

ANNEX

Insurance Country Updates

A. Brunei Darussalam

Insurance Regulation and Policy Updates between Q4 2019 and Q3 2020 for the Insurance/Takaful industry in Brunei Darussalam

I. Recovery Planning

AMBD issued a draft framework that outlines the requirement to develop recovery plan that outlines actions an insurer can take to stabilise and restore its financial strength and viability under situation of severe stress. Taking into account industry feedback, AMBD has issued a recovery planning framework through a notice and guidelines in Q1 2020. The framework requires insurance companies and takaful operators to develop recovery plans proportionate to their sizes, complexities, incorporations, risk profiles and business models. The Guidelines are issued to provide guidance on the appropriate development of a recovery plan such as on the insurer's governance, trigger framework, recovery options and consideration of stress scenarios and communication strategy.

II. Establishment and Maintenance of Insurance/Takaful Funds

Pursuant to section 20 of the Insurance Order, 2006 and Takaful Order, 2008, the new requirement provide for the proper attribution of assets and liabilities to businesses of registered insurance companies and takaful operators. As such, the insurance/takaful funds ("the funds") are required to be appropriately segregated, effectively controlled with established policies and procedures governing the funds. The policy documents also outline the following requirements:

- a) establishment and maintenance of the funds;
- b) expenses attributed to the funds;
- c) composition of the funds;
- d) switching of assets between the funds; and
- e) withdrawals from the funds.

III. Online Distribution

AMBD has issued guidelines for insurance companies, takaful operators and intermediaries for conducting insurance-related transactions online in terms of risk management and internal control. The guidelines also include supervisory expectations when assessing the online insurance activities. These factors are not limited to the products and services offered online, handling of queries, complaints and claims, risk management and internal controls, and security arrangements.

IV. Registration and Responsibilities of General Insurance and/or General Takaful Agent, and, Roles and Responsibilities of Insurance Companies and Takaful Operators on General Insurance/Takaful Agent

The consultation papers were issued in Q2 2020 which proposed to improve the supervisory regime for the protection of policyholders in Brunei Darussalam. The paper outlines the Authority's

expectation on conditions of registration, as well as roles and responsibilities of an agent. The other paper focuses on the roles and responsibilities of companies in registering and monitoring the conduct of their agents.

V. Reinsurance/Retakaful Management

AMBD issued the guidelines to ensure that insurance companies and takaful operators adequately control and transparently report their reinsurance/retakaful activities. The guidelines outline the Authority's expectation on the following components:

- a) Reinsurance Management Strategy;
- b) The roles of the Board and Senior Management;
- c) Reinsurance Programme; and
- d) Supervisory review of the reinsurance arrangements.

VI. Risk Based Capital Framework

AMBD conducted quantitative impact study (QIS) for the financial year ended 31 December 2018 in November 2019 and have finalised the framework for parallel run in September this year. Target implementation is on 1 January 2022.

B. Cambodia

I. Law on Insurance

On August 04, 2014 a new Law on Insurance was promulgated by PREAH REACH KRAM No.NS/RKM/0814/021, and came into force on February 04, 2015. The Law on Insurance 2014 is to act in accordance with the "FINANCIAL SECTOR DEVELOPMENT STRATEGY 2011-2020" and in response to the growth of its socio-economy. The new Law on Insurance has 14 chapters and 114 articles which comply with the Core Principles of the IAIS together with the experience from other country within the region. The Law comprises of objectives, powers and responsibilities of the Regulator, insurance contract, licensing, intermediaries, winding-up and exit from the market, and the insurance dispute mediation, a mechanism to protect and strengthen the insurance industry in Cambodia and its consumers.

II. Sub-decrees and Prakas

For the purpose of implementing and strengthening the enforcement of the Law on Insurance, Cambodia has been drafting Sub-decree on Insurance, Micro Insurance, and Compulsory Insurance. The three sub-decrees are crucial for the regulators in promoting and protecting the rights and obligation of the insurer and the insured.

Cambodia has also been drafting several Prakas to support the enforcement of the Law and Sub-decree on Insurance. At present, Cambodia is in the process of revising the existing Prakas on Licensing for the Insurance Institutions in the purpose of better regulating the licensing procedures, and drafting Prakas on Licensing for Micro Insurance Companies. In addition to that, more regulations have been under drafting: Parkas on Corporate Governance, Prakas on the Procedure of Receiving Insurance Complaints and Mediating Insurance Disputes, Prakas on

Insurance Contract, Capitalization and Solvency Standards for Insurance, External Auditors, Technical Reserves, Accounting Guideline for Insurance Companies, and Investment.

C. Indonesia

I. Updates on Insurance Laws and Regulations in Indonesia (from October 2019 until August 2020)

OJK Regulation number 43/POJK.05/2019 concerning Good Corporate Governance for Insurance Companies. This regulation is the amendment of OJK Regulation number 73/POJK.05/2016 regarding Good Corporate Governance for Insurance Companies. It stipulates the insurance company to appoint 1 (one) member of the Board of Directors who is in charge of the compliance function which not concurrently a member of the Board of Directors who is in charge of the insurance function, financial function, or marketing function.

OJK Regulation number 44/POJK.05/2019 concerning Procedures for Determining Statutory Managers in Financial Services Institutions. This regulation is the amendment of OJK Regulation number 41/POJK.05/2015 regarding the Procedures for Determining Statutory Managers in Financial Services Institutions. It stipulates the mechanism for the appointment of a Statutory Manager and the fit and proper requirements for the prospective Statutory Managers.

OJK Regulation number 14/POJK.05/2020 concerning Countercyclical Policies on the Impact of Coronavirus Disease 2019 for Nonbank Financial Services Institutions. The Regulation stipulates, among others, provisions on financing restructuring for debtors affected by COVID-19 and the following other provisions:

- a) Deadline for submitting periodic reports;
- b) Procedures for fit and proper test;
- c) Determination of asset quality in the form of financing and financing restructuring;
- d) Review of the solvability level of insurance companies, sharia insurance companies, reinsurance companies, and sharia reinsurance companies;
- e) Review of the quality of pension funds financing that provides a guaranteed benefit pension plan; and
- f) Implementation of asset management provisions in accordance with the age group of participants (life cycle fund) for pension funds that carry out fixed contribution pension plan.

OJK Regulation number 28/POJK.05/2020 concerning Assessment of Soundness Level of Nonbank Financial Services Institutions. This regulation aims to increase the effectiveness of the assessment of the soundness level of Nonbank Financial Services Institutions (NBFI) and one of the NBFI supervision reform programs. In this regulation, NBFIs must:

- a) maintain and / or improve the health level of NBFIs;

- b) assessing the health level of NBFIs using an individual risk approach;
- c) conduct an assessment of the level of soundness using a risk approach on a consolidated basis, if NBFIs carry out Control over Subsidiaries;
- d) conduct self-assessment on the health level of NBFIs at least annually for the position at the end of December;
- e) updating NBFIs' self-assessment if necessary; and
- f) submit the results of self-assessment on the health level of NBFIs to the OJK no later than:
 - i. February 15 for the assessment of the health level of NBFIs; or
 - ii. 30 working days from the date of updating of the NBNB health level self-assessment.

OJK Regulation number 30/POJK.05/2020 concerning Second Amendment of OJK Regulation number 11/POJK.05/2014 concerning On Site Examination of Nonbank Financial Services Institutions. This regulation aims to improve the effectiveness and quality of supervision of NBFIs and as a program for reforming the supervision of NBFIs. The points of regulation in this regulation are:

- a) Additional NBFIs that are regulated under this regulation, namely venture capital companies, Indonesian export finance institutions, PT. SMF, financial technology, infrastructure financing companies, PT. PNM, and pawnshops.
- b) Additional regulation regarding the frequency of periodic on site examinations, so that OJK can establish periodic on site examinations with a frequency of 1 (one) time in 1 (one) year.
- c) Abolition of regulations regarding the delivery of temporary report of on site examinations results.
- d) Additional arrangements regarding the implementation of confirmation to NBFIs and / or related parties, conducting pre-exit meetings, and conducting exit meetings on the results of on site examination.

OJK Regulation number 38/POJK.05/2020 concerning Amendment of OJK Regulation number 69/POJK.05/2016 concerning on Business Implementation of Insurance and Reinsurance Companies. This regulation amends the requirements for insurance companies' data centers. Under this regulation, insurance companies in Indonesia are now allowed to operate offshore data centers and disaster recovery centers, if the following requirements are satisfied by the relevant insurance company:

- a) The relevant insurance company has obtained prior approval from the OJK.
- b) The data stored in the offshore data center and disaster recovery center is used to:
 - i. support the implementation of the relevant insurance company's financial conglomerate framework (assuming the relevant insurance company's controlling shareholder is domiciled outside Indonesia);
 - ii. implement the anti-money laundering and anti-terrorism financing framework implemented by the relevant insurance company and its controlling shareholders that is domiciled outside Indonesia; or
 - iii. support the internal management activities (including internal communication activities) between the relevant insurance company and its controlling shareholder that is domiciled outside Indonesia.

OJK Regulation number 39/POJK.05/2020 concerning Second Amendment of OJK Regulation number 14/POJK.05/2020 concerning Own Retention And Support Of Reinsurance In The State. The key amendment is that when there is a government-to-government bilateral agreement between Indonesia and partner country:

- a) This regulation allows insurance companies to obtain reinsurance support from offshore reinsurance companies that are domiciled in partner country for simple risks/coverage after 31 December 2020. The permitted percentage remains subject to the calculation of the relevant insurance company's own retention.
- b) This regulation allows insurance companies to obtain reinsurance support for non-simple risks/coverage exceeding the current permitted percentage after 31 December 2022 from offshore reinsurance companies that are domiciled in partner country.

OJK Regulation number 40/POJK.05/2020 concerning Written Order for Handling NBF Issues. This regulation has been issued as an implementing or ancillary regulation for Emergency Government Regulation (Perppu) No. 1 of 2020. This regulation authorizes the OJK to order a distressed NBF and a healthy NBF to jointly conduct a merger, consolidation, acquisition and/or integration process based on a written instruction issued to each financial institution. NBFs, which include insurance companies, leasing and finance companies, and pension providers, must comply with such instructions – should they fail to do so, they will be liable to get sanctions.

