



Republic of the Philippines
Department of Finance
INSURANCE COMMISSION
1071 United Nations Avenue
Manila



Circular Letter (CL) No.:	2019-25
Date:	20 June 2019
Supersedes	

TO : ALL LIFE INSURANCE COMPANIES

SUBJECT : ADOPTION OF DISTRIBUTION CHANNEL MIX OF LIFE INSURANCE COMPANIES AS A STATISTICAL OUTPUT

WHEREAS, Section 437 of the Insurance Code, as amended, gives the Commissioner the authority to issue circulars as may be deemed necessary to secure the enforcement and efficient regulation of the insurance industry.

WHEREAS, to evaluate the life insurance industry capacity in offering their products through different distribution channels, the adoption of the Distribution Channel Mix aggregate data as a statistical input is deemed necessary.

WHEREAS, the Distribution Channel Mix is part of the Revised Life Annual Statement (Exhibit 1B – Business by Distribution method and Business Line) under CL 2019-09 and succeeding circulars regarding the submission of Revised Annual Statement-Life Insurance Companies.

WHEREAS, to ensure uniformity and consistency of the data submitted, the format and terms are hereby defined in Annex A of this circular.

NOW THEREFORE, pursuant to the authority conferred to the Insurance Commissioner, the following are hereby promulgated:

Sec. 1. Aggregate Data on Distribution Channel Mix of life insurance companies is hereby formally adopted as one of the regular statistical output.

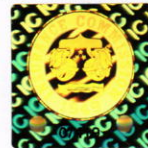
Sec. 2. All subject insurance companies are hereby enjoined to fill out the reporting templates fully and accurately. Wrong entry will be subject to penalty in accordance with Circular Letter No. 2014-15 on Fees and Charges

Sec. 3. The Statistics and Research Division of the Insurance Commission shall implement this Circular Letter.

For strict compliance.



DENNIS B. FUNA
Insurance Commissioner



ANNEX A

EXHIBIT IB - BUSINESS BY DISTRIBUTION METHOD & BUSINESS LINE (Direct Business)*

		TOTAL BUSINESS			TOTAL BUSINESS			
		Premiums on Direct Business			Inforce/active at year end			
		single	first year	renewal	policies	certificates	insured lives	sum insured
	DISTRIBUTION METHOD / CHANNEL (note 3)	(1)	(2)	(3)	(4)	(5)	(6)	(7)
1	Agency							
2	Brokers							
3.	Bancassurance							
a.	Bancassurance (commercial banks)							
b.	Bancassurance (Cooperative, Rural, and Thrift Banks)							
4	Direct Marketing							
5	Electronic Commerce/Online/Digital							
6	Mobile Phones							
7	Others							
	TOTAL							

Definition of Terms:

- Agency** – selling of insurance products through agents licensed by the Insurance Commission
- Brokers** – selling of insurance products through brokers licensed by the Insurance Commission to act on behalf of the insured.
- Bancassurance** – presentation and selling to bank customers by an insurance company of its insurance products within the premises of the head office of such bank duly licensed by the Bangko Sentral ng Pilipinas (BSP) or any of its branches.
- Direct Marketing** – selling of insurance products by the insurance company directly to the public via television, radio, print, or mail order or any other similar medium, rather than through intermediaries.
- Electronic-Commerce-Online/ Digital** - selling of insurance products via the internet through a web browser
- Mobile Phones** – selling of insurance products through mobile phones via SMS (text)
- Others** - such other insurance distribution method not falling under any of the categories above

*The sample table represents only the Total Business part of Exhibit IB of the Revised Annual Statement (AS). The whole template in the AS should be filled out fully and accurately.