



# International Information Exchange

## Philippines

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## PHILIPPINES FACT SHEET: Country Overview

Criteria	Data/Stats	Source/Year
National Land	343,448.32 km <sup>2</sup>	Philippine Statistics Authority (2010)
Climate/Weather	<b>Manila</b> Average Yearly Temp.: 26.60 °C Mean Annual Rainfall: 960 to 4,064 mm	PAGASA (Philippine Atmospheric Geophysical and Astronomical Services Administration (2014)
Population	92,385 ** (Thousand )	Philippine Statistics Authority (2010)
Young Population (0-14)	30,785 (Thousand, 33.35%)	
Productive Population (15-64)	57,587 (Thousand, 62.30%)	
Elderly Population (Over 65)	4,013 (Thousand, 4.35%)	
# of Households and Ave.ppl/h.h	20,172 (Thousand) / 4.58 ppl	Philippine Statistics Authority (2010)
Average Life Expectancy	Male: 69.5 / Female: 73.9	Philippine Statistics Authority (2010)
Total Fertility Rate (*)	3.06	National Statistics Office (2010)
GDP (Nominal GDP)	272.067 (USD Millions)	Philippine Statistics Authority (2014)
GDP per Capita	2,765 (USD Thousand)	Philippine Statistics Authority (2014)
Social Security Program	Sickness, Maternity, Disability, Retirement, Death and Funeral, Loans, Employees Compensation, Survivorship Pensions, Separation and Unemployment Benefits	
Remarks	<ul style="list-style-type: none"> <li>• Host Country : ASEAN Insurance Training and Research Institute (AITRI) – on-site and off-site examination workshop – April 2015</li> <li>• Host Country : Philippines European Free Trade Agreement (PH-EFTA) – March 2015</li> <li>• Working Committee on ASEAN Financial Services Liberalization 43<sup>rd</sup> Mtg (WC-FSL) – April 2015</li> </ul>	

(\*) TFR: The average number of children that would be born to a woman over her reproductive life (15~49). \*\* 2015 Population – 102.9 Million (NSCB Projection)

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## 2014 LIFE INSURANCE INDUSTRY FAST FACTS

		(Actual Policies, US\$ Million)				(Policies, US\$)	
Type	New Business		Policy In-Force		Average Policy per Person		
	# of Policies	S	# of Policies	S	# of Policies	S	
Individual	91,019	886.9	2,389,843	21,198.3	0.024	212.2	
Group	2,767 <i>(3,577,171)</i>	10,286.5	465,213 <i>(15,170,354)</i>	62,033.3	0.005 <i>(0.152)</i>	621.0	
Accident & Health	17,084	1,922.0	96,781	5,165.9	0.001	51.7	
Variable	310,145	5,012.7	1,122,078	17,100.1	0.011	171.2	
Criteria		FY2014		FY2013		FY2012	
# of Life Insurers		31 Companies (27 Life, 4 Composite)		30 Companies (26 Life, 4 Composite)		33 Companies (29Life, 4 Composite)	
Net Premium Income		3,537		3,855		2,921	
Payment of Insurance Claim		1,286		1,122		1,215	
Total Assets		19,169		16,628		15,099	
Main Products		Permanent (Whole Life and Endowment) Term, Variable, Accident & Health					
Distribution Channel		Scale			Participation rate		
Agency		Ordinary – 41,762 Variable – 41,743 General –78			66.04%		
Bancassurance		–			19.38%		
Direct Marketing		–			2.18%		
Brokers		42			12.4%		

\*2014 Date are based on Unaudited Quarterly Reports on Selected Financial Statistics as of 12/31/2014 (Preliminary)

\*\* Exchange rate of Php 44.617 = US\$1 as of 12/31/2014

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## Challenges of Philippines Life Insurance Industry

### ❑ Licensing of Informal Insurers

- Entities like Cooperatives and Mutual Benefit Association which conduct “informal insurance or insurance-like activities” are identified and required to formalize their insurance activities as provided under the Regulatory framework for Microinsurance.

### ❑ Preparation for ASEAN Integration

- Alignment of insurance regulations to create a level playing field for all 10 ASEAN Member States (AMS).
- Increasing capitalization requirements of life insurance companies.

### ❑ Promoting Financial and Insurance Literacy/Awareness

- Conduct financial and insurance literacy programs/advocacies to the insuring public.
- Sales illustrations of life insurance products and variable unit-linked products are governed by Circular Letters issued by Insurance Commission.

### ❑ Responding to Money Laundering

- Life insurance companies are required to perform due diligence in assessing their clients and to report detected covered or suspicious transactions as mandated under Anti-Money Laundering Act (RA 9160).