D. Lao PDR

I. Insurance Sector Development

In 2019, insurance sector of Lao PDR had some changes both in industry perspectives and regulatory perspectives. As of 2019, the number of registered insurance companies remained at 22 insurers, which comprised of 9 composite insurers, 10 non-life insurers and 3 life insurers. The insurance market was gradually growing and the competition was increasingly higher than before since most of newly established companies began their operations. The primary demands for insurance still relied on foreign investments, local investment projects, compulsory insurance and small personal insurance. A number of new insurance products both life and non-life were introduced and offered in the market. Major types of non-life products were motor, fire, transport and miscellaneous. For life products, most of them were non-participating policies which included term life policies, endowment policies and whole life policies. To meet the needs of local insurance market and gain market share, some new insurance products will be introduced in the future.

As the insurance regulator for Lao PDR, the Department of SOE and Insurance Management (DSI) under Ministry of Finance (MOF) registered 769 insurance agents and issued 12 brokerage business licenses for insurance brokers as of 2019, and the number of registered agents and brokers trended to increase. In term of regulatory framework, National Assembly session approved the amendment of Insurance Law in November 2019. Apart from the insurance act, DSI has been discussing with related agencies to review the existing insurance regulations and develop new regulations under the newly amended Insurance Law to ensure effective supervision.

E. Malaysia

I. Measures to address impact from the COVID-19 pandemic

On 27 March 2020, Bank Negara Malaysia (the Bank) announced several relief measures as part of efforts to preserve protection coverage for affected policyholders/takaful participants. These include:

- a) Option provided by life insurers/family takaful operators to allow policyholder/takaful participants to defer payments of regular premium/ contribution due for a period of three months, as well as additional forms of assistance to assist policyholders and takaful participants¹.
- b) Flexibility offered by general insurers/general takaful operators to affected policyholders/takaful participants with difficulties meeting payments of premiums/ contributions due. This includes working with policyholders/takaful participants to restructure their policies/ certificates so as to reduce the amount of premiums/contributions payable.

Regulatory relief measures were also introduced to enable insurers and takaful operators (ITOs) to remain resilient and continue meeting the needs of their customers during these exceptional circumstances. The key regulatory relief measures are summarised below:

- a) In line with planned enhancements to improve the risk capture and overall consistency of the RBC Frameworks, the Bank reduced the stress factor caps from 40% to 30%, for the computation for interest/ profit rate capital charges under the risk-based capital frameworks for insurers and takaful operators (RBC Frameworks), with effect from 31 March 2020²
- b) Flexibility from the requirements on disclosure of sustainability outcome of investment-linked policy/certificate alterations to policyholders/ takaful operators, after giving effect to the alterations, subject to safeguards;
- c) Access by ITOs to the Bank's reverse repo facility (if needed) to meet any liquidity shortfall due to relief measures by ITOs to assist affected policyholders/ takaful participants;
- d) Reasonable forbearance by supervisors where there are breaches or potential breaches of the Individual Target Capital Level; and
- e) Extension of timeline for all ongoing consultations on published discussion papers and exposure drafts to 30 June 2020. The Bank also provided flexibilities for ITOs to meet timelines for regulatory submissions in light of the efforts being undertaken by the Government to contain the spread of COVID-19.

¹ For example, extensions to the revival and reinstatement period for policies and certificates which have lapsed; options for alterations of policies/certificates to help policyholders/takaful participants to manage their affordability, including with waiver of fees/charges for these alterations; electronic payment alternatives; and waivers of penalties or consequences for late payment of premiums/contributions.

² The Bank will consider submissions from ITOs to adopt alternative methodologies for calculating the interest rate and profit rate capital risk charges.

Following review of requests from the industry associations, additional regulatory relief measures were communicated in July 2020 as follows:

- a) Waiver of credit risk capital charge requirements for exposures relating to deferred premiums/contributions which are part of COVID-19 relief measures to assist affected policyholders/takaful participants;
- b) Capital adjustments to Total Capital Available under the RBC Frameworks, to cushion the capital impact of ITOs deferring the planned repricing of their medical and health (MHI) portfolios from 2020 to 2021³;
- c) Flexibility on the requirement for increases in charges to be accompanied by an equivalent increase in premiums/contributions for investment-linked products;
- d) Exemption for ITOs and intermediaries from meeting the minimum staff training expenditure requirement for the year 2020.

II. Developmental Initiatives

Inclusive insurance and takaful. To further promote financial inclusion and availability of protection for the lower income groups, the Government launched a national health protection scheme in 2019 known as the mySalam Scheme to reduce vulnerabilities of B40 households to income shocks from unexpected hospitalisation or critical illnesses. This scheme is available for free for individuals aged between 18 to 55 and covers 36 critical illnesses and income replacement for hospitalisation of up to 14 days. This scheme further complements existing social protection and other inclusion initiatives, such as the Perlindungan Tenang framework, launched in 2017 to promote the provision of inclusive insurance/takaful cover to the unserved and underserved segments.

Life Insurance and Family Takaful Framework. Implementation of the Life Insurance and Family Takaful Framework progressed further in 2019 via the following measures:

- a) requirement for pure protection critical illness and standalone pure protection medical and health products to be offered via direct channels;
- b) deregulation of the operating cost control limits for life insurance and family takaful business; and
- c) implementation of the Balanced Scorecard (BSC) framework for bancassurance partners and review of changes to the BSC key performance indicators for agents.

Intensifying digitalisation initiatives. The Bank is exploring the development of a digital insurance and takaful framework to better facilitate entry of new digital players via a regulatory framework which caters for specificities of digital-first business models, while complementing existing ITOs.

Phased liberalisation of motor and fire tariffs. The Bank has undertaken an evaluation of the phased liberalisation of motor and fire tariffs, which began in 2016, taking into account developments observed under the first two phases. Greater pricing differentiation has been observed in different vehicle segments and more than 200 new motor and fire products have been introduced to meet different protection needs.

³ To be assessed on a case-by-case basis by the Bank.

The Bank, together with the industry, is currently working towards developing proposals for a holistic liberalisation package for the next phase, e.g. encompassing incentives to promote safer driving.

Managing medical and health insurance and takaful inflation. A Medical Cost Containment Task Force was established by the industry in 2019 to study the causes of medical claims inflation and possible remedial measures. This is against the backdrop of increasing inflation in the cost of private healthcare, and the corresponding rises in medical and health insurance/takaful claims, at a 9.5% average over the past 5 years. The Bank is also working closely with the industry, the Ministry of Health and private hospitals to ensure healthcare services – including medical and health insurance/takaful – remain sustainable, accessible and affordable.

Accelerating adoption of value-based intermediation (VBI) among takaful operators. The Bank is actively supporting the development of VBI Framework for takaful by the Malaysian Takaful Association. Current focus by the Bank is towards building the capacity of takaful industry, particularly technical expertise in areas pertaining to sustainable investments and impact-based disclosures.

III. Prudential and market conduct initiatives

Universal Life. The policy document issued on 23 December 2019 is applicable to life insurers. It seeks to address areas of potential regulatory arbitrage between universal life (UL) and investment-linked (IL) business, and institute proper governance and disclosure requirements to safeguard the interests of policyholder. It sets out:

- a) the roles and responsibilities of the board and senior management in the insurer's management of UL business;
- b) overall governance in the management of UL business, including product design, establishment and revision of fees and charges, and management of expenses;
- c) investment, valuation and capital treatment of the universal life fund; and
- d) disclosure requirements to promote transparency to UL policyholders

The policy document broadly aligns to the relevant requirements in the Policy Document on IL Business issued in January 2019

Fair treatment of financial consumers. The policy document issued on 6 November 2019 aims to foster high standards of responsible and professional conduct in a financial service provider (FSP), where the interests of financial consumers form an integral part of a FSP's business strategies and operations as well as to set expectations on FSPs to effectively manage conduct risk and provide financial consumers with the confidence that a FSP acts fairly in its dealings with financial consumers.

Enhanced market conduct supervisory framework. The framework introduced in 2020 is a risk-based approach to conducting sectoral risk profiling based on individual FSP's ability to meet the objectives of the Policy Document on Fair Treatment of Financial Consumer

It aims to ensure FSPs embed the principles of fair treatment of financial consumers in its business conduct and practices in order to maintain public confidence and trust in financial markets. The enhanced framework:

- a) provides a structured process in assessing potential financial and reputational impact within each sector arising from residual conduct risk not mitigated by FSPs' existing controls in delivering fair consumer outcomes; and
- b) proposes appropriate level of supervisory intervention and enforcement actions.

F. Myanmar

I. Key Changes in Insurance Law, Rules and Regulations from Q4 2019 to 2020

According to the roadmap of Insurance Sector Liberalization Plan, a fully competitive insurance market will be created and foreign insurance companies were granted licenses for a level playing field with local insurers in Myanmar insurance sector.

In accordance with existing insurance business law and rules, licensing criteria have already been set by Foreign Insurers Selection Board, working together with PwC Consulting Firm and the licences were granted to totally 11 insurers which are (5) 100% subsidiary foreign life insurers, (3) JV life insurers and (3) JV non-life insurers on 28 November, 2019.

For the development of insurance products, the Insurance Business Regulatory Board issued the Agent Directive, Bancassurance Directive and Product Approval Directive on 4 March 2020 as well as the directives for Reinsurance, Insurance Policies selling in Thilawa Special Economic Zone and Allowing to operate the Insurance Products from Thilawa Special Economic Zone on 12 May 2020.

New Insurance Law is drafting in line with the international standards (risk-based capital) to be consistent with Myanmar market after having the assistance from the JICA, USAID and World Bank and will be issued next year.

G. Philippines

I. Circular Letters/Insurance Memorandum Circulars issued in 2019

Circular Letter (CL) No.	Date Issued	Subject
CL No. 2019-01	30 January 2019	Reference for Valuation of Publicly Listed Equities and the Foreign Currencies Exchange Rates as of Year-End 2018

Prescribes to all regulated entities the reference for valuation of publicly listed equities and the foreign currencies exchange rates as of year-end 2018.

CL No. 2019-02 **22 February 2019** **Amendment to Circular Letter No. 2018.72 dated 28 December 2018 on Guidelines on Business Process Outsourcing ("BPO") Activities of Insurers/ Reinsurers**

Promulgates to all insurance and reinsurance companies the amendments to the said circular letter regarding guidelines on business process outsourcing ("BPO") activities of insurers and reinsurers clarifying BPO and BPO providers as those not regulated by this Commission.

CL No. 2019-03 **26 February 2019** **Adoption of New Business Annual Premium Equivalent (NBAPE) of Life Insurance Companies as a Statistical Output**

Promulgates to all life insurance companies the adoption of NBAPE of life insurance companies as one of the bases of assessing the Life Insurance Industry Performance and as one of the regular statistical output of the Commission.

CL No. 2019-04 **12 March 2019** **Catastrophe/Property Insurance Reports**

Advises all non-insurance companies on the submission of the annual reports for Property Insurance Policy Database and the Property Insurance Incurred Loss Database to fill out the reporting templates fully and accurately and to ensure that all required information in the said reporting templates are supplied.

CL No. 2019-05 **12 March 2019** **Quarterly Reports on Selected Financial Statistics**

Promulgates to all insurance and reinsurance companies and mutual benefit associations the adoption of revised templates of quarterly reports to conform with the FRF Chart of Accounts and be more aligned with the format of the revised Annual Statements; and submission of reports in soft copy form via email.

CL No. 2019-07 **18 March 2019** **Guideline and Grounds for the Reduction of Penalties Due to Delays in the Submission of Reportorial Requirements**

Promulgates to all IC regulated entities the guideline and grounds for the reduction of penalties of not exceeding 30% of the total sum of penalty due to delays in the submission of reportorial requirements as prescribed under Item No. VIII, paragraphs A, B and D of Circular Letter No. 2014-15 dated 15 May 2014 entitled "Fees and charges".

CL No. 2019-09

22 March 2019

Revised Annual Statement - Life Insurance Companies

Promulgates to all life insurance companies to strictly adopt the revised annual statement template uploaded in the IC Website in the submission of the 2018 Annual Statement in accordance with implementation of the new Financial Reporting Framework, Valuation Standards for Life Insurance Policy Reserves and Amended Risk-Based Capital Framework.

CL No. 2019-13

10 April 2019

Compliance with the Provisions of Republic Act No. 10173, otherwise known as The Data Privacy Act of 2012

Directs to all IC regulated entities to promptly and strictly comply with the provisions of the Data Privacy Act of 2012, particularly as regards to the following areas: (a) Registration with the National Privacy Commission ("NPC") as a Personal Information Controller ("PIC") and/or a Personal Information Processor ("PIP"); (b) Appointment of a Data Protection Officer ("DPO"); (c) Conduct of a Privacy Impact Assessment; (d) Creation of a Privacy Manual; (e) Implementation of privacy and data protection measures; and (f) Exercise of data breach reporting procedures.

CL No. 2019-14

12 April 2019

Amendment to Sections 4 and 5 of Circular Letter No. 2018-51 Dated 15 October 2018

Directs and informs all applicants for issuance of new or renewal of license to act as online insurance aggregator the amendment to Sections 4 and 5 of Circular Letter No. 2018-51 Dated 15 October 2018 addressing the additional requirements for foreign companies and redaction of any provision in the aggregation agreement that it deems commercially sensitive prior submission to the Insurance Commission.

CL No. 2019-18

22 April 2019

Guidelines on the Use of Business Names

Promulgates to all IC regulated entities the guidelines on the use of business names in advertising and contracts particularly to those who are engaged in two or more industries (insurance, pre-

need and HMO) regulated by the Insurance Commission to avoid confusion to the general public and/or the companies' stakeholders.

CL No. 2019-18 **07 May 2019** **Amended Guidelines on Investments in Infrastructure Projects under the Philippine Development Plan (PDP)**

Promulgates to all insurance and reinsurance companies the amended guidelines on Investments in Infrastructure Projects under the Philippine Development Plan (PDP) as earlier issued under CL No. 2018-74, dated 28 December 2018.

CL No. 2019-21 **29 May 2019** **Guidelines for the Regulation of Online Sales Platforms and the Sale Therein of Specific Insurance Products such as Compulsory Third - Party Liability Insurance**

Promulgates to all non-life insurance companies and general agents and informs the general public on the guidelines for the regulation of online sales platforms and the sale therein of specific insurance products such as compulsory third-party liability insurance amending Section 2.5 of Insurance Memorandum Circular 3-93 dated June 28, 1993 and Section 7.17 of IC Circular Letter No. 2014-47 dated 21 November 2014.

CL No. 2019-22 **11 June 2019** **Rules on Exemption of Servicing Companies from Independent Director Requirements under Circular Letter No. 2018-36**

Promulgates to all non-life insurance companies the rules on exemption of servicing companies from independent director requirements under Circular Letter No. 2018-36 vis-a-vis with Circular Letter No. 2017-26 issued in 11 April 2017.

CL No. 2019-23 **17 June 2019** **Insurance Adjusters Licensing Requirements: Endorsement from the Adjusters Association of Philippine Adjustment Companies (APAC) and Philippine Institute of Loss Adjusters (PILA)**

Promulgates to all insurance adjusters intending to do business in the Philippines that endorsement from either Adjusters Association of Philippine Adjustment Companies (APAC) and Philippine Institute of Loss Adjusters (PILA) is required prior to application of license.

CL No. 2019-24	19 June 2019	Adoption of the 2019 Revised Citizen's Charter Pursuant to Republic Act No. 11032, otherwise known as the Ease of Doing Business and Efficient Government Service Delivery Act of 2018
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Informs all regulated entities and the general public of the Commission's adoption of Revised Citizen's Charter Pursuant to Republic Act No. 11032 simplifying requirements and procedures to reduce red tape, expedite transactions and create a more efficient government service.

CL No. 2019-25	20 June 2019	Adoption of Distribution Channel Mix of Life Insurance Companies as a Statistical Output
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Promulgates to all life insurance companies the adoption of distribution channel mix of life insurance companies as a statistical output of the Commission in order to evaluate the life insurance industry capacity in offering their products through different channels.

CL No. 2019-27	21 June 2019	Guidelines for Investing in Real Estate Investment Trust
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Promulgates to insurance and reinsurance companies, pre-need companies and mutual benefit associations the guidelines for investing in Real Estate Investment Trust as allowable and admitted investments.

CL No. 2019-34	18 July 2019	Amendment of the Rules and Regulations on Consolidation and Merger of Insurance Companies
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Promulgates to all domestic insurance companies the amended rules and regulations on consolidation and merger of insurance companies as prescribed under IC Circular Letter No. 2015-11 dated 18 March 2015. Whereas paragraph 11 of the said circular has been amended in adherence to Section 78 of the Revised Corporation Code of the Philippines enacted in 20 February 2019 specifically to the endorsement of the Insurance Commissioner for consolidation and merger.

CL No. 2019-36

23 July 2019

Amendments to Items A and B of Circular Letter (CL) No.2018-36 dated 26 June 2018 on Rules on Number of Seats, Qualifications and Term Limits of Independent Director

Promulgates to insurance and reinsurance companies, pre-need companies, mutual benefit associations and health maintenance organizations the amendments to Items A and B of Circular Letter (CL) No.2018-36 dated 26 June 2018 on Rules on Number of Seats, Qualifications and Term Limits of Independent Director to conform with Section 22 of the Revised Corporation Code which specifies that “the board of the following corporations vested with public interest shall have independent director constituting at least twenty percent (20%) of such board”

CL No. 2019-38

29 July 2019

Removing the Varying Limits of Liability/Restrictions in the Authority Issued to Insurance Companies to Act as Sureties in Government Transactions Pursuant to Act No. 536, as amended by Act No. 2206

Promulgates to all concerned insurance and surety companies the removal of all administrative orders on the restriction on the limits of liability in the amount of Php50,000.00 including authorizations as specified under Circular 2014-46 dated November 12, 2014 pursuant to Act No. 536, as amended by Act No. 2206.

CL No. 2019-39

08 August 2019

Revised Framework on the Selection of External Auditors

Promulgates to all IC regulated entities, external auditors and auditing firms the revised rules and regulations that shall govern the accreditation and delisting of external auditors of covered institutions in accordance with the agreements under the Financial Sector Forum members.

CL No. 2019-40

13 August 2019

Institutionalizing Selected Quarterly Financial Statistics for Life

Promulgates to all life insurance companies the institutionalization of the Selected Quarterly Financial Statistics for Life as a regular statistical output of the Commission to be disseminated to the Philippine Life Insurance Association and its members.

CL No. 2019-41 **19 August 2019** **Amendment to Circular Letter No. 2018-43 Re: Item No. 5 of Circular Letter No. 2017-42 on Salary Loans Extended to Department of Education (DepEd) Teachers**

Promulgates to all IC regulated entities the amendment to Circular Letter No. 2018-43 Re: Item No. 5 of Circular Letter No. 2017-42 on Salary Loans extended to DepEd teachers stating that the limitation or ceiling prescribed under said item number shall not apply to insurance companies, MBAs, and pre-need companies under conservatorship as a way to extend relief and rehabilitation assistance at the discretion of the Commissioner and recommendation of the conservator/receiver.

CL No. 2019-45 **04 September 2019** **Amended Guidelines for Securities Borrowing and Lending Transactions**

Promulgates to insurance and reinsurance companies the amended guidelines for securities borrowing and lending (SBL) transactions in accordance with Section 1 of the Securities and Exchange Commission (SEC) Memorandum Circular (MC) No. 7, series of 2006 which allows such companies to act as a Lender on SBL transactions.

CL No. 2019-47 **09 September 2019** **Implementation of the Manual of Examination of Life Insurance Companies (2017 Edition)**

Promulgates to all life insurance companies the implementation of the Manual of Examination of Life Insurance Companies (2017 Edition) in the conduct of examination/verification of their annual statements by IC examiners in lieu of the 1995 edition of the same manual.

CL No. 2019-48 **09 September 2019** **Implementation of the Manual of Examination of Mutual Benefit Associations (2017 Edition)**

Promulgates to all mutual benefit associations the implementation of the Manual of Examination of Mutual Benefit Associations (2017 Edition) in the conduct of examination/verification of their annual statements by IC examiners.

CL No. 2019-49 **12 September 2019** **Supplemental Guidelines on Business Process Outsourcing ("BPO") Activities of Insurers/ Reinsurers**

Promulgates to all insurance and reinsurance companies the supplemental guidelines on business process outsourcing ("BPO") activities of insurers and reinsurers to include pre-approval and examination of outsourcing agreements by the Commission.

Other circular letters issued pertaining to discount rates for reserve computation for life and non-life, investments, anti-money laundering matters, and licensing guidelines and reportorial requirements were not included in this list.

CL No. 2019-50	16 September 2019	Guidelines for the Determination of Compliance with Statutory Minimum Unimpaired Paid-Up Capital Requirements for Pre-Need Companies
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Issues to all concerned regulated entities the guidelines on the required minimum unimpaired paid-up capital for pre-need companies with servicing licenses and/or those that are not selling any types of plans, and withdrawal of trust funds of type of plans discontinued for sale.

CL No. 2019-51	19 September 2019	Amendment to Item Nos. 2.9 and 2.10 of Circular Letter 2014-21 on Investments under the Amended Insurance Code (RA no. 10607)
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Amends Items 2.9 and 2.10 of the Circular Letter 2014-21 dated 15 May 2014 on investments in foreign currency dominated bonds and other securities and investments.

