

GENERAL INFORMATION ON AGRICULTURAL INSURANCE FOR AGRARIAN REFORM BENEFICIARIES (ARBs) PARTICIPATING IN THE AGRARIAN PRODUCTION CREDIT PROGRAM (APCP) AND CREDIT ASSISTANCE PROGRAM FOR PROGRAM BENEFICIARIES DEVELOPMENT (CAP-PBD)

FREE INSURANCE for APCP and CAP-PBD Program

PCIC provides full (100%) premium subsidy for the cost of insurance coverage of ARBs participating in APCP and CAP-PBD Programs.

APCP and CAP-PBD are financing programs being implemented by the Department of Agriculture (DA), Department of Agrarian Reform (DAR) and Land Bank of the Philippines to provide credit to ARBs at affordable cost, including development assistance and marketing support.

PCIC AGRICULTURAL INSURANCE PROGRAMS COVERED

- Rice Crop
- Corn Crop
- High Value Crops
- Livestock
- Non-Crop Agricultural Asset (for fixed asset acquisition loan)
- Credit and Life Term Insurance – Loan Repayment Plan (LRP²) (for working capital loan)
- Fisheries/Aquaculture

PREMIUM RATE

The standard premium rates in the region/province shall apply.

AMOUNT OF COVER

The amount of cover shall be the amount of loan provided by LBP.

ELIGIBILITY FOR INSURANCE COVERAGE

1. Eligible Credit Programs

- APCP
- CAP-PBD

2. Eligible Borrowers

- ARBs certified and endorsed by DAR
- ARB household members certified and endorsed by DAR

3. Eligible Farms

- Farm planted to crops not yet exposed to risks covered
- Farm is not within 200 meters to nearest body of water or marshland
- Farm is suitable to crop production project
- Farm has a functional drainage system
- Farm is effectively irrigated
- Farm is within generally peaceful and suitable peace and order condition

LENDING CONDUITS

- Agrarian Reform Beneficiaries Organization (ARBOs)
- Farmers Organizations (FOs) other than ARBOs with ARB or ARB household members
- Other conduits such as Cooperatives, Non-Government Organizations (NGOs) and Rural Banks with ARB or ARB household members or APCP ineligible ARBOs as clients.

STEPS IN AVAILING CROP INSURANCE

1. Municipal Agrarian Reform Program Office (MARPO)/ Provincial Agrarian Reform Program Office (PARPO) identifies the eligible ARBOs/ Lending Conduits and household members.
2. Eligible Lending Conduit/ARBO assists the members in the preparation of loan application documents and crop insurance documents, as follows:
 - Application for Insurance
 - List of Borrowers (LOB)/List of Growers (LOG)
 - Standard Farm Plan and Budget (SFPB)
 - Consolidated Farm Information (CFI)
 - Group Deed of Assignment (GDA)
 - Application for LRP² insurance of working capital borrowers
3. Eligible Lending Conduit/ARBO submits to the MARPO or PARPO the LOB for certification and endorsement.
4. Eligible Lending Conduit/ARBO submits to LBP Lending Center the following:
 - Letter of intent to avail of loan together with Business Plan, certified LOB and other required loan documents in step 2.
 - Summary of LRP² applicants
5. LBP Lending Center approves loan.
6. LBP Lending Center issues Certificate of Insurance Cover (CIC) to lending conduit, upon release of rice/corn production loans.
7. LBP Lending Center transmits to PCIC Regional Office, LOB of approved/released rice/corn production loans together with the covering CIC and other documents required in Step No. 2.
8. LBP Lending Center transmits to PCIC the documents of other approved/released agricultural loans, such as livestock, fisheries, non-agricultural asset, HVC together with all required documents in Step No. 2, including CLTIR for LRP².
9. PCIC Regional Office processes insurance applications. Issues insurance policies.
10. PCIC informs LBP and lending conduits/ARBO of action taken on APCP and CAP-PBD insurance applications and furnishes them with copies of covering CIC/Policies together with list of farmers insured.

11. PCIC transmits to LBP the list of disapproved applications.

ACTUAL PLANTING REPORT

In case of deviation in the information reflected in the earlier submitted, the insured farmer must report to PCIC Regional Office or Extension Office within ten (10) days from date of actual planting the following changes:

- Change in direct seeding/planting schedules
- Change in method of planting
- Change in seed variety
- Change in location/area of farm planted
- Change in size of farm planted

NOTICE OF LOSS (NL)

In case of loss/damage, the insured farmer or nearest of kin shall undertake ~~perform~~ the following procedures:

Rice and Corn

- File NL within *twenty (20) days* after occurrence of typhoon/flood/earthquake, provided before harvest.
- File NL within *ten (10) days* before expected harvest in case of drought, plant pest and diseases.

High Value Crops

- File NL within 10 days from occurrence of loss, or in case of perils affecting crops and, or fruits of crops which are highly perishable in nature, such as blowdown in bananas, etc., NL shall be filed within seventy-two (72) hours from the time of occurrence

Livestock, NCI

- File NL within 10 days after occurrence of loss. In case of abnormally big number of deaths, inform PCIC within twenty-four (24) hours from the death of the animals.

Credit and Life Term Insurance

- File NL within forty-five (45) days from the date of the following events: death, dismemberment or total permanent disability.

CLAIM FOR INDEMNITY (CI)

The CI must be filed in accordance with PCIC existing guidelines.

The CI when filed within *ten (10) calendar days* from occurrence of loss, shall serve as NL.

The existing PCIC policies and procedures on claims adjustment and settlement shall apply on all claims filed.