

Microinsurance coverage up

THE Insurance Commission (IC) said the number of Filipinos covered by microinsurance grew further in the first half of the year driven by mutual benefit associations (MBA).

In a statement sent to reporters on Monday, the IC said 36.55 million individuals were covered by microinsurance products as of end-June, up 28.59% from just 28.42 million reported in the same period last year.

"As of end-June this year, the number of individuals covered by some form of microinsurance protection increased to 36.55 million with the mutual benefit associations sector as the consistent frontrunner in terms of number of lives covered and premium production," Insurance Commissioner Dennis B. Funa was quoted as saying in the statement.

Broken down, the MBA sector covered 21.45 million members and dependents as of end-June, cornering a 58.59% in the total number of individuals covered by microinsurance.

This was followed by the life insurance sector, which covered 11.45 million lives in the first semester, up 37.58% from 8.32 million a year ago.

The non-life insurance sector insured 3.65 million as of end-June, up 29.31% from only 2.82 million lives year-on-year.

In terms of premium production and contributions, an increase of 12.47% was recorded as of end of second quarter this year to P3.71 billion, up from P3.3 billion in the same period last year.

MBAs accounted for 59.3% of the total premium production amounting to P2.2 billion. This was followed by the life insurers with 29.51% or P1.1 billion, and the non-life insurance sector with 11.19% or P415.3 million.

At present, a total of 43 companies composed of 22 MBAs, 11 life insurance firms and nine non-life insurers actively engaged in providing microinsurance products

"The consistent growth in the number of lives insured and premium production demonstrates the effectiveness of the microinsurance scheme in providing insurance solutions to everybody especially to the low-income households," Mr. Funa added.

In separate interviews, Philippine American Life and General Insurance Co. and Allianz PNB Life Insurance, Inc. have said they are considering to venture into the microinsurance business.

"We are pleased that more insurance companies are expressing their interest in developing new microinsurance products to help narrow the country's protection gap," added Mr. Funa. — **Karl Angelo N. Vidal**