

**FACTORS AFFECTING FARMERS' PARTICIPATION IN THE PCIC RICE
CROP INSURANCE PROGRAM IN TWO SELECTED BARANGAYS
OF SAN ILDEFONSO, BULACAN**

LEOVENZA E. PASCUAL

An undergraduate thesis presented to the faculty of the Department of
Agri-Management, College of Agriculture in partial fulfillment
of the requirement for the degree of

**BACHELOR OF SCIENCE IN AGRICULTURE
(Agricultural Economics)**

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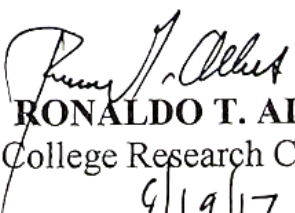
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FACTORS AFFECTING FARMERS' PARTICIPATION IN THE PCIC RICE CROP INSURANCE PROGRAM IN TWO SELECTED BARANGAYS OF SAN ILDEFONSO, BULACAN^{1/}

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ABSTRACT

The study was conducted in two barangays of San Ildefonso Bulacan, namely; Palapala and Pinaod. Data were gathered through an interview of 80 randomly selected rice farmers, wherein fifty (50) farmers were enrolled in the PCIC Rice Crop Insurance Program of which twenty-five (25) farmers are with claims and twenty-five (25) farmers without claims and another thirty (30) farmers who are not insured with PCIC.

Generally, this study aimed to identify the factors affecting farmer's participation in the PCIC Rice Crop Insurance program in two selected barangays of San Ildefonso Bulacan.

Specifically, the study was accomplished to: (1) describe and compare the socio-economic characteristics of rice farmers who are enrolled in the PCIC Rice Crop Insurance Program (PCIC clients with claims and without claims) and those that are uninsured; (2) determine the factors that influence rice farmers' decision to participate or not in the PCIC Rice Crop Insurance Program; (3) identify the constraints in the PCIC Rice Crop Insurance Program and formulate recommendations to improve the program.

Results of the study revealed that the existing PCIC Rice Crop Insurance program in the two (2) selected barangays of San Ildefonso, Bulacan was for free to those selected farmers whose names were included in the master list of farmers (RSBSA). Regardless of the size of their farm, a maximum of one hectare only was insured. The program was offered only during the wet season, which is the main cropping season of the area.

There were three reasons why farmers participated in the PCIC rice crop insurance program: because their names are included in the master list of eligible farmers; second, farmers were invited to the meeting in their barangays and third, they participated because they believe that crop insurance reduces the risk in farming.

The advantages of the PCIC rice crop insurance program according to the farmers include; premiums rates are free, it also provides life insurance protection for rice farmers, it provides protection against crop damage/losses, they have received indemnification and they were provided assistance or help improve to farm management practices.

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The effects of socio economic factors like age, gender, household size, years in school, farm area, farm type, and years in farming were estimated using Logit regression model. However, only two (2) factors, namely: years in school and farm type showed significant influence to farmer's participation in the program.

The constraints in participating in the PCIC rice crop insurance program were ineligibility of the farmers, the farm is not irrigated, too many rigid requirements, inadequate information, others are too busy and not interested at all in the program.

Overall, the PCIC Rice Crop Insurance in San Ildefonso, Bulacan was believed to have provided help to farmers especially when unexpected disaster occur such as when typhoon Karen and Super typhoon Lawin battered the country. It is far better to secure than never because farmers do not have the capacity to sustain their farming business in times of losses.

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