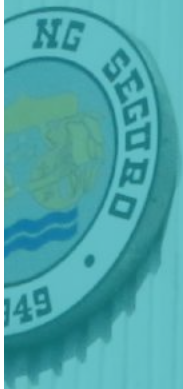




Republic of the Philippines
Department of Finance
INSURANCE COMMISSION

2018 ANNUAL REPORT

1071 United Nations Avenue, Manila, Philippines
www.insurance.gov.ph



INSURANCE COMMISSION

ABOUT THIS COMMISSION

MANDATE

To regulate and supervise the insurance, pre-need, and HMO industries in accordance with the provisions of the Insurance Code, as amended, Pre-Need Code of the Philippines, and Executive Order No. 192 (s. 2015)

VISION

Strong, sustainable and globally competitive regulated entities, as pillars of the economy, to serve every Filipino.

MISSION

We are committed to implement prudent and progressive regulatory and supervisory policies at par with international standards.

SHARED CORE VALUES

Integrity

The Insurance Commission upholds the highest standard of honesty and transparency in the fulfillment of its duties and services.

Commitment

We sustain highest global standards and best practices in regulation and supervision.

Responsibility

In the achievement of its mandate, the Insurance Commission exercises accountability, dedication and drive.



QUALITY POLICY

We, the Insurance Commission, commit to provide quality regulatory services to protect the insurance, pre-need and HMO customers, and to develop and strengthen the insurance, pre-need and HMO industries, and their related services.

To achieve these objectives, we shall:

- Institute sound policies and regulations;
- Keep abreast with trends and developments on standards for effective regulation and supervision;
- Enhance the competencies of our human resources;
- Provide and maintain adequate resources needed for the delivery of quality services; and
- Continually improve our Quality Management System in accordance with ISO 9001.



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ADMINISTRATION OF INSURANCE AND PRE-NEED CODES AND EXECUTIVE ORDER 192 S. 2015

A. Licensing and Marketing Structure

For 2018, the Insurance Commission (IC) maintained the validity of ninety-four (94) Certificates of Authority (CAs) issued in 2016 to five (5) composite, twenty-eight (28) life, sixty (60) non-life insurance companies and one (1) professional reinsurer. This includes servicing licenses issued to two (2) life companies and six (6) non-life companies. The CAs will expire on 31st of December this year.

The Cooperative Insurance System of the Philippines changed its name to 1 Cooperative System of the Philippines Life and General Insurance after changing its license from being a life insurance company to a composite insurance company in July 2018.

A non-life insurance company, BF General Insurance Co., Inc. changed its name to Bethel General Insurance and Surety Corp. in March 2018

Thirty-five (35) Mutual Benefit Associations (MBAs) - twenty-three (23) microinsurance MBAs (MicroMBAs) and twelve (12) Regular MBAs, were licensed for 2018.

Sixteen (16) pre-need companies were granted CAs to do business in the country including Prime Care Kaagapay Life Plan Inc., a new player licensed last November 2018. Three (3) companies namely First Union Plans, Inc., Himlayang Pilipino Plans, Inc. and Mercantile Care Plans, Inc. maintained their servicing licenses for the year under review.

The Insurance Commission also maintained the CAs granted to twenty-nine (29) Health Maintenance Organizations (HMOs) in 2017. In addition, two (2) HMOs, Health Care & Development Corporation of the Philippines and Ultima Health System Inc. were newly licensed in September 2018.

To support the insurers, pre-need providers and HMOs in the conduct of their businesses, the Commission also issued licenses and accreditations to different intermediaries and technical support individuals/entities, as shown in Table 2.

Table 1

As of 31 December 2018

Insurance Companies, Mutual Benefit Associations, Pre-Need Companies and Health Maintenance Organizations Authorized to Transact Business in the Philippines

I. Insurance Companies					
Classification of Companies	Direct Insurers			Prof. Reinsurer	TOTAL
	Composite	Life	Non-Life		
A. Domestic	3	19	49	1	72
B. Foreign*	2	9	11	0	22
<i>Servicing Cos.</i>	-	2	6	-	8
Total	5	28	60	1	94
II. Mutual Benefit Associations (MBAs)					
A. Microinsurance MBAs					23
B. Regular MBAs					12
Total					35
III. Pre-Need Companies					
A. Domestic					16
<i>Servicing Cos.</i>					3
IV. Health Maintenance organizations (HMOs)					
A. Domestic					31

*Foreign companies - with more than 50% foreign participation

B. Financial Surveillance

For the year under review, the Insurance Commission conducted on-site and off-site examinations into the affairs, financial conditions and methods of doing business of 96 insurance companies, 35 MBAs, 17 pre-need companies, 75 insurance and reinsurance brokers and 31 HMOs to ascertain the solvency and the financial soundness of these covered entities.

Continuous monitoring of insurance companies on a quarterly basis were conducted by the Commission to ensure their compliance with the Risk-Based Capital (RBC) Ratios and minimum net worth requirements following the

implementation of the new Financial Reporting Framework, New Valuation Standards and Amended Risk Based Capital (RBC2) Framework in 2017.

In addition, IC also conducted quarterly evaluation and monitoring of the financial statements of 122 trust funds of pre-need companies in compliance with the Pre-Need Code and pertinent Circulars.

As a result of such examination, verification and evaluation, 98 synopses (55 non-life, 28 life and 15 pre-need) for years 2016-2017 were issued for publication in 2018.

Table 2

Licenses/Certificates of Registration Issued to Insurance Intermediaries and Technical Support Individuals/Entities 2017-2018

INTERMEDIARIES	2017	2018	% Increase/ (decrease)
Ordinary Agents	45,662	58,687	28.52
Life	34,762	46,568	33.96
Non-Life	10,827	12,022	11.04
Microinsurance	73	97	32.88
General Agents	62	116	87.10
Life	11	35	218.18
Non-Life	51	81	58.82
Variable Life Agents	40,254	54,310	34.92
Brokers	79	89	12.66
Insurance	65	68	4.62
Reinsurance	20	21	5.00
Pre-Need Sales Counselors	17,957	16,705	(6.97)
TECHNICAL SUPPORT			
Non-Life Company Underwriters	398	391	(1.76)
Resident Agents	71	73	2.82
Insurance Actuaries	51	53	3.92
Life/Non-Life Actuaries	4	5	25.00
Life Insurance Actuaries	36	37	2.78
Non-Life Insurance Actuaries	11	11	-
Pre-Need Actuaries	8	6	(25.00)
HMO Actuaries	12	14	16.67
Public Adjusters	1	1	-
Independent Adjusters	52	53	1.92
External Auditors	44	42	(4.55)
Firm	34	34	-
Individual	10	8	(20.00)



The Insurance Commission has regular dialogues, meetings and activities with IC's stakeholders to ensure stability and growth of its regulated industries.

C. Tariff Compliance Monitoring

Sixty-four (64) non-life insurance companies underwent monitoring on their compliance with tariff rates and other rules and regulations of the Commission which included verification of premium rates applied on motor car policies, fire policies and bonds issued in favor of the government.

The examination conducted by IC for 2018 resulted to a total of ₱17.08 million penalties imposed on companies for 652 breaches of tariff rates and other findings.

D. Public Assistance, Claims and Adjudication

In the fulfillment of its mandate to assist the general public, the Insurance Commission acted on 3,997 complaints lodged against regulated entities and/or requests for mediation relating to insurance, pre-need and HMO matters in the prescribed year. Of these, 2,396 cases/claims were closed/decided/resolved.

E. Conservation/Receivership/Liquidation

As of yearend 2018, there were 39 insurance companies (life and non-life), 3 MBAs and 33 pre-need companies under conservatorship, receivership or liquidation. Three (3) non-life companies were issued cease and desist order (CDO) – January 15, 2018 for First Integrated Bonding and Insurance Co., Inc and The Premier Insurance and Surety Corp. and February 5, 2018 for Plaridel Surety and Insurance Company. Also, the Bureau of Fire Protection Mutual Aid and Beneficiary Association, Inc. was issued a CDO last 04 January 2018

F. Security Deposits/Guaranty Fund/Security Fund

The total Security Deposits and Security Fund lodged with the Bureau of the Treasury combined with the Security Fund administered by the Insurance Commission amounted to ₱15.94 billion as of the year-end.

On the other hand, the mutual benefit associations deposited with the Commission a combined Guaranty Fund amounting to ₱1.10 billion to answer for any valid benefit claims of their members.

G. Policies (Plans)/Bond Forms/Reinsurance Treaties

The Commission evaluated and approved a total of 391 products/plans and 1,139 contract forms during the year under review. These plans include 139 traditional life, 36 variable life, 171 non-life insurance products, 5 microinsurance products, 23 pre-need products and 17 HMO products.

A total of 379 reinsurance treaties and 413 particulars of reinsurance treaties were evaluated and found in order while 1,121 requests for facultative placements abroad were approved by the Commission in 2018.



The Insurance Commission attends meetings and activities with local and foreign partners.

H. Regulatory Updates

The Commission issued the following Circular Letters in 2018 for effective regulation and monitoring of the insurance, pre-need and HMO industries, ensure the sustainability of these industries and provide protection to the insurance, pre-need and HMO customers. These issuances were promulgated in accordance with the provisions of the Insurance and Pre-Need Codes as well as Executive Order (EO) No. 192 (s. 2015).

The following are the major circular letters issued:

- **CL No. 2018-01 issued on 03 January 2018 - Adoption and Implementation of the Manual of Examination of Pre-Need Companies**

Prescribes the adoption and implementation of the Manual of Examination by the Insurance Commission's examiners in conducting examination/ verification of the annual statements of pre-need companies.

- **CL No. 2018-02 issued on 03 January 2018 - Implementation of the Manual on Examination of Non-Life Insurance Companies and Professional Reinsurance Companies – 2017 Edition**

Informs all non-life and reinsurance companies of the adoption of the Manual on Examination of Non-Life Insurance Companies and Professional Reinsurance Companies – 2017 Edition by the examiners of the Insurance Commission in conducting the examination/verification of their annual statements.

- **CL No. 2018-07 issued on 16 January 2018 - Amendment to Item 7.18 of Insurance Commission Circular Letter No. 2014-47 on the Use of Mobile Application for the Distribution of Insurance Products**

Amends Item 7.18 of Circular Letter No. 2014-47 on the Guidelines on Electronic Commerce of Insurance Products by incorporating provisions on the distribution, installation and accessibility of the mobile insurance application and payment of insurance products availed through the use of mobile insurance applications subject to the rules and regulations of the Insurance Commission and the National Telecommunications Commission.

- **CL No. 2018-09 issued on 22 January 2018 - Template of Standard Brokers Agreement**

Directs all insurance companies, insurance brokers (IBs) and both insurance and reinsurance brokers (IBRBs) to adopt the promulgated rules and regulations concerning the minimum requirements on the Standard Brokers Agreement.

- **CL No. 2018-10 issued on 23 January 2018 - Rules and Regulations in the Use of Traffic Accident Investigation Report as an Alternative to Police Report as a Requirement in Processing Insurance Claims in Motor Insurance**

Prescribes the rules and regulations in the use of the Traffic Accident Investigation Report (TAIR) as an alternative requirement to the Police Report in processing insurance claims in motor insurance.

- **CL No. 2018-11 issued on 25 January 2018 - Licensing Requirements During the Pendency of Mergers and Consolidation of Insurance Companies**

Promulgates the rules and regulations concerning the licensing requirements for domestic insurance companies pending the merger and consolidation process as and by way of supplement to the provisions of Circular Letter No. 2015-11.

