



Republic of the Philippines
Department of Finance
INSURANCE COMMISSION
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Manila



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COMMISSIONER FUNA REITERATES EXEMPTION OF AFP AND PNP FROM MANDATORY GSIS INSURANCE COVERAGE

Insurance Commissioner Dennis B. Funa reiterates that the Armed Forces of the Philippines (AFP) and the Philippine National Police (PNP) are not bound by the mandatory requirement for government agencies to procure insurance coverage exclusively with the Government Service Insurance System (GSIS).

Commissioner Funa noted that the properties of the AFP and the PNP are expressly excluded from the requirement that all government properties must be exclusively insured by the GSIS.

Citing Administrative Order No. 141, series of 1994 (A.O. No. 141, series of 1994) signed by former President Fidel V. Ramos, as amended by Administrative Order No. 68, series of 1999, (A.O. 68, series of 1999) signed by former President Joseph E. Estrada, Commissioner Funa said that properties of the AFP and the PNP are not bound by the mandatory and exclusive insurance coverage with the GSIS.

Republic Act No. 656 or the Property Insurance Fund requires every government, except a municipal government below first class, to insure its properties, assets, and interests of the government with the Property Insurance Fund being administered by the GSIS.

This was reiterated in Administrative Order No. 33, series of 1987 signed by former President Corazon C. Aquino.

“While we recognize the mandate of the GSIS to insure all properties, assets and interests of the government, it is clear under A.O. No. 141, series of 1994 and A.O. 68, series of 1999 that properties of the AFP and the PNP are excluded from the mandatory and exclusive insurance coverage with the GSIS,” Commissioner Funa said.

He added, "The AFP and the PNP are given the discretion to choose who their insurer will be—whether with a private insurance company or with the GSIS. The AFP and the PNP may opt to be insured with or bonded by the GSIS only if so desired or when circumstances so warrant."



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