

GENERAL INFORMATION ON THE HIGH VALUE CROP INSURANCE PROGRAM

OBJECT OF INSURANCE

The object of insurance shall be the standing crops planted/grown on the farmland described in the insurance application and over which the assured farmer/grower has an insurable interest on.

AMOUNT OF COVER

The amount of cover or sum insured shall be the cost of production inputs as agreed upon by PCIC and the assured farmer/grower, including a portion of the value of the expected yield (at the option of the farmer) but not to exceed 120% of the cost of production inputs.

PERIOD OF COVERAGE

The insurance coverage shall be on annual basis for annual, biennial and perennial crops; in case of short duration crops which mature in less than one (1) year, the period of cover shall be from planting to harvesting, subject to some stipulations such as waiting-period and pre-harvest termination of cover for some crops, as may be specified in the policy.

HIGH-VALUE CROPS COVERED

Abaca, Ampalaya, Anthurium, Avocado, Baguio Beans/Snap Beans, Bamboo, Banana, Black Pepper, Broccoli, Cabbage, Cacao, Cacao Nursery Seedlings, Calamansi Tree, Carrot, Cashew Tree, Cassava, Cauliflower, Chrysanthemum, Celery, Coconut, Coffee, Cotton, Cucumber, Dragon Fruit, Durian, Eggplant, Falcata, Garlic, Gerbera, Ginger, Gladioli, Guyabano, Honeydew, Jackfruit, Jathropa, Lanzones, Lemon Tree, Lettuce, Mahogany, Mango-Fruit, Mangosteen, Mango-Tree, Marang, Melon, Mungbeans, Mushroom, Oil Palm, Okra, Onion, Onion-Red, Onion - White & Yellow, Orange Tree, Pakchoi Papaya, Patani, Patola, Peanut, Pechay - Native & Chinese, Pili Nut, Pineapple, Pomelo, Potato, Purple Yum or Ube, Radish, Rambutan, Rose, Rubber Tree, Santol, Sayote, Shallot, Sorghum,

Soybeans, Squash, Star Apple, Strawberry, Stringbeans/Pole Sitao, Sugarcane, Sunflower, Sweet Peas, Sweet Potato, Sweet/Hot/Bell Pepper, Sweetcorn, Taro, Tobacco, Tomato, Upo/Bottle Gourd, Watermelon, Winged Bean, and Yam Bean/Turnips.

INSURANCE PREMIUM

The insurance premium shall be market-rated and shall be borne solely by the assured farmer/grower. The premium rate shall be on a per crop basis and shall depend on the result of the pre-coverage evaluation, the type and number of risks sought for coverage, as well as other factors such as location-specific agro-climatic conditions, type of soil, terrain, farm management practices, and production and loss records.

The premium rate shall range from 2% to 7% of the total sum insured, subject to deductible and co-insurance provisions.

ASSIGNMENT OF INSURANCE

The assured may assign the policy to any lending institution or other financing conduits with insurable interest on the insured farm/plantation subject to PCIC's concurrence.

COVERED RISKS

The insurable risks shall be any, all or a combination of typhoon, flood, drought, earthquake, volcanic eruption, tornado, plant diseases, pest infestations; provided that the risk/s covered shall be limited to those specified in the policy contract. Other perils may be covered subject to the approval of the PCIC Board of Directors (BOD).

EXCLUDED RISKS

Losses arising from:

- Fire not of accidental in nature;
- Theft and robbery, pillage, sequestration, strike or other commotion, war, invasion, acts of foreign enemies, hostilities (with

or without declaration of war), civil war, rebellion, revolution, insurrection, military or usurped power, nuclear reaction or radioactive contamination (whether controlled or uncontrolled);

- Any measure resorted to by the government in the larger interest of the public;
- Avoidable risks emanating from or due to neglect of the assured/non-compliance with accepted farm management practices by the assured or person authorized by him/her to work and care for the insured crops;
- Any cause or risk not specified under the Covered Risks Section; and
- Any cause or risk not specifically covered in the insurance policy.

Losses occurring:

- Prior to the effectivity of insurance;
- After harvest of the insured crops;
- After expiration date of the insurance policy; and
- Any kind of consequential loss.

FARMER/FARMER ORGANIZATION ELIGIBILITY

Plantation owners, cooperative farm farmers, corporate farm owners and other planters/growers with insurable interest on the farm, who grow high-value crops individually or collectively in large scale, may qualify for coverage under this program; provided, the crop production activities shall be supervised by an Agricultural Production Technician whether he/she be an in-house technician (i.e., employed by the proponent) or a government-employed technician.

DOCUMENTS REQUIRED IN APPLYING FOR COVER

1. Application for High-Value Crop Insurance;
2. Parcellary or location map;
3. List of Growers (if applicable); and
4. Other documents that may be required by PCIC.

WHERE TO FILE APPLICATION FOR COVER

- PCIC Head Office
- PCIC Regional Office (RO)
- PCIC Extension Office (PEO)

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 RO or PEO, within ten (10) calendar days from occurrence of loss and before the scheduled date of harvest. In the case of perils affecting crops and/or fruits of crops which are highly perishable in nature such as blowdown in bananas, strong wind or typhoon-related fruit-dropping in mangoes, typhoon and/or flood affecting vegetable crops (e.g., brassicae, bell pepper, etc.), cucumbers and tomato and other solanaceous vegetables, NL shall be filed within seventy-two (72) hours or three (3) days from the time of occurrence of such perils, or within the prescribed period specified in the policy contract.

The NL shall at least contain the following information: name of the assured farmer, location of farm, date and time of occurrence of loss, nature/cause of loss, extent of loss and policy number.

No claim shall be entertained without proof of filing of NL.

CLAIM FOR INDEMNITY

The Claim for Indemnity (PCIC Indemnity Form) shall be filed by the assured farmer/grower within thirty (30) calendar days from occurrence of loss with the PCIC RO or PEO.

ADJUSTMENT AND SETTLEMENT OF CLAIMS

Verification and Loss Assessment

- A Team of Adjusters (TA) composed of at least two (2) members deputized by PCIC shall verify the claim and submit its findings thereon to the RO concerned for settlement.

- Depending on the value of the claim, the magnitude of the loss or its economic significance within the surrounding community, the PCIC Regional Manager may invite a representative from any of the following offices to join the team of adjusters:

1. Office of the Provincial or Municipal Agriculturist;
2. Regional Field Office of the Department of Agriculture;
3. Philippine Council for Agriculture Resources Research and Development (PCARRD); and
4. Other appropriate institutions.

Amount of Indemnity

The amount of indemnity shall be based on the following:

- Actual cost of production inputs already applied at the time of loss per Farm Plan and Budget, subject to limits stipulated in the policy contract;
- Prorated cost of harvested crops;
- Salvage value, if any; and
- Percentage of yield loss.

Settlement of Claim

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

NO-CLAIM BENEFIT

The assured farmer/grower shall be entitled to a no-claim benefit of at least ten percent (10%) of premiums paid for three (3) consecutive crop seasons for short duration crops or during the immediately preceding policy year for annual, biennial, perennial and other seasonal crops grown only once a year, not subject of any claim, which may be used to finance premium credit applicable to renewal premium for the immediately following crop season/year.

HIGH VALUE CROP INSURANCE

General Information



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



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