CL No. 2019-52	20 September 2019	Amendments to the Guidelines on Group Insurance of both Life and Non-Life Insurance Companies
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Amends the Circular Letter 2017-57 dated 12 December 2017 under Section 1.6 on coverage of group insurance, and Section 2.3 on the conditions an insurance company may act as policyholder for its employees and agents.

CL No. 2019-53	20 September 2019	Guidelines on Payment of Adjustment Fees
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Issues to all concerned regulated entities the guidelines on payment of adjusted fees issued by the independent adjuster, including payment and basis of fees, mediation conference, filing of action and penalties.

CL No. 2019-54 **03 October 2019** **Amendments to Circular Letter No. 2019-49 on the Supplemental Guidelines on Business Process Outsourcing ("BPO") Activities of Insurers/ Reinsurers**

Amends the Circular Letter No. 2019-49 dated 12 September 2019 on the annual reporting of outsourcing agreements or contracts.

CL No. 2019-55 **25 October 2019** **Revocation of Circular Letter No. 2018-45**

Revokes Circular Letter No. 2018-45 "Guideline on the Minimum Capitalization and Net Worth Requirements for Composite Insurance Companies under the Amended Insurance Code" issued 08 September 2018 due to need of clear basis to seek and wait for appropriate legislation to provide clarity on the said requirements.

CL No. 2019-56 **25 October 2019** **Discount Rates for Life Insurance Policy Reserves as of 30 September 2019**

Informs all concerned regulated entities of the schedules of Peso and Dollar Spot and Forward rates as of 30 September 2019 to be used in discounting the cash flows in the calculation of policy reserves as of 30 September 2019.

CL No. 2019-57 **25 October 2019** **Discount Rates for Non-Life Insurance Policy Reserves as of 30 September 2019**

Informs all concerned regulated entities of the schedules of Peso and Dollar Spot and Forward rates as of 30 September 2019 to be used in discounting the cash flows in the calculation of policy reserves as of 30 September 2019.

CL No. 2019-59 **29 October 2019** **Amendment to the Circular on the Guidelines in the Processing of Requests for Legal Opinion**

Amends the Section 3 of the Circular Letter No. 2017-13 dated 07 March 2017 on evaluation of requests for legal opinion, and repeals the Circular Letter No. 2017-35 dated 07 July 2017 otherwise known as "Exemption from Payment of Docket Fees in Request for Legal Opinion."

CL No. 2019-60 **30 October 2019** **Guidelines for the Declaration and/or Distribution of Dividends**

Informs all concerned regulated entities of the guidelines for declaration and/or distribution of dividends, including its applicability, IC approval upon distribution, post distribution reportorial requirement, and basis for declaration or distribution of dividend.

CL No. 2019-61 **30 October 2019** **Amendments on the Guidelines on Group Insurance of Both Life and Non-Life Insurance Companies**

Amends the Section 6.7 of the Circular Letter No. 2017-57 dated 12 December 2017 on the information provided on the statement, proof of cover, confirmation or certificate.

CL No. 2019-62 **05 November 2019** **Dissemination of the 2018 Implementing Rules and Regulations (IRR) of Republic Act No. 9160 or the Anti-Money Laundering Act of 2001, as Amended**

Informs all concerned regulated entities the 2018 IRR of the Anti-Money Laundering Act of 2001, as Amended, formulated by the Anti-Money Laundering Council (AMLC) through their Resolution No. 188, Series of 2018.

CL No. 2019-63 **05 November 2019** **Dissemination of the 2018 Guidelines on Identifying Beneficial Ownership**

Informing all concerned regulated entities the 2018 Guidelines on Identifying Beneficial Ownership, as authorized for issuance through AMLC Regulatory Issuance (ARI) A,B and C, No. 3, Series of 2018.

CL No. 2019-64 **05 November 2019** **Dissemination of the Rules of Procedure in Administrative Cases under Republic Act No. 9160 or the Anti-Money Laundering Act of 2001, as Amended, and Its Implementing Rules and Regulations, and**

Guidelines and Other Issuances of the Anti-Money Laundering C

Informing all concerned regulated entities the Rules of Procedure in Administrative Cases under Republic Act No. 9160 and its Implementing Rules and Regulations, as approved by the AMLC through its Resolution No. 134, Series of 2019.

CL No. 2019-65	22 November 2019	Amendments to Sections 4, 7, 11, 16, 22, 24, 25, 26, 27, 29, 30, 31, 33, 34, 35, 36, 41, 45, 46, 47, 51, 56, 57, 58 and 63 of CL No. 2018-48 dated 14 September 2018, as Amended by 2018-60 dated 15 November 2018 on Anti-Money Laundering/ Counter-Terrorism F
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Amends several sections of the Circular Letter No. 2018-48 dated 14 September 2018 on Anti-Money Laundering and Combating the Financing of Terrorism Guidelines for Insurance Commission Regulated Entities, as amended by the Circular Letter No. 2018-60 dated 15 November 2018 to update guidelines on anti-money laundering and terrorism financing prevention and suppression.

CL No. 2019-66	22 November 2019	Additional Disclosures in the Financial Statements and Submission of Status Reports Relative to IFRS 17
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Prescribes guidelines on submission and additional disclosure in the notes of status reports for periods ending 31 December 2019 to 2022 for the implementation of IFRS 17 in the Philippines through the Insurance Commission.

CL No. 2019-67	22 November 2019	Amendment to Circular Letter No. 2017-14 re: Minimum Members' Equity Requirements for Mutual Companies
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Amends the Circular Letter No. 2017-14 dated 10 March 2017 on the minimum members' equity requirement for mutual companies from Php 990 Million to Php 900 Million by 31 December 2019.

CL No. 2019-68	22 November 2019	Adoption of the Code of Ethics for Professional Accountants in the Philippines
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Informs all concerned regulated entities of adopting the code of ethics for professional accountants, along with the rotation of accredited external auditors of regulated entities.

CL No. 2019-69 22 November 2019 Changes in the Approved Life Insurance Policy Forms

Prescribes selected items for changes in the life insurance policy forms without needing approval of the Commissioner, and some items subject to some conditions upon change.

CL No. 2019-70 02 December 2019 Accounting of Right-Of-Use Assets and Related Lease Liability For Statutory Reporting

Issues guidelines on inclusion of "Right-Of-Use (ROU) Asset" and corresponding "Lease Liability" in the Statement of Financial Position under Financial Reporting Framework, and its corresponding risk charge under Risk-Based Capital 2 Framework.

CL No. 2019-71 17 December 2019 Product Oversight and Governance

Informs all concerned regulated entities of the guidelines on product oversight and governance of life insurance companies, including product inventory, product approval process, target market, product testing, distribution channels and information disclosure to sellers, monitoring and review of insurance products, and transitory provision.

CL No. 2019-72 17 December 2019 Guidelines on Approval of Life Insurance Products, Forms and Other Product-Related Requests

Amends the Circular Letter No. 27-2005 on the guidelines for expeditious approval of traditional life insurance products to hasten the approval process of life insurance products, certificates or contracts of insurance, supplementary contracts riders and amendments.

CL No. 2019-73 23 December 2019 Submission of Annual Report on the Fire and Motor Car Policies and Bonds Issued

Informs all concerned regulated non-life insurance entities of the guidelines for submission of annual report on the fire and motor car policies and bonds issued, including templates and penalty for non-compliance to the guidelines.

CL No. 2019-75 **27 December 2019** **Discount Rates for Life Insurance Policy Reserves as of 31 December 2019**

Informs all concerned regulated entities of the schedules of Peso and Dollar Spot and Forward rates as of 27 December and 31 December 2019, respectively, to be used in discounting the cash flows in the calculation of policy reserves as of 31 December 2019.

CL No. 2019-76 **27 December 2019** **Discount Rates for Non-Life Insurance Policy Reserves as of 31 December 2019**

Informs all concerned regulated entities of the schedules of Peso and Dollar Spot and Forward rates as of 27 December and 31 December 2019, respectively, to be used in discounting the cash flows in the calculation of policy reserves as of 31 December 2019.

II. Circular Letters/Insurance Memorandum Circulars issued in 2020

CL No. 2020-01 **24 January 2020** **Revised Guidelines on the Issuance of Certifications under R.A. No. 9184 and the Adoption of the Insurance Commission Electronic Application and Certification System (IC e-ACS) for the Implementation Thereof**

Informs all concerned regulated entities of the adoption of the Insurance Commission Electronic Application and Certification System (IC e-ACS) for issuance of certifications for surety bonds/CARL policy of non-life insurance companies.

CL No. 2020-02 **07 February 2020** **Reference for Valuation of Publicly Listed Equities and the Foreign Currencies Exchange Rates as of Year-End 2019**

Informs all concerned regulated entities of the reference on foreign currencies exchange rates using the close rates published by the Bangko Sentral ng Pilipinas (BSP), and the valuation of publicly listed equities as published by the Philippine Stock Exchange (PSE).

CL No. 2020-03 **07 February 2020** **Guidelines for the Monitoring of the Performance of the Microinsurance Providers in**

**Accordance with Circular Letter
No. 2016-63**

Prescribes the guidelines for performance monitoring of microinsurance providers through SEGURO Framework, known as Enhanced Performance Indicators and Standards for Microinsurance.

CL No. 2020-04 **17 February 2020** **Amended Guidelines on Approval of Life Insurance Products, Forms and Other Product-Related Requests**

Amends the section on documentary requirements of the Circular Letter 2019-72 on the guidelines on approval of life insurance products, forms and other product-related requests.

CL No. 2020-05 **17 February 2020** **Amended Guidelines on the Approval of HMO Products and Forms**

Amends the Section 5 on Documentary Requirements for Product Approval of the Circular Letter No. 2017-19 or the Guidelines on the Approval of HMO Products and Forms.

CL No. 2020-06 **17 February 2020** **Amended Minimum Requirements for the Approval of Pre-Need Products**

Amends the Circular Letter No. 2016-10 on the Minimum Requirements for the Approval of Pre-Need Products on the documents needed for submission.

CL No. 2020-07 **24 February 2020** **Revised Annual Statement Template**

Revises the annual statement template for life and composite insurance companies as part of implementation of new Financial Reporting Framework, Valuation Standards for Life Insurance Policy Reserves and Amended Risk-Based Capital Framework.

