



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



Circular Letter (CL) No.:	2020-37
Date:	07 April 2020
Amending:	None

CIRCULAR LETTER

TO : All Insurance/Reinsurance Companies, Insurance and Reinsurance Brokers, Mutual Benefit Associations, Trusts for Charitable Uses, Pre-Need Companies, Health Maintenance Organizations and other Insurance Commission Regulated Entities

SUBJECT : Relaxation of Customer Identification Document Requirements During Enhanced Community Quarantine (ECQ) Due to COVID-19 Pandemic

WHEREAS, the Coronavirus Disease 2019 (COVID-19) has spread in different parts of the world, including the Philippines;

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

WHEREAS, in relation to the said COVID-19 outbreak, President Rodrigo Roa Duterte issued: (1) Presidential Decree (PD) No. 922 (dated 08 March 2020), "*Declaring a State of Public Health Emergency Throughout the Philippines*"; (2) PD No. 929 (dated 16 March 2020), "*Declaring a State of Calamity Throughout the Philippines Due to Corona Virus Disease 2019*".

WHEREAS, the Office of the President, through Executive Secretary Salvador C. Medialdea, issued: (1) Memorandum dated 13 March 2020 from the Secretary with Subject: *Stringent Social Distancing Measures and Further Guidelines for the Management of the Coronavirus Disease 2019 (COVID-19) Situation*; (2) Memorandum dated 16 March 2020 from the Secretary with Subject: *Community Quarantine Over the Entire Luzon and Further Guidelines for the Management of the Coronavirus Disease 2019 (COVID-19) Situation*; and (3) Memorandum dated 18 March 2020 from the Secretary with Subject: *Additional Guidelines for the Community Quarantine Over the Entire Luzon and Further Guidelines for the Management of the Corona virus Disease 2019 (COVID-19) Situation*, which issuances collectively provide for the imposition of Enhanced Community Quarantine and Stringent Social Distancing Measures;

WHEREAS, this Commission recognizes the need to provide a framework to ensure access by Filipinos affected by the COVID-19 and the ECQ/CQ to financial products being offered by Insurance Commission Regulated Entities (ICREs);

NOW, THEREFORE, in view of all the foregoing and pursuant to the powers granted to the Insurance Commissioner under Section 437 of the Insurance Code of the Philippines, as amended by Republic Act No. 10607, Section 4.1 of Rule 7 of the 2018 Implementing Rules and Regulations (IRR) of Republic Act No. 9160, otherwise known as the "*Anti-Money Laundering Act of 2001 (AMLA), As Amended*", and Rule 27 of the Implementing Rules and Regulations (IRR) of Republic Act No. 10168, otherwise known as "*The Terrorism Financing Prevention and Suppression Act*", the following rules are hereby adopted and promulgated, to wit:

SECTION 1. Relaxation of Customer Identification Document Requirements

The requirements on valid identification document under Section 24 (D)¹ of CL No. 2018-48, as amended shall be relaxed, subject to the following conditions:

- a. The annual or single premium/contract price payable on the policy or product shall not exceed Fifty Thousand Pesos (PhP50,000.00), including payment of proceeds thereof;
- b. The customer/client is either a permanent or temporary resident of an area which has been declared to be under ECQ/CQ by competent authority;
- c. The customer/client shall submit certification, either in hard copy or electronic form, which need not be notarized, that he/she has no valid identification document; and
- d. The customer's account activities shall be subject to ongoing monitoring by the ICRE to identify potential abuse of the relaxed requirement and any suspicious transactions shall be reported to the Anti-Money Laundering Council within the prescribed period.

The relaxation of identification document requirements shall not apply whenever there is suspicion of money laundering or terrorism financing (ML/TF), or where specific higher risk scenarios apply.

SECTION 2. Applicability

This Circular Letter shall only apply during the period of ECQ/CQ and until 30 June 2020.

¹ "*Customers and the authorized signatory/ies of a corporate or juridical person who engage in a transaction with an ICRE for the first time **shall be required to present the original and submit a clear copy of, at least, one (1) identification document.***

In case the identification document presented does not bear any photo of the customer or authorized signatory, or the photo-bearing ID or a copy thereof does not clearly show the face of the customer or authorized signatory, the ICRE may utilize ICT or any other technology to take the photo of the customer or authorized signatory." (Emphasis and underscoring provided.)

SECTION 3. Separability Clause

If any provision or section of this Circular Letter is held to be unconstitutional or invalid, the other provisions or sections hereof, which are not affected thereby shall continue to be in full force and effect.

SECTION 4. Effectivity Clause

This Circular Letter shall take effect immediately.



DENNIS B. FUNA
Insurance Commissioner

