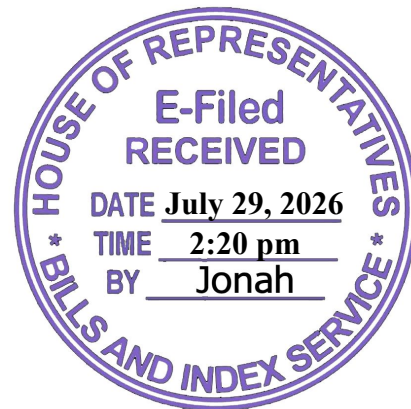


Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

TWENTIETH CONGRESS
Second Regular Session

COMMITTEE REPORT NO. 524



Submitted by the Committee on Government Enterprises and Privatization on
July 29, 2026

Re : House Bill No. **10365**

Recommending its approval in substitution of House Bills Numbered 14, 1008, 1323, 1917, 2419, 2747, 2780, 2907, 3197, 3537, 3962, 4379, 4406, 4908, 5159, 5543, 5977, 6093, 6361, 6489, 7720, 7835, 8739, and House Resolution No. 119.

Sponsors : Representatives Eric L. Olivarez, Faustino “Bojie” G. Dy III, Ann Matibag and Rufus B. Rodriguez

Mr. Speaker:

The Committee on Government Enterprises and Privatization to which were referred **House Bill No. 14**, introduced by Reps. Ferdinand Martin G. Romualdez, Andrew Julian K. Romualdez, and Jude A. Acidre, entitled:

“AN ACT

AN ACT EXPANDING THE SERVICES OF THE PHILIPPINE CROP INSURANCE CORPORATION AND ENCOURAGING PRIVATE SECTOR PARTICIPATION IN AGRICULTURAL INSURANCE, FURTHER AMENDING SECTIONS 1 AND 3.11 OF PRESIDENTIAL DECREE NO. 1467, CREATING THE PHILIPPINE CROP INSURANCE CORPORATION, AS AMENDED”;

House Bill No. 1008, introduced by Rep. Ferdinand “B1” L. Beltran, entitled:

“AN ACT

EXPANDING THE SERVICES OF THE PHILIPPINE CROP INSURANCE CORPORATION AND ENCOURAGING PRIVATE SECTOR PARTICIPATION IN AGRICULTURAL INSURANCE, FURTHER AMENDING PRESIDENTIAL DECREE NO. 1467, CREATING THE PHILIPPINE CROP INSURANCE CORPORATION, AS AMENDED”;

House Bill No. 1323, introduced by Rep. Marlyn L. Primicias-Agabas, entitled:

“AN ACT

STRENGTHENING THE PHILIPPINE CROP INSURANCE CORPORATION (PCIC), REPEALING FOR THE PURPOSE PRESIDENTIAL DECREE NO. 1467, ENTITLED ""CREATING THE 'PHILIPPINE CROP INSURANCE CORPORATION' PRESCRIBING ITS POWERS AND ACTIVITIES, PROVIDING FOR ITS CAPITALIZATION AND FOR THE REQUIRED GOVERNMENT PREMIUM SUBSIDY, AND FOR OTHER PURPOSES,"" AS AMENDED BY PRESIDENTIAL DECREE NO. 1733 AND REPUBLIC ACT NO. 817";

House Bill No. 1917, introduced by Reps. Elisa T. Kho, Antonio T. Kho, and Atty. Gerville "Jinky Bitrics" R. Luistro, entitled:

“AN ACT
EXPANDING THE SERVICES OF THE PHILIPPINE CROP INSURANCE CORPORATION AND ENCOURAGING PRIVATE SECTOR PARTICIPATION IN AGRICULTURAL INSURANCE, FURTHER AMENDING SECTIONS 1 AND 3.11 OF PRESIDENTIAL DECREE NO. 1467, CREATING THE PHILIPPINE CROP INSURANCE CORPORATION, AS AMENDED”;

House Bill No. 2419, introduced by Rep. Felimon M. Espares, entitled:

“AN ACT
EXPANDING THE SERVICES OF THE PHILIPPINE CROP INSURANCE CORPORATION AND ENCOURAGING PRIVATE SECTOR PARTICIPATION IN AGRICULTURAL INSURANCE, FURTHER AMENDING SECTION 1 AND SECTION 3.11 OF PRESIDENTIAL DECREE NO. 1467, CREATING THE PHILIPPINE CROP INSURANCE CORPORATION, AS AMENDED”;

House Bill No. 2747, introduced by Rep. Julius Cesar "Jay" V. Vergara, entitled:

“AN ACT
STRENGTHENING THE PHILIPPINE CROP INSURANCE CORPORATION (PCIC), REPEALING FOR THE PURPOSE PRESIDENTIAL DECREE NO. 1476, ENTITLED "CREATING THE 'PHILIPPINE CROP INSURANCE CORPORATION' PRESCRIBING ITS POWERS AND ACTIVITIES, PROVIDING FOR ITS CAPITALIZATION AND FOR THE REQUIRED GOVERNMENT PREMIUM SUBSIDY, AND FOR OTHER PURPOSES," AS AMENDED BY PRESIDENTIAL DECREE NO. 1733 AND REPUBLIC ACT NO. 8175”;

House Bill No. 2780, introduced by Reps. Miguel Luis R. Villafuerte, Vincenzo Renato Luigi R. Villafuerte, Tsuyoshi Anthony "Hori" G. Horibata, and Terry L. Ridon, entitled:

“AN ACT
EXPANDING THE SERVICES OF THE PHILIPPINE CROP INSURANCE CORPORATION AND ENCOURAGING PRIVATE

SECTOR PARTICIPATION IN AGRICULTURAL INSURANCE, FURTHER AMENDING SECTIONS 1 AND 3.11 OF PRESIDENTIAL DECREE NO. 1467, CREATING THE PHILIPPINE CROP INSURANCE CORPORATION, AS AMENDED”;

House Bill No. 2907, introduced by Rep. Alfredo D. Marañon III, entitled:

“AN ACT
STRENGTHENING THE PHILIPPINE CROP INSURANCE CORPORATION BY EXTENDING ITS CORPORATE TERM, AMENDING PRESIDENTIAL DECREE NO. 1467, AS AMENDED, AND FOR OTHER PURPOSES”;

House Bill No. 3197, introduced by Rep. Emilio Bernardino L. Yulo, entitled:

“AN ACT
EXPANDING THE SERVICES OF THE PHILIPPINE CROP INSURANCE CORPORATION AND ENCOURAGING PRIVATE SECTOR PARTICIPATION IN AGRICULTURAL INSURANCE, FURTHER AMENDING SECTIONS 1 AND 3.11 OF PRESIDENTIAL DECREE NO. 1467, CREATING THE PHILIPPINE CROP INSURANCE CORPORATION, AS AMENDED”;

House Bill No. 3537, introduced by Rep. Faustino “Bojie” G. Dy III, entitled:

“AN ACT
STRENGTHENING THE PHILIPPINE CROP INSURANCE CORPORATION, REPEALING FOR THE PURPOSE PRESIDENTIAL DECREE NO. 1467, AS AMENDED, ENTITLED “CREATING THE ‘PHILIPPINE CROP INSURANCE CORPORATION’ PRESCRIBING ITS POWERS AND ACTIVITIES, PROVIDING FOR ITS CAPITALIZATION AND FOR THE REQUIRED GOVERNMENT PREMIUM SUBSIDY, AND FOR OTHER PURPOSES”;

House Bill No. 3962, introduced by Rep. Jesus Manuel “Bong” C. Suntay, entitled:

“AN ACT
ESTABLISHING A MANDATORY CROP INSURANCE COVERAGE FOR SMALL FARMERS, PROVIDING FOR A NATIONAL GOVERNMENT SUBSIDY, AND FOR OTHER PURPOSES”;

House Bill No. 4379, introduced by Reps. Rufus B. Rodriguez and Maximo B. Rodriguez, Jr., entitled:

“AN ACT
STRENGTHENING THE PHILIPPINE CROP INSURANCE CORPORATION BY EXTENDING ITS CORPORATE TERM AND EXPANDING ITS SERVICES, AMENDING PRESIDENTIAL

DECREE NO. 1467, AS AMENDED, AND FOR OTHER PURPOSES”;

House Bill No. 4406, introduced by Rep. Adrian E. Salceda, entitled:

“AN ACT
EXPANDING THE SERVICES OF THE PHILIPPINE CROP INSURANCE CORPORATION AND ENCOURAGING PRIVATE SECTOR PARTICIPATION IN AGRICULTURAL INSURANCE, FURTHER AMENDING SECTIONS 1 AND 3.11 OF PRESIDENTIAL DECREE NO. 1467, CREATING THE PHILIPPINE CROP INSURANCE CORPORATION, AS AMENDED”;

House Bill No. 4908, introduced by Rep. Kristine Singson-Meehan, entitled:

“AN ACT
STRENGTHENING THE PHILIPPINE CROP INSURANCE CORPORATION, REPEALING FOR THE PURPOSE PRESIDENTIAL DECREE NO. 1467, AS AMENDED, ENTITLED “CREATING THE ‘PHILIPPINE CROP INSURANCE CORPORATION’ PRESCRIBING ITS POWERS AND ACTIVITIES, PROVIDING FOR ITS CAPITALIZATION AND FOR THE REQUIRED GOVERNMENT PREMIUM SUBSIDY, AND FOR OTHER PURPOSES”;

House Bill No. 5159, introduced by Rep. Yedda Marie K. Romualdez, entitled:

“AN ACT
EXPANDING THE SERVICES OF THE PHILIPPINE CROP INSURANCE CORPORATION AND ENCOURAGING PRIVATE SECTOR PARTICIPATION IN AGRICULTURAL INSURANCE, FURTHER AMENDING SECTIONS 1 AND 3.11 OF PRESIDENTIAL DECREE NO. 1467, CREATING THE PHILIPPINE CROP INSURANCE CORPORATION, AS AMENDED”;

House Bill No. 5543, introduced by Rep. Christopherson "Coco" M. Yap, entitled:

“AN ACT
STRENGTHENING THE PHILIPPINE CROP INSURANCE CORPORATION, REPEALING FOR THE PURPOSE PRESIDENTIAL DECREE NO. 1467, AS AMENDED, OTHERWISE KNOWN AS THE “CHARTER OF THE PHILIPPINE CROP INSURANCE CORPORATION,” AND FOR OTHER PURPOSES”;

House Bill No. 5977, introduced by Reps. Miguel Luis R. Villafuerte, Vincenzo Renato Luigi R. Villafuerte, Tsuyoshi Anthony "Hori" G. Horibata, and Terry L. Ridon, entitled:

“AN ACT

STRENGTHENING THE PHILIPPINE CROP INSURANCE CORPORATION, REPEALING FOR THE PURPOSE PRESIDENTIAL DECREE NO. 1467, AS AMENDED, ENTITLED "CREATING THE 'PHILIPPINE CROP INSURANCE CORPORATION' PRESCRIBING ITS POWERS AND ACTIVITIES, PROVIDING FOR ITS CAPITALIZATION AND FOR THE REQUIRED GOVERNMENT PREMIUM SUBSIDY, AND FOR OTHER PURPOSES";

House Bill No. 6093, introduced by Rep. Arthur C. Yap entitled:

“AN ACT
STRENGTHENING THE PHILIPPINE CROP INSURANCE CORPORATION BY EXTENDING ITS CORPORATE TERM AND EXPANDING ITS SERVICES, AMENDING PRESIDENTIAL DECREE NO. 1467, AS AMENDED, AND FOR OTHER PURPOSES”;

House Bill No. 6361, introduced by Rep. Christopherson "Coco" M. Yap, entitled:

“AN ACT
EXPANDING THE SERVICES OF THE PHILIPPINE CROP INSURANCE CORPORATION AND ENCOURAGING PRIVATE SECTOR PARTICIPATION IN AGRICULTURAL INSURANCE, FURTHER AMENDING PRESIDENTIAL DECREE NO. 1467, CREATING THE PHILIPPINE CROP INSURANCE CORPORATION, AS AMENDED”;

House Bill No. 6489, introduced by Rep. Christopherson "Coco" M. Yap, entitled:

“AN ACT
EXPANDING THE SERVICES OF THE PHILIPPINE CROP INSURANCE CORPORATION AND ENCOURAGING PRIVATE SECTOR PARTICIPATION IN AGRICULTURAL INSURANCE, FURTHER AMENDING PRESIDENTIAL DECREE NO. 1467, CREATING THE PHILIPPINE CROP INSURANCE CORPORATION, AS AMENDED”;

House Bill No. 7720, introduced by Rep. Eric L. Olivarez, entitled:

“AN ACT
STRENGTHENING THE PHILIPPINE CROP INSURANCE CORPORATION BY EXTENDING ITS CORPORATE TERM AND EXPANDING ITS SERVICES, AMENDING PRESIDENTIAL DECREE NO. 1467, AS AMENDED”;

House Bill No. 7835, introduced by Rep. Ann Matibag, entitled:

“AN ACT
STRENGTHENING THE PHILIPPINE CROP INSURANCE CORPORATION BY EXTENDING ITS CORPORATE TERM AND

EXPANDING ITS SERVICES, AMENDING PRESIDENTIAL
DECREE NO. 1467, AS AMENDED”;

and **House Resolution No. 119**, introduced by Rep. Edwin L. Cruzado M.D.,
entitled:

