



2016
clrg

a leading knowledge-driven
community empowering
stakeholders in local and
regional governance

actively develop and contribute
responsive **knowledge** on
local and regional governance

provide expert quality **consulting services**
in local and regional governance systems

effectively and responsibly **develop**
competencies of local governance participants

nurture a **community of practice** on
local and regional governance

WELCOME

DIR . ERWIN ALAMPAY

CLIMATE CHANGE IS COMING

Stronger and More frequent disturbances

- Storms
- El Nino

**RISK
TRANSFER
MECHANISMS**

An aerial photograph showing a village in a state of complete devastation. The ground is covered in a thick layer of rubble, including twisted metal, broken wood, and debris. Several buildings are left as skeletal remains, with roofs missing or severely damaged. A few people can be seen walking through the wreckage, highlighting the human impact of the disaster. The overall scene is one of profound destruction and loss.



PASEGURUHAN NG MGA NAGLILINGKOD SA PAMAHALAAN
(GOVERNMENT SERVICE INSURANCE SYSTEM)

GSIS Mandate

- **ADMINISTRATIVE ORDER (AO) 33**

Government shall secure from the General Insurance Fund directly, all insurances or bonds covering properties, contracts, rights of action and other insurable risks of their respective offices, including all those in which their respective offices have an insurable risk and all those in which they have an insurable interest only. For this purpose, no insurance agent or general agent shall hereafter be appointed or maintained to represent the General Insurance Fund and/or the Government Service Insurance System. AO 33 - Aug 25, 1987



PASEGURUHAN NG MGA NAGLILINGKOD SA PAMAHALAAN
(GOVERNMENT SERVICE INSURANCE SYSTEM)

COA Circular 2016-04

SUBJECT: Audit of Compliance by all Government Agencies with COA Circular No. 92-390 dated Nov 17, 1992 on the Inventory of Physical Assets, Insurance and Bonding of Risks with the General Insurance Fund of the GSIS as required under RA 656.

- a. All the insurable assets of the national and local government including those of the GOCCs and their subsidiaries and affiliates have been identified/ inventoried and classified as such;*
- b. All insurable assets and properties of the Government are adequately covered/ insured with the GIF of the GSIS;*
- c. There is strict compliance with Section 5 of RA NO 656 which prohibits insurance with private insurance companies the insurable assets of the government.*
- d. Adequate budget for payment of the required insurance premiums are provided by the concerned gov't agencies and paid to the GSIS.*



**PASEGURUHAN NG MGA NAGLILINGKOD SA PAMAHALAAN
(GOVERNMENT SERVICE INSURANCE SYSTEM)**

FIRE INSURANCE

The insurance that offers coverage against damage or loss due to fire and Lightning, it is obtained by the National and Local Government Units, GOCCs, subsidiaries and acquired asset corporations, GFIs, Government Banks to indemnify and compensate the Government in case of losses resulting from fire.

The standard fire policy may be extended to include the additional perils:

Full Earthquake

Typhoon

Flood

Riot, Strike and Malicious Damage

Robbery/ Burglary

Extended Cover (Falling Aircraft, Vehicle Impact, Explosion, Smoke)



**PASEGURUHAN NG MGA NAGLILINGKOD SA PAMAHALAAN
(GOVERNMENT SERVICE INSURANCE SYSTEM)**

GSIS INSURANCE GROUP

STATUS/UPDATE ON UNINSURED LGUs and NGAs

As of March 2017

| LOCAL GOV'T. UNITS | TOTAL | TOTAL AS OF MARCH 2017 (WITH FIRE) | | | |
|---|--------------|------------------------------------|---------------|--------------|----------------|
| | | INSURED | % OF INSURED | UNINSURED | % OF UNINSURED |
| 1ST CLASS MUNICIPALITIES | 331 | 195 | 58.91% | 139 | 41.99% |
| CITIES | 144 | 127 | 88.19% | 19 | 13.19% |
| PROVINCES | 81 | 58 | 71.60% | 22 | 27.16% |
| OTHER MUNICIPALITIES | 1,159 | 339 | 29.25% | 820 | 70.75% |
| Subtotal | 1,715 | 719 | 41.92% | 1,000 | 58.31% |
| NATIONAL GOV'T. AGENCIES | | | | | |
| GOCCs | 105 | 89 | 84.76% | 16 | 15.24% |
| NATIONAL OFFICES | 284 | 231 | 81.34% | 50 | 17.61% |
| STATE COLL. & UNIV. | 113 | 83 | 73.45% | 32 | 28.32% |
| Subtotal | 502 | 403 | 80.28% | 99 | 19.72% |
| TOTAL with Other Municipalities | 2,217 | 1,122 | 50.61% | 1,095 | 49.39% |
| TOTAL without Other Municipalities | 1,058 | 783 | 74.01% | 275 | 25.99% |

POLICY CONSIDERATIONS

How do we increase take-up of insurance among LGUs, esp. municipalities?

- **Do LGUs know about insurance?**
- **Can they afford it?**
- **What do they insure?**
- **Where do you get your budget for it?**

Est. 0.15%
Example: P10M, insurance
Premium = $10M \times 0.0015$
= Php15,000



**PASEGURUHAN NG MGA NAGLILINGKOD SA PAMAHALAAN
(GOVERNMENT SERVICE INSURANCE SYSTEM)**

TOP 12 CLAIMS PAID – Yolanda

| Insured | Peril | Claims Paid |
|--|--------------|-----------------------|
| 1. Civil Aviation Authority of the Philippines | Typhoon | 144,167,123.92 |
| 2. CGO Ormoc | Typhoon | 79,654,018.62 |
| 3. PGO Leyte | Typhoon | 69,352,038.93 |
| 4. PSALM | Typhoon | 45,821,256.83 |
| 5. CGO Bogo (Contents) | Typhoon | 42,221,678.72 |
| 6. NFA Leyte Provincial Office | Typhoon | 41,664,063.63 |
| 7. CGO Bogo (New City Hall Bldg.) | Typhoon | 31,693,747.88 |
| 8. Eastern Samar State University | Typhoon | 31,031,014.79 |
| 9. CGO Tacloban | Typhoon | 29,187,626.23 |
| 10. DPWH Region 8 | Typhoon | 28,864,763.09 |
| 11. NEDA Region 8 | Typhoon | 14,476,159.84 |
| 12. LGU Guiuan | Typhoon | 11,843,000.00 |
| TOTAL | | 569,876,492.48 |



**PASEGURUHAN NG MGA NAGLILINGKOD SA PAMAHALAAN
(GOVERNMENT SERVICE INSURANCE SYSTEM)**

CLAIMS PAID – Bohol Earthquake

| Insured | Peril | Claims Paid |
|------------------------|--------------|----------------------|
| 1. MGO Loon Bohol | EQ | 20,673,789.51 |
| 2. MGO Balilihan Bohol | EQ | 6,118,508.46 |
| 3. DSWD | EQ | 6,000,000.00 |
| 4. MGO Loon Bohol | EQ | 4,720,424.48 |
| 5. MGO Loon Bohol | EQ | 1,459,235.83 |
| TOTAL | | 38,971,958.28 |

MARAMING SALAMAT