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CIRCULAR LETTER

To : All Commercial Insurance Companies, Mutual Benefit Associations, Cooperative Insurance Societies, Agents and Brokers

Subject : Procedures for Accreditation of Mediators-Conciliators in Alternative Dispute Resolution for Microinsurance (ADReM)

This circular shall apply to any individual who voluntarily seeks to be accredited as a mediator-conciliator in order to settle or resolve, through mediation, disputes involving settlement of microinsurance claims. It defines the necessary minimum qualifications, competencies and training expected of mediator-conciliator.

The accreditation criteria and the Code of Conduct set forth under this Circular shall supplement the Guidelines in the Implementation of ADReM, developed by the Technical Working Group (TWG) led by the Department of Finance-National Credit Council and the Insurance Commission, including representatives from Philippine Insurers and Reinsurers Association (PIRA), Philippine Life Insurers Association (PLIA), Philippine Mutual Benefit Association Inc. (PhilMBAI), Cooperative Insurance System of the Philippines (CISP), Microfinance Council of the Philippines, Inc. (MCPI), Rural Bankers Association of the Philippines (RBAP), Society of Independent Insurance Intermediaries Association of the Philippines (Triple I), Life Underwriters Association of the Philippines (LUAP), MicroEnsure Insurance Brokers Philippines Inc., and German International Cooperation-Regulatory Framework Promotion of Pro-poor Insurance Markets in Asia (GIZ-RFPI Asia).

Section 1. Definition of Terms

Basic Mediation-Conciliation Training –training course on basic concepts and skills on mediation and conciliation of disputes including the appropriate conduct of mediation-conciliation processes. This should also include a module on the specific process and standards adopted for ADReM as provided for in the ADR Framework on Microinsurance and the various circulars issued by the IC.

Basic Microinsurance Training –seminar that describes the concept of risk protection, risk transfer mechanisms for the low income sector. The seminar includes modules on the following: Basic Concepts of Microinsurance, National Strategy on Microinsurance, Regulatory Framework on Microinsurance, Roadmap to Financial Literacy on Microinsurance and specific circulars on Microinsurance issued by the IC. This should include a module on specific process and standards adopted for ADReM as provided in the ADR Framework and Microinsurance and the various circulars issued by the IC.

Training Provider – an institution or individual accredited by IC to conduct trainings/seminars on Basic Microinsurance and ADReM.

Section 2. Accreditation Requirements– the ADReM mediators-conciliators shall have the following minimum qualifications:

1. At least 21 years of age.
2. Able to read, write and communicate in English, Filipino and/or in the local dialect.
3. Of good moral character.
4. Able to conduct the mediation process in a professional and independent manner.
5. Has undergone the following training/seminar:
 - a. Basic Training on Mediation-Conciliation
 - b. Microinsurance Training from an IC accredited Training Provider.

Section 3. Accreditation Procedures

1. The applicant shall submit the following documents to the IC
 - a. Accomplished Personal Information Sheet in the form as attached (Annex A) with 2x2 photo.



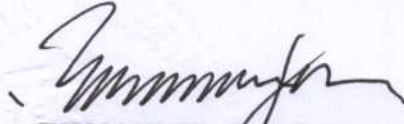
- b. Police Clearance or National Bureau of Investigation (NBI) clearance issued within the preceding six (6)-month period.
 - c. Certificate from two (2) members of his/her respective community attesting to the applicant's honesty, fairness and ability to conduct mediation in an impartial manner
 - d. Certificate of Completion of the following trainings:
 - i. Basic Training on Mediation/Conciliation
 - ii. Microinsurance Training
2. The IC shall evaluate the submitted documents and issue a Certificate of Accreditation within five (5) working days upon satisfactory compliance of the applicant with the requirements. The certification of accreditation shall be valid for a period of three (3) years. In case of denial, the IC shall inform the applicant of the status of her/his application within five (5) working days.
 3. The IC shall include the names of accredited mediators-conciliators in the official roster of ADRem mediators-conciliators which shall be published in the IC website.
 4. For renewal of accreditation, the following shall be submitted:
 - a. Proof that at least three (3) cases of mediation-conciliation conference were conducted, otherwise she/he shall submit a certificate of completion of a refresher ADR seminar.
 - b. Police clearance or NBI clearance issued within the preceding six (6) month period.
 - c. Updated Personal Information Sheet in the form as attached (Annex A) with 2x2 photo
 5. Existing mediators-conciliators duly accredited by other government entities may be accredited under these Guidelines provided that they undergo the required Microinsurance training.

Section 4. Code of Conduct—The accredited mediators-conciliators must abide by the Code of Conduct as provided for in Annex B



Section 5. Termination/Revocation/Cancellation of Accreditation – The Insurance Commission reserves the right to terminate, revoke or cancel the accreditation whenever there is non-compliance or breach of the terms of the accreditation and the Code of Conduct.

This circular shall take effect immediately.



EMMANUEL F. DOOC
Insurance Commissioner

Annex B

Code of Conduct of ADReM Mediators-Conciliators

The accredited ADReM mediators-conciliators shall:

Be competent and knowledgeable in the process of mediation-conciliation.

Facilitate disputes involving third party individuals excluding close friends, relatives, colleagues/supervisors and the like

Ensure that the resolution of a dispute rests will be the responsibility of the parties concerned and that at all times will not pressure any of the parties into an agreement or make a substantive decision on behalf of any party.

Disclose information concerning her/his background and experience on the mediation-conciliation process to the parties.

Ensure that the parties understand the characteristics of the mediation-conciliation process and the role of the mediator-conciliator and the parties in it.

Promote the practice of mediation-conciliation in a professional, truthful and dignified way.

Disclose to the parties any circumstances that may, or may be seen to affect a mediator-conciliator's independence or give rise to a conflict of interests.

Act with impartiality towards the parties and be committed to serve all parties equally with respect to the process of mediation-conciliation.

Conduct the proceedings in an appropriate manner, taking into account the circumstances of the case, including possible imbalances of power and any wishes the parties may express, the rule of law and the need for a prompt settlement of the dispute.

Keep confidential all information arising out of or in connection with the mediation-conciliation process.

Use any information obtained in mediation only for amicably resolving the dispute among the parties concerned and not for personal gain or advantage.

