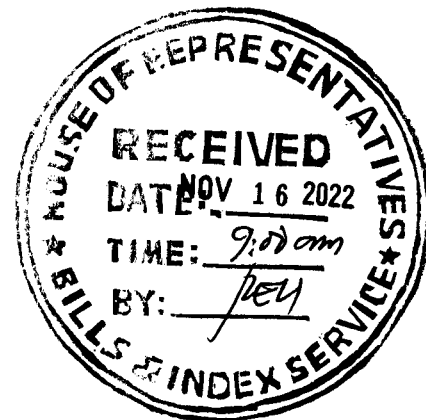


Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City, Metro Manila

NINETEENTH (19th) CONGRESS
1st Regular Session

HOUSE BILL NO. **6159**



Introduced by **Hon. WILTER YAP PALMA**

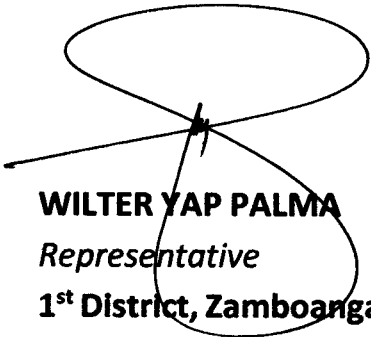
EXPLANATORY NOTE

Throughout the recent years, the Philippines has suffered a number of extreme weather events such as heavy rains, typhoons and drought each stronger than the last. These disasters of increasing intensity have greatly accosted the Filipino people especially our dear farmers as the damages brought about by these calamities greatly disrupt their livelihood as well as the country's food production and food security. In fact, according to the Department of Agriculture, Typhoon Odette, which was hailed as the strongest typhoon in 2021, was able to brought about P17.75 Billion Pesos worth of damage to the agricultural sector while the most recent Typhoon Paeng have brought about P5.6 Billion pesos in damages to the agricultural sector. It is a harsh reality that the poor families especially those who are engaged in agriculture are the one's that are most certainly affected by such calamities and are in need of the necessary government support that would secure their livelihood.

As such, it is evident that providing a support system in the form of Crop Insurance could prove to be a vital instrument in mitigating agricultural risks and any further loss that may be experience by our dear farmers as a consequence of natural calamities. This shall alleviate the financial burden of farmers due to uncompensated losses arising from the destruction of crops brought upon by said calamities thus keeping them away from perpetual indebtedness, enhance their

credit standing, and provide additional government support to increase agricultural production. As a result, the farmers would then be able to immediately be able to replant their specific crops which would in turn lead to them being able to provide food not only for their respective family's tables but also the tables of the Filipino people.

At its very core, this bill aims to immediately address the continuous predicament that is being faced by our dear farmers and as such, the immediate passage of this bill is earnestly sought.



WILTER YAP PALMA
Representative
1st District, Zamboanga Sibugay

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City, Philippines

NINETEENTH (19th) CONGRESS
First Regular Session

HOUSE BILL NO. 6159

Introduced by **HON. WILTER YAP PALMA**

AN ACT

**ENSURING FOOD SECURITY BY PROVIDING FOR THE MANDATORY CROP
INSURANCE COVERAGE TO FARMERS, AND PROVIDING FUNDS THEREFOR**

*Be it enacted by the Senate and House of Representatives of the Philippines in
Congress assembled:*

1 **SECTION 1. *Short Title.*** – This Act shall be known as the “Crop Insurance Act
2 of 2022.”

3
4 **SECTION 2. *Declaration of Policy.*** – It is hereby declared the policy of the
5 State to:

- 6 1. Ensure food security, intensify food production, promote agricultural
7 credit and broaden the coverage of mandatory crop insurance, especially
8 amidst the recurrence of disasters and calamities, natural or otherwise,
9 including floods, typhoons, heavy rains, drought, earthquake, volcanic
10 eruption, plant diseases and plant infestations.
- 11 2. Alleviate the financial burden of farmers due to uncompensated losses
12 arising from the destruction of crops brought upon by said calamities thus
13 keeping them away from perpetual indebtedness, enhance their credit

standing, and provide additional government support to increase agricultural production; and

3. To assist banks and financial institutions not to constrict their loaning capabilities, and kindle their willingness to extend loans to farmers.

SECTION 3. *Insurance Coverage and Payment of Premiums.* – Participation in the insurance for crops shall be mandatory upon all farmers who own farmlands of 5 hectares and below under this Act. This includes compensable losses such as floods, typhoons, heavy rains, drought, earthquake, volcanic eruption, plant diseases and plant infestations. These farmers shall be exempt from the payment of the annual premium and instead, shall be charged by the Philippine Crop Insurance Corporation (PCIC) to the Department of Agriculture (DA). The Department of Agriculture, Philippine Crop Insurance Corporation and National Food Authority are hereby mandated to conduct an actuarial study to determine the amount of the annual premiums to be paid by the Department of Agriculture as well as the benefits to be released by the PCIC.

SECTION 4. *Appropriations.* – The Secretary of Agriculture shall immediately include in the Department's program the needed operational requirement of this Act in the Annual General Appropriations Act. Thereafter, such amount as may be necessary for its continued operation of this Act shall be included in the Annual General Appropriations Act.

SECTION 5. *Processing of Claims.* – All claims for payment pursuant to the provisions of this Act shall be processed and settled within thirty (30) days at the nearest Philippine Crop Insurance Corporation Extension Office.

SECTION 6. *Implementing Rules and Regulations.* – Within sixty (60) days after the effectivity of this Act, the Secretary of the Department of Agriculture, the

43 Administrator of the National Food Authority, and the President of the Philippine
44 Crop Insurance Corporation shall be constituted into a Committee mandated to
45 issue the necessary Implementing Rules and Regulations of this Act.

46
47 **SECTION 7. *Separability Clause.*** – If any provision of this Act, or any parts
48 thereof, is declared unconstitutional, the same shall not affect the validity and
49 effectivity of other portions.

50
51 **SECTION 8. *Repealing Clause.*** – All laws, executive orders, presidential
52 decrees, proclamations, rules, regulations, issuances and enactments of parts
53 thereof inconsistent with this Act are hereby repealed or modified accordingly.

54
55 **SECTION 9. *Effectivity.*** – This Act shall take effect fifteen (15) days following
56 its publication in at least two (2) newspapers of general circulation or in the *Official*
57 *Gazette*.

58 *Approved,*