

SEPTEMBER 2023

# INSURANCE INDUSTRY NEWS



Corporate Headquarters:  
Precision House, 87, Obafemi Awolowo Road,  
Oke-Bola, P. O. Box 13011, Dugbe, Ibadan, Nigeria.



+234(0)9046068858, +234(0)9084858596



[www.boffbrowsers.com](http://www.boffbrowsers.com)



[info@boffbrowsers.com](mailto:info@boffbrowsers.com)

# CONTENTS



**02 SANLAM COLLABORATES WITH ALLIANZ TO OFFER INSURANCE AND FINANCIAL SERVICES ACROSS 27 AFRICAN MARKETS**

**03 THE SUSPENSION OF XE JET'S OPERATING LICENSE BY THE NCAA: REASONS AND IMPLICATIONS**

**03 ADDRESSING INDUSTRY THREATS: HOW INSURANCE BROKERS ARE STEPPING UP TO PROVIDE SOLUTIONS**

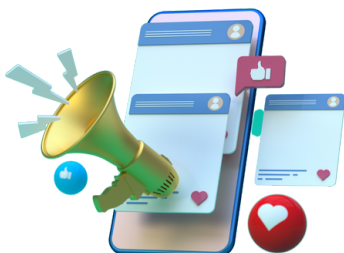
**04 NAICOM'S ROADMAP TO UNVEILING A UNIFIED MASTER PLAN BY OCTOBER**

## Follow Us



Check out our social media accounts for great content on **INSURANCE**

  
**@boffbrowsers**



**02 NUGGETS**

**05 BOFF EVENTS**

## **NUGGETS**

### **→ The Emir of Kano Highlights the Significance of Insurance**



Emir of Kano, Alh. Aminu Ado Bayero, hails insurance as a vital development tool that eases business burdens by mitigating losses. During a recent visit by the Insurance Commissioner and his team, he also emphasized the compatibility of insurance with religious beliefs, especially with Takaful insurance. The Emir expressed support for insurance expansion in Nigeria and a potential invitation to a national event, highlighting his commitment to promoting insurance awareness.

### **→ PenCom to Impose Penalties for Non-Remittance of Pension Funds by Employers**



The National Pension Commission (PenCom) has set a deadline of December 31, 2023, for all employers to comply with pension fund remittance laws to avoid penalties. Employers who fail to remit their employees' pension contributions by this deadline will face penalties equal to three times the unpaid amount. The Pension Act 2014, Section 11(6), empowers PenCom to impose these penalties, which must be at least two percent of the unpaid contributions for each month or part of each month the default continues. The penalties will be recoverable as a debt owed to the employees' retirement savings accounts. Additionally, PenCom has urged employers with incomplete remittance documentation to provide the necessary information to their Pension Fund Administrators (PFAs) to ensure that affected employees receive their contributions promptly. This move underscores the commission's commitment to enforcing compliance with pension fund regulations.

## **Sanlam Collaborates with Allianz to Offer Insurance and Financial Services Across 27 African Markets**



Sanlam, Africa's foremost non-banking financial services provider, and Allianz, a global insurance and financial services giant, have joined forces in a groundbreaking partnership. This dynamic collaboration, operating under the name SanlamAllianz, is set to become a Pan-African non-banking financial services powerhouse, spanning 27 countries across the continent.

With regulatory approval secured, SanlamAllianz has set ambitious goals. It aims to secure a prominent position in both market share and profitability, ranking among the top three players in the markets it serves. The venture is expected to boast a combined group equity value of approximately R35 billion.

What's in it for clients? A broader range of tailor-made insurance products and cutting-edge financial solutions. This means retail and corporate clients can expect top-notch services, backed by the collective expertise and resources of both Sanlam and Allianz.

However, it's important to note that the agreement excludes South Africa but will eventually include Namibia.

