

**[ POEA MEMORANDUM CIRCULAR NO. 40 s. 1991,  
September 20, 1991 ]**

**MANDATORY PERSONAL ACCIDENT AND LIFE INSURANCE  
COVERAGE**

Book II, *Rule VIII, Section 1* of the Rules and Regulations Governing Overseas Employment, As Amended provides:

*"SECTION 1. Mandatory Personal Accident and Life Insurance Requirement. All overseas landbased workers shall be provided both life and personal accident insurance. The amount of life insurance coverage shall be P50,000.00 maximum face value; provide, however, that if death is due to accident, murder or assault, an equal amount of P50,000.00 insurance coverage shall be due in addition to the amount of life insurance. This mandatory life and personal accident insurance shall be provided by the employer without any cost to the worker. The personal accident insurance shall cover accidental death, dismemberment and disability; provided, however, that should the subsisting insurance package provide for a superior coverage, the same should be deemed compliance with this requirement."*

Following a thorough study of the insurance program for overseas workers, the Secretary of Labor and Employment thru Department Order No. 14 Series of 1991, mandated that, effective 01 July 1991, all departing Filipino overseas landbased workers shall be provided by the Overseas Workers Welfare Administration (OWWA) with mandatory life and personal accident insurance with a minimum face value of P25,000.00 at no cost to the workers. Guidelines of the said coverage are provided for in the abovementioned Department Order.

To ensure compliance with the aforesaid provision of the Rules and Regulations Governing Overseas Employment, As Amended, and considering that Department Order No. 14, Series of 1991 has provided for P25,000.00 coverage, all employers/agencies therefore, shall provide the remaining life and personal accident insurance coverage with a face value of P25,000.00 to all its hired landbased overseas workers subject to the same guidelines as provided for in Department Order No. 14, Series of 1991. This remaining coverage shall be provided for at no cost to the workers. Employers/agencies may provide for a superior remaining or additional coverage and the same shall be deemed compliance with this requirement.

This Order takes effect immediately.

For strict compliance.

Adopted: 1991

Filed: September 20, 1991