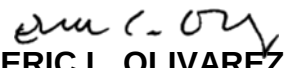
“RESOLUTION
EXPRESSING THE SENSE OF THE HOUSE OF
REPRESENTATIVES TO EXPAND THE SERVICES OF THE
PHILIPPINE CROP INSURANCE CORPORATION WITH THE
END IN VIEW TO SUPPORT THE EXTENSION OF THE
CORPORATE LIFE, WHOSE TERM EXPIRES BY 2028, TO
ENSURE THE CONTINUED DELIVERY OF CROP INSURANCE
SERVICES TO FILIPINO FARMERS”

has considered the same and hereby recommends that the attached **House Bill No.
10365**, entitled:

“AN ACT
**STRENGTHENING THE PHILIPPINE CROP INSURANCE CORPORATION BY
EXTENDING ITS CORPORATE TERM AND EXPANDING ITS SERVICES,
AMENDING PRESIDENTIAL DECREE NO. 1467, AS AMENDED”**

be approved, in substitution of House Bills Numbered 14, 1008, 1323, 1917, 2419,
2747, 2780, 2907, 3197, 3537, 3962, 4379, 4406, 4908, 5159, 5543, 5977, 6093,
6361, 6489, 7720, 7835, 8739, and House Resolution No. 119, with Representatives
Faustino "Bojie" G. Dy III, Eric L. Olivarez, Ferdinand Martin G. Romualdez, Andrew
Julian K. Romualdez, Jude A. Acidre, Ferdinand "B1" L. Beltran, Marlyn L. Primicias-
Agabas, Elisa T. Kho, Antonio T. Kho, Atty. Gerville "Jinky Bitrics" R. Luistro, Felimon
M. Espares, Julius Cesar. "Jay" V. Vergara, Miguel Luis R. Villafuerte, Vincenzo
Renato Luigi R. Villafuerte, Tsuyoshi Anthony "Hori" G. Horibata, Terry L. Ridon,
Alfredo D. Marañon III, Emilio Bernardino L. Yulo, Jesus Manuel "Bong" C. Suntay,
Rufus B. Rodriguez, Maximo B. Rodriguez, Jr., Adrian E. Salceda, Kristine Singson-
Meehan, Yedda Marie K. Romualdez, Christopherson "Coco" M. Yap, Arthur C. Yap,
Ann Matibag, Dennis "Tom" L. Hernandez, Edwin L. Cruzado M.D., Nelson S.
Legacion, Ricardo S. Cruz, Jr., Niko Raul S.J. Daza, Jesus "Jess" R. Marquez,
and Emigdio P. Tanjuatco III as authors thereof.

Respectfully Submitted,


ERIC L. OLIVAREZ
Chairperson
Committee on Government
Enterprises and Privatization

THE HONORABLE SPEAKER
HOUSE OF REPRESENTATIVES
Quezon City

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

TWENTIETH CONGRESS
Second Regular Session

House Bill No. 10365

(In Substitution of House Bills Numbered 14, 1008, 1323, 1917, 2419, 2747, 2780, 2907, 3197, 3537, 3962, 4379, 4406, 4908, 5159, 5543, 5977, 6093, 6361, 6489, 7720, 7835, 8739, and House Resolution No. 119)

Introduced by Representatives Faustino "Bojie" G. Dy III, Eric L. Olivarez, Ferdinand Martin G. Romualdez, Andrew Julian K. Romualdez, Jude A. Acidre, Ferdinand "B1" L. Beltran, Marlyn L. Primicias-Agabas, Elisa T. Kho, Antonio T. Kho, Atty. Gerville "Jinky Bitrics" R. Luistro, Felimon M. Espares, Julius Cesar. "Jay" V. Vergara, Miguel Luis R. Villafuerte, Vincenzo Renato Luigi R. Villafuerte, Tsuyoshi Anthony "Hori" G. Horibata, Terry L. Ridon, Alfredo D. Marañon III, Emilio Bernardino L. Yulo, Jesus Manuel "Bong" C. Suntay, Rufus B. Rodriguez, Maximo B. Rodriguez, Jr., Adrian E. Salceda, Kristine Singson-Meehan, Yedda Marie K. Romualdez, Christopherson "Coco" M. Yap, Arthur C. Yap, Ann Matibag, Dennis "Tom" L. Hernandez, Edwin L. Cruzado M.D., Nelson S. Legacion, Ricardo S. Cruz, Jr., Niko Raul S.J. Daza, Jesus "Jess" R. Marquez, and Emigdio P. Tanjuatco III.