Paul Hanratty, CEO of Sanlam group, expressed confidence in the venture's potential to create significant value for clients, shareholders, and stakeholders. He emphasized the importance of leveraging the partnership's combined strength to deliver innovative solutions that meet the evolving needs of African clients.

Christopher Townsend, an Allianz SE board member, underscored the potential for SanlamAllianz to establish



leadership positions in various insurance segments across Africa. The partnership aligns with Allianz's commitment to the continent, building upon a century-long legacy.

SanlamAllianz has clear priorities. These include driving financial inclusion through digital innovation, expanding telecommunications and bancassurance partnerships, and offering enhanced property and casualty as well as life insurance products. The goal is to touch more lives and provide superior services.

The CEO of Sanlam Emerging Markets, Heinie Werth, has been appointed as the CEO of SanlamAllianz, bringing his 25 years of experience within the Sanlam group to lead this exciting new venture.

In essence, this partnership represents a significant leap forward in realizing Sanlam's strategic vision. It combines financial strength, technological innovation, and a deep commitment to customer satisfaction to improve insurance penetration in Africa. SanlamAllianz is poised to excel on this transformative journey.

## The Suspension of XE Jet's Operating License by the NCAA: Reasons and Implications



In a dramatic turn of events in the aviation world, the Nigeria Civil Aviation Authority (NCAA) has grounded XEJET by suspending its air operator certificate (AOC) and air transport license (AOL). The suspension, which took immediate effect, sent shockwaves through the airline industry.

The decision, outlined in a letter dated August 30, 2023, signed by Musa Nuhu, the director-general of NCAA, cited the airline's inability to authenticate its insurance documents as the primary reason for the suspension.

What makes this development even more intriguing is that the suspension came as a result of the National

Insurance Commission (NAICOM) being unable to verify the authenticity of XEJET's aircraft insurance documents. The airline had presented documents claiming coverage from Consolidated Hallmark Insurance, but it seems that NAICOM could not confirm their legitimacy.

The letter sent by NCAA, titled 'Notice of Suspension Of Air Transport Licence NCAA/ATR1/ATK153 and Air Operators Certificate EXJET/AOC/01-22/001,' listed four aircraft directly affected by the suspension pending the conclusion of a thorough investigation.

The letter stated, "In receipt of the response to our letter of verification from the NAICOM regarding your certificate of insurance with No. 40122093300118-22B in respect of your Embraer 145; Reg.No (5N-BZM) with Serial No. 14500842, indicating that they are unable to confirm the authenticity of your insurance documents... And that the documents did not emanate from Consolidated Hallmark Insurance as presented to the authority."

The suspension was enacted for safety considerations and in the interest of the public, aligning with Section 59 (7) of the Civil Aviation Act. It remains in place until the conclusion of NCAA's investigation, casting a shadow over the operations of the affected aircraft.

The airline industry and passengers alike are now watching closely as this investigation unfolds, with the hope of swift resolution and a return to the skies for XEJET.

## Addressing Industry Threats: How Insurance Brokers Are Stepping Up to Provide Solutions



Insurance professionals are gearing up for an important

event in Sierra Leone – the WAICA Education Conference. Under the banner of the West African Insurance Companies Association, industry insiders are set to discuss and address the pressing issues affecting the sector.

The association has officially opened its registration portal for delegates attending the conference, scheduled for November in Freetown, Sierra Leone. This gathering carries the theme "Aligning Insurance Practice in the 21st Century to Serve Both Public and Private Sectors," promising to bring together insurance and reinsurance companies, insurance brokers, and regulators.

Mr. Davis Iyasere, the Secretary General of WAICA, highlighted the significance of this event in light of the challenges currently faced by the insurance industry. He noted, "There is no doubt that the insurance industry is facing existential threats in the face of global challenges occasioned by the changing consumer dynamics and demands."

One notable improvement for this year's conference is the introduction of the online registration portal. This move is aimed at enhancing the registration and onboarding experience for participants, eliminating the stress associated with the manual registration process, which has traditionally been tedious and time-consuming.

