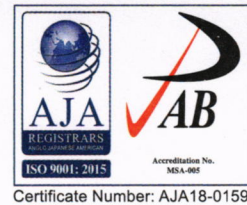




Republic of the Philippines
Department of Finance
INSURANCE COMMISSION
1071 United Nations Avenue
Manila



Circular Letter (CL) No.:	2018-72
Date:	28 December 2018
Supersedes:	NONE

CIRCULAR LETTER

TO : ALL INSURANCE/REINSURANCE COMPANIES DOING BUSINESS IN THE PHILIPPINES

SUBJECT : GUIDELINES ON BUSINESS PROCESS OUTSOURCING (“BPO”) ACTIVITIES OF INSURERS/REINSURERS

WHEREAS, this Commission recognizes the benefits that can be realized by a company in the outsourcing of its business processes, which benefits include, but are not limited to, the following:

1. Helping a company increase organizational flexibility;
2. Allowing said company to focus more on its core competencies; and
3. Increasing the speed of its business processes;

WHEREAS, this Commission recognizes that the insurance and/or reinsurance industries can benefit from the outsourcing of business processes;

WHEREAS, this Commission, however, finds that certain guidelines on business process outsourcing activities must be instituted in order to effectively balance the interests of protecting the insuring public, on the one hand, and developing and strengthening the insurance and reinsurance industries through BPO activities, on the other;

NOW, THEREFORE, pursuant to the undersigned's powers under Section 437 of Republic Act No. 10607, otherwise known as the Amended Insurance Code, to “x x x issue such rulings, instructions, circulars, orders and decisions as may be deemed necessary to secure the enforcement of the provisions of [the Amended Insurance Code], to ensure the efficient regulation of the insurance industry in accordance with global best practices and to protect the insuring public,” the following *Guidelines on Business Process Outsourcing (“BPO”) Activities of Insurers/Reinsurers* are hereby adopted and promulgated, viz: