adjacent lot owners/farmers, seed varieties and signatures of the farmers/borrowers, and other details of coverage.

- **Standard Farm Plan and Budget**

## WHERE TO FILE APPLICATION FOR COVERAGE

- Lending institution where farmers obtain their production loans;
- PCIC Regional Office (RO);
- PCIC Extension Office (PEO); or
- PCIC accredited underwriting agents.

## WHEN TO FILE APPLICATION FOR COVERAGE

### For Self-Financed Farmers

Any day before the date of direct seeding or transplanting up to thirty (30) calendar days after direct seeding or transplanting, provided that:

- No risk insured against has occurred;
- Farms meet the eligibility requirements;
- There is no imminent occurrence of calamities and disasters or pest/disease outbreak.

### For Borrowing Farmers

Upon filing of application for loan.

## CLAIM FOR INDEMNITY

In the event of loss arising from risks insured against, such as typhoon, flood, earthquake or tornado, a written Claim for Indemnity (CI) shall be sent to the PCIC RO or PEO within twenty (20) 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, plant disease or drought and where the effect of damage is gradual or the full extent thereof is not determined immediately, the CI shall be filed upon discovery of loss but in no case shall it be filed later than ten (10) calendar days before the scheduled date of harvest per ACI or FPB.

## NOTICE OF DEVIATION

In case of deviations from the Farm Plan and Budget, or Application for Crop Insurance, the assured farmer shall file a notice of deviation to the RO/PEO within ten (10) calendar days from actual planting date. A deviation may be any of the following:

- Change in date of direct seeding/transplanting;
- Change in seed variety;
- Change in method of planting;
- Change in size of actual area planted; and
- Change in farm location

## 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, LGU, DAR, 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 following:

- Stage of cultivation at time of loss;
- Actual CPI applied or CPI per FPB applied at time of loss, whichever is lower;
- Percentage of yield loss; and
- Amount of Cover.

### Settlement of Claim

A claim shall be settled as expeditiously as possible but not later than sixty (60) calendar days from submission of complete claims documents to PCIC RO or PEO.

## NO-CLAIM BENEFIT

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

## DEATH BENEFIT

This is a built-in benefit component of the rice insurance package equivalent to ten thousand pesos (PhP 10,000), regardless of amount of cover, per assured farmer who may suffer death within the term of coverage; provided, the said farmer is not more than eighty (80) years of age at the inception of insurance.

# RICE CROP INSURANCE

## General Information



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



DEPARTMENT OF AGRICULTURE  
**PHILIPPINE CROP INSURANCE CORPORATION**

Philippine Crop Insurance Corporation  
**HEAD OFFICE**

7F Building A, NIA Complex, EDSA,  
Diliman, Quezon City  
Phone: (02) 441-1324  
Fax: (02) 361-8983  
Email Address: [rmg@pcic.gov.ph](mailto:rmg@pcic.gov.ph)

Visit us at:  
<http://pcic.gov.ph>

