

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



SENATE  
Office of the Secretary

23 JAN 25 P3:53

SENATE

S. No. 1766

RECEIVED BY: \_\_\_\_\_

---

Introduced by Senator MANUEL "LITO" M. LAPID

---

**AN ACT**  
**GRANTING FULL 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**

The Philippines, being located along the Ring of Fire, is vulnerable to frequent typhoons, earthquakes, and volcanic eruptions.

In fact, the Philippines is one of the world's most disaster-prone countries. Over the immediate past decade, the Philippines greatly suffered from extreme weather events. To name a few: typhoon Yolanda (with a death toll of 6,300 people and damage worth P95.5 billion), typhoon Odette (with death toll of 409 people and damage worth P51.8 billion), and Taal Volcano's eruption (with approximate damage in the agricultural sector worth P3.06 billion).


These natural disasters undoubtedly affect the farmers' livelihood. Not only that, but also have an impact on a larger scale, i.e., food production in and food security of the country. Providing for crop insurance is one the effective instruments the government can utilize in mitigating the consequences of these natural calamities on the agricultural sector. It can make the losses from these inevitable events bearable by providing additional form of support service. In mitigating the effects and

consequences of these calamities, this will not only sustain the farmers' incomes, but also the country's food production and food security.

The Philippine Crop Insurance Corporation is the implementing agency of the government's agricultural insurance program which provides insurance protection to farmers against losses arising from natural calamities, plant diseases, and pest infestations of their crops. It also provides protection against damage to or loss of non-crop agricultural assets including but not limited to machineries, equipment, and other related infrastructures due to perils insured against. However, the participation of agricultural workers in the government agricultural insurance program remains low. One of the main reasons for this is the premium that they are required to pay. Although half of it is already subsidized by the government, the remaining amount continues to be burdensome to our farmers.

Thus, this bill seeks to grant full crop insurance coverage to all qualified agrarian reform beneficiaries of the comprehensive agrarian reform program, who are actually tilling the land and have made investments in growing crops or stocks in fisheries farms, production inputs, other farming implements, other non-crop agricultural assets necessary in the actual cultivation, and livestock as certified by the Department of Agrarian Reform.

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



**MANUEL "LITO" M. LAPID**  
*Senator*

23 JAN 25 P 3:53

SENATE

S. No. 1766

RECEIVED BY: 

---

Introduced by Senator Manuel "Lito" M. Lapid

---

1 **AN ACT**

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

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

7 Section 1. Section 37 of Republic Act No. 6657, as amended, is hereby further  
8 amended to read as follows:

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

15 (a) x x x ;

16 (e) x x x ; **[and]**

17 (f) x x x

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

5           **(G) FULL INSURANCE COVERAGE FOR COMPENSABLE**  
6           **LOSSES TO ALL QUALIFIED AGRARIAN REFORM**  
7           **BENEFICIARIES, WHO ARE ACTUALLY TILLING THE LAND**  
8           **AND HAVE MADE INVESTMENTS IN ANY OF THE**  
9           **FOLLOWING:**

- 10           **i. GROWING CROPS OR STOCKS IN FISHERIES**  
11           **FARMS;**  
12           **ii. PRODUCTION INPUTS;**  
13           **iii. OTHER FARMING IMPLEMENTS;**  
14           **iv. OTHER NON-CROP AGRICULTURAL ASSETS**  
15           **NECESSARY IN THE ACTUAL CULTIVATION,**  
16           **HARVESTING, STORAGE AND HOUSING OF SUCH**  
17           **CROPS OR STOCKS IN FISHERIES FARMS; OR**  
18           **v. LIVESTOCK AS CERTIFIED BY THE DEPARTMENT OF**  
19           **AGRARIAN REFORM (DAR).**

20           **THE DAR SHALL PROVIDE THE PROCEDURES FOR SUCH**  
21           **REGISTRATION AND CERTIFICATION OF ACTUAL**  
22           **BENEFICIARIES AND FARMING INVESTMENTS AND**  
23           **PROJECTS UNDERTAKEN BY SUCH. FOR PURPOSES OF**  
24           **THIS SECTION, "QUALIFIED AGRARIAN REFORM**  
25           **BENEFICIARIES" SHALL BE AS DEFINED IN SECTION 3(b)**  
26           **OF REPUBLIC ACT NO. 10000, OTHERWISE KNOWN AS THE**  
27           **"AGRI-AGRA REFORM CREDIT ACT OF 2009".**

28           **COMPENSABLE LOSSES INCLUDE THOSE RESULTING**  
29           **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;**
- iii. PEST INFESTATIONS CAUSED BY NEMATODES, INSECTS, MITES AND SPIDERS, MILLIPEDES AND CENTIPEDES, SYMPHYLANS, SLUGS AND SNAILS, SOW BUGS AND PILLBUGS, PARASITIC HIGHER PLANTS, AND OTHER PARASITES; AND**
- iv. LOSS OF LIFE OR INJURY TO THE QUALIFIED AGRARIAN REFORM BENEFICIARY DUE TO ACCIDENT OR ANY OF THE AFOREMENTIONED CAUSES.**

**"THE FOLLOWING CROPS AND OTHER FARMING AND FISHERY PRODUCE ARE COVERED:**

- i. PALAY, CORN, SUGARCANE, HIGH-VALUE CROPS AS DEFINED IN SECTION 4 (b) OF REPUBLIC ACT NO. 7900, OTHERWISE KNOWN AS THE 'HIGH-VALUE CROPS DEVELOPMENT ACT OF 1995', COCONUT, TOBACCO;**
- ii. CROPS OR STOCKS IN FISHERIES FARMS;**
- iii. LIVESTOCK; AND**
- iv. NON-CROP AGRICULTURAL ASSETS USED IN ACTUAL FARMING AND REPORTED TO AND CERTIFIED BY THE DAR.**

1 Misuse or diversion of the financial and support services herein  
2 provided shall result in sanctions against the beneficiary guilty  
3 thereof, including the forfeiture of the land transferred to him/her  
4 or lesser sanctions as may be provided by the PARC, without  
5 prejudice to criminal prosecution.

6 **THE SECRETARY OF THE DA AND THE SECRETARY OF THE**  
7 **DAR SHALL IMMEDIATELY INCLUDE IN THEIR**  
8 **DEPARTMENTS' PROGRAMS THE OPERATIONALIZATION**  
9 **OF THIS INSURANCE COVERAGE, THE INITIAL FUNDING**  
10 **FOR WHICH SHALL BE CHARGED AGAINST THE CURRENT**  
11 **APPROPRIATIONS OF THE PHILIPPINE CROP INSURANCE**  
12 **CORPORATION (PCIC) FOR THE REGISTERED**  
13 **BENEFICIARIES UNDER THE RSBSA. THEREAFTER,**  
14 **PROJECTIONS OF THE ANNUAL PREMIUM REQUIREMENT**  
15 **SHALL BE SUBMITTED BY THE PCIC AND THE DAR TO THE**  
16 **PRESIDENT WHO SHALL INCLUDE IN THE ANNUAL**  
17 **GENERAL APPROPRIATIONS ACT THE NECESSARY BUDGET**  
18 **FOR THE INSURANCE COVERAGE MANDATED IN THIS ACT:**  
19 ***PROVIDED*, THAT IN CASE OF INSUFFICIENCY OF THE**  
20 **INITIAL FUND TO COVER ALL QUALIFIED ARBs AND**  
21 **LEASEHOLDERS, COVERAGE SHALL BE PRIORITIZED IN**  
22 **THE FOLLOWING MANNER: FIFTY PERCENT (50%) TO**  
23 **THOSE NEWLY INSTALLED AND QUALIFIED ARBS WITH**  
24 **ISSUED CERTIFICATE OF LANDOWNERSHIP AWARDS**  
25 **(CLOAs) OR LEASEHOLD INSTRUMENTS, IN DESCENDING**  
26 **CHRONOLOGICAL ORDER; AND THE REMAINING FIFTY**  
27 **PERCENT (50%) TO THOSE EARLIEST INSTALLED AND**  
28 **QUALIFIED ARBs WITH ISSUED EMANCIPATION PATIENTS**  
29 **/ CLOAs OR LEASEHOLD INSTRUMENTS, IN ASCENDING**  
30 **CHRONOLOGICAL ORDER; *PROVIDED FURTHER*, THAT**  
31 **ADDITIONAL QUALIFIED ARBs AND LEASEHOLDERS SHALL**



1           **BE COVERED YEARLY BASED ON ANNUAL PROJECTIONS,**  
2           **AND IN THE SAME MANNER AS PROVIDED, UNTIL SUCH**  
3           **TIME THAT ALL QUALIFIED ARBs AND LEASEHOLDERS ARE**  
4           **COVERED UNDER THIS ACT.**

5           **FURTHER, A CONGRESSIONAL OVERSIGHT COMMITTEE**  
6           **FOR THE FULL INSURANCE COVERAGE OF AGRARIAN**  
7           **REFORM BENEFICIARIES (COFCICARB) IS HEREBY**  
8           **CREATED. IT SHALL BE COMPOSED OF THE CHAIRPERSON**  
9           **OF THE COMMITTEE ON AGRARIAN REFORM OF THE HOUSE**  
10           **OF REPRESENTATIVES AND THE CHAIRPERSON OF THE**  
11           **COMMITTEE ON AGRICULTURE, FOOD AND AGRARIAN**  
12           **REFORM OF THE SENATE OF THE PHILIPPINES, THREE (3)**  
13           **MEMBERS OF THE HOUSE OF REPRESENTATIVES, AND**  
14           **THREE (3) MEMBERS OF THE SENATE OF THE PHILIPPINES,**  
15           **TO BE DESIGNATED RESPECTIVELY BY THE SPEAKER OF**  
16           **THE HOUSE OF THE REPRESENTATIVES AND THE**  
17           **PRESIDENT OF THE SENATE OF THE PHILIPPINES.**

18           Section 2. *ARB Registry* - Within thirty (30) days from the effectivity of this Act,  
19           the DAR, shall, in coordination with the Landbank of the Philippines, submit to the  
20           Department of Agriculture (DA), the complete list of qualified ARBs and leaseholders  
21           to be included in the Registry System for Basic Sectors in Agriculture (RSBSA), their  
22           respective locations, and size of landholdings.

23           Section 3. *Implementing Rules and Regulations* - Within thirty (30) days from  
24           the approval of this Act, the DAR, shall, in coordination with the DA, PCIC, and the  
25           Department of Budget and Management, issue the rules and regulations for the  
26           effective implementation of this Act.

27           Section 4. *Repealing Clause* - All laws, acts, decrees, executive orders,  
28           issuances, and rules and regulations or parts thereof which are contrary to and  
29           inconsistent with this Act are hereby repealed, amended, or modified accordingly.

1           Section 5. *Effectivity Clause* - *This* Act shall take effect fifteen (15) days after  
2 its publication in the *Official Gazette* or in a newspaper of general circulation.

3           *Approved,*