



Republic of the Philippines
Department of Finance
INSURANCE COMMISSION
1071 United Nations Avenue
Manila



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| Circular Letter (CL) No.: | 2020-28 |
| Date: | 27 March 2020 |
| Supersedes: | NONE |

CIRCULAR LETTER

TO : ALL ENTITIES REGULATED BY THE INSURANCE COMMISSION

SUBJECT : A CALL TO PROVIDE RELIEF AND ASSISTANCE PROGRAMS TO AID SALES AGENTS THAT EARN ON COMMISSION BASIS DURING THIS COVID-19 PANDEMIC

WHEREAS, the COVID-19 coronavirus has spread in different parts of the world, including the Philippines;

WHEREAS, the COVID-19 coronavirus outbreak has recently been characterized by the World Health Organization (WHO) as a pandemic;

WHEREAS, in accordance with Republic Act No. 11469, otherwise known as the "*Bayanihan to Heal As One Act*", a state of national emergency was declared over the entire Philippines in view of the continuing rise of confirmed cases of COVID-19, the serious threat to the health, safety, security, and the lives of Filipinos, the long-term adverse effects on their means of livelihood, and the severe disruption of economic activities;

WHEREAS, under Section 3 of said Act, the following were declared as national policies, to wit: (1) the urgent need to undertake a program for recovery and rehabilitation, including a social amelioration program and provision of safety nets to all affected sectors; and (2) the urgent need to partner with the private sector and other stakeholders to deliver these measures and programs quickly and efficiently;

WHEREAS, corollary to the foregoing, this Commission recognizes that the agents of its regulated entities that earn on commission basis are among those who are the most vulnerable, as their means of livelihood have been, and continue to be, greatly and adversely affected;

WHEREAS, this Commission appreciates that its regulated entities may have already taken various actions to help and support its agency forces during these times of crisis;

WHEREAS, notwithstanding the foregoing, this Commission also recognizes that with the COVID-19 coronavirus crisis still unfolding, there is a need to devise and implement additional relief and resiliency programs that will address the adverse effects of said crisis to the means of livelihood of said agency forces in accordance with the above-mentioned national policies declared under Republic Act No. 11469;

NOW, THEREFORE, in view of all the foregoing and in accordance with the undersigned's powers under Section 437 of the Insurance Code of the Philippines, as amended by Republic Act No. 10607; Section 6 of Republic Act No. 9829, otherwise known as the Pre-Need Code of the Philippines; and Section 4 of Executive Order No. 192 (s. 2015), the following measures are hereby adopted and promulgated, to wit:

1. **Provision for Relief and Assistance Programs.** – All entities regulated by this Commission are **strongly encouraged** to formulate and implement relief and assistance programs to aid their respective sales agents that earn on commission basis for the duration of the COVID-19 coronavirus emergency.

Said programs shall aim to:

- a. Provide relief and assistance, economic and/or otherwise, to said sales agents; and
 - b. Develop and enhance their physical, economic, and, if possible, even psychological resiliency.
2. **Separability Clause.** – If any provision of this Circular Letter shall be held unconstitutional or invalid, the other provisions not otherwise affected shall remain in full force and effect.
 3. **Effectivity.** – This Circular Letter shall take effect immediately.


DENNIS B. FUNA
Insurance Commissioner

cad/bd/afpv

