



Republic of the Philippines
Department of Finance
INSURANCE COMMISSION
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Manila



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**LIVES COVERED BY MICROINSURANCE GROWS
YEAR-ON-YEAR TO 39.67 MILLION AS OF 30 JUNE 2020
NOTWITHSTANDING THE COVID-19 PANDEMIC**

Based on the unaudited reports as of the quarter ending on 30 June 2020 (“2Q 2020”) submitted to the Insurance Commission, the estimated insured lives covered by microinsurance have increased by 7.86%, from 36.78 million to 39.67 million year-on-year.

“Even with a significant decrease of 24.79% in the number of lives insured by the non-life insurance sector, that is, from 5.04 million to 3.79 million, as compared to the same quarter of the previous year, it bears stressing that the figures still show an overall increase of 7.86% or a difference of 2.89 million in the estimated total number of insured lives for 2Q 2020,” remarked Insurance Commissioner Dennis Funa.

“The statistics are indicative that it was the non-life insurance sector that was greatly affected by the implementation of strict community quarantine measures brought about by the Coronavirus Disease 2019 (COVID-19) pandemic,” he added.

Mutual benefit associations (“MBAs”) remained to take the largest market share in terms of estimated number of individuals covered by microinsurance. MBAs covered 27.43 million lives as of 2Q 2020, which constitutes 69.16% of the total market share. In terms of microinsurance premium production, MBAs have contributed ₱2.08 billion out of ₱3.54 billion as of 2Q 2020, or a percentage share of 58.78%.

“As of 2Q 2020, CARD Mutual Benefit Association, Inc. remains as the dominant MBA in terms of the estimated number of lives insured by microinsurance and total contributions. It had a 76.07% market share in terms of insured lives and a percentage share of 83.20% in terms of total contributions, amounting to ₱1.73 billion as of 2Q 2020,” noted Commissioner Funa.

“Notwithstanding the increase in the estimated number of insured lives, the MBA sector posted a 17.84% decrease of contributions year-on-year. It will be remembered that 2Q 2020 marked the pinnacle of the imposition of strict community quarantine guidelines by the National Government due to COVID-19. Said measures mainly restricted mobility, which, in turn, affected the capability of the general public to buy, renew, or to continue paying for various microinsurance products. Nevertheless, this Commission is optimistic that the statistics will improve in the third (3rd) and fourth (4th) quarter of 2020 as community quarantine guidelines eventually eased,” Commissioner Funa added.

In terms of the estimated number of lives insured as of 2Q 2020, Pag-Asa ng Pinoy MBA, Inc. ranked second, followed by Tulay sa Pag-unlad Mutual Benefit Association, Inc.,

Alalay sa Kaunlaran (ASKI) Benefit Association, Inc., and Kasagana Ka Mutual Benefit Association, Inc, successively.

As to the total contributions made as of 2Q 2020, Pag-Asa ng Pinoy MBA, Inc. ranked second, followed by Tulay sa Pag-unlad Mutual Benefit Association, Inc., Simbag sa Emerhensiya Asin Dagdag Pasegurohan MBA, Inc., and Alalay sa Kaunlaran (ASKI) Benefit Association, Inc., successively.

As of 2Q 2020, life insurance companies covered an estimated number of 8.44 million individuals with microinsurance, with a total premium production of ₱1.05 billion.

“The life insurance sector posted an 8.77% increase in terms of lives insured by microinsurance from 7.76 million as of Q1 2019 to 8.44 million as of 2Q 2020. For the same period, the sector registered a 14.52% decrease in terms of microinsurance premium production from ₱1.23 billion to ₱1.05 billion, again presumably due to the adverse effects of the COVID-19 pandemic,” said Commissioner Funa.

The top five (5) life insurance companies in terms of estimated number of lives covered by microinsurance as of 2Q 2020 are as follows, successively: Pioneer Life, Inc., CLIMBS Life and General Insurance Cooperative, United Coconut Planters Life Assurance Corporation, 1 Cooperative Insurance System of the Philippines Life and General Insurance, and Paramount Life and General Insurance Corporation.

In terms of microinsurance premium production as of 2Q 2020, CLIMBS Life and General Insurance Cooperative ranked the highest. It is followed by the following life insurance companies, successively: Pioneer Life, Inc., United Coconut Planters Life Assurance Corporation, Country Bankers Life Insurance Corporation, and 1 Cooperative Insurance System of the Philippines Life and General Insurance.

As previously mentioned, the non-life insurance sector posted a 24.79% decrease in the number of lives covered year-on-year, from 5.04 million in 2Q 2019 to 3.79 million. The sector likewise posted a decrease of 14.48% in terms of microinsurance premium production from ₱473.74 million as of 2Q 2019 to ₱405.13 million as of 2Q 2020.

As of 2Q 2020, Visayan Surety & Insurance Corporation ranked the highest among non-life insurance companies in terms of lives covered. It is followed by Pioneer Surety & Insurance Corporation, Card Pioneer Microinsurance Inc. (Pioneer Asia), The Mercantile Insurance Company, Inc., and BPI/MS Insurance Corporation, successively.

In terms of microinsurance premium production, Card Pioneer Microinsurance, Inc. (Pioneer Asia) ranked first among non-life insurance companies. It is followed by The Mercantile Insurance Company, Inc., Visayan Surety & Insurance Corporation, Pioneer Surety & Insurance Corporation, and Peoples’ General Insurance Corporation, successively.



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