- **CL No. 2018-12 issued on 29 January 2018 - Rules on Infusion of Real Property to Cover Networth Deficiencies and Capital Impairment**

Disseminates to all insurance companies the rules and regulations in the infusion of real estate assets to cover capital impairment and net worth deficiencies of insurance companies wherein such infusion shall be governed by pertinent provisions of the Amended Insurance Code and Circular Letters.

- **CL No. 2018-13 issued on 30 January 2018 - Submission of Particulars of Reinsurance Treaties**

Directs all insurance companies to submit to the Insurance Commission the Particulars of Reinsurance Treaty using the prescribed template within three (3) months from the effectivity of any new treaty or changes in the existing treaty to comply with the provision of Section 226 of the Insurance Code, as amended.

- **CL No. 2018-17 issued on 09 March 2018 - Standard Chart of Accounts (SCA)**

Promulgates the framework, rules and regulations concerning financial reporting to all insurance brokers, reinsurance brokers and both insurance and reinsurance brokers.

- **CL No. 2018-19 issued on 09 March 2018 - Amendment to Circular Letter No. 2016-69 "Implementation Requirements for Financial Reporting, Valuation Standards for Insurance Policy Reserves and Amended Risk-Based Capital (RBC2) Framework"**

Amends Item 3c of Circular Letter No. 2016-69 allowing the non-life insurance and professional reinsurance companies to set the percentage of company-specific Margin for Adverse Deviation at 0% for year 2017, 50% for year 2018 and 100% for 2019 onwards.

- **CL No. 2018-20 issued on 27 March 2018 - Amendment of the Transitory Provision under Circular Letter (CL) No. 2017-19: Guidelines on the Approval of HMO Products and Forms**

Extends the deadline for submission of health maintenance organization (HMO) products and corresponding Agreements and contract forms to the Insurance Commission for approval from 31 March 2018 to 30 April 2018.

- **CL No. 2018-24 issued on 10 April 2018 - Revised Annual Statement – Life Insurance Companies**

Directs all life insurance companies to adopt the template of revised Annual Statement in line with the implementation of the new Financial Reporting Framework (FRF), Valuation Standards for Life Insurance Policy Reserves and Amended RBC2 Framework.

- **CL No. 2018-25 issued on 10 April 2018 - Guidelines on Companies that Fail to Comply with the Networth Requirement of Section 194**

Provides the guidelines to all insurance companies in the application as a Servicing Insurance Company in the event of a company's failure to comply with the networth requirement prescribed by Section 194 of the Amended Insurance Code.

- **CL No. 2018-26 issued on 10 April 2018 - Creation of a Technical Working Group Tasked to Update the Code of Corporate Governance and Corporate Governance Scorecard for the Insurance Commission Regulated Entities**

Informs all regulated entities on the creation of a Technical Working Group (TWG) which is tasked to revisit, review and propose amendments or revisions to existing Circulars on the Code of Corporate Governance Principles and Leading Practices and Corporate Governance Scorecard that are aligned with the Code of Corporate Governance for Publicly-Listed Companies issued by the Securities and Exchange Commission as well as international best practices and standards on Corporate Governance.

- **CL No. 2018-30 issued on 30 April 2018 - Guidelines for Non-Life Insurance Companies with (1) Existing Servicing Licenses Prior to 5 May 2017; or (2) Pending Applications for Servicing Licenses Prior to 5 May 2017**

Promulgates supplemental guidelines for non-life insurance companies with existing servicing licenses or pending applications for servicing licenses prior to 5 May 2017, which is the date of effectivity of Circular Letter No. 2017-26.

- **CL No. 2018-32 issued on 30 May 2018 - Reinsurance of Outstanding Policies of Insurance Companies and MBAs under Conservatorship, Receivership, or Liquidation**

Prescribes to all conservators, receivers and liquidators of insurance companies and Mutual Benefit Associations under conservatorship, receivership or liquidation the rules and regulations on reinsurance of outstanding policies as part of a rehabilitation or liquidation strategy.

- **CL No. 2018-33 issued on 05 June 2018 - Issuance of Insurance Commission Rulings ("ICR")**

Informs all regulated entities the rules and regulations on the issuance of Insurance Commission Rulings (ICR) with respect to the provisions of the Amended Insurance Code, Pre-Need Code, Executive Order No. 192, s. 2015 and pertinent Insurance Commission circular letters, rules and regulations including the recording, safekeeping and online publication of ICR in the IC website.

- **CL No. 2018-34 issued on 14 June 2018 - Supplement to Circular Letter No. 2017-12: Payment for Qualifying Insurance Agents' Examinations Through the System**

Informs all insurance companies on the amendment to Section 2.7 of Circular Letter No. 2017-12 wherein payment through the ePayment Portal of the Land Bank of the Philippines (LBP) for the Qualifying Insurance Agents' Examinations is now an accessible alternative to the Insurance Commission's cashier.

- **CL No. 2018-36 issued on 26 June 2018 - Rules on Number of Seats, Qualifications and Term Limits of Independent Directors**

Instructs all regulated entities to adopt the rules on number of seats, definition, qualifications and term limits of independent directors including imposable penalties for non-compliance with the foregoing requirements.

- **CL No. 2018-37 issued on 05 July 2018 - Guidelines on Requests for Financial Documents of Regulated Entities**

Disseminates to all regulated entities and the general public the guidelines on the requests for and availability of financial documents of regulated entities in accordance with the Freedom of Information (FOI) Manual of the Insurance Commission.

- **CL No. 2018-41 issued on 31 July 2018 - Recognition of Pre-Need Plans as an Admitted Asset of Mutual Benefit Associations**

Promulgates to all Mutual Benefit Associations (MBAs) and pre-need companies the rules on the recognition of pre-need plans as an admitted asset of MBAs, the corresponding requirements for the approval of acquisition thereof and the reportorial requirements after the approval of the Insurance Commission.

- **CL No. 2018-42 issued on 10 August 2018 - Applicability of the Limitation Under Section 211 of the Insurance Code, as Amended, to Business Combinations for the Purpose of Corporate Group Restructuring**

Disseminates to all insurance companies under a holding company system the rules on the applicability of limitation on investment for non-life insurance companies as provided under Section 211 of the Insurance Code including the corresponding requirements under Circular Letters Nos. 2015-11, 2014-37 and 2015-15.

- **CL No. 2018-43 issued on 10 August 2018 - Amendment to Circular Letter No. 2017-42 Re: Salary Loans Extended to Department of Education (DepEd) Teachers**

Amends Item No. 5 of Circular Letter No. 2017-42 wherein the maximum aggregate amount of loans is increased from thirty percent (30%) to forty percent (40%) of the total assets for life insurance companies and MBAs.

- **CL No. 2018-44 issue on 31 August 2018 - Guidelines on the Issuance of Stay Orders**

Promulgates to all regulated entities the uniform guidelines on the issuance, publication, provisions and exceptions related to Stay Orders including the actions and rights of the policyholders, plan holders, members or creditors of the distressed company.

- **CL No. 2018-45 issued on 05 September 2018 - Guidelines on the Minimum Capitalization and Networth Requirements for Composite Insurance Companies Under the Amended Insurance Code**

Promulgates to all insurance companies the guidelines that expressly provide for the minimum capitalization and net worth requirements for new and existing composite insurance companies authorized to transact the business of life insurance and non-life insurance concurrently.

- **CL No. 2018-46 issued on 12 September 2018 - Risk-Based Capital Requirements on Investments in Associates and/or Subsidiaries Under the Regulation of the Bangko Sentral ng Pilipinas (BSP)**

Prescribes to all insurance and reinsurance companies the revised rules and treatment of investments in associates and/or subsidiaries, which are regulated by the BSP, and their corresponding risk charges under the RBC2 Framework.

- **CL No. 2018-47 issued on 13 September 2018 - Amended Rules and Regulations on the Issuance of Bonds**

Prescribes to all insurance companies, insurance brokers and general agents the revised rules and regulations for the issuance of bonds and the approved schedule of rates to be adopted.

- **CL No. 2018-48 issued on 14 September 2018 - Anti-Money Laundering and Combating the Financing of Terrorism Guidelines for Insurance Commission Regulated Entities**

Prescribes to all insurance companies, insurance and reinsurance brokers, mutual benefit associations, pre-need companies, health maintenance organizations and other covered persons under the regulation of the Insurance Commission the guidelines for anti-money laundering and combating the financing of terrorism in accordance with Rule 18 (A) of the 2016 Revised Implementing Rules and Regulations (RIRR) of Republic Act No. 9100, also 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.



Launching of National Anti-Money Laundering / Combating the Financing of Terrorism Strategy dated 17 April 2018

- **CL No. 2018-51 issued on 15 October 2018 - Guidelines Defining an Online Insurance Aggregator and Providing for the Licensing and Regulation Thereof**

Directs and informs all IC regulated entities and the public on the issuance of the guidelines defining an online insurance aggregator and provisions for the licensing and regulation thereof.

- **CL No. 2018-52 issued on 19 October 2018 - Guidelines on the Licensing Requirements of Insurance and/or Reinsurance Brokers**

Promulgates to all insurance and reinsurance brokers as well as to new applicants the new guidelines on the licensing requirements of insurance and/or reinsurance brokers.

- **CL No. 2018-53 issued on 24 October 2018 - Appropriate Training for Applicants Desiring to Take Agent's Licensure Examination**

Prescribes to all insurance companies and informs the general public on the training and documentary requirements for all applicants desiring to take agent's licensure examination.

- **CL No. 2018-54 issued on 29 October 2018 - Amendment to Section 6.1. ("Miscellaneous Provisions") of Circular Letter No. 2016-65 dated 28 December 2016 as Regards the Financial Reporting Framework**

Prescribes to all insurance companies and professional reinsurers the amendment to Section 6.1 (Miscellaneous Provisions) of Circular Letter No. 2016-65, which states that "nothing in this circular shall be construed as amending or superseding the provisions of Circular Letter No. 2014-17 dated 15 May 2014 on the subject of 'Admitted Assets under the Amended Insurance Code (RA 10607)'."

- **CL No. 2018-55 issued on 08 November 2018 - Endorsement of PIRA's Code of Ethics for Insurance Professionals**

Prescribes to all non-life insurance companies and informs the general public of the **PIRA Code of Ethics for Non-Life Insurance Professionals** to strengthen the integrity and reputation of the non-life insurance industry and to preserve professionalism in the performance of their duties.

- **CL No. 2018-56 issued on 12 November 2018 - Leasehold Improvements as Non-Admitted Asset**

Promulgates to all insurance and reinsurance companies the clarification that leasehold improvements are not considered as admitted assets for purposes of determining the company's compliance with the minimum paid-up capital or net worth requirements.

- **CL No. 2018-57 issued on 13 November 2018 - Particulars of Reinsurance Treaty Reporting**

Prescribes to all non-life insurance and reinsurance companies to submit a description of the reinsurance/retrocession treaty for each product or line of business, in accordance with the forms prescribed in this circular, annually and within three (3) months after the treaty's inception or renewal date.

- **CL No. 2018-58 issued on 14 November 2018 - Regulatory Relief for the Pre-Need Industry due to High Volatility in the Philippine Financial Market**

Promulgates the rules and regulations in providing regulatory relief and certain exemptions for the Pre-Need Industry from full application of the Philippine Financial Reporting Standards for the preparation of the 2018 financial reporting of pre-need companies.

