



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



Advisory No. 2021 - 09

TO : THE PUBLIC

SUBJECT : GUIDELINES ON THE ADOPTION OF A REGULATORY
SANDBOX FRAMEWORK FOR PILOTING AGRICULTURE
INSURANCE

DATE : 10 May 2021

Pursuant to Section 437 of the Insurance Code of the Philippines, as amended by Republic Act No. 10607, ***“the Commissioner may issue such rulings, instructions, circulars, orders and decisions as may be deemed necessary to secure the enforcement of the provisions of this Code, to ensure the efficient regulation of the insurance industry in accordance with global best practices and to protect the insuring public...”***

Relative to the insurance protection gap problem in the agriculture industry, the Insurance Commission is providing an opportunity for the public to comment on the draft Circular Letter on the *Guidelines on the Adoption of a Regulatory Sandbox Framework for Piloting Agriculture Insurance*.

The Philippines is a typhoon-prone country, with an average of 20 storms passing through each year. One of the most affected sectors is the agriculture sector. The agriculture sector also faces several other calamities like pests, drought, and flood. Most of the losses due to natural calamities have been borne by farmers.

Insurance is one way to help farmers recover from such calamities. However, the sector is also faced with insurance protection gap due to the scarcity of insurance products covering their crops and produce.

The aim of the attached guidelines is to engage both the private and the public sector to enable correct market positioning, development of insurance products with a holistic approach towards enhancing farm risk management and bundling of insurance with Value Added Services (VAS) aimed at risk-sharing and risk-reduction to expand the agri-insurance market in a sustainable manner.

Relative thereto, the public is hereby requested to provide comments on the draft Circular Letter re: *Guidelines on the Adoption of a Regulatory Sandbox Framework for Piloting Agriculture Insurance*.

The comments shall be submitted to the **Technical Working Group on Agri-Insurance** through the following e-mail addresses **on or before 30 June 2021**:

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Insurance Commissioner



Attachment:

1/ Draft Circular Letter