CL No. 2020-08 **24 February 2020** **Insurance Commission Anti-Money Laundering and Counter-Terrorism Financing Risk Rating System for Insurance Commission Regulated Entities**

Informs all concerned regulated entities the Insurance Commission Anti-Money Laundering (AML) and Counter-Terrorism Financing (CTF) Risk Rating System for Insurance Commission Regulated Entities (ICREs) as part of the implementing rules and regulation of the RA 9160 or "Anti-Money Laundering Act of 2001, As Amended", and RA 10168 or "The Terrorism Financing Prevention and Suppression Act."

CL No. 2020-09

03 March 2020

Institutionalizing Selected Quarterly Financial Statistics for Non-Life

Informs all concerned regulated non-life entities of providing quarterly financial statistics to the Insurance Commission for computation of the Non-Life Insurance Industry Performance.

CL No. 2020-10

10 March 2020

Filing of 2019 Annual Statement

Informs all concerned regulated non-life entities of submission of 2019 Annual Statement on or before 30 April 2020, along with the pro-forma and guidelines for submission.

CL No. 2020-11

10 March 2020

Dissemination of Guidelines on Digitization of Customer Records (DIGICUR)

Informs all concerned regulated entities of the guidelines on implementing the Digitization of Customer Records (DIGICUR), including timeline of implementation of the said program.

CL No. 2020-12

16 March 2020

Guidelines Governing the Conduct of Business in the Insurance Commission During the Community Quarantine Period

Prescribes the guidelines on conduct of business in the Insurance Commission as result of implementation of "Community Quarantine" in the National Capital Region (NCR) and suspension of work in the Executive Branch within the Quarantine Period.

CL No. 2020-13

16 March 2020

Guidelines Strengthening COVID-19 Coronavirus-Related Claims Management Policies

Prescribes the guidelines on strengthening of COVID-19 Coronavirus-Related Claims Management Policies of all concerned regulated entities of the Commission.

CL No. 2020-14 **16 March 2020** **Special Guidelines in the Processing of Transactions by the Suretyship Unit of the Insurance Commission**

Prescribes the guidelines in processing of transactions by the Suretyship Unit of the Insurance Commission as result of implementation of "Community Quarantine" in the National Capital Region (NCR) and suspension of work in the Executive Branch within the Quarantine Period.

CL No. 2020-15 **17 March 2020** **Filing of 2019 Annual Statement for Life Insurance Companies and Life Units of Composite Insurance Companies**

Informs all concerned regulated life entities of submission of 2019 Annual Statement on or before 30 April 2020, along with the pro-forma and guidelines for submission.

CL No. 2020-16 **17 March 2020** **Filing of 2019 Annual Statement for Mutual Benefit Associations**

Informs all concerned regulated Mutual Benefit Associations (MBAs) of submission of 2019 Annual Statement on or before 30 April 2020, along with the pro-forma and guidelines for submission.

CL No. 2020-17 **17 March 2020** **Revised Annual Statement Template**

Revises the annual statement template for Mutual Benefits Associations (MBAs) based on the revised Standard Chart of Accounts for MBAs under Circular Letter No. 2014-21 dated 25 September 2014.

CL No. 2020-18 **23 March 2020** **Guidelines Regarding the Extension of Grace Period of All Insurance, Pre-Need and HMO Policies/Plans/Agreements due to COVID-19 Coronavirus Outbreak in the Philippines**

Prescribes guidelines on the extension of grace period on payment of premiums/contributions, installment amounts and membership fees on all insurance, pre-need and HMO policies/plans/agreements as result of implementation of "Community Quarantine" in the National Capital Region (NCR) and suspension of work in the Executive Branch within the Quarantine Period.

CL No. 2020-19	23 March 2020	Guidelines Governing Initiatives of Life Insurance Companies to Grant Additional Benefits or Free Insurance Coverage to Customers Affected by COVID-19 Coronavirus Outbreak
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Prescribes guidelines on initiatives of life insurance companies to grant additional benefits or free insurance coverage to customers affected by the COVID-19 outbreak as result of declaration by the World Health Organization of COVID-19 as pandemic.

CL No. 2020-20	23 March 2020	Filing of 2019 Annual Statements / 2019 Audited Financial Statements
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Informs all concerned regulated entities of extension of deadline for submission of 2019 AS and/or 2019 AFS, including their required attachments, until 01 June 2020 without imposing penalties for late submission, as result of declaration of State of Public Health Emergency throughout the Philippines due to COVID-19, and implementation of Community Quarantine in the National Capital Region (NCR) and suspension of work in the Executive Branch within the Quarantine Period.

CL No. 2020-21	24 March 2020	Compliance with the P900 Million Minimum Networth and Minimum Capital Investment Requirements as of 31 December 2019
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Prescribes the minimum net worth requirement as of 31 December 2019 of all life and non-life insurance companies as result of declaration of State of Public Health Emergency throughout the Philippines due to COVID-19, and implementation of Community Quarantine in the National Capital Region (NCR) and suspension of work in the Executive Branch within the Quarantine Period.

CL No. 2020-23	24 March 2020	Filing of Audited Financial Statements and Attachments
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Informs all concerned regulated entities of submission of their Audited Financial Statements together with updated attachments on or before 31 May of every year.

CL No. 2020-24 **25 March 2020** **A Call for Responsive Action on the Coverage of COVID-19 Coronavirus-Related Conditions in Health Insurance Policies and HMO Agreements**

Encourages all insurance companies, MBAs and HMOs to extend coverage of their health insurance policies and HMO agreements to customers infected with COVID-19 or any other related conditions as result of declaration of State of Public Health Emergency throughout the Philippines due to COVID-19.

CL No. 2020-25 **25 March 2020** **Guidelines on the Issurance of Extensions of Coverage or Hold Cover in Insurance Policies, Pre-Need Plans and Agreements due to COVID-19 Pandemic in the Philippines**

Prescribes the guidelines on the issuance of extensions of coverage or issuance of hold cover for all insurance policies or HMO agreements including basic terms and conditions of extended or temporary cover and its effectivity as result of declaration of State of Public Health Emergency throughout the Philippines due to COVID-19, and implementation of Community Quarantine in Luzon.

CL No. 2020-26 **26 March 2020** **Period for Filing of 2019 Audited Financial Statements and Attachments without Penalty in view of the COVID-19 Pandemic**

Informs all concerned regulated entities of acceptance of submission of 2019 Audited Financial Statements and corresponding attachments until 30 June 2020 without imposing any penalty, as result of declaration of State of Public Health Emergency throughout the Philippines due to Corona Virus Disease 2019 (COVID-19).

CL No. 2020-27 **27 March 2020** **Extension of Period Under Circular Letter No. 2019-65 Dated 22 November 2019**

Informs all concerned regulated entities of extension of ninety (90) days from the deadline of 22 March 2020 under CL No. 2019-65 dated 22 November 2019.

CL No. 2020-28	27 March 2020	A Call to Provide Relief and Assistance Programs to Aid Sales Agents that earn on Commission Basis during this COVID-19 Pandemic
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Encourages all concerned regulated entities to provide relief and assistance programs to aid their respective sales agents that earn on commission basis for the duration of the COVID-19 coronavirus emergency as result of declaration by the World Health Organization of COVID-19 outbreak as pandemic.

CL No. 2020-29	30 March 2020	Guidelines Governing Initiatives of Life Insurance Companies to Sell Life Insurance Products to the Public during the Enhanced Community Quarantine ("ECQ") Period due to the COVID-19 Pandemic
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Informs all concerned life insurance companies of the guidelines on allowing launch of sales initiatives during the Enhanced Community Quarantine Period, as result of declaration of State of Public Health Emergency and Calamity in the Philippines due to COVID-19 outbreak.

CL No. 2020-30	30 March 2020	Clarification as regards Section 5 of Circular Letter No. 2020-12 on Suspension of Automatic Approvals of Transactions and/or Applications or Requests for Services
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Informs all concerned regulated entities that the Section 5 of Circular Letter 2020-12 shall not be construed as suspending the expeditious approval of products, as so provided in existing circulars.

CL No. 2020-32	06 April 2020	Submission of Reportorial Requirements
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Informs all concerned regulated entities of acceptance of submission of reportorial requirements such as Negative List of Officers and Employees, Quarterly Reports on Selected Financial Statistics (QRSFS), Related Party Transactions (RPT), Statement of Paid-Up Capital, Reserves and Investments (SPUCRI), Audited Annual Report for the Compilation of the Other Financial Corporation Survey (OFCS), and Report on Compulsory Insurance for Agency-Hired Migrant Workers until 01 June 2020 without imposing penalties for late submission, as result of declaration of State of Public Health Emergency throughout the Philippines due to COVID-19.

CL No. 2020-33 **07 April 2020** **Declaration of HMOs and Health Insurance Companies as Health Frontline Services and Exempting them from the Enhanced Community Quarantine (ECQ)**

Declares all concerned HMOs and health insurance companies as part of health frontline services and may be exempted from the implementation of the Enhanced Community Quarantine (ECQ), pursuant to the IATF-EID Resolution No. 19 Series of 2020 dated 3 April 2020.

CL No. 2020-34 **07 April 2020** **Discount Rates for Life Insurance Policy Reserves as of 31 March 2020**

Informs all concerned regulated entities of the schedules of Peso and Dollar Spot and Forward rates as of 31 March 2020, respectively, to be used in discounting the cash flows in the calculation of policy reserves as of 31 March 2020.

CL No. 2020-35 **07 April 2020** **Discount Rates for Non-Life Insurance Policy Reserves as of 31 March 2020**

Informs all concerned regulated entities of the schedules of Peso and Dollar Spot and Forward rates as of 31 March 2020, respectively, to be used in discounting the cash flows in the calculation of policy reserves as of 31 March 2020.

CL No. 2020-36 **07 April 2020** **Guidelines Governing Initiatives of Non-Life Insurance Companies to Sell Non-Life Insurance Products to the Public during the Enhanced Community Quarantine ("ECQ") Period due to the COVID-19 Pandemic**

Informs all concerned non-life insurance companies of the guidelines on allowing launch of sales initiatives during the Enhanced Community Quarantine Period, as result of declaration of State of Public Health Emergency and Calamity in the Philippines due to COVID-19 outbreak.

CL No. 2020-37 **07 April 2020** **Relaxation of Customer Identification Documents during Enhanced Community Quarantine (ECQ) due to COVID-19 Pandemic**

Informs all concerned regulated entities of relaxation of Customer Identification Document requirements during the Enhanced Community Quarantine (ECQ), except whenever there is suspicion of money laundering or terrorism financing (ML/TD) or where specific higher risk scenarios apply, as result of declaration of State of Public Health Emergency throughout the Philippines due to COVID-19, and implementation of Community Quarantine in Luzon.