- **CL No. 2018-59 issued on 15 November 2018 - Status Quo of Accreditation for Passenger Personal Accident Insurance (PPAI) For Public Utility Vehicles and the System Currently in Place**

Promulgates to all non-life insurance companies providing passenger personal accident insurance (PPAI) for public utility vehicles a status quo implementation on the existing accredited insurance providers of the PPAI and the maintenance of a two-group system currently in place, the duration of which shall be designated as a transition period.

- **CL No. 2018-61 issued on 23 November 2018 - International Cooperation and Exchange of Information**

Informs all regulated entities of the Insurance Commission the rules and guidelines for the regulator's international cooperation and exchange of information consistent with existing laws and applicable international standards for supervision, in particular, with respect to the exchange of supervisory information related to or relevant for AML/CFT purposes.

- **CL No. 2018-62 issued on 23 November 2018 - Regulatory Requirements and Actions for the New Regulatory Framework**

Promulgates to all insurance companies and professional reinsurers who were not able to comply with the required minimum net worth and RBC2 as prescribed under CL2015-02 A and CL No. 2016-68, respectively, to (a) address all significant concerns within ten (10) working days, and (b) after receiving a report from the Commission, submit the company's plan of action duly approved by the Board of Directors and a Five (5) year financial projections indicating the key assumptions duly certified and attested to by the actuary.

- **CL No. 2018-63 issued on 11 December 2018 - Repeal of Items 2 And 3 of Circular Letter dated June 30, 1958, Re: Guidelines on the Payment of Death Claims**

Promulgates to all life insurance companies the repeal of items 2 and 3 of Circular Letter dated June 30, 1958, re: Guidelines on the Payment of Death Claims in accordance with Sections 248 and Section 437 of the Insurance Code, as amended by Republic Act No.10607 requiring life insurers to immediately release the proceeds of the life insurance policy to the beneficiaries within sixty (60) days after presentation of the claim and filing of the proof of death of the insured.

- **CL No. 2018-64 issued on 11 December 2018 - Guidelines on the Registration of Controlled Insurers**

Issues to all insurance and reinsurance companies and mutual benefit associations the guidelines on the registration of controlled insurers in accordance with the provisions of Chapter III (The Business of Insurance), Title 20 (Holding Companies) of the Insurance Code, as amended by R.A. No. 10607.

- **CL No. 2018-65 and 2018-66 issued on 28 December 2018 - Guidelines on Pre-existing Condition, Look-back, Waiting and Free-look Period on Health Insurance Contracts and Health Maintenance Contracts, respectively**

Promulgates to all insurance companies and Health Maintenance Organizations, respectively, the guidelines on pre-existing condition, look-back, waiting and free-look period on health insurance contracts to include in their sales proposal, marketing materials and brochures which contain the benefits of the contract, the information that the contract or product contains an exclusion on, or is subject to the provision on, pre-existing condition, and the right to free-look period.

- **CL No. 2018-67 issued on 28 December 2018 - Guidelines in the Imposition of Fines for Breach of Tariff Rates**

Promulgates to all non-life insurance companies and licensed insurance agents the guidelines in the imposition of fines for breach of tariff rates amending and clarifying Part VII, C (14); of Circular Letter No. 2014-15 dated 15 May 2014.

- **CL No. 2018-68 issued on 28 December 2018 - Standard Chart of Accounts (SCA) for Health Maintenance Organizations (HMOs)**

Promulgates the standard chart of accounts (SCA) to be adopted by all Health Maintenance Organizations (HMOs) and application of the Philippine Financial Reporting Standards (PFRS) in their financial reporting.

- **CL No. 2018-69 issued on 28 December 2018 - Deferral of Implementation of International Financial Reporting Standard 17 - Insurance Contracts**

Promulgates to all regulated entities the deferral of implementation of International Financial Reporting Standard (IFRS) 17 for life and non-life insurance industries to 01 January 2023 granting an additional one-year period from the date of effectivity proposed by the International Accounting Standards Board (IASB).

- **CL No. 2018-70 issued on 28 December 2018 - Clarification on the Coverage of the Term "Third Party" in Compulsory Third Party Liability (CTPL) Insurance**

Promulgates to all non-life companies the clarification on the coverage of the term "third party" in (CTPL) Insurance defined under Section 385, paragraph b and c of the Insurance Code, as amended by R.A. No. 10607.

- **CL No. 2018-71 issued on 28 December 2018 - Amendment to Circular Letter No. 2014-19 Re: Amended Guidelines for Foreign Currency Denominated Investments and Insurance Policies**

Promulgates to all insurance and reinsurance companies and mutual benefit associations the amendment to the last paragraph of Item No. 2.1.7 of the said circular from 20% figure stated in the said paragraph to 50%.

- **CL No. 2018-72 issued on 28 December 2018 - Guidelines on Business Process Outsourcing ("BPO") Activities of Insurers/ Reinsurers**

Promulgates to all insurance and reinsurance companies the guidelines on business process outsourcing ("BPO") activities of insurers and reinsurers to effectively balance the interests of protecting the insuring public and developing and strengthening the insurance and reinsurance industries.

- **CL No. 2018-73 issued on 28 December 2018 - Guidelines on Investments in Purchase of Accounts and/or Loans Receivables**

Promulgates to all insurance and reinsurance companies and mutual benefit associations the guidelines on investments in purchase of accounts and/or loans receivables in recognition of its importance as other means of investments in achieving financial sustainability and fully utilizing the working capital of said regulated entities.

- **CL No. 2018-74 issued on 28 December 2018 - Guidelines for Investments in the Infrastructure Projects Under Philippine Development Plan (PDP)**

Promulgates to all insurance and reinsurance companies the guidelines for investments in the infrastructure projects under the PDP for 2017-2022 of the Philippine government either in debt and/or equity security instrument of said projects.

Other circular letters issued pertaining to anti-money laundering matters, investments, discount rates licensing guidelines and reportorial requirements are found in the Appendices.

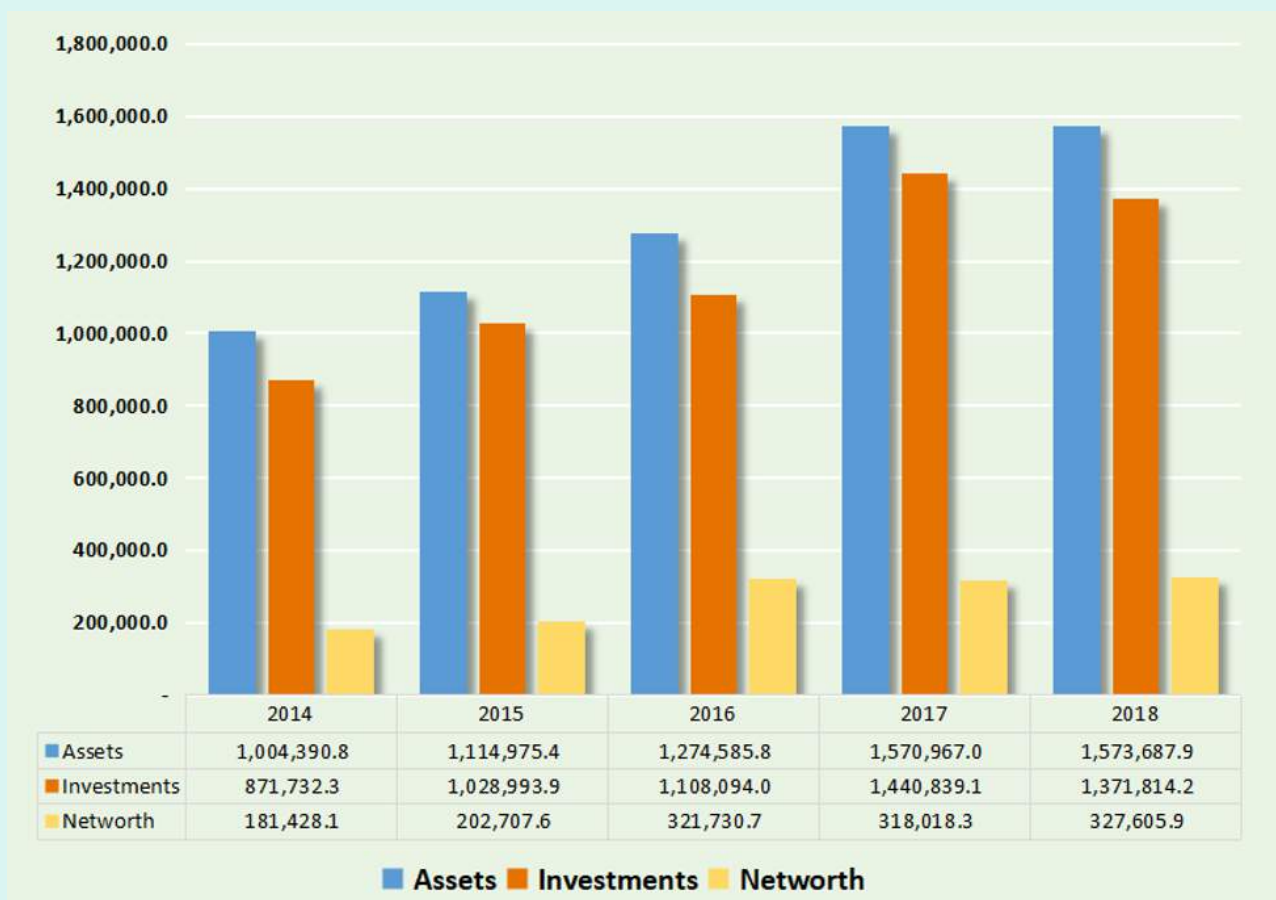
THE INSURANCE INDUSTRY

A. Overview

For the year 2018, the insurance industry reported an aggregate premium of ₱294.67 billion, 13.16% higher than the previous year's ₱260.39 billion wherein the life sector, non-life sector (including professional reinsurer) and the Mutual Benefit Associations (MBAs) garnered ₱230.11 billion, ₱53.64 billion and ₱10.92 billion each, respectively. All sectors generated higher premiums than the previous year with the life sector by 13.48%, the non-life by 9.90% and MBAs by 23.95%. Of the total premiums, the life sector and the MBAs contributed 81.25% while the non-life sector shared 18.75%.

The aggregate assets of the industry remained at ₱1.57 trillion with only a 0.17% increase for 2018. The 5.04% and 14.08% increases posted by the non-life sector and MBAs were offset by the 1.57% decline of the life sector's assets, which comprise almost 80% of the aggregate. The life insurance sector assets figured at ₱1.25 trillion, while the non-life sector and MBAs stood at ₱0.23 and ₱0.09 trillion, respectively.

The total investments made by the industry covered 87.26% of the total assets or ₱1.37 trillion, 88% of which was contributed by the life sector



Assets, Investments, and Networth of Private Insurance Industry 2014 - 2018

(In Million Pesos)

Chart 1

ECONOMIC AND INSURANCE DEVELOPMENT DATA	2014	2015	2016	2017	2018
GROSS NATIONAL INCOME (GNI)					
At Current Prices (₱ M)	15,327,336	16,096,913	17,391,141	18,986,667p	20,884,620p
At Constant Prices (₱ M)	8,640,645	9,134,679	9,735,210	10,389,964p	10,996,296p
GROSS DOMESTIC PRODUCT (GDP)					
At Current Prices (₱ M)	12,642,736	13,307,265	14,449,925	15,797,503p	17,422,819p
At Constant Prices (₱ M)	7,164,017	7,593,769	8,113,170	8,668,287p	9,203,113p
POPULATION (in million persons)	99.9	101.6	103.2	104.9p	106.6p
PER CAPITA GROSS NATIONAL INCOME (₱)	153,426.8	158,434.2	168,518.8	180,997.8p	195,915.8p
LABOR FORCE (Average) (In million persons)	40.05	41.34	43.36	42.78	43.50
Employed	37.31	39.00	41.00	40.34	41.20
Unemployed	2.74	2.34	2.36	2.44	2.30
EXCHANGE RATE (per US\$)	44.62	47.166	49.813	49.923	52.580
INFLATION RATE	4.10%	1.40%	1.80%	3.20%p	5.10%
INSURANCE DENSITY (₱)	1,974.2	2,218.3	2,254.1	2,482.3p	2,670.4p
Life Insurance	1,653.3	1,858.4	1,845.6	2,017.0p	2,167.3p
Non-Life Insurance	320.9	359.9	408.5	465.3p	503.1p
LIFE SUM ASSURED AS % OF GDP	37.13%	40.07%	40.42%	46.19%p	45.14%p
LIFE SUM ASSURED AS % OF GNI	30.63%	33.13%	33.58%	38.43%p	37.66%p
PREMIUMS AS % OF GDP	1.56%	1.75%	1.61%	1.65%p	1.69%p
PREMIUMS AS % OF GNI	1.29%	1.44%	1.34%	1.37%p	1.36%p
ESTIMATED LIFE INSURANCE COVERAGE	37.39%	41.30%	46.22%	52.40%p	59.10%p
Life	22.81%	24.49%	28.73%	32.91%	36.96%p
Mutual Benefit Associations (MBAs)	14.58%	16.78%	17.49%	19.49%	22.14%p

p = preliminary figures

Table 3

Philippine Economic Indicators and Insurance Development, Years 2014-2018

The total investments made by the industry covered 87.26% of the total assets or ₱1.37 trillion, 88% of which was contributed by the life sector.

The total net worth posted an increase of 3.01% from ₱318.03 billion in 2017 to ₱327.60 billion in 2018 while the combined net income of the insurance industry totaled to ₱35.10 billion in 2018, 3.20% lower than the ₱36.26 billion earnings reported in the previous year.

On a macro level, life sum assured as percentage of Gross Domestic Product (GDP) was computed at 45.14%, which is 1.05 percentage points lower than last year's 46.19%. On the other hand, the insurance penetration or

the industry's total premiums as a percentage of GDP reached 1.69%, higher by 2.48% compared to the previous year's 1.65%.

Insurance density or the amount of average spending on insurance by each individual for 2018 rose by 7.58% from the previous year's ₱2,482.30 to ₱2,670.40 where 81.16% was spent on life insurance.

The estimated life coverage or market penetration rate was 59.10% of the total population. Of the 106.69 million Filipinos, an estimate of 36.96% were covered by insurance offered by insurance companies while 22.14% had insurance protection provided by the MBAs to its members and their dependents.

B. Life Insurance Sector

Premium Income

For the year under review, premium income generated by the life insurance sector was reported at ₱230.11 billion, a 13.48% increase from the ₱202.77 billion in 2017. This can be attributed to the continuous financial literacy programs around the country that empowers individuals to become aware of the need to be insured. Of the total premium income collected, 74.66% or ₱171.81 billion was credited to variable life products.

First year premiums accounted for 19.26% of the total premiums in 2018 while single and renewal premiums accounted for 32.27% and 48.47%, respectively.



Premium Income of Private Life Insurers for Traditional and Variable Products

(In Million Pesos)

Chart 2

New Business

During the year, new business annual premiums for traditional and variable life insurance expanded by 1.46% and 14.39%, respectively. The same expansion was observed in the number of policies and number of insured lives for variable life products, which increased by 33.45% and 33.59%, respectively. Traditional products likewise increased by 23.84% in number of policies and a remarkable 72.74% in number of insured lives signifying an increase in the number of insured members in group policies.

The total sum assured for new business under variable products increased by 31.38% from ₱458.82 billion to ₱602.77 billion. For traditional products, it also increased by 19.09% from ₱1.12 trillion in 2017 to ₱1.34 trillion in 2018.

Year	Policies (Insured Lives)		Annual Premium		Sum Assured	
	Number	% Change	₱ billion	% Change	₱ billion	% Change
A. Traditional Insurance Products						
2018	273,827 (12,627,520)	23.84 72.74	13.91	1.46	1,338.34	19.09
2017	221,116 (7,310,260)	(22.40) (28.80)	13.71	23.51	1,123.80	(10.55)
2016	284,940 (10,268,039)	31.81 2.33	11.10	6.73	1,256.48	1.50
2015	216,173 (10,034,417)	(20.85) (6.36)	10.40	2.56	1,237.92	(21.18)
2014	273,114 (10,715,507)	(6.63) 88.06	10.14	7.87	1,570.64	122.77
B. Variable Life Products						
2018	799,094 (759,865)	33.45 33.59	37.83	14.39	602.77	31.38
2017	598,816 (568,788)	21.13 22.84	33.07	11.27	458.82	25.96
2016	494,335 (463,030)	3.70 4.79	29.72	4.72	364.23	10.55
2015	476,711 (441,846)	29.65 28.97	28.38	37.70	329.47	25.77
2014	367,705 (342,601)	13.04 14.74	20.61	9.63	261.97	23.45

Table 4

New Business Generated, 2014-2018

Number of Policies (Insured Lives)							
Types of Policies	Death	Maturity	Surrender	Lapsation	Expiry	Others	TOTAL
Ordinary	6,168 (5,948)	47,529 (46,695)	40,437 (39,160)	85,834 (82,256)	14,775 (14,289)	15,668 (15,106)	210,411 (203,454)
Group & Industrial	1,332 (192,396)	1 (22,983)	36 (159,550)	2,910 (1,961,571)	1,929 (9,954,200)	25 (1,923,066)	6,233 (14,213,766)
Accident	182 (2,348)	12 (11)	20 (20)	34,692 (111,750)	33,790 (638,267)	5,508 (45,238)	74,204 (797,634)
Health	12 (607)	455 (460)	299 (297)	1,699 (71,804)	2,112 (125,985)	1 (19,406)	4,578 (218,559)
Variable Life	3,132 (2,957)	7,265 (7,037)	82,940 (77,570)	135,189 (129,240)	- -	1,062 (1,008)	229,588 (217,812)
TOTAL	10,826 (204,256)	55,262 (77,186)	123,732 (276,597)	260,324 (2,356,621)	52,606 (10,732,741)	22,264 (2,003,824)	525,014 (15,651,225)
Terminated Sum Assured (₱ billion)							
Types of Policies	Death	Maturity	Surrender	Lapsation	Expiry	Others	TOTAL
Ordinary	2.30	9.71	16.97	40.76	3.71	5.77	79.22
Group & Industrial	10.97	11.30	0.60	437.97	653.76	269.99	1,384.59
Accident	0.08	0.01	0.01	32.99	58.33	18.70	110.12
Health	0.22	0.05	3.29	41.81	91.43	5.15	141.95
Variable Life	2.31	7.06	47.80	96.93	-	3.79	157.89
TOTAL	15.88	28.13	68.67	650.46	807.23	303.40	1,873.77

Table 5

Terminated Insurance Policies and Sum Insured as of 31 December 2018

Terminations

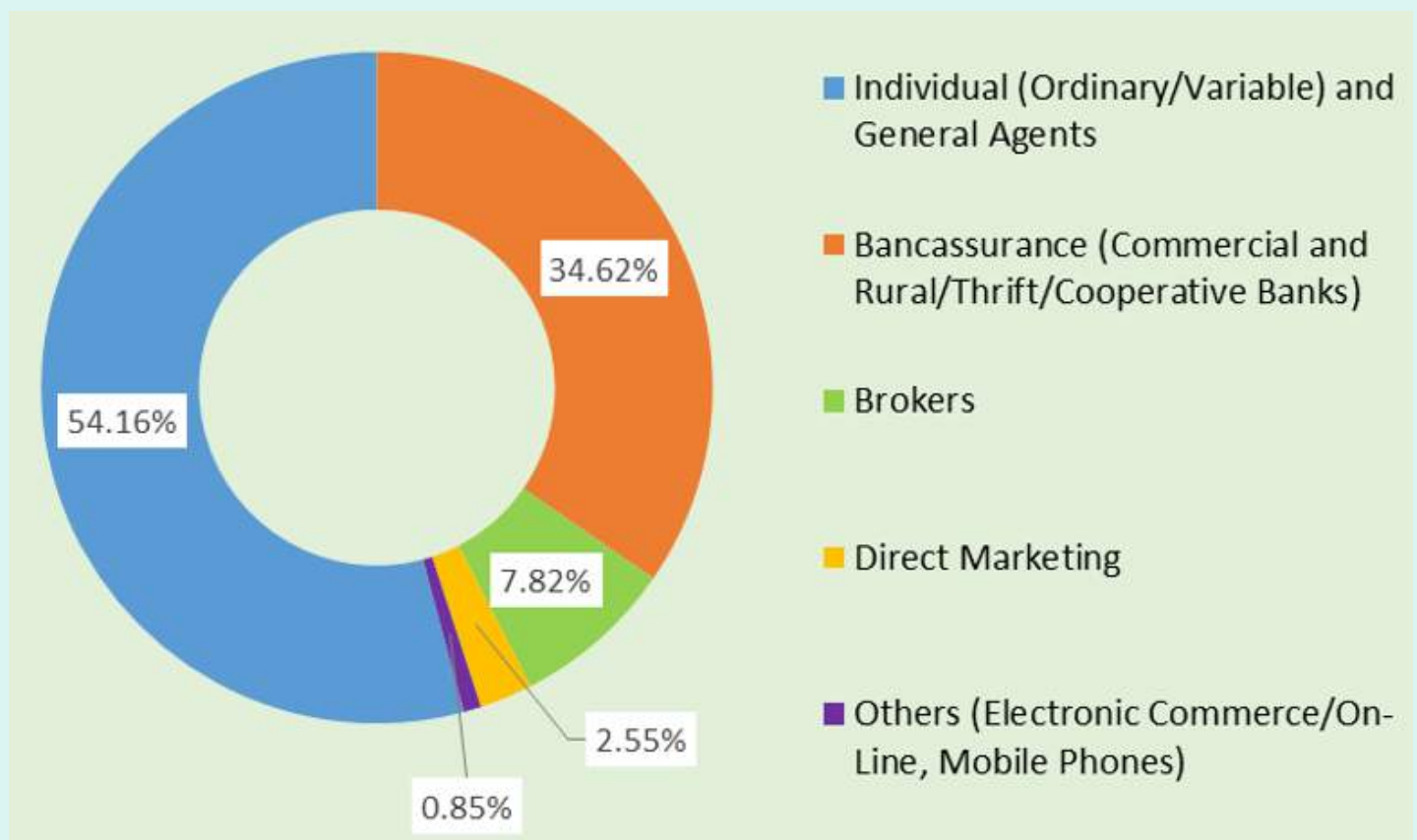
A minimal decline of 2.74% was noted on the number of terminated life insurance policies in 2018 which totaled 525,014 compared with the previous year's 539,797. Lapsation recorded the highest means of insurance termination, representing 49.58% of the total terminated insurance policies followed by Surrender with 23.57%.

The corresponding sum assured of terminated policies was up to ₱1.87 trillion, demonstrating an expansion of 13.42% from last year's ₱1.65 trillion, with the group and industrial types of policies comprising 73.89% of the total sum assured for terminated policies.

Distribution Channel Mix

Overall, more than 50% of life insurance and variable products were sold in the country through licensed individual (ordinary/variable) or general agents for 2018. Marketing through banks (commercial and rural banks, etc.) accounted for 34.62% while brokers contributed 7.82%. These three (3) intermediaries combined to sell more than 95% of the said products.

Direct marketing contributed to 2.55% share of the total.



Distribution Channel Mix of Life Insurance Sector, 2018
Total Premiums on Direct Business = PhP234.55 Billion

Chart 3

Insurance in Force

The total number of in-force policies for traditional and variable life products increased by 11.89% from 5,174,423 in 2017 to 5,789,822 in 2018. This is attributed to the 2,885,025 variable life policies in force this year, which is 25.96% higher than the previous year.

The aggregate in-force policies for traditional life products had a 0.73% increase from 2,883,967 in 2017 to 2,904,797 in 2018. This minimal change resulted from the more significant 234.59% increase in Health Insurance policies compared to the 2.4% decrease in Ordinary products.

The corresponding sum assured for traditional and variable life products expanded by 2.78% and 27.42%, respectively, which, when consolidated, adds up to ₱7.86 trillion.

Likewise, premium income registered an 8.32% and 15.35% increase for traditional and variable life products, respectively.

Types of Policies	Number of Policies			Sum Assured			Premium Income		
	Insured Lives			(In billion pesos)			(In billion pesos)		
	2018	2017	% Change	2018	2017	% Change	2018	2017	% Change
A. Traditional Insurance Products									
Ordinary	2,194,072 (2,140,363)	2,248,038 (2,195,377)	(2.40) (2.51)	855.21	857.10	(0.22)	31.43	29.99	4.80
Group & Industrial	473,615 (32,212,062)	470,180 (28,035,008)	0.73 14.90	4,752.71	4,663.67	1.91	18.40	16.44	11.92
Accident	172,049 (1,502,483)	146,304 (1,454,616)	17.60 3.29	216.10	229.82	(5.97)	0.91	1.62	(43.83)
Health	65,061 (2,326,620)	19,445 (2,125,727)	234.59 26.09	155.81	67.66	130.28	7.56	5.77	31.02
SUB-TOTAL	2,904,797 (36,679,045)	2,883,967 (32,356,112)	0.73 13.36	5,979.83	5,818.25	2.78	58.30	53.82	8.32
B. Variable Life Products									
	2,885,025 (2,723,968)	2,290,466 (2,166,095)	25.96 25.75	1,884.57	1,479.11	27.42	171.81	148.95	15.35
GRAND TOTAL	5,789,822 (39,403,013)	5,174,423 (34,522,207)	11.89 14.14	7,864.40	7,297.36	7.77	230.11	202.77	13.48

Table 6

Life Insurance in Force/Premium Income , 2017-2018

Summary of Operations

The net income of the life insurance sector came to ₱26.29 billion. There is however a drop of 6.88% from the previous year's ₱28.10 billion.

As shown in Table 7, the domestic life insurers contributed ₱10.14 billion or 35.32% of the total underwriting gain while the foreign life insurers

posted a higher contribution at 64.68% or ₱18.57 billion for a total of ₱28.71 billion. Despite the fact that there was an increase of 30.97% in the total underwriting gain, the 2018 net gain still declined due to the increase in both total general and tax expenses.

PARTICULARS	LIFE		
	Domestic	Foreign	Total
Underwriting Income	64.82	166.58	231.40
Premium Income	83.36	146.75	230.11
Less: Inc./ (Dec) in Reserves	20.2	0.28	20.48
Commissions Earned	0	0.31	0.31
Income from Variable	0.49	6.22	6.71
Other Underwriting Income	1.17	13.58	14.75
Less: Underwriting Expenses	54.68	148.01	202.69
Benefit Payments	30.85	40.05	70.90
Commissions Expenses	6.13	16	22.13
Premium Tax Incurred	0.81	0.92	1.53
Expense from Variable	13.52	65.58	76.10
Other Underwriting Expenses	3.57	28.46	32.03
Underwriting Gain/Loss	10.14	18.57	28.71
Add: Gross Investment Income	12.17	24.3	36.47
Other Income/Expenses	(0.29)	0.01	(0.28)
SUB – TOTAL	22.02	42.88	64.90
Less: Taxes other than Premium & Income Tax	1.55	3.81	5.36
Other General Expenses	12.35	18.31	30.66
Income Tax	1.92	0.67	2.59
Net Income / Loss for the year Including Capital Gains	6.20	20.09	26.29

Table 7

Summary of Operations of Life Insurance Sector 2018
(In Billion Pesos)

Investments

Investments of life insurance companies decreased by 5.68%, from ₱1.28 trillion in 2017 to ₱1.21 trillion in 2018. Of the total investments this year, 67.54% was contributed by foreign companies, 7.79% lower compared to that of 2017.

Investments on segregated fund assets for variable life had the greatest portion of the total investments at 50.76%, followed by government securities with 25.88%. Investments in equities and private securities represented 6.48% and 6.08%, respectively.

PARTICULARS	LIFE		
	Domestic	Foreign	Total
Government Securities	72.85	239.86	312.71
Private Securities	27.69	45.82	73.51
Equities	58.29	19.99	78.28
Investment Property	11.36	8.35	19.71
Mortgage Loans and other Similar Loans	6.13	0.35	6.48
Collateral Loans	7.11	0.00	7.11
Guaranteed Loans	0.16	5.22	5.38
Policy Loans	8.98	19.70	28.68
Other Loans	2.63	0.44	3.07
Unquoted Debt Securities	2.55	2.53	5.08
Other Receivables	1.66	16.95	18.61
Investments in Subsidiaries, Associates and Joint Ventures	6.55	9.70	16.25
Mutual Funds/UITF/Real Estate Investment Trusts/ Other Funds	2.33	1.48	3.81
Time Deposits	11.67	4.70	16.37
Segregated Fund Assets	172.28	441.11	613.39
TOTAL	392.24	816.20	1,208.44

Table 8

Invested Assets of Life Insurance Sector by Category, 2018
(In Billion Pesos)

Balance Sheet

For 2018, the total assets of life insurance companies went down to ₱1.25 trillion, which is 1.50% lower than the ₱1.27 trillion of 2017. The accounts Financial Assets at Fair Value Through Profit or Loss (FVPL), Held-to-Maturity (HTM) Investments and Available for Sale (AFS) Financial Assets added up to ₱469.57 billion, which is 37.44% of the total Assets. The composition of these accounts includes investments in government and private securities, equities and investments in funds (mutual funds, UITF, etc.). Segregated Fund Assets for Variable Life represented 48.91% of the total assets of life insurers, or ₱613.43 billion.

The total liabilities also went down by 2.02%, from ₱1.06 trillion in 2017 to ₱1.04 trillion in 2018. Segregated Funds Liabilities and Legal Reserves made up 58.86% and 29.84%, respectively, of the total liabilities.

The total net worth increased by 1.08% from ₱211.99 billion in 2017 to ₱214.28 billion in 2018.

PARTICULARS	Domestic	Foreign	Total
ASSETS			
Financial Assets at FVPL	9.93	10.47	20.40
Held-to-Maturity (HTM) Investments	25.07	0.44	25.51
Available for Sale (AFS) Financial Assets	127.91	295.75	423.66
Loans and Receivables	26.27	43.97	70.24
Investments in Subsidiaries, Associates and Joint Ventures	6.23	10.57	16.80
Segregated Fund Assets	172.27	441.16	613.43
Investment Property	11.35	8.35	19.70
Derivative Assets Held for Hedging	-	-	-
Cash on Hand & in Banks	17.91	14.12	32.03
Investments Income Due and Accrued	1.75	5.63	7.38
Accounts Receivables	0.31	0.06	0.37
Premiums Due and Uncollected	1.57	1.34	2.91
Due From Ceding Companies, net	0.18	1.81	1.99
Funds Held by Ceding Companies, net	-	-	-
Amounts Recoverable from Reinsurers, net	0.77	4.39	5.16
Property and Equipment	4.58	2.32	6.90
Security Fund Contribution	-	-	-
Other Assets	2.99	4.68	7.67
TOTAL ASSETS	409.09	845.07	1,254.16
LIABILITIES			
Legal Policy Reserves	116.10	194.15	310.25
Policy & Contract Claims/Maturities and Surrenders Payables	9.53	12.59	22.12
Due to Reinsurers	1.12	6.40	7.52
Funds Held for Reinsurers	-	0.46	0.46
Life Insurance/ Applicant's/ Remittances Unapplied Deposits	1.25	1.59	2.84
Segregated Funds Liabilities	171.64	440.43	612.07
Premium Deposit Fund	5.31	2.81	8.12
Premium Received in Advance	0.39	0.49	0.88
Policyholder's Dividend Due & Unpaid/ Accumulation	7.117	31.74	38.91
Commissions Payable	0.53	0.98	1.51
Return Premiums Payable	0.01	-	0.01
Taxes Payable	1.17	1.98	3.15
Accounts/Notes Payable	5.58	12.75	18.33
Deposit for Real Estate Under Contract of Sell	-	-	-
Dividends Payable	0.30	0.03	0.33
Notes Payable	0.31	-	0.31
Pension Obligation	1.65	0.01	1.66
Accrual for Long-term Employee Benefits	0.04	0.12	0.16
Accrued Expenses	1.66	4.84	6.50
Derivative Liabilities Held for Hedging	0.05	-	0.05
Other Liabilities	3.01	1.69	4.70
TOTAL LIABILITIES	326.82	713.06	1,039.88

NETWORTH			
Paid-Up Capital/Statutory Deposits	12.26	10.16	22.42
Statutory Deposit	0.65	-	0.65
Capital Stock Subscribed	0.26	-	0.26
Contributed Surplus	1.00	1.51	2.51
Contingency Surplus/Home Office Inward Remittances	0.95	7.10	8.05
Capital Paid-In Capital Excess of Par	3.00	1.42	4.42
Retained Earnings/ Home Account Office	31.66	108.30	140.16
Reserve Accounts	32.57	1.70	34.27
Remeasurement Gains(losses) on Retirement Pension Asset (Obligation)	(0.32)	1.93	1.61
Treasury stock	0.04	(0.11)	(0.07)
TOTAL NET WORTH	82.27	132.01	214.28
TOTAL LIABILITIES & NET WORTH	409.09	845.07	1,254.16

Table 9

Consolidated Balance Sheet of Life Insurers, 2018
(In Billion Pesos)

C. Non-Life Insurance Sector

Gross Premiums Written

The gross premiums written of the non-life sector grew by 10.17%, from ₱76.63 billion in 2017 to ₱84.42 billion in 2018. This can be attributed to the growth posted by Suretyship, Casualty, and Fire and Allied Perils by 30.14%, 15.38%, and 10.92%, respectively.

Motor Car had the highest total premium production amongst such lines of business with 33.65% share of the total premium, followed by Fire and Allied Perils with 32.85%, then by Casualty with 20.61%.

The bulk of the total gross premiums written which is 98.55% or ₱83.20 billion came from direct business while the remaining 1.45% were from the reinsurance business.

LINE OF BUSINESS	2018		2017	
	Amount (in Billion Pesos)	% to Total	Amount (in Billion Pesos)	% to Total
Fire and Allied Perils	27.73	32.85	25.00	32.62
Marine	6.39	7.57	5.97	7.79
Motor Car	28.41	33.65	27.12	35.39
Casualty	17.40	20.61	15.08	19.68
Suretyship	4.49	5.32	3.45	4.50
Life for PR	(0.00)	(0.00)	0.01	0.01
TOTAL	84.42	100.00	76.63	100.00

Table 10

Gross Premiums Written of Private Non-Life Companies and Professional Reinsurer 2017-2018

Net Premiums Written

The net premiums written likewise went up in 2018 by 9.88% or ₱4.82 billion, which amounted to ₱53.63 billion from ₱48.81 billion in 2017. This was brought about by the overall positive record of all lines of business except for Marine business, which declined by 2.90% from the ₱2.07 billion in 2017.

Meanwhile, the Motor Car Business continued to contribute the highest Net Premiums Written among all lines of business with ₱27.05 billion, followed by Casualty with ₱12.36 billion, then by Fire and Allied Perils by ₱7.53 billion consistent with the trend in 2016 until 2018. The non-life sector's net retention ratio, however, declined to 43.97% from 63.70% in 2017.

LINE OF BUSINESS	2018	2017	% Increase/ (Decrease)
	Amount (in Billion Pesos)	Amount (in Billion Pesos)	
Fire and Allied Perils	7.53	7.25	3.86
Marine	2.01	2.07	(2.90)
Motor Car	27.05	24.94	8.46
Casualty	12.36	10.78	14.66
Suretyship	4.17	3.27	27.52
Life for PR	0.51	0.50	2.00
TOTAL	53.63	48.81	9.88

Table 11

Net Premiums Written of Private Non-Life Companies and Professional Reinsurer 2017-2018

The non-life sector's net retention ratio, however, declined to 43.97% from 63.70% in 2017.



Gross Premiums Written (GPW), Net Premium Written (NPW) and Retention Ratio of Private Non-Life Insurers and Professional Reinsurer 2014-2018

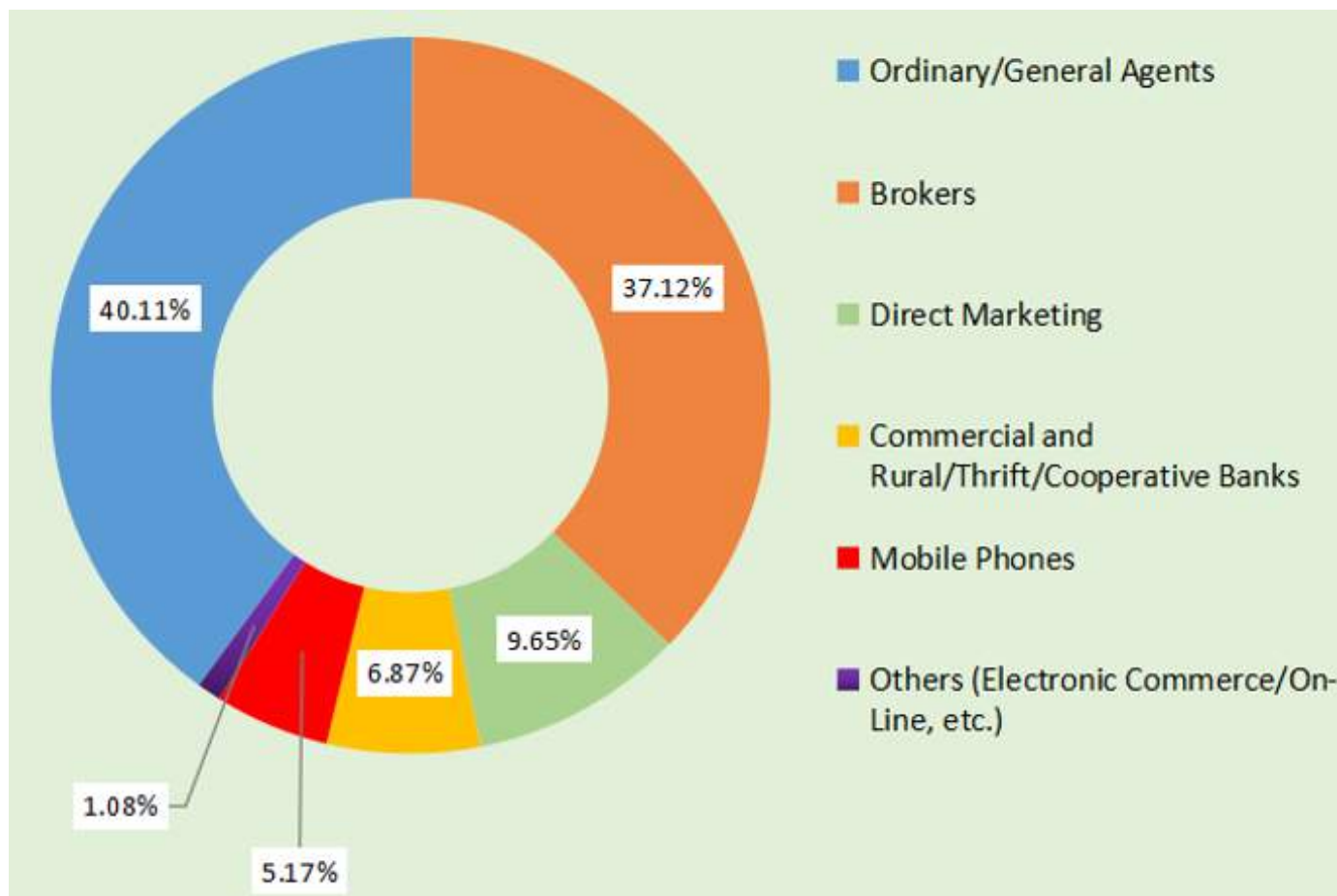
(In Billion Pesos)

Chart 4

Distribution Channel Mix

Licensed general and ordinary agents contributed to the highest total premiums written on direct business amounting to 40.11% of the total followed by the Brokers with 37.12%.

On the other hand, sales through direct marketing and banks (commercial, cooperative, rural and thrift banks) shared 9.65% and 6.87% of the total, respectively.



Distribution Channel Mix of Non-Life Insurance Sector, 2018
Total Premiums on Direct Business = PhP83.02 Billion

Chart 5

Premiums Earned

The total premiums earned in 2018, as reflected in Table 12, went up to ₱51.94 billion compared to ₱45.58 billion last year, posting a growth of 13.95% or ₱6.36 billion. The Motor Car business once more posted the highest premiums earned at ₱26.12 billion comprising 50.29% of the total premiums earned. It was followed by Casualty with ₱12.75 billion, and Fire and Allied Perils Business with ₱7.01 billion which collectively represented 38.04% of the total premiums earned while the remaining 11.67% came from the Marine and Suretyship Business with corresponding premiums of ₱2.01 billion and ₱4.05 billion, respectively.

LINE OF BUSINESS	2018			2017		
	Losses Incurred (₱ Billion)	Premiums Earned (₱ Billion)	Loss Ratio (%)	Losses Incurred (₱ Billion)	Premiums Earned (₱ Billion)	Loss Ratio (%)
1. Fire and Allied Perils	4.79	7.01	68.33	3.71	6.95	53.38
a. Fire	3.60	4.69	76.76	2.27	4.57	49.67
b. Earthquake /Fire/shock	0.11	1.39	7.91	0.59	1.31	45.04
c. Typhoon	0.66	0.46	143.48	0.26	0.48	54.17
d. Flood	0.29	0.27	107.41	0.37	0.35	105.71
e. Extended Coverage	0.13	0.20	65.00	0.22	0.24	91.67
2. Marine	0.61	2.01	30.35	0.57	1.94	29.38
a. Marine Cargo	0.32	1.59	20.13	0.34	1.46	23.29
b. Aviation	0.03	0.08	37.50	0.05	0.04	125.00
c. Marine Hull	0.26	0.34	76.47	0.18	0.44	40.91
3. Motor Car	12.67	26.12	48.51	11.10	22.85	48.58
a. PPAI	0.01	0.05	20.00	0.01	0.07	14.29
b. CMVL-LTO	0.14	0.43	32.56	0.12	0.43	27.91
c. CMVL-Non-LTO	0.15	1.97	7.61	0.17	1.98	8.59
d. Other Than CMVL-LTO	0.10	0.25	40.00	0.05	0.29	17.24
e. Other Than CMVL-Non- LTO	12.27	23.42	52.39	10.75	20.08	53.54
4. Casualty	4.34	12.75	34.04	4.00	10.81	37.00
a. Health	1.35	2.97	45.45	1.06	2.21	47.96
a. Personal Accident	1.03	3.72	27.69	1.07	3.63	29.48
b. Engineering	0.42	1.37	30.66	0.51	1.03	49.51
c. Miscellaneous	1.54	4.21	36.58	1.18	3.45	34.20
d. Life, for Prof. Reinsurer	-	0.48	-	0.18	0.49	36.73
5. Suretyship	0.17	4.05	4.20	0.15	3.03	4.95
TOTAL	22.58	51.94	43.47	19.53	45.58	42.85

Table 12

Premiums Earned, Losses Incurred and Loss Ratios of Non-Life Companies and Professional Reinsurer 2017-2018

Losses Incurred

Total losses incurred by the Non-Life Sector rose to ₱22.58 billion in 2018, up by 15.62% or ₱3.05 billion from ₱19.53 billion reported last year.

The overall loss ratio for this year is marginally higher by 0.62 percentage point year-on-year, from 42.85% in 2017 to 43.47% in 2018. Higher loss ratios were noted in Fire and Allied Perils and Motor Car while the remaining lines of business posted significant improvements compared to that of the previous year.

Summary of Operations

The overall net income of the non-life sector improved by 13.63% or ₱444.29 million to ₱3.70 billion from ₱3.26 billion in 2017 despite the 17.88% or ₱6.31 billion increase in the Underwriting Expense. This was offset by the substantial growth in Underwriting Income along with income earned from investments by 14.06% or 6.93 billion and 14.62% or ₱381.32 million, respectively.

Of the total net income generated by non-life sector, Domestic Companies accounted for 86.22% while the remaining 13.78% was produced by the Foreign companies.

Investments

The total invested assets of the Non-Life Sector grew by 3.98% or ₱3.82 billion from ₱96.09 billion in 2017 to ₱99.91 billion in 2018.

This growth was attributed to the remarkable increase in Private Securities as well as Investment Property by 134.49% or ₱13.22 billion and 53.77% or ₱1.64 billion, respectively. Government Securities, which comprised 33.62% of the total investments, also increased by 2.97% or ₱963.53 million from ₱32.62 billion in 2017 to ₱33.59 billion in 2018.

Of the total invested assets, 83.37% or ₱83.29 billion were contributed by the Domestic Non-Life Companies while the remaining 16.63% or ₱16.62 billion were placed by the Foreign Non-Life Companies.

PARTICULARS	NON-LIFE		
	Domestic	Foreign	Total
Underwriting Income	43.99	12.23	56.22
Premiums Earned	41.00	10.93	51.93
Commissions Earned	2.82	1.15	3.97
Other Underwriting Income	0.17	0.15	0.32
Less: Underwriting Expenses	32.63	8.98	41.61
Losses Incurred	18.00	4.61	22.61
Loss Adjustment Expenses	0.24	0.06	0.30
Commission Expenses	10.50	3.42	13.92
Premium Tax Incurred			
Other Underwriting Expenses	3.89	0.89	4.78
Underwriting Gain/Loss	11.36	3.25	14.61
Add: Gross Investment Income	2.33	0.65	2.98
Other Income/Expenses	1.53	0.06	1.59
SUB – TOTAL	15.22	3.96	19.18
Less: Taxes other than Premium and Income Tax	0.47	0.14	0.61
Other General Expenses	10.94	3.03	13.97
Income Tax	0.62	0.28	0.90
Net Income / Loss for the year Including Capital Gains	3.19	0.51	3.70

Table 13

Summary of Operations of Non-Life Companies & Professional Reinsurer, 2018
(In Billion Pesos)

PARTICULARS	NON-LIFE		
	Domestic	Foreign	Total
Government Securities	23.94	9.65	33.59
Private Securities	20.90	2.15	23.05
Stocks	13.72	1.53	15.25
Investment Property	4.65	0.04	4.69
Mortgage Loans	0.55	0.01	0.56
Collateral Loans	0.00	-	0.00
Guaranteed Loans	0.07	-	0.07
Other Loans	0.73	0.05	0.78
Unquoted Debt Securities	0.06	-	0.06
Investments in Subsidiaries, Associates and Joint Ventures	3.81	-	3.81
Mutual Funds/UITF/Real Estate Investment Trusts/ Other Funds	1.12	0.79	1.91
Fixed Deposits	13.74	2.40	16.14
TOTAL	83.29	16.62	99.91

Table 14

Invested Assets by Category of Non-Life Companies and Professional Reinsurer, 2018
(In Billion Pesos)

Balance Sheet

Total assets of the non-life sector for 2018 increased to ₱233.13 billion, up by 5.04% or ₱11.18 billion compared to last year's performance, which amounted to ₱221.95 billion. Domestic companies accounted for 83.86% of the total assets while the foreign companies represented the remaining 16.14%. The overall increase in the total assets was due to the significant growth in Investment Property, Investments Income Due and Accrued, and Financial Assets at Fair Value Through Profit by 60.35%, 51.52%, and 47.77%, respectively.

PARTICULARS	Domestic	Foreign	Total
ASSETS			
Financial Assets at FVPL	3.68	1.30	4.98
Held-to-Maturity (HTM) Investments	15.47	5.34	20.81
Available for Sale (AFS) Financial Assets	40.37	7.64	48.01
Loans and Receivables	0.97	0.04	1.01
Investments in Subsidiaries, Associates and Joint	3.18	0.04	3.22
Investment Property	4.53	0.04	4.57
Derivative Assets Held for Hedging	-	-	-
Cash on Hand & in Banks	24.36	4.01	28.37
Premiums Receivable, net	19.21	3.32	22.53
Due from Ceding Companies, net	5.32	1.23	6.55
Funds Held by Ceding Companies, net	0.40	0.00	0.40
Loss Reserve Withheld by Ceding Companies, net	0.20	0.01	0.21
Amounts Recoverable from Reinsurers, net	46.68	7.92	54.60
Other Reins. Accts. Receivable, net	0.13	-	0.13
Surety Losses Recoverable	0.04	-	0.04
Investments Income Due and Accrued	0.38	0.12	0.50
Accounts Receivable	0.96	0.07	1.03
Property and Equipment	8.56	0.64	9.20
Security Fund Contribution	0.01	0.00	0.01
Other Assets	21.05	5.91	26.96
TOTAL ASSETS	195.50	37.63	233.13
LIABILITIES			
Claims Liabilities	57.29	10.00	67.29
Premium Liabilities	33.58	7.16	40.74
Due to Reinsurers	14.73	3.97	18.70
Funds Held for Reinsurers	2.54	1.39	3.93
Commissions Payable	2.62	0.58	3.20
Return Premiums Payable	0.00	-	0.00
Taxes/Licenses Payable	6.19	1.01	7.20
Deposit for Real Estate under Contract to Sell	-	-	-
Cash Collaterals	0.96	-	0.96
Account Payable	5.56	0.58	6.14
Dividends Payable	0.07	0.01	0.08
Financial Liabilities at Fair Value Through Profit and Loss	-	-	-
Accrued Expenses	0.94	0.20	1.14
Derivative Liabilities Held for Hedging	-	-	-
Notes Payable	0.91	-	0.91
Other Liabilities	3.56	0.75	4.31
TOTAL LIABILITIES	128.95	25.65	154.60
NET WORTH			
Paid-Up Capital/Statutory Deposits	24.14	6.89	31.03
Deposit for Future Subscription	0.81	-	0.81
Capital Stock Subscribed	0.73	0.29	1.02
Contributed Surplus/Home Office Inward	1.97	0.22	2.19
Contingency Surplus	4.65	1.29	5.94
Capital Paid in Excess of Par	5.07	0.35	5.42
Retained Earnings/Home Office Account	12.75	3.10	15.85
Cost of Share-Based Payment	0.28	0.01	0.29
Total Reserve Accounts	16.52	(0.13)	16.39
Remeasurement Gains (Losses) on Retirement, Pension Asset (Obligation)	(0.36)	(0.04)	(0.40)
Treasury Stock	(0.01)	-	(0.01)
TOTAL NETWORTH	66.55	11.98	78.53
TOTAL LIABILITIES & NET WORTH	195.50	37.63	233.13

Table 15

Consolidated Balance Sheet of Non-life Companies and Professional Reinsurer, 2018
(In Billion Pesos)

Total liabilities climbed up marginally by 6.23% or ₱9.07 billion from ₱145.53 billion in 2017 to ₱154.60 billion in 2018. Claims Liabilities comprised 43.53% of the total liabilities while Premium Liabilities constituted the 26.35%.

Further, total net worth is up by 2.77% or ₱2.11 billion to ₱78.53 billion from ₱76.42 billion last year. Paid-Up Capital accounted for 39.51% or ₱31.03 billion of the total net worth.

D. Mutual Benefit Associations

The Mutual Benefit Associations (MBAs) sector had a total of thirty-five (35) licensed associations as of the end of 2018 with twenty-three (23) Microinsurance MBAs and twelve (12) Regular MBAs. The Total Assets of MBAs steadily increased in the last seven (7) years, rising by 14.1% in 2018 from ₱75.74 billion to ₱86.39 billion amid the deceleration in the Investment in Treasury Bills by 69.39% or ₱530 million. The sustained uptrend of the Total Assets was due to the significant growth in the Net Premiums Due and Uncollected, Members' Contributions Due and Uncollected, and Bonds which posted increases of 63.59%, 32.48%, and 27.01%, respectively, compared to last year's performance.

The total assets for the Micro MBAs grew to ₱19.38 billion in 2018 from ₱15.42 billion in 2017 while Regular MBAs rose to ₱67.01 billion from ₱60.32 billion.

Member's Equity likewise went up for this year by 17.48%, which can be attributed to the increase in the Revaluation Increment and Funds Assigned for the member's benefit by 63.59% and 44.06%, respectively. Guaranty Fund also grew by 14% amounting to ₱975.14 million, which also contributed to this development.

Meanwhile, the total invested assets of MBAs slightly decreased by 0.20% due to the contraction posted by the Regular MBAs by 8.78% or ₱4.29 billion. Nevertheless, the Microinsurance MBAs posted a significant increase of 28.24% or ₱4.16 billion in the invested assets. The bulk of investment amounting

Particulars	2018	2017	% Increase (Decrease)
	(in billion pesos)		
Assets	86.39	75.74	14.1
<i>micro</i>	19.38	15.42	25.7
<i>regular</i>	67.01	60.32	11.1
Liabilities	51.61	46.13	11.9
<i>micro</i>	14.54	11.61	25.2
<i>regular</i>	37.07	34.52	7.4
Members' Equity	34.79	29.61	17.5
<i>micro</i>	4.84	3.81	27.0
<i>regular</i>	29.94	25.80	16.0
Guaranty Fund	0.98	0.86	14.0
<i>micro</i>	0.55	0.47	17.0
<i>regular</i>	0.42	0.39	7.7
Invested Assets	63.47	63.59	(0.2)
<i>micro</i>	18.89	14.73	28.2
<i>regular</i>	44.57	48.86	(8.8)
Premiums	10.92	8.81	24.0
<i>micro</i>	4.70	3.89	20.8
<i>regular</i>	6.22	4.92	26.4
Net Income	5.11	4.90	4.2
<i>micro</i>	1.09	0.79	38.0
<i>regular</i>	4.02	4.11	(2.2)
No. of Licensed MBAs	35	35	-

Table 16

Mutual Benefit Association's Key Insurance Statistics, 2017-2018

to ₱30.86 billion which comprise 48.82% of the total invested assets was placed in Bonds. Other placements such as Time Deposit, Investment in Property, Loans, Stocks, Treasury Bills, and other investments accounted for the remaining 51.18% or ₱32.60 billion of the total invested assets.

The premiums generated by Micro MBAs and Regular MBAs improved by 20.81% and 26.46%, respectively. This resulted to a 23.96% or ₱2.11 billion increase in the total Premiums from last year's ₱8.81 billion to ₱10.92 billion despite the 86.87% drop in Members' Fees and Dues. This was offset by the 42.07% and 25.29% increase in the Net Members' Contribution and Net Premiums, respectively.

The total net income for MBAs grew by 4.18% from ₱4.90 billion to ₱5.11 billion. The Micro MBAs reported an increase of 37.76% to ₱1.09 billion net income this year, while that of Regular MBAs declined by 2.31% to ₱4.02 billion compared to 2017.

E. Insurance and Reinsurance Brokers

Total premiums contributed by insurance and reinsurance brokers to the insurance industry totaled ₱71.64 billion, up by 19.22% from ₱60.09 billion in 2017. Of this, Insurance Brokers generated 94.72% or ₱67.86 billion, an increase of 17.16% from the previous year of ₱57.92 billion while the reinsurance brokers shared the remaining 5.28%. Health insurance business contributed 25.56% of the total premiums mediated by the insurance brokers this year followed by fire with 24.52% and life insurance with 15.52%.

On the other hand, commissions earned by insurance and reinsurance brokers posted an increase of 11.29% and 21.91%, respectively.

Line of Business	Insurance Brokers		Reinsurance Brokers	
	Premiums	Commissions	Premiums	Commissions
Life	11,116.58	929.99	154.45	5.07
Fire	17,569.20	1,614.65	1,092.97	74.71
Ocean Marine	630.79	154.37	123.96	2.36
Inland Marine	614.29	97.81	11.01	1.35
Marine Hull	1,137.18	99.41	133.84	17.05
Aviation	901.72	81.25	29.67	4.41
Fidelity & Surety	1,336.69	333.74	4.77	0.10
Motor	6,925.96	1,731.26	67.85	2.51
Health	18,314.53	1,709.56	0.00	0.00
Accident	2,163.28	344.58	184.36	10.95
Engineering	2,588.80	409.49	447.25	11.96
Miscellaneous	2,814.36	409.87	1,533.29	57.52
HMO	1,747.92	232.99	0.00	0.00
Total	67,861.30	8,148.97	3,783.42	187.99

Table 17

Brokers' Business Operations, 2018
(In Million Pesos)

THE PRE-NEED INDUSTRY

The Pre-Need Industry has a total of sixteen (16) licensed companies as of the end of 2018. The total assets improved by 4.87% from ₱115.75 billion in 2017 to ₱121.39 billion in 2018 despite the decreases on some accounts. The bulk of the industry's assets mostly went to Investment in Trust Fund followed by Short-Term Investments at ₱102.75 billion and ₱4.03 billion, respectively.

Total liabilities likewise rose by 4.37% to ₱103.87 billion in 2018. Pre-Need Reserves accounted for 94.69% or ₱98.36 billion of the total liabilities.

On the other hand, the net worth for 2018 amounted to ₱17.52 billion, a small increase of 8.07% or ₱1.30 billion versus last year's total. The said increase can be attributed to the improvement in Retained Earnings in Trust Fund as well as the Deposit on Future Subscription reaching ₱13.96 billion, and ₱0.41 billion, respectively.

The total investments increased by 3.64% or ₱3.94 billion amounting to ₱112.05 billion in 2018. Placements in Government Securities, Stocks, and Corporate Bonds accounted for 77.79% of the total investments.

The net income of the industry posted a remarkable improvement in 2018 that reached ₱2.38 billion from ₱0.36 billion last year. This was mainly due to the substantial decline of the Pre-Need Reserves by 26.20% and significant increase in Premiums and Underwriting Gains by 11.25% and 105.79%, respectively, which contributed the most to the development of the industry's overall Income.

Further, the pre-need companies' number of plans sold for this year went down by 10.75% from 871,722 plans in 2017 to 778,033 plans due to the decrease of sales in Life and Pension Plans. However, the sale of Education plans increased by 21.38% for 2018.

PARTICULARS	2018	2017	% Increase (Decrease)
	(in Billion Pesos)		
Assets	121.39	115.75	4.87
Liabilities	103.87	99.52	4.37
Net worth	17.52	16.23	8.07
Paid-up capital	3.46	3.64	-4.25
Trust Fund	102.75	99.21	3.57
Pre-Need Reserves*	98.36	95.42	3.09
Investments	112.05	108.11	3.64
Premiums	19.53	17.56	11.22
Net Income	2.38	0.36	561.11
No. of Licensed Pre-Need Companies	16	17	-5.9
Number of Pre-Need Actuaries	6	8	-25
Number of Pre-Need Sales Counselors	16,705	17,957	-7
No. Plans Sold	778,033	871,722	-10.7
Life	764,328	858,023	-10.9
Pension	12,859	13,252	-3
Education	846	697	21.4

* As defined by Law - Pre-Need Reserve + Planholder's Benefit Payable

Table 18

Pre-Need Companies' Key Statistics, 2017-2018

THE HEALTH MAINTENANCE ORGANIZATIONS

PARTICULARS	2018	2017	%Increase (Decrease)
	(in Billion Pesos)		
Assets	30.72	32.24	-4.69
Liabilities	24.38	26.81	-9.06
Networth	6.34	5.43	16.88
Capital Stock	2.71	2.61	3.79
Invested Assets	8.73	12.45	-29.93
Membership Fees	41.88	36.98	9.76
Healthcare Benefits and Claims	32.32	29.24	10.53
Net Income	1.76	0.69	15.51
No. of Licensed HMOs	31	29	6.9

Table 19

Health Maintenance Organizations' Key Statistics, 2018

The number of licensed Health Maintenance Organizations (HMOs) expanded to 31 organizations by the end of 2018, however, three HMOs were not able to submit their Annual Statement resulting to a decrease in the industry's total assets by 4.69% or ₱1.51 billion to ₱30.72 billion compared to last year's ₱32.24 billion. Available for Sale Financial Assets (AFS), Held to Maturity Investments, and Trade Receivables comprised 54.13% or ₱16.63 billion of the total assets.

The total liabilities of HMOs amounted to ₱24.38 billion which is lower than that of the previous year due to the decrease in Unearned Membership Fees, Accounts Payable and other liabilities by 21.96%, 26.51%, and 30.14%, respectively. Collectively, these three comprised 68.89% or ₱16.80 billion of the total liabilities.

Invested Assets also went down by 29.93% or ₱3.73 billion from ₱12.45 billion last year to ₱8.73 billion which stemmed from the substantial decrease in Investment on Subsidiaries, Joint Ventures, and Associates, and Investment on Equities by 98.53% and 52.45% respectively. Major placements were made in Government Securities and Private Bonds for ₱3 billion and Time Deposit valued at ₱3.75 billion generating 34.33% and 42.96% of the total investments, respectively.

Further, the total net worth of HMOs for 2018 grew by 16.88% or ₱0.92 billion from ₱5.43 billion in 2017 to ₱6.34 billion this year, of which ₱2.71 billion was allocated in capital stock. The total membership fees collected by HMOs amounted to ₱41.88 billion while the total amount spent on healthcare benefits and claims reached ₱32.32 billion this year. Overall, the industry reported ₱1.76 billion net income as of the end of 2018.

PARTICULARS	2018
	(in Billion Pesos)
Government Securities	1.03
Private Bonds	1.97
Equities	0.33
Mutual Funds/UITF/Other Funds	0.94
Investment in Property	0.03
Time Deposit	3.75
Investment in Subsidiaries	0.03
Investment in Associates	0.02
Loans and Receivables	0.62

Table 20

Invested Assets of HMO, 2018

THE GOVERNMENT SERVICE INSURANCE SYSTEM (GSIS)

In 2018, the state-owned Government Service Insurance System (GSIS) assets grew by 2.97% to reach ₱1.14 trillion with the life business accounting for 91.23% of the total. Comparably, life business grew by 2.87% while its non-life counterpart increased by 5.70% in total assets.

A total of ₱1.08 trillion or 94.74% of its assets were placed in various investments this 2018, 3.87% higher than the previous year.

The total liabilities increased by 6.37% from ₱1.04 trillion to ₱1.10 trillion. Increases for life and non-life business were marked at 6.35% and 8.10%, respectively.

However, total net worth of the state-owned insurer went down by 49.81% resulting from a 92.17% decrease in net worth of the life insurance business. On the other hand, the net worth of the non-life business continued to increase from ₱29.05 billion to ₱30.48 billion at a rate of 4.92%.

Premiums generated for 2018 increased by 11.80% from ₱106.16 billion to ₱118.69 billion. The life business accounted for 96.04% of the total premiums contributed by government service personnel.

Total net income declared by GSIS meanwhile declined by 29.36% from previous year's ₱94.93 billion to ₱67.06 billion for 2018.

PARTICULARS	2018	2017	% Increase/ (Decrease)
Assets	<u>1,135.29</u>	<u>1,102.52</u>	2.97
Life	1,094.67	1,064.09	2.87
Non-Life	40.62	38.43	5.7
Liabilities	<u>1,101.87</u>	<u>1,035.93</u>	6.37
Life	1,091.73	1,026.55	6.35
Non-Life	10.14	9.38	8.1
Net worth	<u>33.42</u>	<u>66.59</u>	-49.81
Life	2.94	37.55	-92.17
Non-Life	30.48	29.05	4.92
Investments	<u>1,075.72</u>	<u>1,032.52</u>	4.18
Life	1,040.23	1,001.44	3.87
Non-Life	35.49	31.08	14.19
Premiums	<u>118.69</u>	<u>106.16</u>	11.8
Life	115.08	103.44	11.25
Non-Life	3.61	2.72	32.72
Net Income	<u>67.06</u>	<u>94.93</u>	-29.36
Life	64.41	92.29	-30.21
Non-Life	2.65	2.64	0.38

Table 21

Government Service Insurance System (GSIS) Key Insurance Statistics , 2017-2018
(In Billion Pesos)

INSURANCE COMMISSION

INSURANCE COMMISSIONER

ATTY. DENNIS B. FUNA

DEPUTY INSURANCE COMMISSIONERS

FERDINAND GEORGE A. FLORENDO
FINANCIAL EXAMINATION GROUP

MA. VICTORIA Y. PERALTA
Officer-In-Charge
TECHNICAL SERVICES GROUP

ATTY. RANDY B. ESCOLANGO
LEGAL SERVICES GROUP

DOROTHY M. CALIMAG
MANAGEMENT SUPPORT SERVICES GROUP

OFFICE OF THE INSURANCE COMMISSIONER

ATTY. CZARINA J. PABLO-NEPOMUCENO
Chief of Staff/Officer-In-Charge
BAGUIO DISTRICT OFFICE

ATTY. CESAR R. OLAER, JR.
IC Division Manager
CEBU DISTRICT OFFICE

ATTY. ERNESTO R. GAVAS, JR.
IC Division Manager
DAVAO DISTRICT OFFICE

ATTY. DENIS C. CABUCOS
IC Division Manager
LEGISLATIVE LIAISON OFFICER

ATTY. JUAN PAOLO P. ROXAS
Acting Division Manager
MICROINSURANCE

ATTY. ROMINA AINA DL. CABI
IC Attorney II
SURETYSHIP UNIT

FINANCIAL EXAMINATION GROUP

ATTY. FRANCIS PAUL N FERNANDO
IC Director II

PRISCILLA S. MANLUTAC
IC Division Manager
BROKERS

MURIEL A. BACOLOD
In-Charge of Office
HEALTH MAINTENANCE ORGANIZATION

AILEEN A. LAMZON
Officer-In-Charge
LIFE/MBA_s/TRUST

EVELYN N. SINGUN
IC Division Manager
NON-LIFE

DIONESIO A. DIMPAS, JR.
IC Division Manager
PRE-NEED

LEGAL SERVICES GROUP

ATTY. JORGE S. BRANIA
IC Division Manager
ANTI-MONEY LAUNDERING AND
CORPORATE GOVERNANCE

ATTY. RENE PAOLO G. MABOLO
IC Division Manager
CLAIMS ADJUDICATION

ATTY. JOHN A. APATAN
IC Division Manager
CONSERVATORSHIP, RECEIVERSHIP,
AND LIQUIDATION

ATTY. JOANNE FRANCES D.C. CASTRO
Officer-In-Charge
LICENSING

ATTY. JOSE MARI F. TOLENTINO
IC Division Manager
PUBLIC ASSISTANCE AND MEDIATION

ATTY. BRIAN GALE T. SIBUYAN
Officer-In-Charge
REGULATION, ENFORCEMENT,
AND PROSECUTION

TECHNICAL SERVICES GROUP

ATTY. JOHN A. APATAN
Officer-In-Charge
ACTUARIAL

EDELWINO C. BERNALES
Officer-In-Charge
INVESTMENT SERVICE

CHONA L. CORTEZ
Officer-In-Charge
RATING

EDNA G. BERNALES
IC Division Manager
REINSURANCE

MARICEL G. BASALLOTE
IC Division Manager
STATISTICS AND RESEARCH

MANAGEMENT SUPPORT SERVICES GROUP

PAMELA F. PITAS
IC Division Manager
ACCOUNTING

ATTY. ALWYN FRANZ P. VILLARUEL
Officer-In-Charge
ADMINISTRATIVE

TERESITA S. SURETA
IC Division Manager
BUDGET

REVELYN R. MOJICA
IC Division Manager
HUMAN RESOURCE

JASON M. AMPOLOQUIO
Acting Division Manager
INFORMATION SYSTEMS

EDWIN CORNELIUS A. LAUZ
IC Division Manager
INFORMATION TECHNOLOGY

GREGORY VINCENT O. FERRER
IC Division Manager
PLANNING AND MANAGEMENT

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