



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



Circular Letter (CL) No.:	2020-41
Date:	15 April 2020
Supersedes:	CL Nos. 2020-30

CIRCULAR LETTER

TO : ALL ENTITIES REGULATED BY THE INSURANCE COMMISSION AND OTHER CONCERNED PERSONS

SUBJECT : CLARIFICATION AS REGARDS SECTION 5 OF CIRCULAR LETTER NO. 2020-12 ON SUSPENSION OF AUTOMATIC APPROVALS OF TRANSACTIONS AND/OR APPLICATIONS OR REQUESTS FOR SERVICES

WHEREAS, the Coronavirus Disease 2019 (COVID-19) has spread in different part of the world, including the Philippines;

WHEREAS, the COVID-19 coronavirus outbreak has recently been characterized by the World Health Organization (WHO) as a pandemic;

WHEREAS, the COVID-19 coronavirus outbreak qualifies as force majeure under Section 9 of Republic Act No. 11032, otherwise known as the "Ease of Doing Business and Efficient Government Service Delivery Act of 2018", warranting the suspension and/or adjustment of processing times of certain transactions undertaken by this Commission, particularly those necessitating approvals (e.g. product approval, etc.);

WHEREAS, corollary to the foregoing, this Commission issued Circular Letter No. 2020-12 dated 16 March 2020 that provides for Guidelines Governing the Conduct of Business in the Insurance Commission During the Community Quarantine Period;

WHEREAS, Section 5 of Circular Letter (CL) No. 2020-12 provides, in part, viz:

"5. Processing Times for Transactions and/or Other Applications or Requests for Services. – x x x

Accordingly, there shall be no automatic approvals of transactions and/or applications or requests for services under pertinent circulars, rules, and/or regulation, issued by this Commission for the duration of the Community

Quarantine Period and the extension of the same by lawful authorities, if such extension shall be ordered.”

WHEREAS, this Commission issued CL No. 2020-30 *Clarification as Regards Section 5 of Circular Letter No. 2020-12 on Suspension of Automatic Approvals of Transactions and/or Applications or Requests for Services* to clarify that the above-quoted provision of Section 5 of Circular Letter No. 2020-12 shall not be construed as likewise suspending expeditious product approvals under existing circulars;

WHEREAS, this Commission’s usual product approval process cannot be fully operationalized during the Community Quarantine Period due to system limitations, e.g. online submission system for product approval requests and online payment system are not yet in place;

WHEREAS, this Commission recognizes that there is a need to amend the recently-issued CL No. 2020-30 to further clarify the implementation of Section 5 of Circular Letter No. 2020-12;

NOW, THEREFORE, in view of all the foregoing and in accordance with the undersigned’s powers under Section 437 of the Insurance Code of the Philippines, as amended by Republic Act (RA) No. 10607, Section 6 of Republic Act No. 9829, otherwise known as the Pre-Need Code of the Philippines, and Section 4 of Executive Order No. 192 (s. 2015), this Commission hereby clarifies that CL No. 2020-30 shall be repealed and the above-quoted provision of Section 5 of Circular Letter No. 2020-12 shall be implemented, as follows:

1. Filing of **NEW** requests for approval of products/forms for the duration of the Community Quarantine Period and the extension of the same by lawful authorities, if such extension shall be ordered, shall be suspended.
2. For requests for approval submitted by life insurance companies to this Commission under CL No. 2019-72 prior to the declaration of Community Quarantine, the following provision of the same circular letter shall remain valid and enforceable:

“6.2 If the Insurance Commission fails to release the approval letter to its Records Section within the prescribed period, said request shall be deemed approved, provided, that all required documents have been submitted and all required fees and charges have been paid. The acknowledgment receipt together with the official receipt for payment of all required fees issued to the Insurer shall be considered enough proof or has the same force and effect of an approval letter.”

A letter notifying the company that a request is deemed approved shall be released by this Commission after the lifting of the Enhanced Community Quarantine Period.

This Circular Letter shall take effect immediately.


DENNIS B. FUNA
Insurance Commissioner

