

Insurance brokers post growth in mediated premium

PREMIUM INCOME generated by brokerage activities grew in 2017 driven by mediated profit in the non-life segment, the Insurance Commission (IC) said.

In a statement on Monday, Insurance Commissioner Dennis B. Funa said the insurance brokerage industry tallied a mediated premium of P57.92 billion in 2017 as reported by 63 insurance brokerage firms.

The mediated premium income last year grew 11.23% from the P52.07 billion in total premiums logged in 2016.

The commission said 20.56% or P57.08 billion of the P227.58 billion total premium generated by life and non-life firms passed through brokerage activities.

Broken down, the bulk or 83.54% of the mediated premium generated last year came from

the non-life insurance industry, totalling P48.38 billion.

On the other hand, the mediated premium from life insurance amounted to P8.7 billion, representing 15.02% of the total.

The brokerage industry likewise generated P837.34 million in membership fees for health maintenance organizations.

The top 10 insurance brokers – namely BDO Insurance

Brokers, Inc.; Marsh Philippines, Inc.; AON Insurance and Reinsurance Brokers Philippines, Inc.; HSBC Insurance Brokers (Phils.), Inc.; Jardine Lloyd Thompson Insurance Brokers, Inc.; Lockton Philippines Insurance and Reinsurance Brokers, Inc.; Anchor Insurance Brokers Corp.; Gotuaco, Del Rosario Insurance Brokers, Inc.; Unicon Insurance Brokers
Brokers, S2/3

Brokers, *from S2/1*

Corp.; and Intertrade Insurance Brokers – produced 75% of the overall premium income mediated by the brokerage industry.

Likewise, the industry reported a total of P7.32 billion in terms of brokerage revenue or commissions earned as of end-2017, 12.1% higher than the P6.53 billion a year ago.

Commissions of insurance brokers were primarily from the non-life segment, totalling P6.17 billion and representing 84.21% of total earners, Mr. Funa said.

On the other hand, the reinsurance brokerage industry, according to reports from 19 firms, reported a total mediated premium profit of P2.18 billion in 2017, 61.48% higher from just P1.35 billion the previous year.

However, total commissions earned by these reinsurance brokers slid 8.62% to P154.21 million

as of end-2017 from P168.75 million in 2016.

Reinsurance brokers Philippine Pacific Insurance Brokers and Managers, Inc.; KRM Reinsurance Brokers Phils., Inc.; Pana Harrison Reinsurance Brokers (Phils.), Inc.; Alsons Insurance Brokers Corp.; and Jardine Lloyd Thompson Insurance Brokers, Inc. produced 70% of the premium produced by the reinsurance brokerage industry last year.

The IC recently obtained the approval of the Department of Budget and Management to rename its brokers division to the brokers and insurance pools division.

“The Insurance Pools Section is tasked to recommend guidelines for the regulation and supervision of insurance pools in the country,” the IC said. — **K.A.N. Vidal**