



Republic of the Philippines
Department of Finance
INSURANCE COMMISSION
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**ESTIMATED LIVES COVERED BY MICROINSURANCE
SURPASS 50-MILLION MARK AS OF YEAR-END 2020**

Based on unaudited Quarterly Reports on Selected Financial Statistics (“QRSFS”) from microinsurance providers, particularly mutual benefit associations (“MBAs”) and life and non-life insurance companies, the total estimated number of lives covered by microinsurance products as of the quarter ending 31 December 2020 (“4Q 2020”) reached 50.35 million.

“We hope that these figures will be confirmed by the later submission of audited annual statements for the year 2020 by our microinsurance providers. If the QRSFS will be confirmed, then the Insurance Commission will have reached its target of 50 million microinsured lives two (2) years earlier—a target that we initially foresaw that will be reached by 2022,” said Insurance Commissioner Dennis Funa.

MBAs remain to have the largest market share in terms of the number of estimated lives insured by microinsurance products, accounting for 57.52% of 50.35 million, or 28.96 million lives. The life and non-life insurance sectors accounted for 29.19% and 13.29% of the market share, respectively, or 14.70 million and 6.69 million lives microinsured, respectively.

During the same quarter, microinsurance providers were able to collect a total of ₱7.80 billion in premiums or contributions. The MBA sector’s contribution collections in 4Q 2020 amounted to ₱4.46 billion, or 57.22% of the market share. Meanwhile, life insurers were able to collect ₱2.42 billion in premiums, or 31.07% of the market share; and non-life insurers were able to collect ₱913.51 million in premiums, or 11.71% of the market share.

It will be noted that as of 4Q 2020, there are forty-four (44) entities actively engaged in providing microinsurance products: twenty-three (23) MBAs, ten (10) life insurers, and eleven (11) non-life insurers.

Year-On-Year Comparisons

Based on said unaudited QRSFS, the microinsurance sector’s aggregate contribution or premium production slightly contracted by 14.50% year-on-year, as compared with figures as of the quarter ending on 31 December 2019 (“4Q 2019”).

“The microinsurance sector’s total contribution or premium production decreased from ₱9.12 billion as of 4Q 2019 to ₱7.80 billion in 4Q 2020, which translated to a 14.50% decrease year-on-year,” noted Commissioner Funa.

“It is highly likely that the decrease is due to the effects of the implementation of community quarantine protocols to curb the spread of the COVID-19 pandemic. The non-life insurance sector took the largest hit due to the continuing implementation of said protocols during 4Q 2020, with the sector’s premium production reduced by 25.46% year-on-year, from ₱1.23 billion in 4Q 2019 to ₱913.51 million in 4Q 2020,” he added.

Meanwhile, the MBA sector followed, exhibiting a 15.13% contraction year-on-year in terms of contribution production from ₱5.26 billion in 4Q 2019 to ₱4.46 billion in 4Q 2020. The life insurance sector posted a 8.17% decrease year-on-year, from ₱2.64 billion in 4Q 2019 to ₱2.42 billion in 4Q 2020.

“Nevertheless, we are hopeful that these adverse effects are only temporary; and that the situation will improve in the succeeding months. Despite these year-on-year decreases, the microinsurance sector’s premium and contribution production still signified growth based on available data, if one will compare the fourth (4th) quarter 2020 figures with the figures from the first (1st), second (2nd), and third (3rd) quarters of 2020,” explained Commissioner Funa.

In contrast, the total number of estimated insured lives by microinsurance products grew by 11.56% year-on-year, from 45.13 million as of 4Q 2019 to 50.35 million as of 4Q 2020.

“The 20.96% decrease year-on-year in the number of estimated lives insured by the non-life insurance sector, particularly from 8.47 million as of 4Q 2019 to 6.69 million as of 4Q 2020, was offset by the 12.88% increase for the MBA sector and the 33.48% increase for the life insurance sector, year-on-year. Based on data available, the number of estimated lives insured by the MBA sector grew from 25.66 million as of 4Q 2019 to 28.96 million as of 4Q 2020; while those microinsured by the life insurance sector increased from 11.01 million to 14.70 million year-on-year,” Commissioner Funa said.

“Further, it is also likely that the inverse relationship of the decrease in contribution or premium production of the microinsurance sector, on the one hand, and the increase in the estimated number of lives insured by microinsurance, on the other, may be attributed to the effects of the extension of grace periods in microinsurance products and the grant of similar extensions in payment of microinsurance premiums or contributions due to the COVID-19 pandemic,” Commissioner Funa highlighted.

4Q 2020 Rankings

On a per sector basis, the MBA with the most number of estimated lives insured by microinsurance as of 4Q 2020 is CARD Mutual Benefit Association, Inc. It is followed by the following MBAs, to wit: Pag-Asa ng Pinoy MBA, Inc. (2nd); Tulay sa Pag-unlad Mutual Benefit Association, Inc. (3rd); Alalay sa Kaunlaran (ASKI) Benefit Association, Inc. (4th); and CCT Mutual Benefit Association, Inc. (5th).

Life insurance companies were also ranked in terms of the number of estimated lives insured by microinsurance as of 4Q 2020 as follows, viz: Pioneer Life, Inc. (1st); CLIMBS Life and General Insurance Corporation (2nd); United Coconut Planters Life Assurance Corporation (3rd); 1 Cooperative Insurance System of the Philippines (4th); and Paramount Life and General Insurance Corporation (5th).

Meanwhile, non-life insurance companies were likewise ranked in terms of the number of estimated lives insured by microinsurance as of 4Q 2020 as follows, to wit: Pioneer Insurance & Surety Corporation (1st); Visayan Surety & Insurance Corporation (2nd); CARD Pioneer Microinsurance, Inc. (3rd); UCPB General Insurance Company, Inc. (4th); and The Mercantile Insurance Company, Inc. (5th).

In terms of microinsurance contribution production of the MBA sector as of 4Q 2020, CARD Mutual Benefit Association, Inc. ranked the highest. It is followed by the following MBAs, successively: Pag-Asa ng Pinoy MBA, Inc. (2nd); Tulay sa Pag-unlad Mutual Benefit Association, Inc. (3rd); Simbag sa Emerhensiya Asin Dagdag Pasegurohan MBAI (4th); and Alalay sa Kaunlaran (ASKI) Benefit Association, Inc. (5th).

For the life insurance sector, companies belonging to said sector were ranked in terms of microinsurance premium production as of 4Q 2020 as follows, to wit: CLIMBS Life and General Insurance Cooperative (1st); Pioneer Life, Inc. (2nd); United Coconut Planters Life Assurance Corporation (3rd); 1 Cooperative Insurance System of the Philippines (4th); and Country Bankers Life Insurance Corporation (5th).

As to the total premium production by the non-life insurance sector as of 4Q 2020, companies belonging to said sector were ranked as follows, to wit: CARD Pioneer Microinsurance, Inc. (1st); The Mercantile Insurance Company, Inc. (2nd); Pioneer Insurance & Surety Corporation (3rd); UCPB General Insurance Company, Inc. (4th); and Visayan Surety & Insurance Corporation (5th).



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