



PHILIPPINE CROP INSURANCE CORPORATION

EXCELLENCE IN GOVERNANCE FOR THE FILIPINO FARMER

ANNUAL REPORT 2017



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MESSAGE FROM THE PRESIDENT

Dear Development Partners:

The PCIC has enjoyed consecutive banner years in 2015 and 2016. FY 2017 proved to be another record-breaking year for PCIC because of the continuous support from the national government particularly from the Department of Agriculture, the hard working men and women of PCIC, and greater participation from the country's farmers and fisherfolk.

Among the highlights of our accomplishments for the year:

- 1.7 Million individuals availed themselves of PCIC's various insurance lines;
- Total amount of insurance coverage reached ₱58.5 Billion, up by 49.57% from the same period last year;
- The premium income went up by 25.20% as it reached ₱3.365 Billion; and
- Claims paid amounted to ₱1.937 Billion pesos, up by 28% from ₱1.510 Billion in 2016.

But more than these figures, PCIC's biggest achievement is in keeping the trust of our stakeholders, especially the farmers and fisherfolk whom we pledged to serve. This year's Stakeholders Satisfaction Survey showed that 97.78% of clients/customers surveyed said they were satisfied with PCIC.


True to our agency's underlying theme this year, "Excellence in Governance for the Filipino Farmer," we sought to make operations more efficient. Through our efforts, we have resolved complaints quickly, processed claims more swiftly, increased the number of farmers and other agricultural stakeholders who availed themselves of our products and raised revenue.

Moreover, we have refined our insurance products to be more adept to the ill-effects of climate change. We have successfully implemented with the United Nations Development Program the Weather Index-Based Insurance Mindanao Project for the period 2015 to 2017 in Davao City, Davao del Norte, and in Malaybalay and Valencia City, Province of Bukidnon.

These gains will serve as a firm foundation for 2018. We look forward to serving more farmers and fisherfolk, at the same time, refining internal processes for faster processing of claims and to better serve our clients.

We are committed to keeping the trust given by farmers and fisherfolk, as we share their passion to achieve food security, and a progressive and profitable agricultural sector.

Very truly yours,



ATTY. JOVY C. BERNABE
President

CORPORATE OBJECTIVES

In line with the framework for setting organizational targets for Government-Owned and Controlled Corporations (GOCCs) of the Governance Commission for GOCCs (GCG), the PCIC crafted the 2017 Strategy Map for its operation and organization that reflects corporate objectives and strategies.

The corporate objectives were formulated towards the attainment of its medium-term vision “To have broadened the availability and increased the effectiveness of its crop insurance programs for managing farm losses while at the same time ensuring their viability and sustainability.”

The PCIC Strategy Map consists of five (5) strategic objectives that serve as the bases for the Performance Evaluation System (PES), institutionalized by the GCG for setting organizational targets of the government corporations:

Social Impact Perspective:

1. Stabilize the income of the agricultural producers

Customers/Stakeholders Perspective:

2. Expand the number of farmers and other agricultural stakeholders insured

Finance Perspective:

3. Increase revenue generation

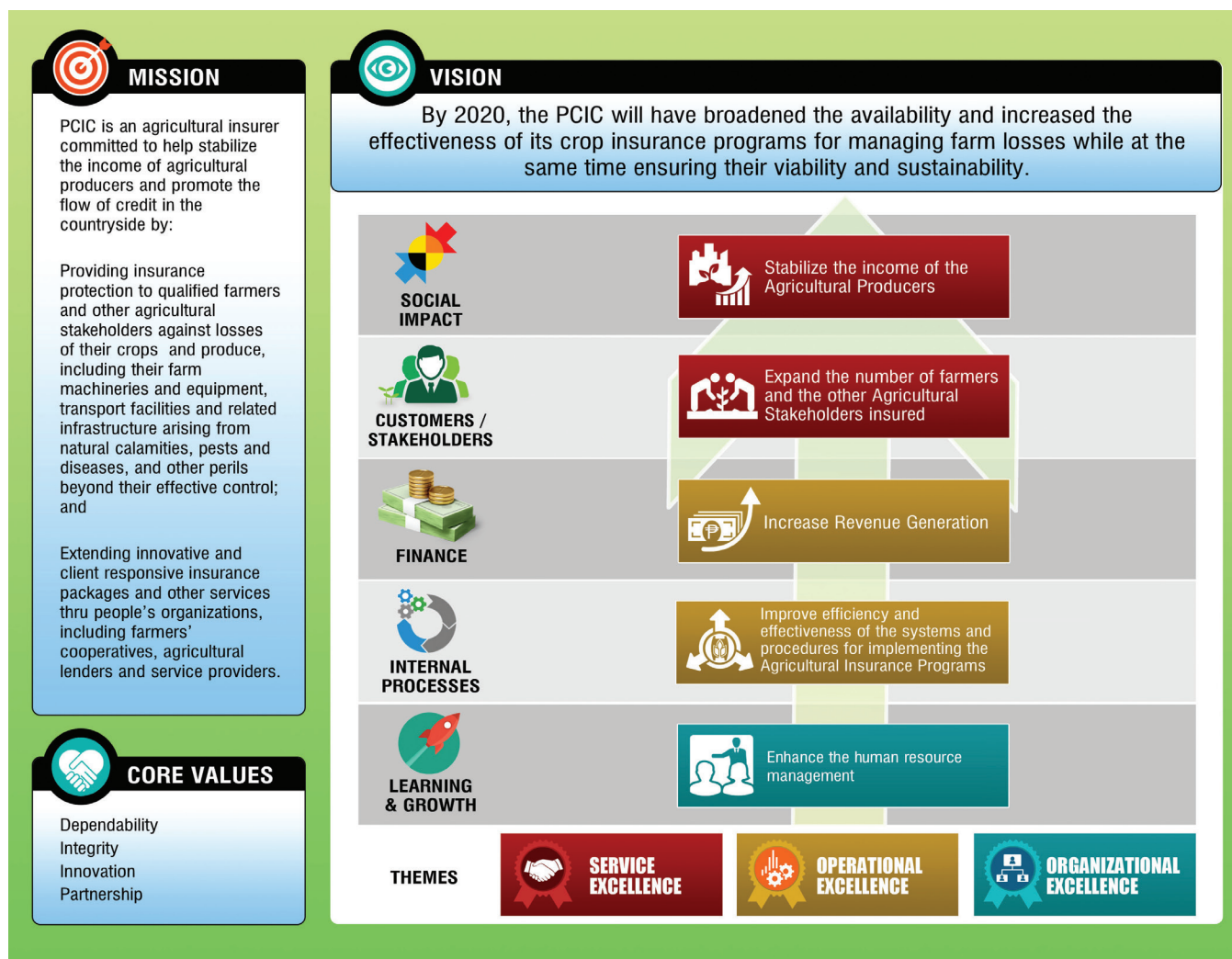
Internal Process Perspective:

4. Improve the efficiency and effectiveness of systems and procedures for implementing the agricultural insurance programs

Learning and Growth Perspective:

5. Enhance the human resource management and quality management system

PCIC Strategy Map



The Corporation's 2017 Performance Scorecard was reviewed and modified during the technical working group meeting between the GCG and PCIC on February 22, 2017 to set out clear and holistic performance measures of the agricultural insurance operations. The defined measures for 2017 strategic objectives were as follows:

- Amount of insurance cover set at ₱42 Billion;
- Percent of small farmers and fisherfolk with agricultural insurance to total number of registered farmers and fisherfolk increased by 10.3%;
- Stakeholders satisfaction rating at $\geq 90\%$;
- Coverage of subsistence farmers and fisherfolk with full premium subsidy at 1,000,000 enrollees, partial subsidy (rice and corn) at 104,000 and other lines at 325,000;
- Amount of utilized government premium subsidy at $\geq 90\%$ of ₱2.5 Billion;
- Earnings before interest, tax, depreciation, and amortization or EBITDA at ₱100 Million;
- Resolve complaints within 10 days;
- Claims response time after submission of complete documents at ≤ 20 days;
- Establish a personnel competency baseline; and
- Pass the surveillance audit for ISO Certification.

CORPORATE OBJECTIVES

Adhering to its performance theme of “Excellence in Governance for the Filipino Farmer,” PCIC posted an overall rating of 92.71% on its Performance Scorecard for FY 2017. The notable accomplishments in the Scorecard were the attainment of P341 Million EBITDA, maintaining the stakeholders’ satisfaction rate above 90%, the establishment of personnel competency baseline necessary for the enhancement of human resource, and maintaining the National Level ISO certification that showed the incessant adherence of PCIC Head Office and Regional Offices to international organization standards.

Review and Monitoring

In accordance with the PCIC Manual on Corporate Governance (Part 3, Section 3.3.3), the Board of Directors monitors and evaluates the implementation of corporate strategies and policies, business plans, and operating budgets, as well as Management’s overall performance through the reports during Management Committee Meetings.

The Board of Directors, the Top Management, and the Department and Regional Managers periodically convene for operations reviews and planning conferences to set performance targets, assess insurance production accomplishments, review overall corporate performance, identify operational issues and challenges, and formulate strategies to attain the targets set. The operations reviews and planning conferences were held on February 1-3, April 19-21, August 23-25, and December 7-9 for FY 2017.



PCIC conducts Mid-Year Planning Conference and Operations Review in Legazpi City on August 23 to 25, 2017.

HIGHLIGHTS OF OPERATIONS

Adhering to its strict implementation of systems and procedures while according its clients with a heart of compassion, PCIC's efforts to have more farmers and fisherfolk covered with its insurance products and services produced a banner year in 2017. The following details the performance of the corporation:

A. Agricultural Insurance Programs

Insurance Production

The PCIC sustained the growth of agricultural insurance operations by increasing more the number of participants enrolled in its programs. The number of farmers and fisherfolk insured reached the millionth mark for the third time in a row at 1.7 Million, a jump by 55.03% from the 2016 number of insured enrollees.

Total amount of insurance cover reached ₱58.465 Billion, up by 49.57% from the same period of the previous year.

The area covered by crop insurance and premium income increased by 47.16% and 25.20%, respectively, versus 2016 figures (see Table 1).

Table 1. INSURANCE PRODUCTION, 2017 vs. 2016

Insurance Lines	ACCOMPLISHMENT							
	No. of Farmers and Fisherfolk		Amount of Cover (₱M)		Premium (₱M)		Area (Ha.)	
	December 2017	vs. 2016 %Inc./ (Dec)	December 2017	vs. 2016 %Inc./ (Dec)	December 2017	vs. 2016 %Inc./ (Dec)	December 2017	vs. 2016 %Inc./ (Dec)
Rice	618,732	31.56	18,439.596	32.79	1,884.517	14.84	836,128	32.18
Corn	179,338	50.77	4,925.846	65.01	536.209	(7.71)	256,066	62.78
Rice & Corn Combined	798,070	35.44	23,365.442	38.49	2,420.726	8.95	1,092,194	38.28
High-Value Crops	192,378	123.48	8,958.321	55.36	502.098	142.17	234,424	109.99
Livestock	216,204	72.97	4,833.448	57.07	350.770	68.05		
Fisheries/ Aquaculture	5,771	584.58	207.261	106.32	11.288	197.21		
Non-Crop Insurance (NCI)	22,855	208.23	1,358.148	51.05	27.986	165.27		
Credit and Life Term Insurance (CLTI)	462,299	61.39	19,742.302	59.56	52.095	47.56		
Total	1,697,577	55.03	58,464.923	49.57	3,364.961	25.20	1,326,618	47.16

Most of the insured, comprising of 1.2 Million farmers and fisherfolk, were beneficiaries of subsidized insurance programs. The greatest number of beneficiaries were part of the insurance cover for farmers and fisherfolk listed in the Registry System for Basic Sectors in Agriculture (RSBSA), the program that provides full premium subsidy for subsistence farmers and fisherfolk listed in the registry (see Table 2).

Table 2. INSURANCE PRODUCTION: SPECIAL AND REGULAR PROGRAMS

Insurance Program	No. of Farmers and Fisherfolk		Amount of Cover (₱M)		Premium (₱M)	
	December 2017	vs. 2016 %Inc./ (Dec)	December 2017	vs. 2016 %Inc./ (Dec)	December 2017	vs. 2016 %Inc./ (Dec)
Special Programs (100% GPS)						
RSBSA	1,029,112	58.05	30,060.902	58.48	2,532.635	32.88
Sikat Saka	14,659	4.95	1,548.468	11.40	154.926	3.94
WARA 2014	-	-	-	-	-	-
WARA 2015	2,543	(70.71)	31.423	(71.05)	3.212	(64.61)
HYTA 2015	1,056	(67.70)	15.157	(67.39)	1.516	(72.62)
YRRP	34,863	-	860.230	-	43.693	-
APCP & CAP-PBD	20,579	1.96	1,206.244	(1.27)	104.772	(17.97)
PUNLA/PLEA	2,530	-	85.627	-	5.727	-
Total	1,105,342	57.96	33,808.053	55.20	2,846.481	29.34
Regular Programs						
Rice (55% PCIC Subsidy)	70,055	(0.29)	2,709.324	(1.78)	307.931	(2.53)
Corn (55% PCIC Subsidy)	30,935	28.29	653.766	14.88	107.466	9.18
HVC	5,641	93.65	592.198	44.85	16.686	21.57
Livestock	25,126	134.45	507.157	9.41	28.589	55.22
Fisheries/Aquaculture	51	(15.00)	47.541	0.04	0.788	(8.16)
NCI	5,311	239.58	754.365	3.20	7.694	65.57
CLTI	455,116	59.34	19,392.519	57.34	49.327	41.29
Total	592,235	49.83	24,656.871	42.49	518.480	6.48
GRAND TOTAL	1,697,577	55.03	58,464.923	49.57	3,364.961	25.20



PCIC RO 7 Insurance Adjusters Rene Ardena and Junrial Aba, and Marketing Staff Janice Yuson and Reina Marie Briones conduct information caravan for the 119 farmers of Barangay Basak, Larena, Siquijor on September 28, 2017.

The total number of rice and corn farmers who availed themselves of crop insurance increased because of the following:

- More cooperatives/farmers organizations/associations and other lending institutions participated in Land Bank's rice production loan programs;
- There was greater insurance coverage for subsistence farmers listed in the RSBSA with full premium subsidy under the FY 2017 General Appropriations Act (GAA);
- Agrarian Reform Beneficiaries (ARBs) were given insurance coverage under the Agrarian Production Credit Program-Credit Assistance Program for Program Beneficiaries Development (APCP-CAPPBD); and
- More farmers availed themselves of the production loan from Alalay sa Kaunlaran, Inc. (ASKI), Tulay sa Pag-unlad, Inc. (TSPI), and First Valley Banks.

For farmers of high value crops (HVC), more of them availed of crop insurance because of the following factors:

- The increased insurance coverage offered for subsistence farmers listed in the RSBSA;
- ARBs were given coverage under the APCP-CAPPBD;
- More HVC farmers availed production loans from TSPI;
- Banana and pineapple producers were encouraged to enroll because of financing scheme of LBP Lending Centers in Regions XI and XII; and
- Many farmers were automatically covered with insurance coverage as they availed production loans from First Valley Bank and Agronomika Finance Corporation in Mindanao.



The farmers of Cabanglasan, Bukidnon receive indemnity checks worth ₱484,369.00 from PCIC Regional Office 10 on June 16, 2017.

HIGHLIGHTS OF OPERATIONS

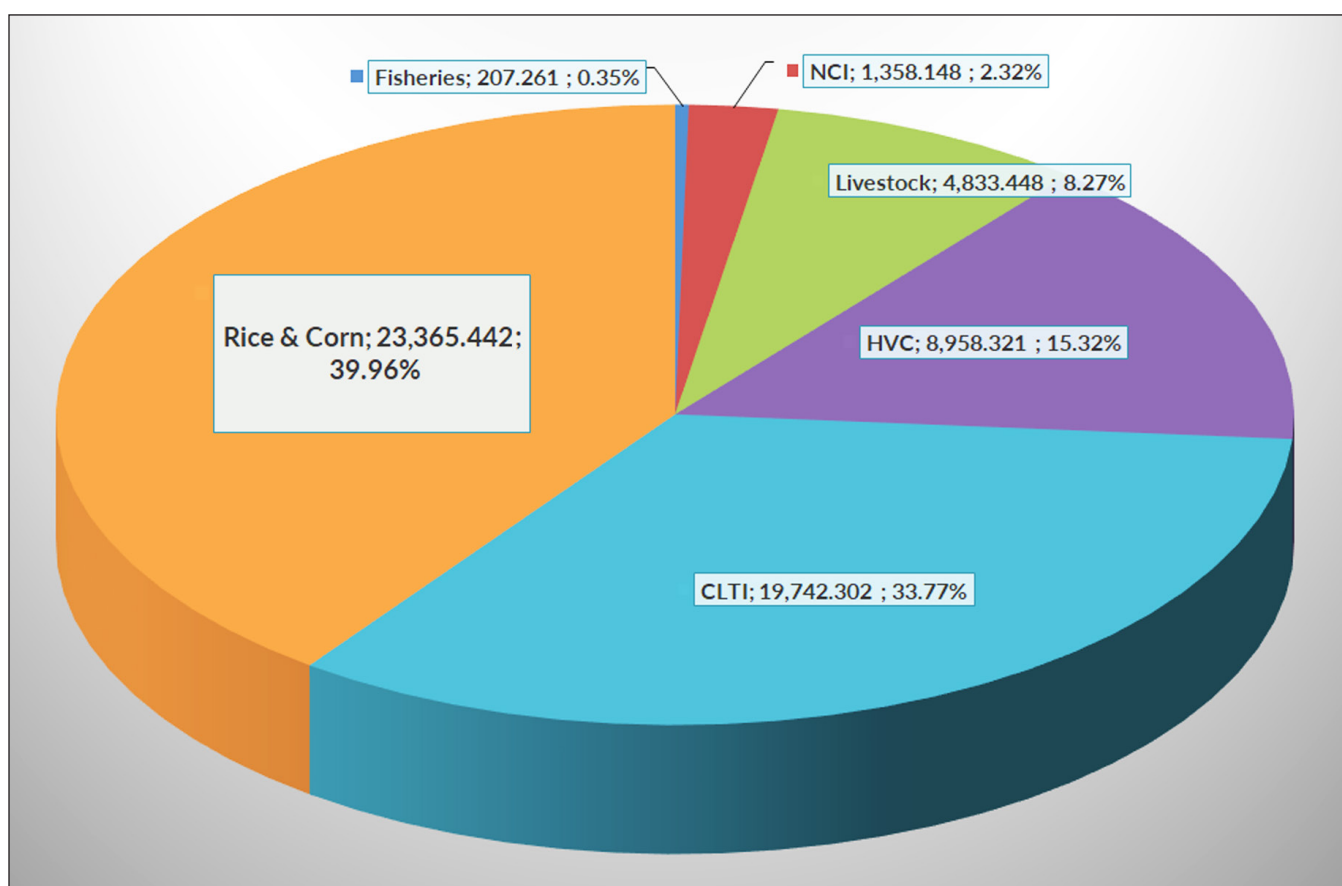
The livestock insurance and non-crop insurance coverage also increased because of the increase in government premium subsidy for the RSBSA Insurance Program.

The number of those who availed of Credit and Life Term Insurance (CLTI) rose because of the bundling of Accident and Dismemberment Security Scheme (ADSS) in fully-subsidized insurance programs, and the renewal of ADSS insurance coverage for the Philippine Council for Agriculture and Fisheries, and Cebu - Integrated Farming Systems Development Program.

Fisheries also got a boost with the increase in the allocation for RSBSA insurance program beneficiaries.

In 2017, the rice and corn insurance programs remained in top insurance production in terms of amount of cover at 39.96%, followed closely by the CLTI 33.77% (see Figure 1).

Figure 1. Insurance Production Accomplishment vs. Annual Target
(Amount of Cover, in million pesos)



Claims Paid

For the third consecutive year, PCIC's total pay-out for indemnity claims reached the billion-peso mark at ₱1.937 Billion. The total claims paid increased by 28.25% as compared with the previous year. The claims were paid to 241,096 farmers and fisherfolk. Consistent with the centrality of the rice farmers in the PCIC's mandate, the sector received the highest indemnity payment at ₱1.447 Billion. Combined with corn farmers' ₱344.983 Million in indemnity, rice and corn indemnity payment reached ₱1.792 Billion or 92.51% of the total indemnity paid (see Table 3).

Table 3. CLAIMS PAID, 2017 vs. 2016

Insurance Lines	Claims Paid		Difference		For the Twelve-Month Period Ended December 31, 2017				
	December 2017		December 2016	Increase/ (Decrease)		Damage Rate (%)		Loss Ratio	
	Number of Farmers	Indemnity (₱M)	Indemnity (₱M)	Amount (₱M)	(%)	2017	2016	2017	2016
Rice	183,111	1,446.993	1,116.590	330.403	29.59	7.85	8.04	0.77	0.68
Corn	48,927	344.983	289.203	55.781	19.29	7.00	9.69	0.64	0.50
Rice and Corn Combined	232,038	1,791.976	1,405.793	386.183	27.47	7.67	8.33	0.74	0.63
HVC	4,769	91.215	66.025	25.191	38.15	1.02	1.15	0.18	0.32
Livestock	2,606	22.296	19.318	2.978	15.42	0.46	0.63	0.06	0.09
Fisheries	505	3.770	0.506	3.264	645.06	1.82	0.50	0.33	0.13
NCI	54	0.793	0.474	0.319	67.30	0.06	0.05	0.03	0.04
CLTI	1,124	26.848	18.163	8.685	47.81	0.14	0.15	0.52	0.51
TOTAL	241,096	1,936.897	1,510.278	426.619	28.25	3.31	3.86	0.58	0.56
Increase (Decrease) - (2017 vs. 2016)						(0.55)		0.02	

The total damage rate, or the ratio of total claims paid to amount of cover, was computed at 3.31%. At the same time, the loss ratio or the ratio of total claims paid to total premiums generated was calculated at 0.58. This means that for every P1.00 premium received, P0.58 was paid for insurance claim. For 2017, PCIC experienced a decrease in damage rate at 0.55%.

The claims paid per program and per insurance product, and corresponding damage rate and loss ratios are detailed in Table 4.



DA Secretary Emmanuel Piñol and PCIC President Jovy Bernabe turn-over the indemnity checks to CHICKS farmers during the TAPATAN: Gobyerno kag Pumuluyo in Ilog, Negros Occidental on September 28, 2017.

HIGHLIGHTS OF OPERATIONS

Table 4. CLAIMS PAID, by Program and by Insurance Product

Insurance Program	Number of Claimants	Indemnity (₱M)	Damage Rate (%)	Loss Ratio
PCIC Regular				
Rice	30,312	305.153	11.26	0.99
Corn	4,513	31.519	4.82	0.29
Combined Rice & Corn	34,825	336.672	10.01	0.81
HVC	523	21.537	3.64	1.29
Livestock	628	6.480	1.28	0.23
Non-Crop Insurance	16	0.304	0.04	0.04
CLTI	1,123	26.843	0.14	0.54
Fisheries	-	-	-	-
Sub-total	37,115	391.836	1.59	0.76
DA Rice Programs				
Sikat Saka - Rice	3,994	70.441	4.55	0.45
Sikat Saka - Corn	3	0.046	8.57	0.85
WARA (2015)	1,619	5.891	18.75	1.83
HYTA 2015	271	1.308	8.63	0.86
Sub-total	5,887	77.686	4.87	0.49
DA-PUNLA/PLEA				
Rice	57	0.407	1.86	0.19
Corn	41	0.315	3.97	0.40
HVC	25	0.244	0.91	0.12
Livestock	11	0.042	0.00	0.10
Fisheries	-	-	-	-
NCI	-	-	-	-
CLTI	-	-	-	-
Sub-total	134	1.008	1.18	0.18
DA-Yolanda Rehabilitation & Recovery Program				
Rice	1,972	11.042	7.51	0.75
Corn	187	0.789	3.44	0.34
HVC	-	-	-	-
Livestock	13	0.094	0.13	0.02
Fisheries	-	-	-	-
NCI	4	0.090	-	-
CLTI	1	0.005	-	-
Sub-total	2,177	12.020	1.40	0.28
RSBSA Insurance Program				
Rice	142,319	1,024.075	7.72	0.79
Corn	43,642	307.762	7.43	0.74
HVCC	4,017	65.641	0.85	0.15
Livestock	1,938	15.351	0.36	0.05
Fisheries	505	3.770	0.00	0.00
NCI	34	0.398	0.07	0.02
Sub-total	192,455	1,416.996	4.71	0.57
APCP & CAP-PBD				
Rice	2,567	28.678	4.08	0.42
Corn	541	4.552	4.54	0.45
HVC	204	3.792	1.01	0.15
Livestock	16	0.329	1.75	0.58
Fisheries	-	-	-	-
NCI	-	-	-	-
CLTI	-	-	-	-
Sub-total	3,328	37.351	3.10	0.36
Grand-total	241,096	1,936.897	3.31	0.58

Government Premium Subsidy Utilization

The actual government premium subsidy (GPS) utilized by the PCIC reached ₱3.061 Billion in 2017, that is 27% more than the utilized subsidy for subsistence farmers and fisherfolk in 2016.

The GPS is from the National Government allocation of P2.5 Billion premium subsidy for the implementation of agricultural insurance program, P48.421 Million from DA programs and the ₱512.942 Million premium subsidy from the PCIC's share in penalties charged to Financial Institutions for non-compliance (or under compliance) with the Agri-Agra Reform Credit Act of 2009 (Republic Act No. 10000).

The breakdown of the total government subsidy by source and their respective utilization rate is detailed in Table 5.

Table 5. Government Premium Subsidy and Utilization Rate

Insurance Program	Insurance Production			Farmer + Lending Institution	Premium (₱M)			
	Number of Farmers	No. of Hectares / Heads / Policies	Amount of Cover (₱M)		GPS		Premium Earned	Total Premium
					PCIC Subsidy	Utilized		
PCIC Regular								
Rice	70,055	113,225	2,709.324	151.032	156.898		151.032	307.930
Corn	30,935	31,045	653.766	49.482	57.984		49.482	107.466
Combined Rice & Corn	100,990	144,270	3,363.090	200.514	214.883		200.514	415.397
High Value Crops	5,641	6,167	592.198	16.686			16.686	16.686
Livestock	25,126	337,663	507.157	28.589			28.589	28.589
Fisheries	51	51	47.541	0.788			0.788	0.788
Non-Crop Insurance	5,311	1,546	754.365	7.694			7.694	7.694
CLTI	455,116	108,500	19,392.519	49.327			49.327	49.327
Total	592,235	598,197	24,656.870	303.598	214.883		303.598	518.481
Special Programs								
DA Insurance Program								
Sikat Saka - Rice	14,647	36,743	1,547.931		154.873			154.873
Sikat Saka - Corn	12	21	0.537		0.054			0.054
WARA 2015	2,543	3,896	31.423			3.212	3.212	3.212
HYTA 2015	1,056	895	15.157			1.516	1.516	1.516
Sub-Total	18,258	41,555	1,595.048		154.927	4.728	4.728	159.655
DA - PUNLA/PLEA								
Rice	694	741	21.853		2.198		-	2.198
Corn	249	325	7.932		0.793		-	0.793
High Value Crops	529	103	26.815		2.022		-	2.022
Livestock	508	1,908	11.462		0.440		-	0.440
Fisheries	8	1	0.185		0.013		-	0.013
NCI	0	0	0.000		0.000		-	0.000
CLTI	542	18	17.380		0.261		-	0.261
Sub-Total	2,530	3,096	85.627		5.727		-	5.727
DA - SURE								
Rice	-	-	-			-	-	-
Corn	-	-	-			-	-	-
High Value Crops	-	-	-			-	-	-
Livestock	-	-	-			-	-	-
Fisheries	-	-	-			-	-	-
NCI	-	-	-			-	-	-
CLTI	-	-	-			-	-	-
Sub-Total	-	-	-			-	-	-

HIGHLIGHTS OF OPERATIONS

Insurance Program	Insurance Production			Premium (₱M)				
	Number of Farmers	No. of Hectares / Heads / Policies	Amount of Cover (₱M)	Farmer + Lending Institution	GPS		Premium Earned	Total Premium
					PCIC Subsidy	Utilized		
DA - Yolanda Rehabilitation and Recovery Program (YRRP)								
Rice	9,193	7,356	147.123			14.712	14.712	14.712
Corn	1,245	1,145	22.907			2.291	2.291	2.291
High Value Crops	13,776	8,992	268.822			18.794	18.794	18.794
Livestock	3,215	6,790	70.073			4.152	4.152	4.152
Fisheries	207	20	3.226			0.387	0.387	0.387
NCI	726	108	22.740			0.917	0.917	0.917
CLTI	6,501	1,111	325.340			2.440	2.440	2.440
Sub-Total	34,863	25,522	860.230			43.693	43.693	43.693
RSBSA Insurance Program								
Rice	507,212	651,132	13,263.518		32.635	1,298.673	1,298.673	1,331.308
Corn	144,897	220,184	4,140.471			415.573	415.573	415.573
High Value Crops	167,677	212,360	7,696.296			439.292	439.292	439.292
Livestock	187,015	472,373	4,225.943			317.017	317.017	317.017
Fisheries	5,497	1,448	156.117			10.095	10.095	10.095
NCI	16,814	2,688	578.558			19.350	19.350	19.350
Sub-Total	1,029,112	1,560,185	30,060.903		32.635	2,500.000	2,500.000	2,532.635
APCP & CAP-PBD								
Rice	13,332	22,140	703.267		68.767		-	68.767
Corn	2,000	3,345	100.235		10.032		-	10.032
High Value Crops	4,755	6,803	374.190		25.304		-	25.304
Livestock	340	2,493	18.812		0.572		-	0.572
Fisheries	8	1	0.192		0.006		-	0.006
NCI	4	4	2.485		0.025		-	0.025
CLTI	140	10	7.063		0.066		-	0.066
Sub-total	20,579		1,206.244		104.771		-	104.771
Total - Special Programs	1,105,342		33,808.053		298.060	2,548.421	2,548.421	2,846.481
Grand-total	1,697,577		58,464.923	303.598	512.942	2,548.421	2,852.019	3,364.961



PCIC Region 12 distributes indemnity checks to farmers of Antipas, North Cotabato during the Agro Trade Fair on October 10, 2017.

B. Interaction With Communities

The Corporation has always recognized the importance of the cooperation of its various stakeholders to ensure the effective and efficient implementation of its agricultural insurance programs.

PCIC continues to reach out to farmers and fisherfolk, especially the subsistence and the marginalized. To this end, the Corporation holds fora and information caravans. It also works with lending institutions, local government units, people's organizations, cooperatives, rural banks and national government agencies so that it can reach more clients in rural areas.

Highlight of Regional Activities

Regional Office 1

Underwriters Seminar-Workshop



PCIC RO 1 conducts Seminar-Workshop on Underwriting Procedures and Claims Adjustment for Reserve Corps of Adjusters (RCAs) on July 20, 2017.

MOA Signing



Signing of Memorandum of Agreement (MOA) with San Lorenzo Ruiz MPC on July 25, 2017.

Indemnity Check Distributions



PCIC RO 1 MSD Chief Raul Servito distributes indemnity checks amounting to ₱45,000.00 for livestock farmers of Tadian, Mountain Province on January 24, 2018.



Re-orientation on insurance programs and indemnity check distribution for farmers of Sison, Pangasinan on September 21, 2017.

HIGHLIGHTS OF OPERATIONS

Regional Office 2

Inauguration of new PCIC building



PCIC President Jovy Bernabe leads the inauguration of the new and first PCIC owned Office building in Carig, Tuguegarao City on April 19, 2017.

Seminars and Training Workshops



PCIC RO 2 conducts Seminar-Workshop on Basic Customer Service Skills for its employees on March 31, 2017.



Municipal Agriculture Officers and PCIC RO 2 employees attend the Seminar-Workshop for Solicitors in Tuguegarao City on March 28, 2017.

MOA Signing



Renewal of partnership between the Provincial Government of Isabela and PCIC RO 2 on September 27, 2017 during the "Paseguro sa Pananim" program.

Installation of DICT Internet/Network Equipment



Signing of the Memorandum of Agreement between PCIC and the Department of Information and Communications Technology (DICT) and for the delivery and acceptance of internet installation and network equipment on April 5, 2017.

Regional Office 3

DA's Program and Training



PCIC RO 3 attends the DA training on Basic Financial Literacy for the 10th Cropping Cycle of the Sikat Saka Program in Candaba, Pampanga on September 29, 2017.



MOA Signing



PCIC RO 3 and Province of Bulacan forge Memorandum of Agreement on September 18, 2017 to provide crop insurance protection for palay-hybrid producers.

Seminar Workshop



PCIC RO 3 IT Specialists Ronald Ryan Ramoso and Kit Glen Macalino facilitate the Seminar-Workshop on "The Procedures to Minimize Encoding Errors" for PCIC RO 3 employees in San Fernando, Pampanga on August 18, 2017.



Regional Office 3A

Seminar and Training Workshops



PCIC RO 3A Manager Melba Manalo discusses Financial Risk in Agriculture and Fishery Sector to Agricultural Extension Workers (AEWs) in Central Luzon at Philippine Carabao Center, Science City of Muñoz, Nueva Ecija on September 28, 2017.



PCIC RO 3A Insurance Adjuster Joseph Farro presents PCIC insurance programs to farmer-leaders of Dilasag and Casiguran, Aurora on October 13, 2017.



PCIC RO 3A MSD Chief Mario Lumibao conducts orientation on PCIC programs to PLEA beneficiaries in Bongabon, Nueva Ecija on June 15, 2017.

Distribution of ADSS Policy



PCIC RO 3A Manager Melba Manalo and MSD Chief Mario Lumibao, and Dingalan Mayor Sherwin Taay and Municipal Agriculturist Zenia Abaya distribute policies of Accident and Dismemberment Security Scheme to 86 farmers in Dingalan, Aurora on June 14, 2017.

MOA Signing



MOA signing between PCIC RO 3A and Rural Bank of Casiguran, Inc. in Aurora on October 12, 2017.

HIGHLIGHTS OF OPERATIONS

Regional Office 4

Biyaheng Bukid



DA Secretary Emmanuel Piñol and PCIC RO 4 Manager Evelyn Virtudez distribute indemnity checks amounting to ₱92,000.00 to farmers during Biyaheng Bukid in Batangas on July 25, 2017.

Indemnity Check Distribution



Indemnity check distribution at Pinamalayan and Bansud, Oriental Mindoro to 74 farmers amounting to ₱1.138 Million on December 22, 2017.



Indemnity checks distribution to 560 farmer-claimants amounting to ₱2.082 Million in Marinduque on August 17, 2017.

PEO Opening



Opening of PCIC Extension Offices in Boac, Marinduque on May 22, 2017; San Jose, Occidental Mindoro on May 17, 2017; and Puerto Princesa, Palawan on June 1, 2017.



New Regional Office



PCIC President Jovy Bernabe, Board of Directors, and RM Evelyn Virtudez lead the inauguration and blessing of the new PCIC RO 4 office on November 9, 2017 in Calamba City.

Regional Office 5

MOU with Partners



PCIC RO 5 participates in the MOU signing of the Inter-Agency Convergence for the Implementation of the Provincial Commodity Investment Plan (PCIP) in Catanduanes on May 24, 2017.

Hosting of Mid-Year Planning



PCIC RO 5 hosts the 2017 Mid-Year Review of Operations and Planning Conference in Legazpi City on August 23-25, 2017.

Orientation of PCIC Programs



PCIC RO 5 Manager Corazon Realubit and PHILFIDA OIC Regional Manager Mary Anne Molina discuss the Subsidized Insurance Program for HVC for Abaca on September 20, 2017.



PCIC RO 5 staff discusses the Subsidized Insurance Program for HVC for Coconut and its intercrop at PCA Banao Experimental Station, Guinobatan, Albay on September 30, 2017.



Regional Office 6

Trainings



PCIC RO 6 hosts the Sectoral Training Workshop on Rice and Corn Claims Adjustment through Smartphone Application on March 15-17, 2017.



Ret. PSupt. Ma. Cecilia R. Detablan conducts seminar on the Magna Carta of Women for the officers and staff of PCIC RO 6 in celebration of the National Women's Month on March 21, 2017.

Indemnity Distribution



DA Secretary Emmanuel Piñol and PCIC RO 6 award ₱27.854 Million worth of indemnity checks to 2,472 farmers during the Biyaheng Bukid segment "Tapatan: Gobyerno kag Pumuluyo" on August 8-9, 2017 in Guimaras and Antique.



DA Secretary Emmanuel Piñol, PCIC President Jovy Bernabe and Extension Office – Bacolod Head Jose Ma. Torres turn-over indemnity checks to CHICKS farmers during the TAPATAN: Gobyerno kag Pumuluyo in Ilog, Negros Occidental on September 28, 2017.

Regional Office 7

GAD Seminar/Training



Ms. Annabelle Maglasang of the Philippine Commission on Women Gender and Development Resource Pool conducts Gender Sensitivity Training for technical and administrative staff of PCIC RO 7 on December 20, 2017.

Nat'l Women's Month Celebration



PCIC RO 7 and TESDA celebrate Women's Month to highlight the importance of the role of women in nation-building and to increase awareness to its staff and officials on March 21, 2017 at TESDA Building, Ramos, Cebu City.

Information Caravan



PCIC RO 7 Insurance Underwriter Paulem Bojeador, Insurance Adjuster Paulita Secuya, and Marketing Analyst Roxanne Mae Ruiz hold RSBSA Insurance Program information dissemination in Causwagan, Catigbian, Bohol on April 21, 2017.



PCIC RO 7 conducts reorientation on agricultural insurance products for the insurance underwriters, solicitors, MAO and agricultural technicians on November 28, 2017 in Cebu City.

HIGHLIGHTS OF OPERATIONS

Regional Office 8

PEO Opening



PCIC RO 8 Manager Dominico Digamon spearheads the opening of the PCIC Extension Office in Catarman, Northern Samar on March 20, 2017.

Training



PCIC RO 8 joins the sectoral training workshop on the smartphone application for rice and corn adjustment in Iloilo City on March 15-17, 2017.

Indemnity Checks Distribution



Farmer-claimants of Hilongos, Leyte receive indemnity checks worth ₱320, 000 on April 15, 2017.



Top underwriters and farmer-beneficiaries receive plaques of appreciation and incentive checks, respectively, at the PCIC RO 8 Extension Office in Biliran on June 2, 2017.

Regional Office 9

Farmers Forum



PCIC RO9 and PAGLAUM MPC conduct "Risk Reduction and Mitigation for Small Farmers, Fisherfolk, Marginal and Other Sectors" and distribute indemnity checks worth ₱209,663.00 to farmer-claimants in Plaridel, Misamis Occidental on February 24, 2017.



Mass Insurance Enrollment



PCIC RO 9 successfully enrolls 346 farmers listed in the RSBSA in Midsalip, Zamboanga del Sur on October 17, 2017.

Indemnity Distribution



PCIC RO 9 distributes indemnity checks worth ₱278,502 to 42 farmer-claimants at the PCIC Extension Office in Ipil, Zamboanga Sibugay on September 8, 2017.



Distribution of indemnity checks worth ₱211,658 to 41 farmer-claimants during the Municipal Agricultural Forum in Tampilisan, Zamboanga del Norte on December 21, 2017.

Regional Office 10

Indemnity Distribution



DA Secretary Emmanuel Piñol and PCIC RO 10 Manager Luther Romeo Salting distribute indemnity checks worth ₱1.078 Million to 190 farmers on June 15, 2017 during the Naliyagan Festival in Patin-ay, Agusan del Sur.



PCIC RO 10 distributes ₱857,892.00 worth of indemnity checks to 68 farmers of Sta. Josefa, Agusan del Sur on June 20, 2017.

Meeting with Municipal Agriculturists



PCIC RO 10 holds series of meetings with the City Agriculturists (CAs) and Municipal Agriculturists (MAs) of CARAGA in the month of July 2017.

Regional Office 11

Annual Conference



PCIC RO 11 Manager Bonifacio Pales, Chairperson of the Regional Coordinating Team (RCT) Region 11, attends the annual conference on January 11, 2017 at the Davao Lending Center, Davao City.



DA's Biyaheng Bukid



DA Secretary Emmanuel F. Piñol and PCIC RO 11 Manager Bonifacio Pales award indemnity checks to 5,092 farmers of Tantaran, South Cotabato amounting to ₱35.896 Million on July 31, 2017.

Indemnity Distribution



Members of the Poblacion Hagonoy Upper Sinayawan Cooperative (PHUSFIMCO) receive indemnity checks on February 9, 2017 in Hagonoy, Davao del Sur.



UPSFA Irrigators' Association President Alma Maravillas and members receive indemnity checks on February 13, 2017 in Sinayawan, Hagonoy, Davao del Sur.



MAO Angeline Gulmatico and PCIC RO 11 distribute indemnity checks to WARA and RSBSA beneficiaries in Kiamba, Sarangani Province on February 15, 2017.

HIGHLIGHTS OF OPERATIONS

Regional Office 12

Claims Validation



PCIC RO 12 validates the rat infestation of corn farms in Barangay Guling, Alamada, Cotabato on June 15, 2017.

New Office



Blessing of PCIC RO 12 new office building in Midsayap, North Cotabato on February 20, 2017.

Indemnity Distribution



DA Secretary Emmanuel Piñol, PCIC ARPVD Manager Renato Viado and RO 12 Manager Elias Catulong attend the Launching of PPI's Abono sa Uma (Fertilizer on Credit Program) in support to Masaganang Ani 200 of Department of Agriculture at M'lang, North Cotabato on June 1, 2017.

Mid-Year Evaluation of Production and Claims



PCIC President Jovy Bernabe, Board Director Arnold Colama and SVP Norman Cajucom lead the Mid-year Evaluation of Production and Claims for Regions XI and XII at the new building of PCIC RO 12 in Midsayap, North Cotabato on August 15, 2017.

C. Partnerships and Linkages

PCIC recognizes the importance of innovative collaboration with various key entities in the community to improve the delivery of programs and services.

In 2017, the Regional Offices established 2,413 partnerships and linkages, or an increase of 442% from 546 in 2016, with different government agencies, institutions, local government units, cooperatives, farmers associations/organizations, micro-finance institutions and local radio stations. Below is the summary of networking activities per region:

Partnerships and Linkages

RO	GAs	LIs	LGUs	COOPs	FAs/FOs	MFIs	LRS	TOTAL
I	6	12	160	21	0	1	-	200
II	13	6	112	41	53	4	7	236
III	9	6	61	59	95	23	-	253
III-A	11	7	42	78	170	8	-	316
IV	6	6	188	9	59	3	-	271
V	10	15	114	18	14	2	-	173
VI	12	7	107	49	17	0	-	192
VII	22	15	131	47	60	2	-	277
VIII	6	6	6	23	20	2	-	63
IX	6	22	80	47	19	15	-	189
X	4	6	86	7	2	4	-	109
XI	12	5	22	26	10	7	-	82
XII	9	9	9	9	9	7	-	52
TOTAL	126	122	1,118	434	528	78	7	2,413

GA - Government Agencies
LI - Lending Institutions
LGU - Local Government Units
COOP - Cooperatives

FA/FO - Farmers' Associations / Farmers' Organizations
MFIs - Microfinance Institutions
LRS - Local Radio Stations



PCIC Region 1 and San Pedro Apartado Multi Purpose Cooperative sign Memorandum of Agreement on July 4, 2017.

