

NINETEENTH CONGRESS OF THE REPUBLIC OF THE PHILIPPINES *First Regular Session*

23 MAY -3 A11 :44

SENATE S. No. 2117

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Introduced by Senator Christopher Lawrence "Bong" T. Go

AN ACT

GRANTING FULL AGRICULTURAL INSURANCE COVERAGE TO ALL QUALIFIED AGRARIAN REFORM BENEFICIARIES OF THE COMPREHENSIVE AGRARIAN REFORM PROGRAM, AMENDING FOR THE PURPOSE REPUBLIC ACT NO. 6657, AS AMENDED BY REPUBLIC ACT NO. 9700, OTHERWISE KNOWN AS THE "COMPREHENSIVE AGRARIAN REFORM LAW OF 1988"

EXPLANATORY NOTE

Republic Act No. 9700 strengthened the Comprehensive Agrarian Reform Program (CARP) by extending the acquisition and distribution of all agricultural lands, instituting necessary reforms. Filipino farmers who feed the nation, inevitably face adverse effects of circumstances that are beyond their control such as natural calamities, the infestation of plant diseases and pests, or even death and injury while farming, which also leads to loss of money and resources. While crop insurance is available through the Philippine Crop Insurance Corporation, farmers often cannot afford the insurance premium required to be paid under the program.

The purpose of this bill is to provide assistance to agrarian reform beneficiaries (ARB) in the event of natural calamities to make their losses more bearable, to help them recover from adverse effects, and to mitigate the effects of natural calamities by providing full crop insurance coverage to qualified agrarian reform beneficiaries. By providing full crop insurance coverage, we are unburdening agrarian reform beneficiaries from insurance premium payment, aiding them in times of calamities and allowing them to immediately recover, thereby protecting food security in the country.

In view of the foregoing, approval of this bill is earnestly sought.

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SENATOR CHRISTOPHER LAWRENCE "BONG" T. GO



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

1 **SECTION 1.** Section 37 of Republic Act No. 6657, as amended, is

2 hereby further amended to read as follows:

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"SEC. 37. Support Services for the Agrarian Reform Beneficiaries. – The
State shall adopt the integrated policy of support services delivery to
agrarian reform beneficiaries. To this end, the DAR, the Department of
Finance, and the *Bangko Sentral ng Pilipinas* shall institute reforms to
liberalize access to credit by agrarian reform beneficiaries. The PARC shall
ensure that support services for agrarian reform beneficiaries are
provided, such as:

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"(a) x x x ; 12

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14 "(e) x x x; [and]

"(f) x x x

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"The Bagong Kilusang Kabuhayan sa Kaunlaran (BKKK) Secretariat shall be transferred and attached to the LBP, for its supervision including all its applicable and existing funds, personnel, properties, equipment and records. [.]; **AND**

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8 "(G) FULL AGRICULTURAL INSURANCE COVERAGE FOR
 9 COMPENSABLE LOSSES TO ALL QUALIFIED AGRARIAN REFORM
 10 BENEFICIARIES, WHO ARE ACTUALLY TILLING THE LAND.

12THE DAR SHALL PROVIDE THE PROCEDURES FOR SUCH13REGISTRATION AND CERTIFICATION OF ACTUAL BENEFICIARIES14AND FARMING INVESTMENTS AND PROJECTS UNDERTAKEN BY15SUCH. FOR PURPOSES OF THIS SECTION, "QUALIFIED AGRARIAN16REFORM BENEFICIARIES" SHALL BE AS DEFINED IN SECTION 3 (b)17OF REPUBLIC ACT NO. 10000, OTHERWISE KNOWN AS THE "AGRI-18AGRA REFORM CREDIT ACT OF 2009".

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COMPENSABLE LOSSES INCLUDE THOSE RESULTING FROM:

i. NATURAL CALAMITIES SUCH AS TYPHOON, FLOOD, DROUGHT, EARTHQUAKE, VOLCANIC ERUPTION, FROST, AND OTHER DESTRUCTIVE NATURAL PHENOMENA SUCH AS HEAT AND HOT WIND;

- ii. PLANT DISEASES CAUSED BY PATHOGENS, BACTERIA,
 FUNGI, VIRUSES, VIRUS-LIKE PATHOGENS, AND OTHER
 SIMILAR FOREIGN BODIES
- 31iii. PEST INFESTATIONS CAUSED BY NEMATODES, INSECTS,32MITES AND SPIDERS, MILLIPEDES AND CENTIPEDES,

1 SYMPHYLANS, SLUGS AND SNAILS, SOW BUGS AND PILLBUGS, PARASITIC HIGHER PLANTS, AND OTHER 2 **PARASITES; AND** 3 4 iv. LOSS OF LIFE OR INJURY TO THE QUALIFIED AGRARIAN 5 **REFORM BENEFICIARY DUE TO ACCIDENT OR ANY OF THE** 6 **AFOREMENTIONED CAUSES.** 7 8 "THE FOLLOWING CROPS AND OTHER FARMING AND FISHERY 9 **PRODUCE ARE COVERED:** 10 11 i. PALAY, CORN, SUGARCANE, HIGH-VALUE CROPS AS 12 DEFINED IN SECTION 4(b) of REPUBLIC ACT NO. 7900, 13 OTHERWISE KNOWN AS THE 'HIGH-VALUE CROPS 14 **DEVELOPMENT ACT OF 1995', COCONUT, TOBACCO;** 15 16 ii. CROPS OR STOCKS IN FISHERIES FARMS: 17 18 19 iii. LIVESTOCK; AND 20 iv. NON-CROP AGRICULTURAL ASSETS USED IN ACTUAL 21 FARMING AND REPORTED TO AND CERTIFIED BY THE DAR. 22 23 "Misuse or diversion of the financial and support services herein provided 24 shall result in sanctions against the beneficiary guilty thereof, including the 25 forfeiture of the land transferred to him/her or lesser sanctions as may be 26 provided by the PARC, without prejudice to criminal prosecution. 27 28 "THE SECRETARY OF THE DA AND THE SECRETARY OF THE DAR 29 SHALL IMMEDIATELY INCLUDE IN THEIR DEPARTMENTS' 30 PROGRAMS THE OPERATIONALIZATION OF THIS INSURANCE 31 COVERAGE, THE INITIAL FUNDING FOR WHICH SHALL BE 32

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CHARGED AGAINST THE CURRENT APPROPRIATIONS OF THE 1 2 PHILIPPINE CROP INSURANCE CORPORATION (PCIC) FOR THE 3 **REGISTERED BENEFICIARIES UNDER THE RSBSA. THEREAFTER, PROJECTIONS OF THE ANNUAL PREMIUM REQUIREMENT SHALL BE** 4 SUBMITTED BY THE PCIC AND THE DAR TO THE PRESIDENT WHO 5 SHALL INCLUDE IN THE ANNUAL GENERAL APPROPRIATIONS ACT 6 THE NECESSARY BUDGET FOR THE INSURANCE COVERAGE 7 MANDATED IN THIS ACT: PROVIDED, THAT IN CASE OF 8 **INSUFFICIENCY OF THE INITIAL FUND TO COVER ALL QUALIFIED** 9 10 ARBS AND LEASEHOLDERS, COVERAGE SHALL BE PRIORITIZED IN THE FOLLOWING MANNER: FIFTY PERCENT (50%) TO THOSE 11 NEWLY INSTALLED AND QUALIFIED ARBS WITH ISSUED 12 CERTIFICATE OF LANDOWNERSHIP AWARDS (CLOAs) OR 13 LEASEHOLD INSTRUMENTS, IN DESCENDING CHRONOLOGICAL 14 ORDER; AND THE REMAINING FIFTY PERCENT (50%) TO THOSE 15 EARLIEST INSTALLED AND QUALIFIED ARBS WITH ISSUED 16 PATENTS CLOAS 17 EMANCIPATION OR OR LEASEHOLD INSTRUMENTS, IN ASCENDING CHRONOLOGICAL ORDER 18 **PROVIDED FURTHER, THAT ADDITIONAL QUALIFIED ARBS AND** 19 LEASE HOLDERS SHALL BE COVERED YEARLY BASED ON ANNUAL 20 PROJECTIONS AND IN THE SAME MANNER AS PROVIDED, UNTIL 21 SUCH TIME THAT ALL QUALIFIED ARBS AND LEASEHOLDERS ARE 22 **COVERED UNDER THIS ACT.** 23

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"FURTHER, A CONGRESSIONAL OVERSIGHT COMMITTEE FOR THE 25 FULL INSURANCE COVERAGE OF AGRARIAN REFORM 26 BENEFICIARIES (COCFICARB) IS HEREBY CREATED. IT SHALL BE 27 COMPOSED OF THE CHAIRPERSON OF THE COMMITTEE ON 28 AGRARIAN REFORM OF THE HOUSE OF REPRESENTATIVES AND 29 THE CHAIRPERSON OF THE COMMITTEE ON AGRICULTURE, FOOD 30 AND AGRARIAN REFORM OF THE SENATE OF THE PHILIPPINES, 31 THREE (3) MEMBERS OF THE HOUSE OF REPRESENTATIVES, AND 32

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THREE (3) MEMBERS OF THE SENATE OF THE PHILIPPINES, TO BE DESIGNATED RESPECTIVELY BY THE SPEAKER OF THE HOUSE OF REPRESENTATIVES AND THE PRESIDENT OF THE SENATE OF THE PHILIPPINES."

6 **SEC. 2.** Within thirty (30) days from the effectivity of this Act, the 7 DAR, shall, in coordination with the Land Bank of the Philippines submit to the 8 Department of Agriculture (DA), the complete list of qualified ARBs and 9 leaseholders to be included in the Registry System for Basic Sectors in Agriculture 10 (RSBSA), their respective locations, and size of land holdings.

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SEC. 3. Within thirty (30) days from the approval of this Act, the DAR, shall, in coordination with the DA, PCIC, and Department of Budget and Management, issue the rules and regulations for the effective implementation of this Act.

SEC. 4. All laws, acts, decrees, executive orders, issuances, and rules and regulations or parts thereof which are contrary to and inconsistent with this Act are hereby repealed, amended, or modified accordingly.

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20 **SEC. 5.** This Act shall take effect fifteen (15) days after its publication in 21 the *Official Gazette* or in a newspaper of general circulation.

Approved,