



SENATE
S. No. 866

~~19~~ AUG ~~5~~ P5:50

Introduced by Senator Grace Poe

RECEIVED

AN ACT
INSTITUTIONALIZING THE PROVISION OF CROP INSURANCE FOR THE
FISHERIES, LIVESTOCK AND POULTRY SECTORS, AMENDING FOR THE
PURPOSE SECTION 1 OF PRESIDENTIAL DECREE NO. 1647, AS AMENDED,
OTHERWISE KNOWN AS THE "REVISED CHARTER OF THE PHILIPPINE
CROP INSURANCE CORPORATION ACT OF 1995"

Explanatory Note

Our fisheries and livestock sectors are major contributors to our country's economy and food security. Our fisheries sector produced 4.31 million metric tons of fish in 2017, valued at around Php 243.94 million pesos in total. It also supports at least 1 million fisherfolk as well as their families. The gross value of livestock and poultry production is not so far behind. These sectors were valued at PhP 75.4 billion and PhP 55.4 billion in 2018, respectively.

However, all of the sectors identified above are vulnerable to climate change and severe-weather based calamities. Typhoon Haiyan caused Php 1.82 billion of damage to the fisheries sector in Region 8 alone. In 2002, Typhoon Gloria wreaked havoc upon fish ponds in four provinces, costing around \$4.4 million. The province of Pampanga was affected the worst, with almost 2,500 ha of ponds damaged. An estimated 7,000 fisherfolk were affected, and around 2,000 to 3,000 tonnes of fish were lost.¹ In 2018, Typhoon Ompong caused Php 5.5 million of damage to the livestock and poultry sectors.

This measure seeks to protect the fisheries, livestock and poultry sector from the immediate impact of natural disasters. It does so by amending the coverage of the Philippine Crop Insurance Corporation, to institutionalize the coverage livestock, poultry and related equipment, as well unharvested fisheries stock, and inland fishponds, fish cages, fishpens, and fishing boats. In doing so, it harmonizes the issuances of the PCIC, as well as those covered under R.A. No. 8550, otherwise known as "*The Philippine Fisheries Code of 1998*". At present, the coverage of the

¹ Westlund, L. *Disaster response and risk management in the fisheries sector*. Food and Agriculture Organization, 2007. Retrieved from <http://www.fao.org/3/a-a1217e.pdf>

sectors identified is funded to the amount of Php 3.5 billion in the 2019 General Appropriations Act.

In light of the foregoing, immediate approval of this measure is eagerly sought.


GRACE POE

EIGHTEENTH CONGRESS OF THE)
REPUBLIC OF THE PHILIPPINES)
First Regular Session)

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Office of the Secretary

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

1 Section 1. Section 1 of Presidential Decree No. 1467, as amended, is hereby
2 further amended to read as follows:

3 "SECTION 1. *Creation of the Philippine Crop Insurance Corporation.* –
4 There is hereby created a body corporate to be known as the Philippine
5 Crop Insurance Corporation (PCIC and herein called the Corporation)
6 which shall be attached to the Department of Agriculture for budgetary
7 purposes. The Corporation shall insure qualified farmers **AND**
8 **FISHERFOLK** against losses arising from natural calamities, plant
9 diseases, and pest infestations. [~~Initially,~~] [~~the~~]The Corporation shall
10 provide insurance coverage for *palay* [~~crops,~~] and [~~later-on-to~~] other
11 crops, **LIVESTOCK AND POULTRY, AND UNHARVESTED**
12 **FISHERIES STOCK**, without prejudice to the inclusion of other non-
13 crop agricultural assets, such as but not limited to machineries,
14 equipment, transport facilities, **LIVESTOCK AND POULTRY PENS**
15 **AND CAGES, INLAND FISHPONDS, FISH CAGES, FISHPENS,**
16 **FISHING BOATS**, and other related infrastructures, as the Board of

1 Directors of the Corporation may determine. Such crop insurance shall
2 cover, in every case, the cost of production inputs, the value of the
3 farmer's **AND/OR FISHERFOLK'S** own labor and those of the
4 members of his household, including the value of the labor of hired
5 workers, and a portion of the expected as the Board of Directors, in its
6 discretion, decide to insure. Such insurance protection, however, shall
7 exclude losses arising from avoidable risks emanating from or due to the
8 negligence, malfeasance or fraud committed by the insured or any
9 member of his immediate farm household or employee or the failure of
10 the insured to follow proven farm practices."

11 *Sec. 2. Appropriations.*- Such funds as may be necessary to implement the
12 provisions of this Act shall be included in the annual appropriations of the Philippine
13 Corp Insurance Corporation (PCIC) under the Budgetary Support to Government
14 Corporations.

15 *Sec. 3. Implementing Rules and Regulations.*- The PCIC shall issue the
16 implementing rules and regulations necessary for the effective implementation of
17 this Act shall be issued within sixty (60) days of its effectivity.

18 *Sec. 4. Effectivity.*- This Act shall become effective thirty (30) days upon its
19 publication in the Official Gazette.

20 *Adopted,*