



Republic of the Philippines
Department of Finance
INSURANCE COMMISSION
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COMMISSIONER FUNA: INSURANCE COVER AGAINST TERRORISM A MUST-HAVE

Following the recent attacks in Spain allegedly perpetrated by terrorists, Insurance Commissioner Dennis B. Funa emphasized the need to have insurance cover against terrorism.

Commissioner Funa said, "In the light of the continuing risk of terrorist attacks, it is important that the public is protected against losses and damages resulting from terrorist attacks."

According to Commissioner Funa, "Since the 9/11 attack, terrorism insurance industry has grown exponentially. In the Philippine setting, however, it was only recently that a product has been approved which covers losses as a direct result of a terrorist act."

Currently, the only company offering a terrorism insurance cover is FWD Life Insurance Company.

Commissioner Funa said, "While existing insurance products specifically exclude death and disability claims arising from terrorist attacks, FWD developed a product which specifically covers this risk."

"As the first insurance product of its kind in the country, the product provides financial protection in the vent of death or serious disability such as total and irreversible loss of sight on both eyes or hearing on both ears, total and permanent inability to use one or both hand or one foot or both feet," Commissioner Funa added.

Commissioner Funa said, "Terrorism is one of the major social issues in our country. Considering that terrorism is an indiscriminate attack, any person is exposed to the risk of incurring loss to life, limbs and property. This leaves a significant gap between the likelihood of terrorist attack and the risk we are exposed to upon the happening of such attack."

In recognizing this gap, Commissioner Funa urged insurance companies to develop products that will afford protection against losses and damages as a result of acts of terrorism.

“Considering that the Philippines is considered as “high risk” country in terms of likelihood of terrorism attack, we encourage insurance companies to develop life and non-life insurance products which specifically covers losses and damages resulting from acts of terrorism,” said Commissioner Funa.

“Available financial products to address the economic damage that may result after such attack, if and when it occurs, should supplement the strong condemnation and fight against terrorist attack,” he added.



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