HIGHLIGHTS OF OPERATIONS

D. Training and Development

To promote effectiveness and productivity as well as sustain ongoing efforts in developing excellence across various aspects in the workforce, employees of the PCIC were immersed in various character-building and technical advancement seminars. In all, 997 personnel, composed of 496 males and 501 females, participated in 23 learning sessions. The table below details the seminars conducted in 2017:

TITLE OF TRAINING/SEMINAR	OBJECTIVES	PARTICIPANTS		DATE
		MALE	FEMALE	
ISO 9001:2015 Awareness Course	To comply with ISO 9001:2015 requirements.	1	-	January 23, 2017
Transition to ISO 9001:2015 with Introduction to ISO 31000:2009 Risk Management Course	To comply with ISO 9001:2015 requirements.	2	1	January 24 – 25, 2017
ISO 9001:2015 Internal Audit Course	To comply with ISO 9001:2015 requirements.	1	-	January 30 – 31, 2017
Seven-day Seminar on Philippine Financial Reporting Standards (PFRS) and Revised Chart of Accounts (RCA) for Government Corporations (GCs) Classified as Government Business Enterprises (GBEs)	To enhance the skills of office personnel in the preparation of government financial statements.	1	1	February 16 – 24, 2017
Sectoral Training Workshop on Rice and Corn Claims Adjustment Smartphone Application	To orient HO and RO personnel on the use of the newly developed Claims Indemnity Adjustment Smartphone Application.	28	15	February 21 – 23, 2017
Sectoral Training Workshop on Rice and Corn Claims Adjustment Smartphone Application	To orient HO and RO personnel on the use of the newly developed Claims Indemnity Adjustment Smartphone Application.	26	15	March 14 – 17, 2017
Train The Trainers' Seminar and Workshop for GAD Focal Persons	To capacitate the designated GAD Persons and Coordinators in conducting Gender Awareness/ Sensitivity trainings to clients.	22	23	March 22 – 24, 2017
IT Specialists' Training	To enhance technical skills of IT personnel on PABS Systems and Procedures.	28	5	April 5 – 7, 2017
Workshop for Internal Auditors of the Department of Agriculture	To comply with DA Special Order No. 274.	1	1	May 16 – 19, 2017
Workshop on Gender and Development Mainstreaming	To conduct continuing orientation and re-orientation trainings on Gender Sensitivity and Gender Responsiveness Seminar-Workshop.	55	39	May 17 – 19, 2017
2017 Public Sector HR Symposium	To further educate PCIC employees through seminars/ trainings related to human resource issues and concerns.	-	2	July 4 – 6, 2017
Seminar on Manager's Role in Capacity Building	To orient PCIC personnel on the role of a manager in building capacities.	-	3	July 13 – 14, 2017

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Seminar-Workshop on Gender Mainstreaming for Focal Persons, Review, Evaluation, Monitoring, and Enhancement of GAD Plans and Programs and Gender Mainstreaming Evaluation Framework (GMEF)	To orient/re-orient GAD Focal Persons on the preparation of annual Accomplishment Report, GAD plan and budget and integrate gender activities.	13	33	July 12 – 14, 2017
Seminar on 4Cs of Change Management For Leaders	To familiarize PCIC personnel on the 4Cs of change management particularly for leaders.	-	3	August 10 – 11, 2017
Department of Agriculture Gender and Development (GAD) Mid-Year Assessment Workshop and Capacity Building on Gender Analysis Tools	To strengthen the GAD Focal Point System to efficiently and effectively discharge their duties and responsibilities.	-	1	August 14 – 17, 2017
Management Development Program	To enhance the managerial skills and knowledge of the participants.	23	24	October 4 – 6, 2017
Records Disposition Schedule	To orient the participants on the process of records inventory and disposal.	23	24	October 4 – 6, 2017
Corporate Social Responsibility / Enhancement of Employee Morale and Performance	To uphold the corporate social responsibility advocacy of the personnel and promote employee morale and performance	40	36	October 10 – 11, 2017
First Luzon Council of HR Management Practitioners' General Assembly cum Seminar	First Luzon Council of HR Management Practitioners' General Assembly cum Seminar	-	3	November 7 – 8, 2017
Harmonization on the Operation and Management of Personnel in DA	To further educate PCIC employees through seminars/ trainings related to human resource issues and concerns.	-	1	November 7 – 10, 2017
Seminar on Philippine Financial Reporting Standards	To enhance the skills of office personnel in the preparation of government financial statements.	8	32	November 20 – 23, 2017
Conference on PCIC Operation and Gender Development and Mainstreaming	To provide direction to the plans and programs of PCIC for FY 2018, and promote GAD mainstreaming in the programs of the agency.	223	239	December 7 – 8, 2017
PhilGEPS System Modernization Project	To equip participants with updated information relative to PhilGEPS services.	1	1	December 12 – 15, 2017



Resource speakers from the Philippine Commission on Women (PCW), Mr. Anastacio Lagumbay and Ms. Kathleen Sasuman, conduct Seminar-Workshop on Gender Mainstreaming, Review, Evaluation, Monitoring, and Enhancement of GAD Plans and Programs and Gender Mainstreaming Evaluation Framework (GMEF) for Focal Persons on July 14, 2017.

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E. Enhancements on Operations

The PCIC's operations were guided closely by the Board of Directors. They instituted measures to improve the delivery of services through the implementation of various policy enhancements, and supported the corporation's operations, particularly in relation to insurance provision.

The salient Board actions during the year are the following:

1. Approved the Implementing Guidelines on the utilization of FY 2017 Government Premium Subsidy (GPS) for farmers and fisherfolk listed under the Registry System for Basic Sectors in Agriculture (Board Resolution No. 2017-002);
2. Extended the utilization of P33.997 Million balance as of December 31, 2016 of PCIC premium subsidy/discount allotted for CY 2016 DA-LBP Sikat Saka Rice Crop Insurance Program up to CY 2017 (Board Resolution No. 2017-003);
3. Approved the following: (1) revised forms for Application for Crop Insurance (Individual and Group application), Claim for Indemnity (CI), and Claims Adjustment Verification Report (CAVR); (2) replacing the Notice of Loss (NL) with CI as requirement in Claims Processing and Settlement; (3) new CI shall be filed within twenty (20) calendar days from occurrence of loss and before the insured crop is harvested, or in cases where the onset of damage is gradual or the full extent thereof is not immediately determinable, 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 (Board Resolution no. 2017-008);
4. Amended the Revised Implementing Guidelines on the utilization of government premium subsidy of PCIC under FY 2017 General Appropriations Act (Board Resolution No. 2017-009)
 - increased the maximum insurable area of both inland fishpond and seaweed farm from 500 square meters to 1,000 square meters;
 - required the BoatR issued by BFAR to fisherfolk to be the basis for eligibility for the insurance coverage of the fishing boat;
 - Amended Section III. C. Service Fee item number 2 and 3; i.e., "Service fee for solicitors in livestock insurance lines is 2% of the total amount of premiums" and "Service fee for solicitors for all other lines such as rice, corn, high-value crops, fisheries and non-crop agricultural asset is 1% of the total amount of premiums", respectively;
5. Approved the use of penalties of banks given to PCIC pursuant to the Agri-Agra Law amounting to P295,103,881.38 and P511,719,411.51 to provide premium discount for the PCIC Regular program, Sikat Saka, APCP, CAP-PBD, and/or other insurance programs for DA project for CY 2017 (Board Resolution No. 2017-013 and Board Resolution No. 2017-035);
6. Included frost as one of the perils under the High-Value Crop Insurance Program with a trial premium rate of 7% and a deductible of 20% for the initial coverage to be pilot-tested in the province of Benguet (Board Resolution No. 2017-026);
7. Renewed PCIC's reinsurance treaty for non-crop agricultural asset insurance with the National Reinsurance Corporation of the Philippines (Board Resolution 2017-032);
8. Approved the insurance coverage of the banana plantation of Manuel Guiangan MPC, under the High Value Crop Insurance Program (Board Resolution No. 2017-040);
9. Approved the insurance coverage of the banana plantation of T'boli Growers MPC, under the High value Crop Insurance Program (Board Resolution No. 2017-044);

HIGHLIGHTS OF OPERATIONS

10. Approved the insurance coverage of the 164 heads of island-born Brahman cattle of Malaya's Cattle Farm under the Special Livestock Mortality Cover (Board Resolution No. 2017-050);
11. Approved the insurance coverage of the banana plantation of Antonio-Alen-Priscila Banana Finers, Incorporated, under the High Value Crop Insurance Program (Board Resolution No. 2017-055);
12. Increased the maximum limit area for mariculture parks/off-shore (fishcage/fishpen) from 400 square meters to 1,000 square meters under the Revised Implementing Guidelines on the Utilization of Government Premium Subsidy (Board Resolution No. 2017-056);
13. Increased the Amount of Cover for motorized banca up to a maximum of ₱40,000.00 (Board Resolution No. 2017-56A);
14. Approved the insurance coverage of the pineapple plantation of Laconon 100 MPC, under the High Value Crop Insurance Program (Board Resolution No. 2017-070);
15. Approved the Implementing Guidelines on the Utilization of Funds Received from the Banko Sentral ng Pilipinas (BSP) pursuant to Agri-Agra Reform Credit Act of 2009 (Board Resolution No. 2017-071);
16. Approved the insurance coverage of vegetable crops grown in containers and other recyclable materials in support to the DA Urban Agriculture Program under the Special Insurance Coverage on High-Value Crop Insurance Program (Board Resolution No. 2017-080); and
17. Approved the insurance coverage of the pineapple plantation of Tupi Integrated Agricultural Cooperative (TIAC), under the High Value Crop Insurance Program (Board Resolution No. 2017-088).



PCIC Region 9 leads the Sectoral Training Workshop on Rice and Corn Claims Adjustment Smartphone Application on February 21-23, 2017 in Pagadian City.

HIGHLIGHTS OF OPERATIONS

F. Weather Index-Based Insurance

IMPLEMENTATION MILESTONES (2015-2017)

The “Scaling-up Risk Transfer Mechanisms for Climate Vulnerable Agriculture-based Communities in Mindanao,” otherwise known as “Weather Index-Based Insurance (WIBI) Mindanao Project” is a joint program of PCIC and United Nations Development Program (UNDP) with a million-dollar funding support from Global Environment Facility (GEF) under the Special Climate Change Fund (SCCF). The Project, which covered both rain-fed and irrigated areas in Northern Mindanao (Region X) and the Davao region (Region XI), officially ended on December 31, 2017.

At the project’s official launch in Davao City on June 1, 2015, PCIC President and National Project Director, Atty. Jovy C. Bernabe, committed to deliver WIBI products to 2,000 farmers in Mindanao. By the end of the project term, targets were exceeded, foremost of which are the following:

Target Outcome 1: Adjust regulatory and fiscal incentive structures to stimulate private sector engagement in climate risk reduction and transfer for agri-based rural households.

To encourage more farmers and fisherfolk to avail themselves of WIBI and the private sector to support it, an incentive mechanism was put in place

With the support of the Agricultural Guarantee Fund Pool (AGFP), a legal instrument was crafted that allowed private sector to avail of incentives for supporting the WIBI, e.g., the AGFP Governing Board issued a certification in November 2016 reducing guarantee fee rates for banks with WIBI-insured loans from 0.85% guarantee fee to 0.45% and, for agrarian reform beneficiaries, at 0.25%.

A bill filed in Congress was also supported since it aims to provide a new institutional mandate for the PCIC and the provision of parametric insurance (i.e. WIBI) and reinsurance services. The bill proposes to increase PCIC’s capitalization from P1.5 Billion to P10 Billion, a large part of which can be used for a full-blown implementation of the WIBI Program.

PCIC’s readiness in expanding WIBI to new crops beyond rice and corn

Through a technical collaboration with the Philippine Rice Research Institute (PhilRice), an innovation was introduced on index development approximating to cover as well different parts of the country. The indices reflect the climatic and edaphic characteristics of specific areas.

As part of the program accomplishments, preliminary nationwide indices for rice (covering all synoptic stations in the country) have been developed using the new method of index-setting, breach assessment, and payouts which translates to a low basis risk insurance product.

Other researches were also carried out that supports the WIBI Program. These include a willingness-to-pay (WTP) study that enabled PCIC fine-tune its design and identify its most suitable markets. Moreover, actuarial studies for WIBI premium pricing allowed PCIC to put a fair price on the product.

Further, with the Philippine Atmospheric, Geophysical and Astronomical Services Administration (PAGASA), a correlation analysis was done among four types of crops – banana,

sugarcane, coconut and cacao – vis-a-vis different weather parameters to determine guidelines in the index-development process for these crops.

Target Outcome 2: A custom-made weather index-based integrated financial package that strengthens climate resilience in agriculture sector in Mindanao.

The remarkable achievement of the WIBI Mindanao Project is the delivery of a weather index-based insurance to 2,413 farmers (54% male, 46% female), of which 7.4% (or 178 farmers) received indemnity payments because of excessive or the lack of rain. The total indemnity amounted to approximately P1.5 Million. This means that crop insurance safeguards the loan of the farmers at the start of the cropping season. With the insurance payouts, farmers need not default on their loan.

Target Outcome 3: Give farmer and producer organizations the ability to analyze the climate risk and develop and implement adaptation practices to enhance productivity.

With the help of the Climate Change Commission (CCC), the Project successfully produced a total of 79 trainers for Climate Change Adaptation (CCA) and Disaster Risk Reduction (DRR). The modules prepared by the CCC, including the Awareness Preparedness for Emergencies at the Local Level (APELL) approach, were cascaded to over 20 barangays.

Likewise, the Agricultural Training Institute (ATI) completed a series of Training of Trainers (ToT) for Enhanced Climate Field School and Farmers' Decision Support System. A total of 606 farmers graduated from this series.

These milestones were showcased during the Concluding Conference, also the Final Project Board meeting, on December 5, 2017 in Mandaluyong City. Key players in agricultural insurance industry participated in the event, particularly the head of the Insurance Commission (IC), National Reinsurance Corporation of the Philippines (PhilNaRe), the Asian Development Bank (ADB) and the GIZ.

The WIBI Mindanao Project Board members were composed of the following agencies: PCIC, UNDP, DA, NEDA, Philippine Commission on Women (PCW), CCC, DA-Systems Wide Climate Change Office (SWCCO) and DENR as the GEF Operational Focal Point.

PCIC expressed that the project had been satisfactory and shared the intention of management in pursuing the WIBI Program.



WIBI Mindanao Project conducts National Stakeholders' Forum on March 14, 2017 in Davao City.

HIGHLIGHTS OF OPERATIONS

G. Stakeholders Satisfaction Survey

PCIC conducts periodic Stakeholders Satisfaction Surveys to improve and maintain the quality of service it commits to deliver to its stakeholders.

In 2016, the PCIC received high satisfaction ratings of 99.24% and 94.52% from its external and internal stakeholders, respectively.

For 2017, the Development Academy of the Philippines (DAP) was tapped again to conduct the stakeholders satisfaction survey. The external stakeholders were clustered into four groups, namely: (1) clients/customers; (2) cooperatives, underwriters, and solicitors; (3) intermediaries; and (4) national government agencies (NGAs) and local government units (LGUs). The internal stakeholders were composed of PCIC officers and employees (permanent, co-terminus, and job order).

For external stakeholders, the dimensions used were timeliness and responsiveness; access and facilities; staff; quality and reliability; integrity; and outcome. While for the internal stakeholders, the dimensions used were: work-life balance; teamwork and collaboration; feedback and communication; growth and development; compensation and benefits; recognition, regard, and respect; resources; accountability and performance; and integrity and fairness.

The survey used both face-to-face and online methodologies. The face-to-face survey for the external stakeholders was administered on December 18 to 22, 2017 in four regions (Regions III, III-A, IV, and XI), and from January 8 to 12, 2018 in other three regions (Regions V, VIII, and X). Meanwhile, the online survey was administered to internal stakeholders on December 27, 2017 to January 17, 2018.

A sample size of 1,363 was used in the survey. With a response rate of 84%, the survey had a total of 1,147 actual respondents, where 1,013 were external stakeholders while 134 were PCIC officers and employees.

Of the external stakeholders, 97.78% were satisfied on PCIC service. As for the internal stakeholders, 87.50% were satisfied. Both stakeholders gave PCIC a satisfied rating: the external stakeholders gave an overall satisfaction index of 4.33, while the internal stakeholders gave a rating of 4.23.

The survey likewise revealed areas for improvement in the service of PCIC, to wit:

On timely and efficient service. PCIC is urged to be proactive in identifying the needs of customers in filing of applications and claims, expedite the processing of commissions or incentives, address the delay in reports of adjusters resulting to slow claims processing, and set up offices closer to farmers and fisherfolk for clients' convenience.

On system in determining claims valuation. Respondents requested for review of internal rules and procedures for more accurate valuation of claims, and reassessment of the computation of commissions or incentives.

On compensation and benefits, room for growth, teamwork, respect and recognition among employees. Permanent PCIC employees look for opportunities for growth and honing of their skills as well as more areas of collaboration within the organization. Job Order Employees meanwhile are concerned with getting compensation commensurate to their respective workload and in getting the respect and letting their opinions be heard within the organization.

On manpower support. Employees see PCIC as having insufficient manpower complement vis-à-vis the workload.

On facilities. PCIC needs to improve its facilities in terms of customers' view of getting access to information on the status of their application for insurance and claims for indemnity.

On coordination among employees. PCIC has to establish among its employees a system of coordination.

For external respondents, they praised PCIC for the following aspects: (1) Respectful and attentive staff, (2) Quality and reliability, (3) Integrity and fairness, and (4) Knowledge of company objectives and strategies.

Overall, the survey showed that all stakeholders are satisfied with PCIC's service. Nevertheless, PCIC needs to seriously consider rooms for improvement particularly now that the farmers and fisherfolk of our country are experiencing the ill effects of climate change.



DAP performs stakeholders satisfaction survey for PCIC clients and partners in Tarlac City and San Fernando, Pampanga on December 19-20, 2017.

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H. PCIC Extension Offices

As part of its commitment to bring insurance service closer to its stakeholders, the PCIC is continually forging alliances with local government units and various government agencies for the installation of PCIC extension offices (PEOs) and service desks. In 2017, the number of PEOs increased to 48 offices and 10 service desks from an initial number of 33 offices in 2015. This strategy of enhancing the service to farmers and fisherfolk is one of the key factors in the accomplishment of 55% increase in the number of farmers and fisherfolk insured in 2017.

REGIONAL OFFICE	PROVINCE	PCIC EXTENSION OFFICE LOCATION	CONTACT NUMBER	OFFICE SCHEDULE
1	ILOCOS SUR	PEO-National Highway, Brgy. 2, Barangay 2, Bantay, Ilocos Sur (Beside NFA-Provincial Office)	(077) 604-9699 0905-317-1240	Monday to Friday
	PANGASINAN	PEO-No. 02 San Vicente, Alaminos City, Pangasinan	0919-284-8066	
	BENGUET	PEO-2F Spot Trading Bay 2, Benguet Agri-Pinoy Trading Center (BAPTC), BSU Strawberry Field, La Trinidad, Benguet	0946-727-7995	
		PEO-Lower Ground Floor, BENCOM Bldg., Sitio Bekes, Buyacaoan, Buguias, Benguet	0928-176-7464	
2	CAGAYAN	PEO-Rm2, G/F Baptista Bldg, National Highway, Libertad, Abulug, Cagayan	0935-188-3748 0906-864-5701 0926-233-4731	Monday to Friday
		SERVICE DESK-NIA Magapit Pumping Irrigation System, Bulala, Camalaniugan, Cagayan	0935-992-4719	Every Wednesday and Friday
	ISABELA	PEO-Rm 315, 3/F Heritage Commercial Complex Malvar, Santiago, Isabela	(078) 682-0248 0915-844-4228 0997-416-8280	Monday to Friday
		SERVICE DESK-Mallig FST Office, Casili, Mallig, Isabela	0997-102-8458 0905-712-0904 0997-102-8458	Every Thursday
	KALINGA	SERVICE DESK-Office of the Provincial Agriculturist, Bulanao, Tabuk, Kalinga	0935-946-6567 0946-203-5460 0997-962-9634	Every Wednesday & Thursday
	NUEVA VIZCAYA	SERVICE DESK-OPA District IV., Bayombong, Nueva Vizcaya	0997-962-9634	Every Thursday
	QUIRINO	SERVICE DESK-Tourism Office, 2/F Commercial Building, Capitol Hill, San Marcos, Cabarroguis, Quirino	0905-261-8122	Every Monday
	IFUGAO	SERVICE DESK-OPA, Lamut, Ifugao	0905-712-0904	Every Wednesday
3	ZAMBALES	PEO-One Primer Bldg., Zone 4 Magsaysay St., Corner Luna St., Poblacion, Iba, Zambales	0910-465-4783 0920-470-4835 0910-801-0665	Monday to Friday
3A	AURORA	PEO-2nd Floor BG Plaza, Baler, Aurora	0920-559-1607	Monday to Friday

HIGHLIGHTS OF OPERATIONS

4	QUEZON	PEO-One Granja St., Quezon Avenue, Lucena City	0929-282-7272	Every Monday
			0910-769-5512	Every Tuesday
			0930-755-4546	Every Wednesday
			0912-875-4204	Every Thursday
			0907-727-7244	Every Friday
			0930-774-2519	Monday -Friday
	OCCIDENTAL, MINDORO	PEO-265 Salgado St., Buenavista, Sablayan	0930-774-2519	Every Monday
			0975-497-8805	Monday -Friday
	MARINDUQUE	PEO-2F Villamar Bldg., Juan Luna St, Labangan, San Jose City	0998-954-7036	Every Monday
			0907-816-2459	Monday -Friday
		PEO-Isok 1, Boac, Marinduque	0930-829-0074	Every Monday
			0950-512-1032	Monday -Friday
	PALAWAN	PEO-276 Malvar cor. Beltran Streets, Puerto Princesa City, Palawan	0910-710-8540	Monday
			0910-305-9220	Monday to Friday
		PEO-GCI Homes, Moreno Subdivision, District II, Poblacion, Brookes Point	0908-575-1584	Monday to Friday
	ORIENTAL, MINDORO	PEO-Madrid Boulevard, Zone 2, Pinamalayan	0950-799-9972	Monday
			0919-823-0171	Wednesday
			0948-694-2823	Friday
	ROMBLON	SERVICE DESK-DAR Provincial Office, Odiongan, Romblon	0908-679-8132	Monday
5	CAMARINES SUR	PEO-Unit 205, One Magsaysay Corporate Center, Magsaysay Avenue, Naga City	0919-324-4468 0946-738-8230 0929-776-8897	Monday to Friday
	MASBATE	PEO-Jerry Alerta Bldg., Cagba, Tugbo, Masbate	0947-751-1463 0943-830-9367 0948-616-3802	Monday to Friday
	SORSOGON	SERVICE DESK-Sorsogon OPAG	0906-540-6357 0909-532-1145 0909-971-5631	Monday to Friday
	CATANDUANES	SERVICE DESK-Catanduanes OPAG	0998-409-9179 0948-037-4672	Monday to Friday
	CAMARINES NORTE	SERVICE DESK-Camarines Norte OPAG	0946-620-6961 0948-136-6558	Monday to Friday
6	AKLAN	PEO-G & F Radislao Bldg., Brgy. Jumarap, Banga, Kalibo, Aklan	0939-929-3340 (036)267-7262	Monday to Friday
			0930-814-8444	Tuesday
			0912-544-7964	Monday
			0946-262-0857	Thursday
			0909-725-2860	Wednesday
	CAPIZ	PEO-Room 1 Joeval's Apartment, San Roque St., Inzo Arnaldo, Roxas City, Capiz	(034) 620-1883 0919-273-4390 0946-035-6255	Monday to Friday
	ANTIQUE	PEO- Barbaza MPC Bldg., Cerdeña St., Brgy. 5, San Jose, Antique	0998-563-4365 036) 641-6399 0949-035-8906	Monday to Friday
	ILOILO	PEO-12 Washington Street, Brgy., Democracia, Jaro, Iloilo City	(033) 323-3980 0910-649-2162 0977-840-7377	Monday to Friday
	NEGROS OCCIDENTAL	PEO-ACP Handumanan Bldg., Burgos cor San Juan Sts., Bacolod City, Negros Occidental	(034) 444-0772 0929-172-9113 0919-429-8301	Monday to Friday
			0915-388-0494	Monday to Friday

HIGHLIGHTS OF OPERATIONS

7	BOHOL	PEO-2F, BOPE Bldg., Rocha corner Sikatuna Streets, Tagbilaran City	0921-376-7927 0907-781-1572 0907-560-0937	Monday to Friday
		PEO-Ubay Business Center, Gaviola Compound, Ubay, Bohol	0947-516-7523 0948-371-0135 0955-612-7462	Monday to Friday
	NEGROS ORIENTAL	PEO-Rafael Suites, Daro, Dumaguete City	(035) 421-2672 0917-501-0822 0916-738-2430	Monday to Friday
		PEO-Verna's Bldg., National Highway, Villareal, Bayawan City	(035) 430-0403 0975-694-0818 0935-115-3844	Monday to Friday
8	LEYTE	PEO Leyte 1 & 2- 3rd Floor, F. Mendoza Realty Complex (Kokoy's Grocery), 141 Sto. Niño St., Tacloban City		Monday to Friday
		PEO-Indiana Heights, Haubon, San Isidro, Ormoc City	(053) 561-8696 0929-713-8803 0946-376-8890	Monday to Friday
		PEO-Real St., Brgy Bito, Abutog Leyte	0920-246-2022 0912-923-3453 0905-603-8697	Monday to Friday
		PEO-CV Alcuino St., Hilongos, Leyte		Monday to Friday
	SOUTHERN LEYTE	PEO-2nd Floor, Visto Bldg.,Brgy. Zone 5, Sogod, Southern Leyte	0906-628-0975 0905-298-4688	Monday to Friday
	BILIRAN	PEO-229 Caneja Extension, Brgy P. I. Garcia, Naval, Biliran	(053) 500-2340 0921-781-2691 0998-316-3630	Monday to Friday
	WESTERN SAMAR	PEO-Mabini Avenue, Brgy. Patag, Catbalogan City, Western Samar	(055) 543-9156 0915-812-9825	Monday to Friday
	NORTHERN SAMAR	PEO-Balite Bldg., Roxas St., Brgy. Santol, Catarman, Northern Samar	0919-962-5392 0946-376-9037 0939-346-2315	Monday to Friday
9	ZAMBOANGA DEL NORTE	PEO Dipolog, FSA Development, Andres Bonifacio College Drive, Miputac, Dipolog City	0917-138-0993	Monday to Friday
	ZAMBOANGA SIBUGAY	PEO-1st Floor, Avery Arcade, Sanito, Ipil, Zamboanga Sibugay	0910-643-0631	
	MISAMIS OCCIDENTAL	PEO-Oroquieta Town Center, Brgy. Canubay, Oroquieta City, Misamis Occidental	0950-672-1057	
10	AGUSAN DEL NORTE	PEO-Capitol Drive, Butuan City	0907-636-7414 0998-534-7020 0926-478-2660	Monday to Friday
	AGUSAN DEL SUR	PEO-Brgy. Pisaan, San Francisco	0955-189-8109 0910-185-4298 0946-333-9957	Monday to Friday

HIGHLIGHTS OF OPERATIONS

11	DAVAO DEL NORTE	PEO-Ben S. Granada Training Center, Purok Mahogany RABE Subdivision, Tagum, Davao del Norte	0936-921-2026 0929-340-9289 0916-549-4749	Monday to Friday
	DAVAO DEL SUR	PEO-2nd Floor, Bureau of Fisheries Bldg., Office of the Municipal Agriculturist Bataan St., Digos City	0919-841-9499 0910-736-0592 0955-293-2525	Monday to Friday
			0955-293-2525	Every Wednesday
	DAVAO CITY	PEO-Corner Jacinto St. and Quezon Blvd., Davao City	0919-841-9499 0948-605-3007 0912-700-0950	Monday to Friday
	COMPOSTELA VALLEY	PEO-Mawab Municipal Hall Compound, Mawab, Compostela Province	0916-549-4749 0907-656-0606 0914-867-4964	Monday to Friday
	DAVAO ORIENTAL	PEO-Provincial Capitol Compound, Mati City	0916-549-4749	
12	SARANGGANI	PEO-3rd Floor, National Bldg., Coop Office Capitol Compound, Alabel, Sarangani Province	0919-841-9499 0946-975-2087	Monday to Friday
	NORTH COTABATO	PEO-2nd Floor MKTC Bldg., Quezon Blvd., Kidapawan City	0999-185-0280 0910-628-5589 0939-207-6542	Monday to Friday
	SULTAN KUDARAT	PEO-1st Floor Torres Bldg., Poblacion 1, Lebak, Sultan Kudarat	0909-173-7218 0912-844-4429 0946-626-9548	



The PCIC Extension Offices in Lucena City and Marinduque.

PCIC PASSES THE ISO 9001 ANNUAL SURVEILLANCE AUDIT

TÜV Rheinland Philippines, Inc., the ISO certifying body, noted PCIC's commendable improvements during the annual surveillance audit of the Corporation on April 24–27 and May 9, 2017. The improvements taken are the following: installation of new conference room for trainings and other purposes at the Head Office in Quezon City; continuous improvement initiative for efficient claims adjustment by using the tablet technology and Smartphone application; locating the Regional Office 2 at the Regional Government Center in Carig, Tuguegarao City, Cagayan; and enhancement of the PCIC accounting system through the Financial Management System application.

The TÜV Rheinland Auditors – Anthony Lugay, Lionell Aala, and Abigail Salomon – examined PCIC's compliance to the ISO 9001 Quality Management System requirements through random sampling

audit conducted in five PCIC Regional Offices: RO 1 - Urdaneta City, Pangasinan; RO 3A - Cabanatuan City, Nueva Ecija; RO 6 - Iloilo City, Iloilo; RO 10 - Cagayan de Oro City, Misamis Oriental; and RO 11 - Koronadal City, South Cotabato. The culmination of the surveillance audit was held at the PCIC Head Office in Quezon City.

In this round of audit, the auditors did not raise any nonconformity issue which warranted the continuation of PCIC's ISO 9001:2008 certificate of compliance until expiry in September 2018. The audit findings were opportunities for improvement in the operations and the management system. The TÜV Rheinland auditors noted in its report, "It is commendable that the auditees are cooperative, open, and willing to improve the implementation of Quality Management System."



The Regional Manager of PCIC Regional Office 3A, Melba Manalo (behind desk), AFD Chief Gerlie Gregorio (right), and Internal Auditor Solita Samera (standing), explain the training programs and the evaluation of trainings completed by the Regional Office to the auditor of TÜV Rheinland, Lionell Aala.



Mark Anthony Lugay of TÜV Rheinland expounds on the random sampling method on the conduct of the surveillance audit at PCIC Regional Office 11 in Koronadal City, South Cotabato.



PCIC Administrative Department Manager Rasel dela Cruz (left) presents the functional statements of the various units of the corporation to Abigail Salomon (right) of TÜV Rheinland.



PCIC ARPVD Chief Renato Viado (right) discusses the actuarial studies being carried out by the PCIC operations group to Lionell Aala of TÜV Rheinland (left) during the audit of PCIC Head Office in Quezon City.

CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES

The Corporation implements corporate social responsibility activities to promote the well-being of the small farmers and fisherfolk, communities it serves, and the environment where it operates. To effect change in the lives of its stakeholders and the environment, PCIC has implemented the following Corporate Social Responsibility (CSR) policies, programs and activities:

Premium Subsidies

The Corporation allocated premium subsidies for free agricultural insurance coverage of various DA programs and PCIC Regular Rice & Corn Insurance Programs for the benefit of the subsistence farmers and fisherfolk:

1. Allotment of ₱250 Million premium subsidy/discount for farmers participating in the PCIC Regular Rice and Corn Crop Insurance Programs for FY 2017 (Board Resolution No. 2017-003);
2. Additional allotment of ₱300 Million as premium subsidy/discount for the insurance coverage of farmers participating in the DA-LBP Sikat-Saka Program for FY 2017 (Board Resolution No. 2017-024 and Board Resolution No. 2017-067);
3. Provision of ₱2 Million premium subsidy/discount for the insurance coverage of farmers participating in the Fertilizer on Credit Program being implemented by the Planters Products Incorporated in support of the DA's "Masaganang Ani 200" Program (Board Resolution No. 2017-029);
4. Allotment of additional ₱100 Million for full (100%) premium subsidy for the insurance coverage of Agrarian Reform Beneficiaries (ARBs) participating in the APCP and CAP-PBD credit facilities of DA-DAR-LBP (Board Resolution No. 2017-053 and Board Resolution No. 2017-76);
5. Provision of ₱150 Million for full (100%) premium subsidy for the crop insurance component of DA-PUNLA-PLEA and DA-SURE Credit Programs (Board Resolution No. 2017-063); and
6. Provision of ₱250 Million for full (100%) premium subsidy for the insurance coverage of farmers participating in the DA Hybrid Rice Production Program (Board Resolution No. 2017-073).

Tree Planting Activities

The PCIC Head Office and Regional Offices annually conduct tree planting activities to support the national efforts in conserving and protecting the environment, especially in the light of climate change.



PCIC RO 1 organizes the annual tree planting activity at Nangapugan, San Quintin, Pangasinan on September 15, 2017.

CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES



PCIC RO 2 partners with barangay officials, irrigators' association and RSBSA farmer-beneficiaries in tree planting along the Abbeg SWIP Furagui in Solana, Cagayan on November 11, 2017.



PCIC RO 4 joins efforts with the Philippine National Police-Batangas and the Department of Agriculture during the tree planting activity at Barangay Nangkaan, Mataas na Kahoy, Batangas on July 28, 2017.



PCIC RO 5 holds mangrove planting at the Bangate, Barcelona, Sorsogon on August 18, 2017.

CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES



PCIC RO 6 Manager Charlito O. Brilleto leads the planting of mangrove seedlings at Taklong Island National Marine Reserve on May 12, 2017.

PCIC RO 9 and DENR-CENR plant 200 seedlings of mangrove at Barangay Osukan, Labason, Zamboanga del Norte on September 24, 2017.



PCIC RO 10 conducts mangrove rehabilitation and planting at Tubajon, Laguindingan, Misamis Oriental on September 28, 2017.

CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES

Outreach and Feeding Programs

As a commitment to community welfare and promote the sense of community life among the officers and employees, PCIC conducted outreach activities and feeding programs in farmers' and fisherfolk's communities.



PCIC RO 3 shares goodies and served food at the Children's Joy Foundation, Inc. on December 28, 2017 in San Fernando City, Pampanga.



PCIC RO 3A distributes Christmas gifts and food packs to 132 Day Care to Grade 6 students of Popolon Elementary School, Palayan City on December 14, 2017.



PCIC RO 7 provides goods and serves meals to students of Lalin Elementary School, Alcoy, Cebu, on November 10, 2017.

CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES



PCIC RO 11 holds a feeding program and distributes grocery items and personal hygiene kits at Purok 4, Barangay Dumadalig, Tantangan, South Cotabato on November 10, 2017.



PCIC RO 12 supports the Rural Health Unit (RHU) of Midsayap in the Operation Tuli on May 12, 2017.



PCIC RO 12 helps RHU conduct the Mobile Blood Donation, Blood Sugar Check, Hemoglobin Count, and Blood typing in Midsayap on June 12, 2017.



PCIC Head Office, in coordination with the DA Municipal Office, distributes food packs and goodies in Nasugbu, Batangas on October 10, 2017



FINANCIAL STATEMENTS

Philippine Crop Insurance Corporation
STATEMENT OF COMPREHENSIVE INCOME (AUDITED)
 For the Year Ended December 31, 2017
 (In Philippine Peso)

	2017	2016 Restated
Income		
Service and business income	454,011,446	191,376,554
Other non-operating income	53,523,206	45,782,489
Total Income	507,534,652	237,159,043
Expenses		
Direct costs	2,253,044,055	1,455,348,423
Personnel services	175,480,728	141,848,961
Maintenance and other operating expenses	230,574,245	186,000,459
Financial expenses	426,545	222,298
Non-cash expenses	11,011,073	8,621,838
Total Expenses	2,670,536,646	1,792,041,979
Loss before tax	(2,163,001,994)	(1,554,882,936)
Income tax expenses/(benefit)	-	-
Loss after tax	(2,163,001,994)	(1,554,882,936)
Net assistance/subsidy	2,500,000,000	1,600,000,000
Net income	336,998,006	45,117,064
Other comprehensive income/(loss) for the period	-	-
TOTAL COMPREHENSIVE INCOME	336,998,006	45,117,064

Philippine Crop Insurance Corporation
STATEMENT OF FINANCIAL POSITION (AUDITED)

December 31, 2017

(In Philippine Peso)

	2017	2016 Restated	1 January 2016 Restated
ASSETS			
Current assets			
Cash and cash equivalents	2,973,522,537	1,175,624,853	742,052,854
Receivables, net	167,732,498	169,337,700	278,603,920
Inventories	4,557,134	2,981,239	2,249,838
Other current assets	2,652,599	2,297,477	2,063,610
Total Current assets	3,148,464,768	1,350,241,269	1,024,970,222
Non-current assets			
Financial assets - held to maturity	1,683,664,950	1,328,207,724	1,962,413,353
Other investments	2,141,600	2,115,700	2,115,700
Receivables, net	328,967,595	328,791,296	327,875,618
Property and equipment, net	90,328,808	55,618,505	47,402,814
Intangible assets	3,779,710	4,392,636	6,129,260
Other non-current assets	575,589	560,913	290,846
Total Non-current assets	2,109,458,252	1,719,686,774	2,346,227,591
TOTAL ASSETS	5,257,923,020	3,069,928,043	3,371,197,813
LIABILITIES			
Current liabilities			
Financial liabilities	761,465,644	605,000,000	797,232,597
Inter-agency payables	8,576,243	6,604,703	4,992,545
Trust liabilities	365,851	365,851	365,851
Provisions	44,180,709	31,980,112	-
Other payables	241,787,094	100,852,062	73,918,775
Total Current liabilities	1,056,375,541	744,802,728	876,509,768
Non-current liabilities			
Inter-agency payables	29,838,264	26,940,385	18,130,981
Trust liabilities	173,260,228	163,949,893	154,306,139
Deferred credits/unearned premiums	1,981,330,723	590,224,979	635,912,971
Provisions	306,879,000	-	148,549,000
Total Non-current liabilities	2,491,308,215	781,115,257	956,899,091
TOTAL LIABILITIES	3,547,683,756	1,525,917,985	1,833,408,859
EQUITY			
Contributed capital	1,250,954,415	1,250,954,415	1,250,954,415
Stockholders' equity	259,451,431	259,451,431	259,451,431
Retained earnings	199,833,418	33,604,212	27,383,108
TOTAL EQUITY	1,710,239,264	1,544,010,058	1,537,788,954
TOTAL LIABILITIES AND EQUITY	5,257,923,020	3,069,928,043	3,371,197,813

Philippine Crop Insurance Corporation
NOTES TO FINANCIAL STATEMENTS
 (All amounts in Philippine Peso unless otherwise stated)

1. BASIS FOR THE PREPARATION AND PRESENTATION OF FINANCIAL STATEMENTS

Statement of Compliance

The Corporation's financial statements have been prepared in compliance with Philippine Financial Reporting Standards (PFRSs). The term PFRSs in general includes all applicable PFRS, Philippine Accounting Standards (PAS) and Standing Interpretations Committee (SIC)/ International Financial Reporting Interpretations Committee (IFRIC) interpretations which have been approved by the Financial Reporting Standards Council (FRSC).

These are the Corporation's first financial statements prepared in accordance with PFRSs and PFRS 1 - First-time Adoption of Philippine Financial Reporting Standards has been applied.

The financial statements have been prepared on a historical basis, except for the financial assets - held to maturity which is measured at amortized cost.

2. CASH AND CASH EQUIVALENTS

This account consists of the following:

	2017	2016 Restated	1 January 2016 Restated
Cash in bank-local currency	2,970,456,353	1,173,046,809	740,375,498
Cash on hand	3,066,184	2,578,044	1,677,356
	2,973,522,537	1,175,624,853	742,052,854

The cash in bank-local currency consists of the following:

	2017	2016 Restated	1 January 2016 Restated
Marketable securities	2,567,395,356	941,055,589	502,049,245
General and administrative fund	219,264,125	54,056,525	77,325,333
Claims fund	150,626,947	147,417,296	108,989,715
Savings account OSDA	17,247,279	13,932,862	28,926,143
Mother account	15,863,859	16,538,105	22,995,445
Investment fund	58,787	46,432	89,617
Total	2,970,456,353	1,173,046,809	740,375,498

3. RECEIVABLES – CURRENT

This account consists of the following:

	2017	2016 Restated	1 January 2016 Restated
Loans and receivable	163,703,053	166,541,602	273,173,032
Inter-agency receivables	1,379,244	2,962	2,962
Other receivables	2,650,201	2,793,136	5,427,926
Total	167,732,498	169,337,700	278,603,920

3.1 Loans and receivable account consists of:

	2017	2016 Restated	1 January 2016 Restated
Contributions and premiums receivable	158,063,288	161,877,588	265,116,507
Interest receivable - bonds	5,472,222	4,662,853	8,055,364
Reinsurance commission	166,382	-	-
Reinsurance receivable	1,161	1,161	1,161
Total	163,703,053	166,541,602	273,173,032

3.2 Contributions and premiums receivable from:

	2017	2016 Restated	1 January 2016 Restated
National Government	146,402,104	83,405,040	200,351,819
Farmers	13,168,777	80,063,589	66,387,433
Less: Allowance for impairment	(3,740,130)	(3,740,130)	(3,740,769)
Farmers, net	9,428,647	76,323,459	62,646,664
Lending institutions	2,232,537	2,149,089	2,118,024
Total	158,063,288	161,877,588	265,116,507

Premiums receivable - National Government (NG) represents the amount of unreleased share of government in the total insurance premiums, pursuant to Section 5 Republic Act No. 8175.

4. FINANCIAL ASSETS - HELD TO MATURITY - NON CURRENT

This account represents investments in the following

	2017	2016 Restated	1 January 2016 Restated
Investment in bonds - LBP	1,131,464,000	1,126,006,774	1,512,519,401
Investment in bonds - BTr	552,200,950	202,200,950	449,893,952
Total	1,683,664,950	1,328,207,724	1,962,413,353

NOTES TO FINANCIAL STATEMENTS

5. RECEIVABLES - NON CURRENT

This account consists of the following:

	2017	2016 Restated	1 January 2016 Restated
Premiums receivable - arrearages NG	315,664,677	315,664,677	315,664,677
Inter-agency receivable	367,620	367,620	367,620
Other receivables	12,935,298	12,758,999	11,843,321
Total	328,967,595	328,791,296	327,875,618

Premiums receivable - arrearages NG

The premiums receivable pertains to the cumulative premium subsidy arrearages from the NG when Republic Act No. 8175 was enacted in 1995. This is consisted of unappropriated and/or unreleased government premium subsidy for policies written for the period from May 1, 1981 up to 1995. The receivable was programmed for payment by the NG within a period of ten years from 1996. The account also includes unpaid Government Premium Share (GPS) from 1996 to 2011. Details of the Premiums receivable from the NG are as follows:

	CYS 1981 to 1995	CYs 1996 to 2008	Total
Unrealized GPS	542,941,295	146,906,182	689,847,477
Less: Collections	374,182,800	-	374,182,800
	168,758,495	146,906,182	315,664,677

6. FINANCIAL LIABILITIES - CURRENT

This account consists of the following:

	2017	2016 Restated	1 January 2016 Restated
Accounts payable	761,211,199	604,769,149	797,004,812
Due to officers and employees	254,445	230,851	227,785
Total	761,465,644	605,000,000	797,232,597

The Accounts payable account consists of the following:

	2017	2016 Restated	1 January 2016 Restated
Claims payable - SRTF	187,536,617	187,536,617	187,536,617
Crops	535,779,279	383,796,560	559,142,341
High Value Crop	14,375,954	16,413,008	47,223,504
Livestock	11,132,113	4,790,544	1,628,440
Fisheries	5,414,953	1,075,752	-
Credit and Life Term Insurance	5,309,281	4,907,757	1,124,910
Non-crop	775,002	6,028,911	99,000
Death benefit	888,000	220,000	250,000
Total	761,211,199	604,769,149	797,004,812

Claims payable – SRTF represents the remaining unpaid portion of claims for special guarantee payment (SGP) [2nd and 3rd installments] of the banks.

7. INTER-AGENCY PAYABLES - NON CURRENT

This account consists of the following:

	2017	2016 Restated	1 January 2016 Restated
Due to National Government Agencies (NGAs)	16,557,088	14,844,020	17,555,839
COA	12,706,034	11,521,223	-
Agricultural Credit and Policy Council (ACPC)	478,791	478,791	478,791
Comprehensive Agricultural Loan Facility (CALF)	96,351	96,351	96,351
Total	29,838,264	26,940,385	18,130,981

8. DEFERRED CREDITS/UNEARNED PREMIUMS

This account consists of the following:

	2017	2016 Restated	1 January 2016 Restated
Deferred credits	1,012,902,660	1,128,532	13,036,240
Reserve for unearned premiums	968,428,063	589,096,447	622,876,731
Total	1,981,330,723	590,224,979	635,912,971

DEFERRED CREDITS

This represents fees received from lending institutions (LIs) and farmers whose application for insurance coverage are in process, held in abeyance, as well as deficiencies in guarantee fee remittances. This account is also credited for the booked disallowance on the nine per cent interest on car plan.

This includes the following:

	2017	2016 Restated	1 January 2016 Restated
Deferred premium income	1,012,749,087	980,732	12,888,440
Deferred credits-gain on valuation of securities	153,573	147,800	147,800
Total	1,012,902,660	1,128,532	13,036,240

9. PROVISIONS

This represents Reserve for indemnity fluctuations wherein portion of the income is reserved in anticipation of future variations in the insurance claims payment.

	2017	2016	1 January 2016
Beginning balance	-	148,549,000	113,161,000
Add : Provision for the year	306,879,000	-	35,388,000
Less: Application for the year	-	(148,549,000)	-
Ending Balance	306,879,000	-	148,549,000

NOTES TO FINANCIAL STATEMENTS

10. CONTRIBUTED CAPITAL

Under Republic Act No. 8175, authorized share capital of PCIC increased from P750 million to P2 billion divided into 15 million common shares each with a par value of P100 for government subscription, and 5 million preferred shares also with a par value of P100 per share.

As of December 31, 2017, the Corporation's paid-up Contributed capital stood at P1.251 billion. This consists of 12,509,544 shares of common stock with a par value of P100 per share subscribed and paid by the National Government (NG). The total subscription receivable from the NG as of December 31, 2017 is P249.046 million.

11. STOCKHOLDERS' EQUITY

This account consists of the following:

	2017	2016	1 January 2016
Share capital	100,000,000	100,000,000	100,000,000
Share premium	159,451,431	159,451,431	159,451,431
Total	259,451,431	259,451,431	259,451,431

12. RETAINED EARNINGS

This account consists of the following:

	2017	2016
Balance, beginning of year	33,604,212	27,383,108
Add (Deduct):		
Prior period adjustments	-	(16,337,428)
Dividends	(170,768,800)	(22,558,532)
Net income	336,998,006	45,117,064
Balance, end of the year	199,833,418	33,604,212

13. DIVIDENDS TO THE NATIONAL GOVERNMENT

For the year 2017, PCIC declared dividends to the NG amounting to P170,768,800 representing the 50% of the year's income. In 2014, 2015 and 2016, PCIC declared and remitted dividends to the NG through the Bureau of the Treasury (BTr) in the amount of P100,082,698, P36,556,247 and P22,558,532, respectively.

14. SERVICE AND BUSINESS INCOME

This represents Insurance Premiums paid by farmers for an insurance policy as follows:

	2017	2016
Agri-Agra funds from BSP	548,739,497	-
Farmers, fisherfolk and lending institutions	327,311,519	304,009,280
PCIC funds and other sources	13,703,628	791,292,324
Total premiums	889,754,644	1,095,301,604
Less: Premium reserve	(434,643,877)	(154,313,356)
Premium discounts	(872,355)	(749,572,716)
Returns and cancellations	(226,966)	(38,978)
Total Service and Business Income	454,011,446	191,376,554

15. NET ASSISTANCE/SUBSIDY

This account represents the share of the National Government (NG) in the premiums in the form of Government Premium Subsidy (GPS). Insurance premiums for palay and corn are being shared by the farmers, lending institution and the government. The premium rating and the corresponding share of the Government was approved by the President of the Philippines.

For the year 2017, the approved GPS amounted to P2.500 billion representing 100 per cent cost of insurance premium of farmers and fisherfolk listed under the Registry System for Basic Sectors in Agriculture (RSBSA) for all the insurance program of PCIC.

Aside from the P2.500 billion approved GPS for farmers and fisherfolk listed under the RSBSA, PCIC also underwrites P562.443 million worth of premium production.

Below is the breakdown of Insurance premiums – Government share:

	2017
Premiums from GPS for RSBSA listed farmers and fisherfolk	2,500,000,000
Premiums given to farmers and fisherfolk in excess of the approved GPS sourced from Agri-Agra funds from BSP, PCIC funds and other sources	562,443,125
Total	3,062,443,125

16. DIRECT COSTS

This account consists of the following:

	2017	2016
Insurance benefits	1,879,251,872	1,561,283,965
Reserve for indemnity fluctuations (Note 25)	306,879,000	(148,549,000)
Commission expense	56,986,054	37,009,372
Death benefits	4,483,000	3,265,000
Service fee	2,730,852	-
Honoraria and incentives	1,691,728	1,297,703
Reinsurance premiums ceded treaty/facultative	1,021,549	1,041,383
Total	2,253,044,055	1,455,348,423

NOTES TO FINANCIAL STATEMENTS

INSURANCE BENEFITS

This represents losses/claims paid and accrued for the period, details as follows:

	2017	2016 Restated
Regular lines	1,752,932,122	1,434,132,636
High-Value crops	68,725,561	79,107,752
Credit and Life Term insurance	27,134,070	17,010,864
Livestock	23,999,856	24,467,921
Fisheries	6,050,469	416,500
Non-crop	409,794	6,148,292
Total	1,879,251,872	1,561,283,965



PCIC RO 9 distributes indemnity checks worth P118,834 to farmers of Labason, Zamboanga Del Norte.

BOARD OF DIRECTORS



EMMANUEL F. PIÑOL

Secretary
Department of Agriculture



CRISOLOGO DP. IGNACIO

Acting Chairman of the Board
Board Member, Representative from the Private Insurance Industry
Chairman, Governance Committee
Date of first Appointment: February 17, 2017
Age: 70 years old

Chairman, Godel Concrete and Systems, Inc. (2017-present)
Consultant/Director, Filmetrics Corporation (2010-present)
Consultant, FF Cruz Shipping Corporation (2002-present)
Non-life Insurance Agent, Pioneer Insurance and UCPB General Insurance Company, Inc. (1992-present)
Life Insurance Underwriter, Insular Life Assurance Company, Ltd (1992-1998)

Training and/or Continuing Education Program Attended:
Corporate Governance Orientation Program for GOCCs
Institute of Corporate Directors, September 28, 2017
Seminar-Workshop on Administration of Insurance Policies, Visualization Tool for Weather Data and Design and Development of Weather Insurance Products
Celcius Pro, June 15, 2017

Bachelor of Science in Business Administration, Philippine School of Business Administration

BOARD OF DIRECTORS



ATTY. JOVY C. BERNABE

Vice-Chairman and PCIC President

Member, Governance Committee

Date of first appointment: October 28, 2008

Age: 47 years old

Member of the Board of Trustees and Board Secretary, APRACA CENTRAB (2008-present)

Executive Director, National Agricultural and Fishery Council (2000-2001 and 2003-2004)

Deputy Executive Director, National Agricultural and Fishery Council (1999-2000)

Board Secretary, Sugar Regulatory Administration (1998-2001)

Training and/or Continuing Education Program Attended:

Seminar-Workshop on Administration of Insurance Policies, Visualization Tool for Weather Data and Design and Development of Weather Insurance Products Celcius Pro, June 15, 2017

Global Nationally Determined Contribution (NDC) Conference in Berlin
GIZ Support Project for the Implementation of the Paris Agreement, UNDP Low Emission Capacity Building Programme, Low Emission Development Strategies Global Partnership, and NDC Partnership, May 2-6, 2017

Bachelor of Laws, University of the Philippines Diliman

Bachelor of Science in Business Economics, University of the Philippines Diliman



ALEX V. BUENAVENTURA

Ex-officio Board Member, LBP President and CEO

Member, Audit and Risk Management Committee

Date of first Appointment: November 11, 2016

Age: 64 years old

Chairperson, LBP Leasing and Finance Corporation (2016-present)

Chairperson, National Livelihood Development Corporation (2016-present)

President and Director, One Network Bank (2004-2016)

President, Rural Bankers Association of the Philippines (1987-1988)

Chairperson, Rural Bankers Research and Development Foundation, Inc. (1988-1989)

Private Sector Representative for Mindanao, Small and Medium Enterprises Development National Council (1995-1998)

Training and/or Continuing Education Program Attended:

Study Visit on Smallholder Estates
July 16-20, 2017

Corporate Governance Orientation Program for GOCCs
May 24, 2017

Site Visitation in CPF Philippines Corporation
May 2-7, 2017

Master's in Business Administration, Catholic University of Louvain
AB Economics (Honors Program), Ateneo de Manila University



JOCELYN ALMA R. BADIOLA

Ex-officio Board Member, ACPC Executive Director

Member, Governance Committee

Date of first Appointment: July 1, 2016

Age: 56 years old

Vice-President, APRACA CENTRAB (2016-present)

Deputy Executive Director, Agricultural Credit Policy Council (1997-2016)

Executive Director, Congressional Oversight Committee in Agricultural and Fisheries Modernization (COCAFAM) at the Senate of the Philippines (2010-2013)

Training and/or Continuing Education Program Attended:

2017 Global Summit of Women

May 11-13, 2017

61st Session of the United Nations Commission on the Status of Women (UNCSW61)

March 10-20, 2017

Master of Arts in Economics, University of the Philippines Diliman

Cum Laude, Bachelor of Science in Economics, Ateneo de Naga University



ALEX DG. SUAREZ

Board Member, Representative from Luzon Farmers' Sector

Chairman, Audit and Risk Management Committee

Date of first appointment: October 16, 2012

Age: 56 years old

Vice-President for Marketing, Suarez Bros. Metal Arts, Inc. (2011-present)

Managing Director, Suarez Metaplas Industries, Inc. (1987-present)

Proprietor, coffee and fruit bearing trees farms in Cavite (2008-present)

Key Accounts Sales Specialist, SC Johnson & Sons Inc. (1986)

Assistant Production Manager, Suarez Bros. Metal Arts Inc. (1982-1985)

Training and/or Continuing Education Program Attended:

PCIC Capability Building Conference and National Conference on Gender Equality

Philippine Crop Insurance Corporation, December 7-9, 2017

Bachelor of Science in Business Administration, University of the Philippines Cebu

BOARD OF DIRECTORS



JUAN V. BORRA JR.

Board Member, Representative from the Visayas Farmers' Sector

Member, Governance Committee

Date of first Appointment: January 4, 2013

Age: 70 years old

Chairman, ExMer, Inc. (1997-present)

Senior Head Executive Assistant, Senate of the Philippines (2000-2009)

Managed his family's 20 hectare rice and sugar lands in San Rafael, Iloilo and the 60 hectare sugar, mango orchard and poultry in Concepcion, Iloilo

Senior Vice-President, Digitel Telecommunications (1993-1995)

Assistant Secretary, Land Transportation Office (1991-1993)

Chief Operating Officer, Meralco Corporate Farm Management, Inc. (1989-1990)

Assistant Vice-President, Personnel Management Department – Manila Electric Company (1968-1989)

Training and/or Continuing Education Program Attended:

Seminar-Workshop on Administration of Insurance Policies, Visualization Tool for Weather Data and Design and Development of Weather Insurance Products

Celcius Pro, June 15, 2017

Master of Science in Industrial Economics, Center for Research and Communication (now the University of Asia and the Pacific)

Bachelor of Arts major in Economics, University of the Philippines



ARNOLD B. COLAMA

Board Member, Representative from the Mindanao Farmers' Sector

Member, Audit and Risk Management Committee

Date of first appointment: June 7, 2017

Age: 55 years old

Broadcaster, RMC Broadcasting Corporation (2016-present)

Broadcaster, Radio Mindanao Network (2009-2016)

Training and/or Continuing Education Program Attended:

PCIC Capability Building Conference and National Conference on Gender Equality

Philippine Crop Insurance Corporation, December 7-9, 2017

Corporate Governance Orientation Program for GOCCs Institute of Corporate Directors, September 28, 2017

Bachelor of Arts in Political Science, University of Mindanao

Philippine Crop Insurance Corporation

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

Board Responsibility

The Board of Directors acknowledges the importance of maintaining a sound internal control system and an efficient risk management framework for good corporate governance with the objective of fulfilling its mission and mandate. The Board affirms its overall responsibility for reviewing the adequacy and the effectiveness of PCIC risk management and internal control system. This includes reviewing the adequacy and integrity of financial, operational and compliance controls and risk management procedures.

In view of the limitations that are inherent in any internal control system, the Board together with the Internal Audit Service Department, ensures that the system is designed to manage PCIC's key areas of risk within acceptable risk profile, rather than eliminate the risk of failure to comply with policies and achieving objectives. Therefore, the system implemented can only provide reasonable but not absolute assurance against material misstatement or loss or fraud.

The Board's objective is to ensure that PCIC has an appropriate system in place for the identification and management of risks, including the implementation of internal controls to address the risks so identified.

Policies and Strategies

PCIC is proactive in its management of risks and control mechanisms as demonstrated by the existence of policies and strategies below:

- PCIC has established an organizational structure with clear operating and reporting procedures, lines of responsibility and delegated authority;
- Senior Management has been delegated with specific accountability for monitoring the performance of designated business operating units;
- Annual business plans and budgets are reviewed and approved by the Board. The Senior Management meets on a semi-annual basis with the Regional Management and Support Services Group to review their operational and financial performance against the corporate plans and approved budgets. Significant corporate risks relevant to each regional and office operations are reviewed in these meetings;
- Explanations on significant variances from budgets are provided to the Board on a monthly basis. This helps the Board and Senior Management monitor the PCIC operations and plans on a timely basis;
- Each regional office or department is responsible for its own identification and evaluation of key corporate risks applicable to their function in operation and in managing how these risks are reduced or transferred to third parties;
- Each regional office or department maintains internal controls and procedures appropriate to its structure and corporate environment while complying with PCIC's policies, standards and guidelines; and
- The Internal Audit Service Department conducts a systematic assessment of financial, managerial, and operational processes in order to provide independent assurance to management on the adequacy and effectiveness of the established internal controls. Where weaknesses are identified in the system of internal controls, management will take necessary measures to ensure that improvements are implemented.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

Statement on Risk Management and Internal Control

- The PCIC maintains appropriate insurance programs in order to provide sufficient insurance coverage of farmer's and fisherfolk's crops and agricultural assets;
- Established PCIC Automated Business System (PABS) in key corporate units primarily ensures the efficient computerization of the financial, underwriting and claims indemnity processes and procedures. Nevertheless recovery procedures and backup systems are in place to handle potential service interruptions;
- Finance Department manages the cash balances and exposure to currency transaction risks through treasury policies, risk limits and internal control procedures; and
- Code of ethics was already drafted for adherence of all employees to ensure high standards of conduct and ethical values in all business practices.

Review of Adequacy and Effectiveness

The Board has reviewed the adequacy and effectiveness of the PCIC's risk management activities and internal control framework and ensured that necessary actions have been or are being taken to rectify weaknesses identified during the year.

The Audit and Risk Management Committee do hereby confirms that the internal control system in PCIC is operating adequately and effectively in all material aspects during the financial year and up to the date of this Statement.

In this connection, the Board concludes that an effective system of risk management and internal control is in place in fulfilling its mission and mandate.

Philippine Crop Insurance Corporation

WHISTLEBLOWING POLICY

Legal Basis

The Governance Commission for GOCCs (GCG), through GCG Memorandum Circular No. 2016-02, mandates GOCCs covered under Republic Act No. 10149 to establish their own whistleblowing systems which adhere to the policy and purpose enunciated in the said memorandum circular.

Statement of Policy

It is the policy of PCIC to:

- A. Require its Directors, officers, and all its employees to abide by the ethical standards and policies mandated by law and the Governance Commission for GOCCs;
- B. Encourage a whistleblower to report any illegal, improper, and/or unethical conduct or activity, whether actual, suspected or potential, that they became aware of at their workplace or in connection with their work;
- C. Provide an environment that enables its people to raise genuine and legitimate concerns internally;
- D. Conduct a speedy, in-depth, and impartial investigation on the alleged/reported illegal, improper, and/or unethical conduct and take appropriate corrective action thereon; and
- E. Guarantee that the whistleblower who, in good faith and with reasonable ground, disclosed a breach of law or ethical standards, or any individual who cooperates in the investigation of such violation, will be protected against discrimination, harassment, retaliation, threat, or any other adverse/detrimental employment consequences.

Purpose

The purpose of this Whistleblowing Policy is to encourage and enable any concerned individual to report and provide information, anonymously if he/she wishes to, on any act or omission of the Directors, officers, and employees of PCIC that are illegal, fraudulent, unethical, and/or against good governance principles, public policy, morals, and sound business practices

Scope

Whistleblowers may report actual/suspected/potential acts or omissions committed or to be committed by PCIC Directors, officers, and employees which involve violations of the following laws, rules, and regulations:

- A. Ethical Standards and/or Good Governance principles enshrined in the PCIC Manual on Corporate Governance;
- B. R.A. No. 6713, "Code of Conduct and Ethical Standards for Public Officials and regulations";
- C. R.A. No. 3019, "Anti-Graft and Corrupt Practices Act";
- D. R.A. No. 7080, as amended, "The Plunder Law";
- E. Book II, Title VII, Crimes Committed By Public Officers, The Revised Penal Code;
- F. Executive Order (E.O.) No. 292, s. 1987, "Administrative Code of 1987";
- G. R.A. No. 10149, the GOCC Governance Act of 2011;
- H. GCG M.C. No. 2012-05, "Fit and Proper Rule";
- I. GCG M.C. No. 2012-06, "Ownership and Operations Manual Governing the GOCC Sector";
- J. GCG M.C. No. 2012-07, "Code of Corporate Governance for GOCCs";
- K. Violations of the Charter of PCIC; and
- L. Other GCG Circular and Orders, and applicable laws and regulations.

WHISTLEBLOWING POLICY

Reporting Channels

Individuals, especially PCIC employees, who are aware of any actual/suspected/potential act or omission that is illegal and/or unethical have a responsibility to report such acts to the Office of the General Counsel.

Whistleblowers may submit their whistleblowing reports through the following channels:

Electronic Mail (E-Mail)	:	whistleblower@pcic.gov.ph
Mail	:	Office of the General Counsel 7/F, NIA Building A., NIA Complex EDSA, Diliman, Quezon City
Telephone	:	(02) 441-1323

Reporting Details

Whistleblower reports/complaints should include the following information:

- A. Name and position of the Director/officer/employee being reported;
- B. Details of the allegation/s;
 - 1. Alleged act or omission being complained; and
 - 2. The laws, rules, or regulations being violated.
- C. Other relevant information and supporting document/s, if any; and
- D. Personal details of the whistleblower if he/she wishes to disclose his/her identity;

A whistleblower may still report a case without disclosing his/her identity provided that the details and other relevant information pertaining to the report/complaint are disclosed.

Confidentiality

PCIC will ensure the confidentiality of the identity of the whistleblower and the details and other information being disclosed. However, such disclosure may be necessary in order to have a successful investigation and/or if it is required by law.

Whistleblowers should also be warned against telling others that he/she filed a whistleblowing report/complaint in order not to jeopardize the investigation and his/her safety.

Protection of a Whistleblower

Whistleblowers who, in good faith and with reasonable grounds, submit whistleblowing reports and any individual who cooperates in the investigation of a report/complaint shall not suffer from discrimination, harassment, retaliation, threat, or any other adverse/detrimental employment consequences. Any person who retaliates against a whistleblower or said individual shall be subject to disciplinary action (including dismissal from the service). PCIC shall extend all possible assistance to the whistleblower and said individual under the law.

Untrue Allegations

If a whistleblower makes allegations that are found to be false, fabricated or malicious, legal action may be taken against him/her.

Report Updates

Whistleblowers who disclosed themselves will be given regular updates on the status of their whistleblowing report. They will also be notified on the outcome of the investigation.

STATEMENT ON PCIC'S FULL COMPLIANCE WITH THE CODE OF CORPORATE GOVERNANCE

Through the Philippine Crop Insurance Corporation's (PCIC) Manual on Corporate Governance, PCIC has fully complied with the corporate governance principles/standards set by the Governance Commission for GOCCs (GCG) through Memorandum Circular No. 2012-07 or the Code of Corporate Governance for GOCCs.



ATTY. FRANCISCO C. CANTRE
Compliance Officer

PCIC BAGS TOP 3 EXCELLENCE AWARD IN CORPORATE GOVERNANCE

The Philippine Crop Insurance Corporation (PCIC) bagged the Top 3 “Award on Excellence in Corporate Governance” from a selection of 85 Government-Owned and Controlled Corporations (GOCCs) in the country in the awarding ceremonies held on November 24, 2017 at the Dusit Thani Manila Hotel, Makati City.

PCIC garnered a 94.50% score in the Corporate Governance Scorecard (CGS). Others in the top five GOCCs were the Philippine Deposit Insurance Corporation (PDIC) which came in 1st with 99.50%; LandBank of the Philippines (LBP), 2nd with 98.50%; Development Bank of the Philippines (DBP), 4th with 91.50%; and LBP Leasing and Finance Corporation (LLFC), 5th with 90.50%.

PCIC has received this Award for two consecutive years since it was started by the Governance Commission for GOCCs (GCG) and the Institute of Corporate Directors (ICD), a non-profit organization advocating enhanced corporate governance in the country.

The awards were based on the CGS, which sets out the criteria for GOCCs on their adherence to

best practices and in compliance with international standards on corporate governance, making them at par with those of more advanced state-owned enterprises in other member countries of the ASEAN.

Among the criteria considered in evaluating these best practices and high international standards were policies on handling stakeholder relationships, public disclosures and transparency, and responsibilities of their corporate Boards.

Attending the awarding ceremony representing PCIC were President Jovy Bernabe; Acting Chairman Crisologo Ignacio; Directors Alex Suarez and Juan Borra, Jr.; Senior Vice President Norman Cajucom; Vice President Segundo Guerrero, Jr.; Department Managers Rodelia Pagaddu, Renato Viado, and Allan Retamar; and Assistant Board Secretary Arbi Dela Cruz.

The award was presented by the GCG headed by Chairman Samuel Dagpin, Jr. and ICD led by Chairman Francis Estrada.



The Philippine Crop Insurance Corporation (PCIC) received the Top 3 “Award on Excellence in Corporate Governance” from a selection of 85 Government-Owned and Controlled Corporations (GOCCs) in the country during the awarding ceremony organized by the GCG and ICD on November 24, 2017 at the Dusit Hotel in Makati City.

KEY OFFICERS

HEAD OFFICE

ATTY. JOVY C. BERNABE
President

MR. NORMAN R. CAJUCOM
Senior Vice-President
Office of the Senior Vice-President

MR. SEGUNDO H. GUERRERO, JR.
Vice-President
Support Services Group

MR. ANTONIO S. UY II
Vice-President
Office of the Corporate Business Affairs Group

ATTY. FRANCISCO C. CANTRE
Attorney VI
Legal Department

MR. ROBERTITO LEMUEL B. OCAMPO
Officer-In-Charge
Internal Audit Service Department

MR. ALLAN E. RETAMAR
Manager III
Planning and Management Information Office

MR. NOMER D. VIRAY
Manager III
Finance Department

MS. RASEL C. DELA CRUZ
Manager III
Administrative Department

MS. RODELIA A. PAGADDU
Manager III
Business Development and Marketing Department

MR. RENATO R. VIADO
Officer-In-Charge
Actuarial Research and Product Valuation
Department

REGIONAL MANAGERS

MS. FLORENTINA O. PUGAL
Regional Manager II, Regional Office I

MS. EDNA SP. MARALLAG
Regional Manager II, Regional Office II

MS. MA. LILIAN E. AGUILAR
Officer-in-Charge, Regional Office III

MS. MELBA P. MANALO
Regional Manager II, Regional Office III-A

MS. EVELYN A. VIRTUDEZ
Officer-in-Charge, Regional Office IV

MS. CORAZON SM. REALUBIT
Regional Manager II, Regional Office V

MS. EVA ULIE D. LAUD
Officer-in-Charge, Regional Office VI

MR. CRESCENCIO V. DELIGERO, JR.
Regional Manager II, Regional Office VII

MR. DOMINICO S. DIGAMON
Regional Manager II, Regional Office VIII

MR. CHARLITO O. BRILLETA
Regional Manager II, Regional Office IX

MR. LUTHER ROMEO C. SALTING
Regional Manager II, Regional Office X

MR. BONIFACIO V. PALES
Regional Manager II, Regional Office XI

MR. ELIAS S. CATULONG
Regional Manager II, Regional Office XII

HEAD OFFICE AND REGIONAL OFFICES DIRECTORY



OFFICE OF THE PRESIDENT

Tel. No.: 533-4466
Telefax: 441-0667
op@pcic.gov.ph



INTERNAL AUDIT SERVICE DEPARTMENT

Tel. No.: 332-8087
ias@pcic.gov.ph



LEGAL DEPARTMENT

Tel. No.: 441-1323
ogc@pcic.gov.ph



PLANNING AND MANAGEMENT INFORMATION OFFICE

Tel. No.: 441-1323
pmio@pcic.gov.ph



OFFICE OF THE SENIOR VICE-PRESIDENT

Tel. No.: 441-1326
Telefax: 441-1324
rmg@pcic.gov.ph

HEAD OFFICE AND REGIONAL OFFICES DIRECTORY



SUPPORT SERVICES GROUP

Tel. No.: 441-1320
ssg@pcic.gov.ph



CORPORATE BUSINESS AFFAIRS GROUP

Telefax: 441-1324
cbag@pcic.gov.ph



BUSINESS DEVELOPMENT AND MARKETING DEPARTMENT

Telefax: 441-1324
bdmd@pcic.gov.ph



ACTUARIAL RESEARCH AND PRODUCT VALUATION DEPARTMENT

Telefax: 441-1324
arpvd@pcic.gov.ph



FINANCE DEPARTMENT

Tel. No.: 332-8087
finance@pcic.gov.ph



ADMINISTRATIVE DEPARTMENT

Telefax: 361-8983
admin@pcic.gov.ph

HEAD OFFICE AND REGIONAL OFFICES DIRECTORY



COMMISSION ON AUDIT
Telefax: 533-4464



PABS DEVELOPMENT TEAM
Tel. No.: 441-1323
it@pcic.gov.ph



REGIONAL OFFICE I
3/F, S and P North Bldg., Nancayasan, Mc Arthur Highway, Urdaneta City, Pangasinan 2428
Phone: (075) 632-3248
Fax: (075) 632-2787
ro1@pcic.gov.ph



REGIONAL OFFICE II
Regional Government Center
Carig, Tuguegarao City, Cagayan 3500
Telefax: (078) 304-2408
ro2@pcic.gov.ph



REGIONAL OFFICE III
2/F Garcia Building, Villa Corazon, Mc Arthur Highway, San Agustin, City of San Fernando, Pampanga 2000
Fax: (045) 961-5717
ro3@pcic.gov.ph



REGIONAL OFFICE III-A
2/F CBNE Bldg., Maharlika Highway, Cabanatuan City, Nueva Ecija 3100
Phone: (044) 600-2080
Fax: (044) 598-9845
ro3a@pcic.gov.ph

HEAD OFFICE AND REGIONAL OFFICES DIRECTORY



REGIONAL OFFICE IV

2/F Rizal Commercial Center, JP Rizal St.
cor MH Del Pilar St.,
Calamba City, Laguna 4207
TeleFax: (049) 545-5943
ro4@pcic.gov.ph



REGIONAL OFFICE V

BB Andes Bldg., Zone 8, SOLS Subdivision,
Bitano, Legaspi City 4500
Phone: (052) 480-6095
Fax: (052) 480-3567
ro5@pcic.gov.ph



REGIONAL OFFICE VI

2/F Regional Science Laboratory Building,
Department of Agriculture, Fort San Pedro,
Iloilo City 5000
Phone: (033) 323-3402
Fax: (033) 337-1598
ro6@pcic.gov.ph



REGIONAL OFFICE VII

2/F DBP Building, Osmeña Boulevard, Cebu City 6000
Phone: (032) 412-3443
Fax: (032) 253-8686
ro7@pcic.gov.ph



REGIONAL OFFICE VIII

3/F F. Mendoza Realty Complex, 141 Sto. Niño St.,
Tacloban City, 6500
Phone: (053) 321-3013
Fax: (053) 523-4104
ro8@pcic.gov.ph



REGIONAL OFFICE IX

Regional Complex, F.S. Pajares Avenue,
Pagadian City
Phone: (062) 214-1737
Fax: (062) 925-0700
ro9@pcic.gov.ph

HEAD OFFICE AND REGIONAL OFFICES DIRECTORY



REGIONAL OFFICE X

3/F, One Montecarlo Bldg., Annex, Corrales-Hayes St.,
Cagayan De Oro City 9000
Phone: (088) 851-1273
Fax: (088) 857-2983
ro10@pcic.gov.ph



REGIONAL OFFICE XI

2/F SCGCC Bldg., Alunan Avenue, Koronadal City,
South Cotabato 9506
Phone: (083) 228-2556
Fax: (083) 228-3902
ro11@pcic.gov.ph



REGIONAL OFFICE XII

Veraj Bldg., Mabini Street, Poblacion 2,
Midsayap, Cotabato
Phone: (064) 521-0817
Fax: (064) 229-8758
ro12@pcic.gov.ph

INSURANCE LINES



RICE CROP INSURANCE

An insurance protection extended to farmers against losses in rice crops due to natural calamities as well as plant pests and diseases.



CORN CROP INSURANCE

An insurance protection extended to farmers against losses in corn crops due to natural calamities as well as plant pests and diseases.



HIGH-VALUE CROP INSURANCE

An insurance protection extended to farmers against losses in high-value crops due to natural calamities and other perils such as pests and diseases.



NON-CROP AGRICULTURAL INSURANCE

An insurance protection extended to farmers against loss of their non-crop agricultural assets like warehouses, rice mills, irrigation facilities and other farm equipment due to perils such as fire and lightning, theft and earthquake.



LIVESTOCK INSURANCE

An insurance protection for livestock raisers against loss of carabao, cattle, horse, swine, goat, sheep, poultry and game fowls and animals due to accidental death or diseases.



FISHERIES INSURANCE

An insurance protection extended to fish farmer/fisherfolk/growers against losses in unharvested crop or stock in fisheries farms due to natural calamities and fortuitous events.



CREDIT AND LIFE TERM INSURANCE

- **AGRICULTURAL PRODUCERS PROTECTION PLAN**

An insurance protection for agricultural producers, fisherfolk and other stakeholders that covers death of the insured due to accident, natural causes, and murder or assault.

- **LOAN REPAYMENT PROTECTION PLAN**

An insurance protection for agricultural producers, fisherfolk and other stakeholders that guarantees the payment of the face value or the amount of the approved agricultural loan upon the death or total permanent disability of the insured borrower due to accident, natural causes and murder or assault.

- **ACCIDENT AND DISMEMBERMENT SECURITY SCHEME**

An insurance protection for agricultural producers, fisherfolk and other stakeholders that covers death or dismemberment or disablement of the insured due to accident.

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