AN ACT
STRENGTHENING THE PHILIPPINE CROP INSURANCE CORPORATION BY
EXTENDING ITS CORPORATE TERM AND EXPANDING ITS SERVICES,
AMENDING PRESIDENTIAL DECREE NO. 1467, AS AMENDED

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

Section 1. Declaration of Policy. - It is hereby declared the policy of the State to provide support to agriculture through adequate financial, production, marketing and other support services. Towards this end, the State shall:

- a) Ensure food security, intensify food production, promote agricultural credit, and broaden the coverage of agricultural insurance amidst the recurrence of natural disasters and calamities, such as floods, typhoons, heavy rains, drought, pests, and diseases that destroy crops, especially palay and other grains necessary for food security;
- b) Alleviate the financial burden of farmers and fisherfolk due to losses arising from destruction of their livelihood brought by disasters and calamities, keep them away from indebtedness, enhance their credit standing, and provide

1 additional government support to farmers and fisherfolk to increase
2 agricultural production;

3
4 c) Assist banks and financial institutions by enhancing their capabilities to
5 extend loans to farmers;

6
7 d) Strengthen and expand the coverage of the Philippine Crop Insurance
8 Corporation to provide insurance protection to farmers and fisherfolk against
9 losses arising from natural calamities, fortuitous events, plant, livestock, and
10 fish diseases, and pest infestations; and

11
12 e) Encourage active private sector participation in the agricultural insurance
13 industry through various public-private partnership arrangements that will
14 unlock vast financial, technological and other resources for expanding
15 agricultural insurance coverage in the country.

16
17 **Sec. 2.** Section 1 of Presidential Decree No. 1467, as amended, is hereby further
18 amended, to read as follows:

19
20 “Section 1. Creation of the Philippine Crop Insurance Corporation. – There is
21 hereby created a body corporate to be known as the “Philippine Crop Insurance
22 Corporation” (PCIC and herein called the Corporation) which shall be attached
23 to the Department of Agriculture for budgetary purposes. The Corporation shall
24 insure qualified farmers **AND FISHERFOLK** against losses arising from natural
25 calamities, **FORTUITOUS EVENTS**, plant, **LIVESTOCK, AND FISH** diseases,
26 and pest infestations.

27
28 ~~[Initially, the]~~ **THE** Corporation shall provide insurance coverage for palay
29 ~~[crops and later on to other crops without prejudice to the inclusion of other~~
30 ~~non-crop agricultural assets such as but not limited to machineries equipment,~~
31 ~~transport facilities and other related infrastructures, as the Board of Directors of~~
32 ~~the Corporation may determine]~~ **AND CORN CROPS, HIGH-VALUE CROPS,**
33 **LIVESTOCK, AQUACULTURE AND FISHERY PRODUCTS,**
34 **AGROFORESTRY CROPS AND FOREST PLANTATIONS; NON-CROP**
35 **AGRICULTURAL ASSETS SUCH AS MACHINERIES, EQUIPMENT,**
36 **TRANSPORT FACILITIES, AND OTHER RELATED INFRASTRUCTURE;**
37 **AND LIFE AND ACCIDENT TERM INSURANCE COVERAGE FOR**
38 **FARMERS AND FISHERFOLK. IT SHALL UTILIZE MODERN**
39 **TECHNOLOGIES IN ITS OPERATIONS AND OFFER PARAMETRIC OR**
40 **INDEX-BASED INSURANCE, AMONG OTHER INNOVATIVE INSURANCE**
41 **PRODUCTS.** Such ~~[crop]~~ **AGRICULTURAL** insurance shall cover, ~~[in every~~
42 ~~case]~~ **AS FAR AS PRACTICABLE**, the cost of production inputs, the market-
43 **VALUED** ~~[farmer's own]~~ **labor OF THE FARMER OR FISHERFOLK,** and
44 ~~[those of the]~~ members of ~~[his]~~ their householdS including the value of the labor
45 of hired workers, and a portion of the expected yield as the Board of Directors
46 in its discretion, decide to insure. Such insurance protection, however, shall
47 exclude losses arising from avoidable risks emanating from or due to the
48 negligence, malfeasance, or fraud committed by the insured, or any member of
49 the immediate farm household or employee, or the failure of the insured to
50 follow proven farm practices. **THE CORPORATION SHALL LIKEWISE**