CL No. 2020-39	09 April 2020	Classifying Mutual Benefit Associations (MBAs) as Health Insurance Providers under IATF-EID Resolution No. 19, and Supplementing Circular Letter No. 2020-33
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Supplements the Circular Letter No. 2020-33, wherein MBAs shall likewise be classified as health insurance providers and may be exempted from the implementation of the Enhanced Community Quarantine (ECQ), pursuant to the IATF-EID Resolution No. 19 Series of 2020 dated 3 April 2020.

CL No. 2020-40	09 April 2020	Implementing Guidelines Governing the Exemption of Health Insurance Providers and HMOs Personnel in the Implementation of the Enhanced Community Quarantine (ECQ) as directed under IATF Resolution No. 19
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Prescribes guidelines on exemption of health insurance providers and HMOs personnel in the implementation of ECQ as directed under IATF Resolution No. 19, which supplements Circular Letter No. 2020-33 dated 7 April 2020.

CL No. 2020-41	15 April 2020	Clarification as regards Section 5 of Circular Letter No. 2020-12 on Suspension of Automatic Approvals of Transactions and/or Applications or Requests for Services
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Informs all concerned regulated entities that the CL No. 2020-30 shall be repealed and the Section 5 of CL No. 2020-12 shall be implemented, including guidelines.

CL No. 2020-42	16 April 2020	Waiver of Notarization Requirement and Use of Electronic Signature on Applications for Issuance of Insurance Agent's License during the Enhanced Community Quarantine (ECQ)
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Prescribed waiving notarization requirement and use of electronic signature on application for issuance of insurance agent's license, and resubmission of applications with notarization requirement and handwritten authorized signatures ten (10) days after ECQ.

CL No. 2020-43	17 April 2020	Extension of Periods for Filing and Submission of Various Regulatory Documentary Requirements by Reason of the Extension of the Enhanced Community Quarantine ("ECQ") Period until 30 April 2020
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Informs all concerned regulated entities of acceptance of submission of various regulatory documentary requirements until 30 June 2020 without imposing penalties for late submission, as result of extension of ECQ over Luzon until 30 April 2020.

CL No. 2020-44	17 April 2020	Guidelines on the Electronic Filing of Complaints, Other Pleadings, and/or Motions during the Enhanced Community Quarantine ("ECQ") Period due to the Coronavirus Disease 2019 ("COVID-19") Pandemic
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Prescribes the guidelines on the electronic filing of complaints, other pleadings, and/or motions during ECQ period due to COVID-19 pandemic, including format, commencement of actions, and submission of originals of the electronically transmitted documents.

CL No. 2020-45	21 April 2020	Amendments to Circular Letter No 2019-71 Product Oversight and Governance
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Amends the Circular Letter No. 2019-71 Product Oversight and Governance on Product Inventory, Transitory Provision, and Sanctions and Penalties.

CL No. 2020-46

22 April 2020

Amendment to Section 1 of Circular Letter No. 2020-29 dated 30 March 2020 on Guidelines Governing Initiatives of Life Insurance Companies to sell Life Insurance Products to the Public during the Enhanced Community Quarantine ("ECQ") Period due to the COVI

Amends Section 1 of Circular Letter No. 2020-29 on guidelines governing initiatives of life insurance companies to sell life insurance products to the public during ECQ period due to COVID-19 pandemic on the possible extension of ECQ period or until 30 June 2020, whichever comes later, of launch of sales initiatives.

CL No. 2020-47

28 April 2020

Amended Guidance on the Submission of Quarterly Reports on Financial Reporting Framework (FRF), Risk-Based Capital (RB2) and Insurance Policy Reserve Valuation Standards, and Status Report on IFRS 17

Informs all concerned regulated entities of the submission of FRF, RBC2 and Insurance Policy Reserve Valuation Reports for First Quarter will no longer be required to be submitted, while Second and Third Quarters must be submitted two (2) months after the last day of the Quarter. Meanwhile, submission of status reports on IFRS 17 covering the period of 31 December 2019 shall be extended for a period of forty five(45) calendar days from the date of the lifting of the ECQ.

CL No. 2020-48

29 April 2020

Dissemination of Financial Assistance Program for Dependents of COVID-19 Victims of SGI Philippines General Insurance Co., Inc.

Informs concerned non-life insurance intermediaries in the Philippines, employees and dependents of SGI Philippines General Insurance Co., Inc. of a Financial Assistance Program that would provide PhP 25,000.00 cash assistance for the eligible dependent of non-life insurance intermediary and an employee of such intermediary affected by COVID-19.

CL No. 2020-49

29 April 2020

Dissemination of Anti-Money Laundering Council's Advisories on Submission of CTRs, STRs,

**and KYC Documents During the
ECQ Period**

Informs all concerned regulated entities of the Anti-Money Laundering Council's (AMLC) Advisories on submission of covered transaction reports (CTRs), suspicious transaction reports (STRs), and know-your-customers (KYC) documents during the enhanced community quarantine (ECQ) period.

CL No. 2020-50

04 May 2020

**Dissemination of AMLC
Regulatory Issuance (ARI) No. 2,
Series of 2020, on Extension of
Deadline for Compliance with the
DIGICUR**

Informs all concerned regulated entities of the extension of deadline for compliance with the requirements of AMLC Regulatory Issuance (ARI) A, B, and C No. 2, Series of 2018, otherwise known as the Guidelines on Digitization of Customer Records (DIGICUR) from 13 April 2021 to 30 September 2021.

CL No. 2020-51

05 May 2020

**Supplemental Guidelines Governing
the Exemption of Health Insurance
Providers and HMO Personnel in the
Implementation of the Enhanced
Community Quarantines (ECQ)**

Informs all concerned regulated entities of issuance of certification to health insurance providers and HMOs seeking exemption of their skeleton workforce in the implementation of ECQ, which supplements Circular Letters No. 2020-33 and 2020-40.

CL No. 2020-52

07 May 2020

**Extension of Period to Upload the
Covered Companies' Duly
Accomplished ACGS Response
Forms to their Respective Websites**

Informs all concerned regulated entities of extension for uploading of the covered companies' duly accomplished ASEAN Corporate Governance Scorecard (ACGS) Response Forms until 15 July 2020, as result of declaration of State Public Health Emergency throughout the Philippines due to COVID-19 and implementation of Community Quarantine across NCR for management of spread of COVID-19.

CL No. 2020-53

12 May 2020

**Privacy Law Implications of
Disclosure of Certain Personal**

Information to the National Bureau of Investigation ("NBI")

Informs all concerned regulated entities of the implication of disclosure of certain personal information to the National Bureau of Investigation (NBI) in connection to their investigation with government officials for graft and corruption.

CL No. 2020-54

14 May 2020

Extension of Effectivity of Circular Letter No. 2020-36 dated 7 April 2020 on "Guidelines Governing Initiatives of Non-Life Insurance Companies to Sell Non-Life Insurance Products to the Public during the Enhanced Community Quarantine ('ECQ') Period due t

Informs all concerned non-life insurance companies of the extension on allowing launch of sales initiatives during the Enhanced Community Quarantine Period until 31 December 2020, as result of declaration of State of Public Health Emergency and Calamity in the Philippines due

CL No. 2020-55

14 May 2020

Extension of Effectivity of Circular Letter No. 2020-29 dated 30 March 2020 on "Guidelines Governing Initiatives of Life Insurance Companies to Sell Life Insurance Products to the Public during the Enhanced Community Quarantine ('ECQ') Period due to the C

Informs all concerned life insurance companies of the extension on allowing launch of sales initiatives during the Enhanced Community Quarantine Period until 31 December 2020, as result of declaration of State of Public Health Emergency and Calamity in the Philippines due to COVID-19 outbreak.

CL No. 2020-56

14 May 2020

Guidelines on the Issuance of Certification Pursuant to Republic Act (R.A.) No. 9184 during the Period of Community Quarantine

Prescribes the guidelines on the issuance of certification by the Surety Unit during the ongoing community quarantine period due to COVID-19.

CL No. 2020-57 **14 May 2020** **Operations of Regulated Entities under the Modified Enhanced Community Quarantine (MECQ)**

Informs all concerned regulated entities of operations of up to maximum of fifty percent (50%) of workforce on-site during the MECQ period, which supersedes Circular Letters No. 2020-40 and 2020-51.

CL No. 2020-58 **14 May 2020** **Regulatory Relief on the Admittance of Premiums Receivable due to the COVID-19 Pandemic**

Informs all concerned regulated non-life insurance and professional reinsurance companies on adjustment for admitting Premium Receivable account from ninety (90) days to one hundred eighty (180) days from date of issuance of policies, due to COVID-19 pandemic situation in the Philippines.

CL No. 2020-59 **14 May 2020** **Online Submission of Annual Statements, Audited Financial Statements and Attachments**

Informs all concerned regulated entities of submission of their AS, AFS and attachments for the reporting periods starting 2019 onwards through electronic means.

CL No. 2020-60 **15 May 2020** **Regulatory Relief on Networth Requirements and Guidelines on the Implementation of Amended Risk-Based Capital (RBC2) Framework for Calendar Year 2020**

Informs all concerned regulated entities on the relief on quarterly compliance of networth requirements of PhP 900,000,000.00 and compliance with Circular Letter No. 2016-68 on Amended Risk-Based Capital (RBC2) Framework with corresponding submission dates.

CL No. 2020-61 **15 May 2020** **Supplemental Guidelines in the Revised Framework on the Selection of External Auditors (EAs)**

Prescribes the supplemental guidelines in the revised framework on the selection of External Auditors, including submission of reportorial requirements of accredited EAs, monitoring and supervisory enforcement, and procedure and effects of suspension/delisting.

CL No. 2020-62	18 May 2020	Amendment of Sec 1 of CL No. 2018-69; Deferral of IFRS 17 Implementation
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Amends Section 1 of Circular Letter No. 2018-69 wherein the implementation of IFRS 17 is hereby deferred two (2) years after its effective date as decided by IASB.

CL No. 2020-63	18 May 2020	Regulatory Relief from the Exposure Limit Applied to Financial Assistance Program of Insurance Companies
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Informs all concerned regulated entities of regulatory relief from the exposure limit applied to financial assistance program of insurance companies wherein the threshold in granting financial assistance was adjusted from six percent (6%) to twenty percent (20%) of the net worth of the company.

CL No. 2020-64	20 May 2020	Dissemination of the Anti-Money Laundering Council (AMLC) Regulatory Issuance A, B and C No. 1 Series of 2020 on the Amendments to Certain Provisions of the 2018 Implementing Rules and Regulations (IRR) of Republic Act No. 9160, as Amended
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Informing all concerned regulated entities of the amendments to certain provisions of the 2018 IRR of Republic Act No. 9160, as Amended through the AMLC Regulatory Issuance A, B and C No. 1 Series of 2020.

CL No. 2020-65	20 May 2020	Insurance Commission's Compliance with National Budget Circular (NBC) No. 580 dated 22 April 2020 Issued by the Department of Budget and Management ("DBM")
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Informs all concerned regulated entities and all other stakeholders of the compliance of Insurance Commission to the NBC No. 580 issued by the Department of Budget and Management.

CL No. 2020-66	21 May 2020	Interim Guidelines on the Declaration and/or Distribution of Dividends with the End in View of Conserving Capital Due to the Projected Economic Impact of the COVID-19 Pandemic
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Prescribes interim guidelines on declaration and/or distribution of dividends in view of coonserving capital due to the projected economic impact of the COVID-19 pandemic, including regulatory measures, prior approval, effect in case of violation, temporary suspension of CL No. 2019-60, and applicability of relevant laws.

CL No. 2020-67	21 May 2020	Dissemination of Anti-Money Laundering Council's Advisories on Submission of CTRs, STRs, and KYC Documents During the MECQ Period until 31 May 2020
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Informs all concerned regulated entities of the Anti-Money Laundering Council's (AMLC) Advisories on submission of covered transaction reports (CTRs), suspicious transaction reports (STRs), and know-your-customers (KYC) documents during the modified enhanced community quarantine (MECQ) until 31 May 2020.

CL No. 2020-68	22 May 2020	Further Extension of Period to Comply with Section 29 of CL No. 2019-65 and Submit Duly Accomplished and Certified under Oath AML and CTF Compliance Questionnaire under CL No. 2020-08
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Informs all concerned regulated entities of extension of deadlines for regulatory requirement in Circular Letters No. 2019-65 and 2020-08 to 30 July 2020 from 30 June 2020.

CL No. 2020-69	11 June 2020	Guidelines on Issuance of Temporary License to New Insurance Agent During the State
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of Public Health Emergency Due to the Corona Virus Disease 2019 (COVID-19)

Informs all insurance companies and the general public on the guidelines of issuing temporary license to new insurance agents during the state of public health emergency caused by COVID-19 pandemic.

CL No. 2020-70 **11 June 2020** **Recognition of Digital Payments as an Integral Part of Insurance Technology (Insurtech), Providing for its Framework, and Encouraging its Adoption in Insurance Transactions**

Informs all regulated entities on the guidelines and frameworks issued in recognition of digital payments as an integral part of insurance technology (Insurtech) and and encouraging its adoption in insurance transactions.

CL No. 2020-71 **11 June 2020** **Revised Code of Corporate Governance for Insurance Commission Regulated Companies**

Issued to all regulated entities on the adoption and effectivity of Revised Code of Corporate Governance.

CL No. 2020-72 **11 June 2020** **Submission of the Annual Corporate Governance Report (ACGR)**

Issued to all regulated entities the guidelines in the submission of the Annual Corporate Governance Report (ACGR) in relation to IC's assessment to ensure their competitiveness, fiscal sustainability and strengthening financial resilience to natural disasters and climate change.

CL No. 2020-73 **14 June 2020** **Guidelines on the Adoption of a Regulatory Sandbox Framework for Insurance Technology (Insurtech) Innovations**

Issued to all insurance companies, mutual benefit associations, insurance intermediaries and insurance aggregators the guidelines on the adoption of a Regulatory Sandbox Framework for Insurance Technology (Insurtech) Innovations in their business dealing.

CL No. 2020-74 **18 June 2020** **Guidelines on the Use of Videoconferencing for the Conduct of Hearings and other Proceedings before the CAD and REPD**

Informs all litigants, their respective counsel, and other concerned parties before the Insurance Commission's Clams Adjudication Division (CAD) and Regulation, Enforcement, And Prosecution Division (REPD) the guidelines on the use of videoconferencing in the conduct of legal hearings and proceedings in response to COVID 19 pandemic.

CL No. 2020-75 **29 June 2020** **Submission of Catastrophe Exposures - Property Insurance Reports (Annex A, Manual for Annex A, Annex B, Manual for Annex B, Annex C, and Annex D)**

Informs all non-life insurance companies on the extension of submission of their annual catastrophe reports and the procedures in the on-line submission of encrypted reports in relation to Data Privacy Act of 1992 and the Proclamation No. 922 s.2020 re: Public Health Emergency throughout the Philippines due to Corona Virus Disease 2019 (COVID-19).

CL No. 2020-76 **30 June 2020** **Online Submission of Requests for Approval of Products/Forms or any other Related Requests (Annex A)**

Informs all concerned regulated entities on the online submission of requests for approval of products/forms or any other related requests to minimize contact rate and the risk of transmission/infection of COVID 19.

CL No. 2020-77 **7 July 2020** **Supplemental Guidelines on Annual Reporting of Business Process Outsourcing (BPO) Activities Under Section 1 of Circular Letter No. 2019-49, as Amended By Section 1 ff Circular Letter No. 2019-54**

Promulgates to all insurance and reinsurance companies the supplemental guidelines on annual reporting of business process outsourcing (BPO) activities under the previously issued circulars.

CL No. 2020-78

13 July 2020

**Discount Rates for Non-Life Insurance
Policy Reserves as of 30 June 2020**

Informs all non-life companies of the schedules of Peso and Dollar Spot and Forward rates as of 30 June, respectively, to be used in discounting the cash flows in the calculation of policy reserves as 30 June 2020.

CL No. 2020-79

13 July 2020

**Discount Rates for Life Insurance
Policy Reserves as of 30 June 2020**

Informs all life companies of the schedules of Peso and Dollar Spot and Forward rates as of 30 June, respectively, to be used in discounting the cash flows in the calculation of policy reserves as 30 June 2020.

CL No. 2020-80

22 July 2020

**Online Uploading of Quarterly Reports
on Selected Financial Statistics
(QRSFS) (Annex A, Annex B, Annex C,
Annex D, and Annex E)**

Promulgates to all insurance companies and mutual benefit associations (MBAs) the guidelines on the Online Uploading of Quarterly Reports on Selected Financial Statistics (QRSFS) at par with the Financial Reporting Framework (FRF) under Section 189 of the Amended Insurance Code.

CL No. 2020-81

3 August 2020

**Guidelines on the Operations of
Regulated Entities Under the Modified
Enhanced Community Quarantine
(MECQ) Effective August 4 to 18, 2020**

Promulgates to all regulated entities the adoption of Guidelines on the Operations of Regulated Entities Under the Modified Enhanced Community Quarantine (MECQ) in the aforementioned date in response to the Inter-Agency Task Force for the Management of Emerging Infectious Diseases ("IATF-EID") issued IATF Resolution No. 60-A, series of 2020.

CL No. 2020-82

4 August 2020

**Guidelines on Suspension of
Reglementary Periods during the
Modified Enhanced Community
Quarantine (MECQ) Period from 4 to 18
August 2020**

Promulgates to all regulated entities the adoption of Guidelines on Suspension of Reglementary Periods in the Insurance Commission during the Modified Enhanced Community Quarantine (MECQ) Period from 4 to 18 August 2020.

CL No. 2020-83 **5 August 2020** **Dissemination of Information on the Georisk Philippines Initiative as an Underwriting Tool for Non-Life Insurance Companies**

Promulgates to all non-life insurance companies the information and adoption on the Georisk Philippines Initiative as an underwriting tool and as central resource of information on natural hazards and risk assessment.

CL No. 2020-84 **10 August 2020** **Off-Site Examination on the Underwriting and Rating Practices of Non-Life Companies (Template A, Template B, Template C, Risk Register Template, Certification Template, and System User Application Form)**

Promulgates to all non-life insurance companies on the Commission's adoption of off-site examination on the underwriting and rating practices of non-life companies in response to IATF approved the Omnibus Guidelines on the implementation of the Community Quarantine in the Philippines due to COVID 19 pandemic.

CL No. 2020-85 **11 August 2020** **Dissemination of Anti-Money Laundering Council's Advisory on CTRS, STRS, and KYC Document Submissions during the MECQ until 18 August 2020**

Disseminates to all regulated entities the Anti-Money Laundering Council's Advisory on the submission of covered transaction reports (CTRs), suspicious transaction reports (STRs), and know-your-customer (KYC) documents during the modified enhanced community quarantine (MECO) until 18 August 2020.

CL No. 2020-85 **11 August 2020** **Guidelines to Protect Persons with Disabilities (PWDs) from any form of Discrimination in the Insurance Industry**

Promulgates to all regulated entities offering and selling insurance products the guidelines to protect persons with disabilities (PWDs) from any form of discrimination in the insurance industry

in accordance with Republic Act No. 7277, as amended, otherwise known as the "Magna Carta For Disabled Persons".

CL No. 2020-86

27 August 2020

Guidelines to Protect Persons with Disabilities (PWDs) from any form of Discrimination in the Insurance Industry

H. Singapore

I. COVID-related regulatory updates

Transition measures to account for the differences in determination of risk-free discount rates

- a) The enhanced valuation and capital framework for insurers in Singapore ("RBC 2") came into effect on 31 March 2020. Under RBC 2, MAS has incorporated a transitional measure in the calculation of insurers' financial resources to account for the differences in which the risk-free discount rate used to value Singapore Dollar denominated liabilities is derived under both the previous and enhanced valuation and capital framework.
- b) Life business written by a direct insurer or reinsurer are eligible for the transitional measure and an insurer must apply in writing to MAS if it intends to adopt the transitional measure.
- c) The transitional measure was introduced to allow insurers time to rebalance their investment portfolio to match the SGD denominated liabilities under RBC 2. Originally, the transitional measure would be phased out by the end of 2020. In May, MAS extended the transitional measure by one more year to the end of 2021, given the significant uncertainty on the depth and duration of the global economic downturn.

MAS Notice 117 Training and Competency Requirement: Health Insurance and MAS Notice 211 Minimum and Best Practice Training and Competency Standards for Direct General Insurers have been amended to reflect that MAS will grant individuals who are intending to conduct regulatory activities a 6 months grace period to fulfil Health Insurance ("HI") & General Insurance ("GI") exam requirements. This means that individuals can be appointed or employed by insurers between 16 and 30 Sept 2020 to conduct regulated activities, and these individuals will have a 6 months grace period to complete the required HI & GI exam requirements.

