



Circular Letter (CL) No.:	2021-42
Date:	29 June 2021
Supplements:	CL No. 2019-13, d. 10 April 2019

CIRCULAR LETTER

TO : ALL ENTITIES UNDER THE REGULATORY CONTROL AND SUPERVISION OF THE INSURANCE COMMISSION

SUBJECT : DIRECTIVE TO TAKE ALL PRECAUTIONARY MEASURES AGAINST RECENT SPATE OF CYBERATTACKS

WHEREAS, this Commission adheres to the policy of the State to protect the fundamental right of privacy of communication, while ensuring free flow of information to promote innovation and growth;

WHEREAS, this Commission recognizes the vital role of information and communications technology in nation-building and its inherent obligation to ensure that personal information in information and communications systems in the government and in the private sector are secured and protected;

WHEREAS, this Commission recognizes that in the conduct of the respective businesses of the various entities under its regulatory supervision and control, said entities possess and/or process personal information, whether privileged, sensitive, or otherwise, as Personal Information Controllers ("PIC") and/or Personal Information Processors ("PIP") within the purview of Republic Act No. 10173, otherwise known as the Data Privacy Act of 2012;

WHEREAS, on 10 April 2019, this Commission issued Circular Letter No. 2019-13 on the subject of "*Compliance with the Provisions of Republic Act No. 10173, Otherwise Known as the Data Privacy Act of 2012*", by which this Commission directed insurance and pre-need companies, health maintenance organizations (HMOs), mutual benefit associations (MBAs), their respective agents, brokers, adjusters, intermediaries, and all other entities under the regulatory control and supervision of this Commission to promptly and strictly comply with the provisions of the Data Privacy Act of 2012, insofar as applicable, particularly as regards the following areas of compliance, viz: (1) Registration with the National Privacy Commission ("NPC") as a PIC and/or PIP; (2) Appointment of a Data Protection Officer ("DPO"); (3) Conduct of a Privacy Impact Assessment; (4) Creation of a Privacy Manual; (5) Implementation of Privacy and Data Protection Measures; and (6) Exercise of Data Breach Reporting Procedures;

WHEREAS, this Commission has received reports that some of its regulated entities have been the subject of cyberattacks, such as, but not limited to, ransomware attacks and Distributed Denial of Service (DDoS) attacks, that consequently led to data breaches;

WHEREAS, such data breaches led to theft of data, which, according to said reports received by this Commission, may have included customer medical information, copies of identification ID) cards, bank account statements, claims forms, payment records, and contracts;

WHEREAS, in view of such cyberattacks and the widespread threats thereof, this Commission considers it prudent to once again remind its regulated entities that the same are legally obliged to strictly comply with the provisions of the Data Privacy Act of 2012;

NOW, THEREFORE, in accordance with the mandate of this Commission to regulate and supervise insurance and pre-need companies, health maintenance organizations (HMOs), mutual benefit associations (MBAs), their respective agents, brokers, adjusters, intermediaries, and all other entities under the regulatory control and supervision of this Commission, all such regulated and supervised entities are respectively hereby:

- Warned of the current alarming cyberattacks on entities engaged in financial services;
- Directed to take all precautions to mitigate the risk of such cyberattacks and related risks, which includes, but are not limited to, upgrading their cybersecurity measures and further training its information and communications technology (ICT) personnel; and
- Directed anew to promptly and strictly comply with the provisions of the Data Privacy Act of 2012, insofar as applicable, particularly as regards the following areas of compliance, viz: (1) Registration with the NPC as a PIC and/or PIP; (2) Appointment of a DPO; (3) Conduct of a Privacy Impact Assessment; (4) Creation of a Privacy Manual; (5) Implementation of Privacy and Data Protection Measures; and (6) Exercise of Data Breach Reporting Procedures.

This Circular Letter shall take effect immediately.


DENNIS B. FUNA
Insurance Commissioner