1 **ENTER INTO PUBLIC-PRIVATE PARTNERSHIPS (PPPs) WITH ENTITIES**
2 **WILLING TO OFFER AGRICULTURAL INSURANCE.”**
3

4 **Sec. 3.** Subsection 3.11 of Section 3 of Presidential Decree No. 1467, as amended,
5 is hereby further amended to read as follows:
6

7 “3.11. To generate internal funds by floating bonds, expansion to other
8 insurance lines and extending coverage to other areas of agriculture,
9 **INCLUDING ENTERING INTO PPPs, JOINT VENTURES, OR SIMILAR**
10 **ARRANGEMENTS, WITH AGRICULTURAL COOPERATIVES, FARMERS’**
11 **ASSOCIATIONS, AND OTHER PRIVATE SECTOR PARTICIPANTS IN THE**
12 **AGRICULTURAL INSURANCE MARKET,** in order to address THE insurance
13 needs of the target sector and to do and perform acts and things and to exercise
14 all the general powers conferred by law upon the Corporation as are incidental
15 or conducive to the attainment of [the] ITS objectives [of the Corporation].”:
16 **PROVIDED, THAT ALL SUCH FINANCING ACTIVITIES AND PPP**
17 **ARRANGEMENTS SHALL COMPLY WITH THE POLICIES, GUIDELINES,**
18 **AND APPROVAL PROCESSES PRESCRIBED BY THE GOVERNANCE**
19 **COMMISSION FOR GOCCS (GCG), THE DEPARTMENT OF FINANCE**
20 **(DOF), AND OTHER RELEVANT OVERSIGHT AGENCIES.”**
21

22 **Sec. 4.** Section 4 of Presidential Decree No. 1467, as amended, is hereby further
23 amended, to read as follows:
24

25 “Section 4. Who shall be insured. – [~~Participation in the palay crop insurance~~
26 ~~shall be compulsory for all farmers obtaining production loans for palay under~~
27 ~~the supervised credit program and optional on the part of self-financed farmers~~
28 ~~provided that they agree to place themselves under the supervision of~~
29 ~~agricultural production technicians. No lending institution shall approve or grant~~
30 ~~production loan for palay under the supervised credit program unless the same~~
31 ~~is covered by a crop insurance pursuant to this Decree. The term “supervised~~
32 ~~credit program” as used in this Decree shall mean the production credit program~~
33 ~~wherein the farmer who obtained production loans for palay agrees in writing~~
34 ~~that he will apply proven farm practices necessary to conserve the land,~~
35 ~~improve its fertility and increase its production, and abide by the approved farm~~
36 ~~plan and budget jointly prepared by him and the duly accredited supervised~~
37 ~~credit technician. The term “supervision of agricultural production technician”~~
38 ~~shall mean the supervision undertaken by agricultural production technicians~~
39 ~~who are duly accredited by the appropriate government agencies concerned,~~
40 ~~as required under the supervised credit system.]~~ **TO SUPPORT THE**
41 **AGRICULTURAL SECTOR, THE CORPORATION SHALL PROVIDE**
42 **AGRICULTURAL INSURANCE PRODUCTS TO ELIGIBLE OR QUALIFIED**
43 **FARMERS AND FISHERFOLK, AS EVALUATED BY THE CORPORATION.**
44 **THE BOARD OF DIRECTORS SHALL PRESCRIBE THE CRITERIA FOR**
45 **DETERMINING ELIGIBILITY, WHICH SHALL INCLUDE THE**
46 **VULNERABILITY AND RISK EXPOSURE OF FARMERS, FISHERFOLK,**
47 **AND FOOD PRODUCERS TO NATURAL, CLIMATIC, AND BIOLOGICAL**
48 **RISKS, INCLUDING PEST AND DISEASE OUTBREAKS. THE BOARD**
49 **SHALL ENSURE THAT COVERED FARMERS, FISHERFOLK, AND FOOD**
50 **PRODUCERS ARE ADEQUATELY PROTECTED, AND THAT THE**

1 ELIGIBILITY ARE ALIGNED WITH GOVERNMENT OBJECTIVES TO
2 ENSURE THE SUSTAINABILITY OF THE AGRICULTURAL INSURANCE
3 PROGRAM, AS MAY BE PERIODICALLY REVIEWED BY THE BOARD
4 BASED ON SOCIO-ECONOMIC DATA AND SUBJECT TO GUIDELINES
5 ISSUED BY THE DEPARTMENT OF AGRICULTURE AND THE GCG.”
6

7 **Sec. 5.** Section 5 of Presidential Decree No. 1467, as amended, is hereby further
8 amended, to read as follows:
9

10 “Section 5. Rate of Premium and its Sharing. – The rate of premium, as well as
11 the allocated sharing thereof by the farmers, **FISHERFOLK**, [the] lending
12 institutions, the Government of the Republic of the Philippines (herein called
13 the Government) and other parties, shall be determined by the Board of
14 Directors of the Corporation: Provided, That the share of the Government in the
15 premium cost in the form of premium subsidy, shall be limited to subsistence
16 farmers: Provided, however, That each of these subsistence farmers is
17 cultivating not more than ~~[seven (7)]~~ **THREE (3)** hectares, **SUBJECT TO**
18 **PERIODIC REVIEW BASED ON SOCIO-ECONOMIC CONDITIONS**, [by
19 themselves] **WHETHER PERSONALLY** or with the ~~[help of the labor of the]~~
20 **ASSISTANCE OF HOUSEHOLD** members [of their households] or hired
21 labor, **WITH** the premium rate and sharing to be determined by the Board of
22 Directors ~~[subject to approval by the President of the Philippines]~~: Provided,
23 further, *That* the premium share of the subsistence farmer, **IF ANY**, shall be
24 reasonably affordable ~~[by him]~~: Provided, furthermore, *That* the Government
25 shall share in the premium cost only [in] **FOR** insurance coverage against
26 unforeseen and unavoidable risks such as, but not limited to typhoons,
27 droughts, outbreaks of pest and diseases: Provided, finally, *That* premium
28 subsidy and/or insurance benefits shall upon the accumulation of surplus funds,
29 be increased to such amount as may be determined by the Board taking into
30 consideration that the Corporation has been established not only for profit but
31 ~~[mainly to help]~~ **PRIMARILY TO ASSIST** the insured in ~~[their direct hours]~~
32 **TIMES** of need.”
33

34 **Sec. 6.** Subsection 2.2 of Section 2 of Presidential Decree No. 1467, as amended, is
35 hereby further amended, to read as follows:
36

37 Section 2. Place of Business and Term of Existence.
38

39 2.1 xxx :

40 2.2 ~~The term of legal existence of Corporation shall be fifty (50) years from and~~
41 ~~after the date of the approval of this Decree.~~

42 **“CORPORATE TERM. THE PHILIPPINE CROP INSURANCE**
43 **CORPORATION (PCIC) SHALL HAVE A PERPETUAL TERM OF**
44 **EXISTENCE, UNLESS OTHERWISE PROVIDED BY LAW: PROVIDED,**
45 **THAT THE CONTINUED EXISTENCE OF THE CORPORATION SHALL BE**
46 **SUBJECT TO THE PERFORMANCE EVALUATION BY THE GCG, IN**
47 **ACCORDANCE WITH REPUBLIC ACT NO. 10149 AND OTHER**
48 **APPLICABLE LAWS, RULES, AND REGULATIONS.**
49

50 **THE CORPORATION SHALL REMAIN OPERATIONAL ONLY UPON A**

1 DETERMINATION BY THE GCG THAT IT IS RELEVANT, EFFICIENT,
2 FINANCIALLY VIABLE, AND CONSISTENT WITH NATIONAL
3 DEVELOPMENT POLICIES AND PRIORITIES. FOR THIS PURPOSE, THE
4 GCG SHALL CONDUCT PERIODIC PERFORMANCE REVIEWS AND
5 IMPACT ASSESSMENTS, INCLUDING BUT NOT LIMITED TO THE
6 CORPORATION'S FINANCIAL PERFORMANCE, SERVICE DELIVERY
7 EFFICIENCY, RISK MANAGEMENT SYSTEMS, AND CONTRIBUTION TO
8 AGRICULTURAL DEVELOPMENT AND FOOD SECURITY.

9
10 IN THE EVENT THAT THE GCG DETERMINES THAT THE CORPORATION
11 IS NO LONGER NECESSARY, VIABLE, OR EFFECTIVE IN ACHIEVING ITS
12 MANDATE, IT MAY RECOMMEND TO THE PRESIDENT OF THE
13 PHILIPPINES THE REORGANIZATION, MERGER, CONSOLIDATION,
14 ABOLITION, OR PRIVATIZATION OF THE CORPORATION, SUBJECT TO
15 EXISTING LAWS AND DUE PROCESS REQUIREMENTS.

16
17 THE BOARD OF DIRECTORS SHALL BE ACCOUNTABLE FOR ENSURING
18 THAT THE CORPORATION MEETS THE PERFORMANCE STANDARDS
19 SET BY THE GCG AS A CONDITION FOR ITS CONTINUED CORPORATE
20 EXISTENCE.

