

Governance, Risk and Compliance – The Philippine Insurance Industry

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Executive Summary

Timetric's 'Governance, Risk and Compliance – The Philippines Insurance Industry' report is the result of extensive research into the insurance regulatory framework in the Philippines. It provides detailed analysis of the insurance regulations for life, property, motor, liability, personal accident and health, and marine, aviation and transit insurance. The report specifies various requirements for the establishment and operations of insurance and reinsurance companies and intermediaries.

The report brings together Timetric's research, modeling and analysis expertise, giving insurers access to information on prevailing insurance regulations, recent and upcoming changes in regulatory framework, taxation and legal system in the country. The report also includes the scope of non-admitted insurance in the country.

Synopsis

The report provides insights into the governance, risk and compliance framework pertaining to insurance industry in the Philippines including:

- An overview of insurance regulatory framework in the Philippines.
- The latest key changes and changes expected in the insurance regulatory framework in the country.
- Key regulations and market practices related to different types of insurance products in the country.
- Rules and regulations pertaining to key classes of compulsory insurance and the scope of non-admitted insurance in the Philippines.
- Key GRC parameters including licensing requirements, permitted foreign direct investment, minimum capital requirements, solvency requirements, reserve requirements, and investment regulations.
- Details of tax system and legal system prevailing in the country.

Reasons to Buy

- Gain insights into the insurance regulatory framework in the Philippines
- Track latest regulatory changes and expected changes impacting the Philippines insurance industry
- Gain detailed information about the key regulations governing establishment and operation of insurance entities in the country
- Understand key regulations and market practices pertaining to various types of insurance products.

1 Governance, Risk and Compliance

1.1 Legislation and Market Practice by Type of Insurance

1.1.1 Life insurance

Table 1: Philippines – Life Insurance Regulatory Framework		
Regulations	Individual Life	Group Life
Non-admitted		
Non-admitted – intermediary sales		
Non-admitted – exceptions		
Non-admitted – fines		
Non-admitted – imprisonment		
Compulsory class		
Cover limits		
Deductible limits		
Rating tariff		
Intermediary remuneration		
Commission rates regulator		
Taxation on net pricing		
Other tariffs/charges on net pricing		
Source: Timetric analysis		© Timetric

1.1.2 Property insurance

Table 2: Philippines – Property Insurance Regulatory Framework			
Regulations	General Property	Business interruption	Engineering
Non-admitted			
Non-admitted – intermediary sales			
Non-admitted – exceptions			
Non-admitted – fines			
Non-admitted – imprisonment			
Compulsory class			
Cover limits			
Deductible limits			
Rating tariff			
State-run pool			
Market-run pool			
Compulsory cessions to reinsurers			
Compulsory cession rate			
Intermediary remuneration			
Commission rates regulator			
Taxation on net pricing			
Other tariffs/charges on net pricing			
Inflation adjustments			
Penalty (if insured sum is less than full value)			
Fire brigade charges			
Terrorism provisions			
Source: Timetric analysis			© Timetric

Report Methodology

All Timetric insurance reports are created by following a comprehensive, four-stage methodology. This includes market study, research, analysis and quality control.

1) Market Study

A. Standardization

- Definitions are specified using recognized industry classifications. The same definition is used for every country.
- Annual average currency exchange rates are used for the latest completed year. These are then applied across both the historical and forecast data to remove exchange rate fluctuations.

B. Internal audit

- Review of collected information and data

C. Trend monitoring

- Review of the latest and upcoming changes to the insurance regulatory framework

2) Research

A. Sources

- Collection of the latest market-specific information and data from a wide variety of industry sources:
 - Government sources
 - Insurance regulatory authorities
 - Industry associations
 - International organizations
 - Law firms

B. Expert opinion

- Collation of opinion taken from leading insurance industry experts
- Analysis of third-party opinion:
 - Broker reports
 - Media
 - Official government sources

3) Analysis

A. Report writing

- Analysis of insurance regulations
- Discussion of key latest changes and expected changes in the regulatory framework

4) Quality Control

• Templates

- Detailed process manuals
- Standardized report templates and accompanying style guides
- Quality-control checklists

- **Quality-control process**
 - Peer review
 - Senior-level QC
 - Random spot checks on data integrity

Related Reports

Governance, Risk and Compliance – The Australian Insurance Industry

Governance, Risk and Compliance – The Chinese Insurance Industry

Governance, Risk and Compliance – The Indian Insurance Industry

Governance, Risk and Compliance – The Indonesian Insurance Industry

Governance, Risk and Compliance – The Malaysian Insurance Industry

Governance, Risk and Compliance – The Singaporean Insurance Industry

Governance, Risk and Compliance – The Thai Insurance Industry

Governance, Risk and Compliance – The Bangladeshi Insurance Industry

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