MAS Notice 120 Disclosure and Advisory Process Requirements for Accident and Health Insurance Products has been amended to temporarily allow Accident and Health (A&H) insurance intermediaries to provide advice and close the sale of certain health insurance policies over the telephone. This exemption, applicable for the period from 13 April 2020 to 30 September 2020, was in line with MAS' advisory, as part of elevated safe distancing measures, for intermediaries to minimise face-to-face meetings with clients, and to use digital facilities to conduct activities such as prospecting, advisory and client servicing.

II. Consultation Paper on Proposed Guidelines on Environmental Risk Management for Insurers

MAS issued three separate public consultation papers on the proposed Guidelines on Environmental Risk Management for Banks, Insurers and Asset Managers (“Guidelines”) on 25 June 2020. The Guidelines aim to enhance financial institutions’ resilience to and management of environmental risk, and also sets out sound practices in relation to financial institutions’ governance, risk management and disclosure of environmental risk. The Guidelines were co-created with the financial institutions and industry associations from the banking, insurance and asset management sectors, and each guideline is tailored to the sector based on its business activities and risk management practices. For the insurance sector, MAS worked with members from the Life Insurance Association of Singapore, the General Insurance Association of Singapore and Singapore Reinsurers’ Association.

III. Risk-based Capital Framework (RBC 2)

MAS implemented an enhanced risk-based capital framework⁴ for insurers (“RBC 2”) on 31 March 2020. RBC 2 enhances policyholder protection by requiring insurers to hold capital for a more comprehensive range of risks and at a higher target confidence level than the previous capital framework. MAS also introduced a new concept of matching adjustment within the discounting of life insurance liabilities under RBC 2, which will incentivise insurers to adopt better asset liability management and make it less capital intensive for them to offer long-term products with guarantees.

In Singapore, insurers are required to establish and maintain a separate insurance fund for each class of insurance business that they write (e.g. a participating fund, non-participating fund, investment-linked fund or a general fund), and this is also separated into Singapore policies (Singapore Insurance Fund or “SIF”) and offshore policies (Offshore Insurance Fund or “OIF”). For the purpose of solvency ratio computation, RBC 2 allows insurers to use an adjusted fund concept where insurance funds (except a participating fund) can be grouped together, though still separately for SIF and OIF.

Under RBC 2, insurers need to maintain capital adequacy at both company and adjusted fund level; and at two supervisory solvency intervention levels:

- a) the higher solvency intervention level, where the total risk requirement (“TRR”), also referred to as the prescribed capital requirements (“PCR”), are calibrated at 99.5% Value-at-Risk (“VaR”) over a one year period;
- b) the lower solvency intervention level, where the TRR, also referred to as the minimum capital requirements (“MCR”), are determined at 90.0% VaR over a one year period. MCR is set as 50% of PCR.
- c) Insurers are required to notify MAS when they become aware that at the company level or adjusted fund level, they will not meet or likely to not meet either solvency intervention levels.

⁴ Insurance (Valuation and Capital) Regulations 2004 and MAS Notice 133

- d) For OIF, reinsurance branches continue to be exempted from RBC 2, and foreign owned locally incorporated reinsurers continue to be subject to a simplified solvency margin. However, for the locally headquartered locally incorporated reinsurers, they will now be subject to RBC 2 for the OIF.

IV. Culture & Conduct (C&C)

Establishment of the Insurance Culture and Conduct Steering Committee (ICCSC). In December 2019, together with the three industry associations, MAS established an Insurance Culture and Conduct Steering Committee (ICCSC) to foster sound culture and strengthen standards of conduct among insurers in Singapore.

MAS is deepening its engagement with insurers to promote (i) prudent risk-taking and robust risk management that support the insurer's safety and soundness, and (ii) ethical business practices that safeguard consumer interest and ensure fair dealing. The ICCSC will monitor trends and identify emerging issues, collaborate with MAS on initiatives such as industry self-assessments and the development of good practice guides, and champion adoption of good practices by the insurance industry including distributors.

I. Thailand

Table of Update on Insurance Regulations in 2020

Title of Regulations	Main Areas of Update
Insurance Commission Notification on Rules, Procedures, Conditions, Application for Permission, Granting of Permission, and Renewal of Life Insurance Agent and Life Insurance Broker Licenses, B.E. 2562 (2019)	This Notification specifies rules and conditions on application for permission, granting of permission, and renewal of life insurance agent and life insurance broker licenses.
Insurance Commission Notification on Rules, Procedures, Conditions, Application for Permission, Granting of Permission, and Renewal of Non-life Insurance Agent and Non-life Insurance Broker Licenses, B.E. 2562 (2019)	This Notification specifies rules and conditions on application for permission, granting of permission, and renewal of non-life insurance agent and non-life insurance broker licenses.
Insurance Commission Notification on Rules, Procedures, Conditions, Application for Permission, Granting of Permission, and Renewal of Loss Adjuster, the Inspection and Assessment of Loss B.E. 2562 (2019)	This Notification specifies rules and conditions on application for permission, granting of permission, and renewal of loss adjuster and specifies the process of inspection and assessment of loss.
Insurance Commission Notification on Rules and Conditions on Application for Permission, Granting of Permission, and Renewal of Juristic Person Undertaking Life Insurance Brokerage Business, B.E. 2562 (2019)	This Notification specifies rules and conditions on application for permission, granting of permission, and renewal of juristic person undertaking life insurance brokerage business.

Title of Regulations	Main Areas of Update
Insurance Commission Notification on Rules and Conditions on Application for Permission, Granting of Permission, and Renewal of Juristic Person Undertaking Non-life Insurance Brokerage Business, B.E. 2562 (2019)	This Notification specifies rules and conditions on application for permission, granting of permission, and renewal of juristic person undertaking non-life insurance brokerage business.
Insurance Commission Notification on Specification of the Types and Classes of Capital, Rules, Procedures and Conditions for the Calculation of Capital of Life Insurance Companies B.E.2562 (2019)	This Notification amends rules on RBC to meet with international standards and in line with current business practices. This amendment strengthens the calculation of total capital available and introduces Operational Risks as one of keys major risk.
Insurance Commission Notification on Specification of the Types and Classes of Capital, Rules, Procedures and Conditions for the Calculation of Capital of Non-Life Insurance Companies B.E.2562 (2019)	This Notification amends rules on RBC to meet with international standards and in line with current business practices. This amendment strengthens the calculation of total capital available and introduces Operational Risks as one of keys major risk.
Insurance Commission Notification on Investment in Other Businesses of Life Insurance Companies (No.4) B.E.2562 (2019)	This Notification amends rules on investment in other business by broadening scope of activities that insurance companies can invest in such as Hospital, elder caring home or insurtech.
Insurance Commission Notification on Investment in Other Businesses of Non-Life Insurance Companies (No.4) B.E.2562 (2019)	This Notification amends rules on investment in other business by broadening scope of activities that insurance companies can invest in such as Hospital, elder caring home or insurtech.
Insurance Commission Notification on fraud reporting of Life Insurance Companies B.E.2563 (2020)	This Notification requires insurance companies to report fraud activities as specified by OIC in order to create fraud data base and monitor any activities that might related to fraud.
Insurance Commission Notification on fraud reporting of Non-Life Insurance Companies B.E.2563 (2020)	This Notification requires insurance companies to report fraud activities as specified by OIC in order to create fraud data base and monitor any activities that might related to fraud.
Notification of the Insurance Commission on Rules and Procedures for Issuance and Offering of Insurance Policies for Sale and Performance of Duties of Life Insurance Agents and Brokers and Banks, B.E. 2563 (2020)	This Notification specifies rules and procedures for Issuance and Offering of Insurance Policies for Sale and Performance of Duties of Life Insurance Agents and Brokers and Banks.
Notification of the Insurance Commission on Rules and Procedures for Issuance and Offering of Insurance Policies for Sale and Performance of Duties of Non-life Insurance Agents and Brokers and Banks, B.E. 2563 (2020)	This Notification specifies rules and procedures for Issuance and Offering of Insurance Policies for Sale and Performance of Duties of Non-life Insurance Agents and Brokers and Banks.

J. Vietnam

I. Continue to Improve Insurance Legal Framework

In 2019, Vietnam's economy continued to show fundamental strength and resilience, supported by robust domestic demand and export-oriented manufacturing. Preliminary data indicate that real GDP grew by about 7 percent in 2019, close to the rate reported in 2018, and one of the fastest growth rates in the region.

As of 31/12/2019, there are 66 insurance companies operating in the Vietnam insurance market, including non-life insurers, life insurers, reinsurers and insurance brokers. In 2019, compared to those in 2018, the total insurers' assets reached VND 454,379 billion, increased by 15,03%; the total amount invested by insurance industry reached VND 376,555 billion, increased by 16,36%; the insurance premium income reached VND 160,180 billion (increased by 20,54%); the claim payments and insurance payouts reached VND 44,006 billion.

In 2019, The National Assembly of Vietnam had passed the Law no. 42/2019/QH14 dated June 14, 2019 on Amendments to some articles of Law on Insurance business and Law on Intellectual property; the Government issued Decree No. 80/2019/NĐ-CP dated November 01, 2019 on Amending a number of articles of the Government's decree no. 73/2016/ND-CP dated July 01, 2016 on details of implementation of the Law on Insurance business and the Law on amendments to a number of articles of the Law on Insurance business; And amending the Government's decree no. 98/2013/ND-CP dated August 28, 2013 providing for the sanctioning of administrative violations against regulations on Insurance business and Lottery business amended by the Government's decree no. 48/2018/ND-CP dated March 21, 2018.

In 2020, the Ministry of Finance will continue to improve the legal framework such as amending Insurance Business Law; Decree guiding on the implementation of micro-insurance; Decree on motor vehicle insurance. Moreover, the Ministry of Finance will establish the information technology system to facilitate the insurance management and supervise procedures.

In 2020, with the efforts to finalize the insurance policies, improve operational efficiency and services quality, insurance market in Vietnam will attract more investment, effectively operate and will significantly contribute to the economy development.

II. Changes in The Regulatory Framework

Law no. 42/2019/QH14 dated June 14, 2019 on Amendments to some articles of Law on Insurance business and Law on Intellectual property;

Decree No. 80/2019/NĐ-CP dated November 01, 2019 on Amending a number of articles of the Government's decree no. 73/2016/ND-CP dated July 01, 2016 on details of implementation of the Law on Insurance business and the Law on amendments to a number of articles of the Law on Insurance business;

Circular No. 01/2019/TT-BTC dated January 02, 2019 of the Ministry of Finance on amendments and supplements to certain articles of Circular No. 50/2017/TT-BTC dated May 15, 2017 of the Ministry of Finance guiding the Decree No. 73/2016/ND-CP on details of the implementation of the Law on Insurance Business and the Law on amendments to certain articles of the Law on Insurance Business.