21
22 NOTHING IN THIS SECTION SHALL BE CONSTRUED TO DIMINISH THE
23 POWER OF CONGRESS TO AMEND, REPEAL, OR OTHERWISE MODIFY
24 THE CORPORATE EXISTENCE OF THE CORPORATION THROUGH
25 SUBSEQUENT LEGISLATION.”

26
27 **Sec. 7. Separability Clause.** If any provision of this Act is declared unconstitutional,
28 the remainder hereof not otherwise affected shall remain in full force and effect.

29
30 **Sec. 8. Repealing Clause.** All laws, decrees, orders, resolutions, instructions and
31 rules and regulations or parts thereof which are inconsistent with this Act are hereby
32 deemed repealed or modified accordingly.

33
34 **Section 9. Effectivity.** This Act shall take effect fifteen (15) days after its publication
35 in the Official Gazette or in a newspaper of general circulation.

36
37 Approved,
38

FACT SHEET

House Bill No. **10365**

(In Substitution of House Bills Numbered 14, 1008, 1323, 1917, 2419, 2747, 2780, 2907, 3197, 3537, 3962, 4379, 4406, 4908, 5159, 5543, 5977, 6093, 6361, 6489, 7720, 7835, 8739, and House Resolution No. 119)

AN ACT

STRENGTHENING THE PHILIPPINE CROP INSURANCE CORPORATION BY EXTENDING ITS CORPORATE TERM AND EXPANDING ITS SERVICES, AMENDING PRESIDENTIAL DECREE NO. 1467, AS AMENDED

Introduced by: REPRESENTATIVES FAUSTINO "BOJIE" G. DY III, ERIC L. OLIVAREZ, FERDINAND MARTIN G. ROMUALDEZ, ANDREW JULIAN K. ROMUALDEZ, JUDE A. ACIDRE, FERDINAND "B1" L. BELTRAN, MARLYN L. PRIMICIAS-AGABAS, ELISA T. KHO, ANTONIO T. KHO, ATTY. GERVILLE "JINKY BITRICS" R. LUISTRO, FELIMON M. ESPARES, JULIUS CESAR. "JAY" V. VERGARA, MIGUEL LUIS R. VILLAFUERTE, VINCENZO RENATO LUIGI R. VILLAFUERTE, TSUYOSHI ANTHONY "HORI" G. HORIBATA, TERRY L. RIDON, ALFREDO D. MARAÑON III, EMILIO BERNARDINO L. YULO, JESUS MANUEL "BONG" C. SUNTAY, RUFUS B. RODRIGUEZ, MAXIMO B. RODRIGUEZ, JR., ADRIAN E. SALCEDA, KRISTINE SINGSON-MEEHAN, YEDDA MARIE K. ROMUALDEZ, CHRISTOPHERSON "COCO" M. YAP, ARTHUR C. YAP, ANN MATIBAG, DENNIS "TOM" L. HERNANDEZ, EDWIN L. CRUZADO M.D., NELSON S. LEGACION, RICARDO S. CRUZ, JR., NIKO RAUL S.J. DAZA, JESUS "JESS" R. MARQUEZ, AND EMIGDIO P. TANJUATCO III

Committee Referral: **COMMITTEE ON GOVERNMENT ENTERPRISES
AND PRIVATIZATION**

Committee Chairperson: **REP. EDWIN L. OLIVAREZ**

OBJECTIVES:

- To ensure that more Filipino farmers are protected from financial losses caused by natural calamities, plant diseases, and pest infestations, through the Philippine Crop Insurance Corporation (PCIC);
- To encourage and mobilize the resources of private sector entities, including cooperatives and farmers' organizations, to invest in and participate in the provision of agricultural insurance.

KEY PROVISIONS:

- Mandates the expansion of the insurance services of the PCIC to all agricultural commodities, from the traditional *palay* crops to include livestock, fisheries and aquaculture, agroforestry projects and forest plantations, and

non-crop agricultural assets such as machinery, equipment, transport facilities, and other related infrastructures;

- Provides for the perpetual existence of PCIC.

RELATED LAWS:

- **Presidential Decree No. 1467, as amended by P.D. No. 1733, Series of 1980, and R.A. No. 8175**, otherwise known as the “Revised Charter of the Philippine Crop Insurance Corporation Act of 1995”
- **Executive Order No. 148, Series of 2021**, Transferring the Philippine Crop Insurance Corporation from the Department of Agriculture to the Department of Finance, and Reorganizing the PCIC Board of Directors