

## CORONAVIRUS (COVID-19) AND THE INSURANCE SECTOR

The Novel Coronavirus (COVID-19) pandemic will certainly cause hardship to our citizens, businesses and economies globally.

As the regulator of the Insurance Sector in Guyana, the Bank of Guyana continues to monitor the effect of COVID-19 on all stakeholders and the overall operations of the sector. In light of concerns arising, the Bank wishes to advise the following:

- **Emergency Measures:** Insurers and Brokers are to take note of the emergency measures provided by the Minister of Public Health to combat the Coronavirus (COVID-19). Please note that Essential services which referred to banks, are inclusive of the financial sector.
- **Regulatory Deadlines:** The Bank of Guyana has postponed the 30 March 2020 deadline for the submission of the 2019 Annual Supervisory Filing to **30 June 2020**. The deadline for the submission of Quarterly Supervisory Filings for the First Quarter of 2020 has also been extended to **30 June 2020**. Other necessary revisions to regulatory deadlines by the Bank during this time will be communicated to the industry.
- **Onsite Inspections:** All scheduled onsite inspections by the Bank of Guyana have been suspended until further notice. However, offsite monitoring of all insurer continues.
- **Communication:** All correspondences, documents and regulatory returns should be submitted electronically until otherwise advised. Kindly ensure that hardcopies of all documents are kept for submission to the Bank at a later date.

Submissions can be made to:

- Ms. Tracy Gibson, Director, Insurance Supervision Department – [tgibson@bankofguyana.org.gy](mailto:tgibson@bankofguyana.org.gy)

Additionally, until otherwise advised, face-to-face meetings will not be held between the Bank and external parties. Audio and video conferencing facilities will instead be utilised where necessary.

- **Business Continuity Plans:** All companies are expected to activate their Business Continuity Plans (BCP) where possible in order to ensure that they are able to meet their regulatory and operational obligations under any adverse operating conditions caused by COVID-19.

- **Operational Risk:** All companies are to execute safe and sound plans to mitigate operational risk arising from modifications to normal business operations.

Insurers should ensure that the health and safety of staff are secured. Any changes in the operation of an insurer must be clearly communicated to customers.

Insurers who anticipate significant operational risk should notify the Bank.

- **Investment Risk:** Given the current economic stresses experienced by developed markets, companies' investments should be closely monitored.
- **Risk Transfer:** Companies are expected to review and assess their risk transfer mechanisms in place to mitigate the impact of the COVID -19 Pandemic.
- **Premiums and Cancellations/Non-renewals:** Companies are encouraged to grant a 60 day moratorium on cancellations and non-renewals for non-payment of premiums, beginning April 6, 2020. This will ensure that premium due dates are relaxed and that extended cover is provided during the moratorium period.
- **Premium Payments:** Companies are to expedite the use of online payments channels via the use of credit cards, online banking, service providers such as Sure pay, MMG, etc.
- **Claims Process:** Companies are encouraged to facilitate the submission of claims via online platforms. Payment disbursements may also to be done via direct debit or wire transfer.
- **Forbearance:** Any forbearances offered to policyholders must be communicated clearly.

The Bank is open to any suggestions on how we may assist the sector at this time.

We will continue to monitor the situation and keep you informed of any additional actions. At this time, we encourage all stakeholders to take the necessary precautions to remain safe and most importantly to mitigate the spread of this virus.