Iyasere emphasized the benefits of this digital upgrade, stating, "The aim is to improve the overall conference experience and make it more conducive and enjoyable. Delegates can register from the comfort of their bedroom." It's a step towards streamlining the conference process, allowing participants to focus on the vital discussions and solutions the event promises to offer for the insurance industry's future.

## NAICOM's Roadmap to Unveiling a Unified Master Plan by October



The National Insurance Commission (NAICOM) is gearing up for a significant industry transformation by unveiling a

comprehensive master plan set to tackle long-standing challenges within the sector. This ambitious plan is expected to see the light of day by October and is poised to revolutionize the Nigerian insurance landscape.

According to NAICOM, this master plan holds immense importance for the industry. It will provide a structured framework for codifying strategic initiatives that will be implemented over a defined period. This means that successive leadership within the sector will have a well-defined roadmap to address and overcome ongoing challenges.

NAICOM believes that this master plan will not only serve as a guide for industry leaders but also align their actions with the overarching goals of the insurance sector. It's a step towards ensuring that the industry's vision is clear, comprehensive, and well-executed.

In addition to the master plan, NAICOM is also taking a firm stance on enforcing industry rules. Particularly, it is targeting operators who may be in violation of the new third-party motor rates. NAICOM assures that necessary actions will be taken promptly to address such violations.

Addressing these critical issues, Commissioner for Insurance, Sunday Thomas, emphasized the importance of maintaining policy rates at the official levels. He praised those operators who have positively acknowledged the impact of the new rates and the increased benefits they offer.

Thomas also underscored the significance of prompt claims payment in the industry. He urged underwriters to ensure timely settlement of policyholders' claims, highlighting that this practice is vital for the industry to thrive as a major driver of economic growth.

On a different note, Thomas discussed the transition from International Financial Reporting Standard 4 (IFRS 4) to IFRS 17, emphasizing Nigeria's leadership in this transition compared to many other African countries. He mentioned that numerous companies are making significant progress in this regard, with dedicated teams and actuarial firms working diligently on the transition.

NAICOM encourages insurers to collaborate to minimize the transition costs associated with this shift, emphasizing that IFRS 17 places a premium on transparency.

In conclusion, Commissioner Thomas shared that one of NAICOM's strategic goals is to maximize the insurance coverage of government assets. This ambitious agenda underscores NAICOM's commitment to a transformed, accountable, and robust insurance sector in Nigeria. The master plan set for October promises to be a pivotal moment in achieving this vision.

# Birthday Celebrations



Mr. Lawrence Ajayi  
Head, IT Department  
**28th**



Yetunde Adebisi  
Senior Superintendent  
**26th**



Mr. Rahman Akinade  
Superintendent  
**9th**



Mr. Tekena Dagogo  
Driver  
**7th**



Our Reinsurance Department, represented by Mr. Samson Olaniyi, has been on the move, fostering invaluable connections in the heart of the reinsurance world. During a recent visit to Switzerland, our team engaged with aviation underwriters at Partner Re, Sirius International, and Swiss Re. These interactions have opened doors to new possibilities and strengthened existing partnerships. We're excited about the opportunities that lie ahead and the continued growth of our global reinsurance network.



# WE HAVE MOVED



Old Address:

56, Opebi Road, Ikeja, Lagos.



New Address:

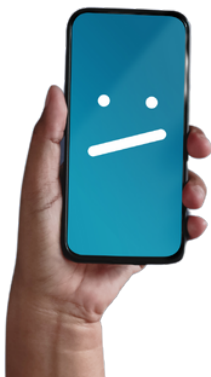
27, Ladoke Akintola Street,  
Ikeja GRA, Lagos.

Do you have any enquiries or complaints?

Or

Do you have comments or feedback on this publication?

We are eager to hear from you.



Kindly send us an email: