



## 2023 YEAR-END REPORT ON THE ACCOMPLISHMENTS OF THE PHILIPPINE CROP INSURANCE CORPORATION (PCIC) INSURANCE PROGRAMS

This is to report on the accomplishments and status of the Philippine Crop Insurance Corporation (PCIC) Insurance Programs based on reports submitted by PCIC as of December 31, 2023.

The Philippine Crop Insurance Corporation (PCIC) is the designated implementing agency for the government's agricultural insurance program. The PCIC aims to provide insurance protection to the country's agricultural producers, particularly subsistence farmers, against losses of their crops and non-crop agricultural assets. These losses may be caused by natural calamities such as typhoons, floods, droughts, earthquakes, volcanic eruptions, plant pest diseases, and other perils.

### I. 2023 PCIC Insurance Coverage and Outreach

PCIC insurance coverage amounted to P127.76 billion in 2023 covering 3.9 million individuals (see Table 1). A breakdown of PCIC insurance accomplishments by type of program shows that rice continues to dominate PCIC's portfolio. Rice has the highest shares both in the corporation's total amount of insurance cover (27%) and total number of insured individuals (37%). This is followed by Credit and Life Term Insurance (CLT) which has a 28% share of the corporation's total amount of insurance cover and 20% of the total number insured. The third largest item in PCIC's insurance portfolio is livestock which has 16% of the overall insured amount and 13% of the total insured number. This is due to the ongoing threat of the African Swine Fever (ASF) which continues to afflict the local swine industry and contributes to rising insurance payments within the livestock line. On the other hand, the commodities with the least insurance availments are poultry, tobacco, sugarcane, and fisheries.

**Table 1. 2023 PCIC Insurance Cover, by Commodity**

Commodity/Program	2023			
	Amount (PM)	Percentage Share	No. Insured	Percentage Share
Rice	34,626.61	27%	1,432,750	37%
Corn	12,766.46	10%	508,307	13%
High-value crops	7,872.40	6%	259,026	7%
Sugarcane	327.239	0%	3,999	0%
Coconut	12,346.16	10%	306,152	8%
Tobacco	147.376	0%	7,588	0%
Livestock	20,057.63	16%	518,344	13%
Poultry	65.943	0%	622	0%
Fisheries	782.697	1%	19,208	0%
Non-crop	3,228.78	3%	74,105	2%
Credit and Life Term Insurance	35,544.90	28%	779,626	20%
<b>Total</b>	<b>127,766.19</b>	<b>100%</b>	<b>3,909,727</b>	<b>100%</b>

Source: Philippine Crop Insurance Corporation (PCIC) 2023 Performance Report

## II. PCIC Insurance Cover by Region

As seen in Table 2, the leading regions in terms of the amount of insurance coverage for 2023 are Region VI (P20.49B), Region II (P19.12B), and Region IV (P12.53B), while the regions with the least amounts of insurance cover are Regions X (P6.25B), III-A<sup>1</sup> (P5.70B) and III<sup>2</sup> (P4.18B). However, the regions with the most insured individuals are Regions VI (625,111), II (587,414), and VII (401,259). In contrast, the areas with the lowest numbers of insured individuals are Regions XII (175,732), Region III (123,502), and Region III-A (123,447).

PCIC's insurance targeting is based on the number of farmers and fisherfolk listed in the Registry System for Basic Sectors in Agriculture (RSBSA) per province.

**Table 2. 2023 PCIC Insurance Coverage and Outreach, by Region**

Region	2023	
	Amount (PM)	No. of Insured
I	9,065.293	380,397
II	19,119.286	587,414
III	4,180.995	123,502
III-A	5,700.189	123,447
IV	12,531.709	289,384
V	7,926.756	265,083
VI	20,489.615	625,111
VII	11,685.999	401,259
VIII	9,791.189	305,568
IX	6,469.158	203,050
X	6,249.760	203,669
XI	8,218.752	226,111
XII	6,337.492	175,732
<b>All Regions</b>	<b>127,766.193</b>	<b>3,909,727</b>

Source: Philippine Crop Insurance Corporation (PCIC) 2023 Performance Report, Data as of April 2024

## III. PCIC Loss Ratio and Damage Rate

Total revenues earned by PCIC from premium payments amounted to P7 billion in 2023 (see Table 3-A). The corporation also paid a total of P4.2 billion in insurance claims during the year. PCIC insurance operations continued to be sustainable in 2023 with a Damage Rate (or claims payments as a percentage of the total amount of insurance cover) of 3.31% and a Loss Ratio (or claims payments as a percentage of premiums earned) of 59.91%.

**Table 3-A. 2023 PCIC Damage and Loss Ratio**

<b>Amount of cover (PM)</b>	127,766.19
<b>Amount of premiums (PM)</b>	7,063.31
<b>Claims paid (PM)</b>	4,231.61
<b>Damage rate (%)</b> <sup>1/</sup>	3.31
<b>Loss ratio (%)</b> <sup>2/</sup>	59.91

<sup>1/</sup>Damage Rate = Claims Paid/Amount of Cover

<sup>2/</sup>Loss Ratio = Claims Paid/Premiums Earned

Source: Philippine Crop Insurance Corporation (PCIC) 2023 Performance Report

PCIC data also shows that Loss Ratios vary by type of commodity (see Table 3-B). Rice and corn have the highest Loss Ratios, with both at 0.83. This is primarily because

<sup>1</sup> Nueva Ecija, Aurora

<sup>2</sup> Bataan, Bulacan, Pampanga, Tarlac, Zambales

these two account for 64% (P2.7 billion) and 24.1% (P1.02 billion), respectively, of the total amount of claims paid for the year.

Correspondingly, rice and corn farmers are also the primary beneficiaries of claims payments, with more than half of the total indemnity payments going to rice farmers and 24.1% going to corn farmers. Additionally, livestock farmers received the third largest share of the total claims payments at 7.66%, again primarily due to claims arising from the ASF disease. The lowest claim payments are in tobacco, poultry, and sugarcane (See Table 3-B).

**Table 3-B. 2023 Insurance Claims Paid, by Program/Commodity**

Commodity/Product	Farmer Beneficiaries		Indemnity/ Claims Paid		Damage Rate (%)	Loss Ratio
	No.	%	Amount (PM)	%		
Rice	459,800	66.95	2,697.822	63.75	8.28	0.83
Corn	182,359	26.55	1,018.813	24.08	8.31	0.83
HVC	17,843	2.60	120.832	2.86	1.66	0.19
Sugarcane	42	0.01	0.635	0.02	0.19	0.04
Coconut	802	0.12	2.905	0.07	0.02	0.00
Tobacco	593	0.09	2.260	0.05	1.53	0.31
Livestock	20,082	2.92	324.028	7.66	1.88	0.54
Poultry	9	0.00	0.282	0.01	0.43	0.16
Fisheries	2,641	0.38	14.037	0.33	1.98	0.30
NCI	1,010	0.15	12.582	0.30	0.45	0.19
CLTI	1,559	0.23	37.412	0.88	0.12	0.30
<b>TOTAL</b>	<b>686,740</b>	<b>100.0</b>	<b>4,231.608</b>	<b>100.0</b>	<b>24.85</b>	<b>3.69</b>

Source: Philippine Crop Insurance Corporation (PCIC) 2023 Performance Report