

MONTHLY INSURANCE NEWSLETTER

APRIL 2024 EDITION

INSURANCE INDUSTRY NEWS



Insurance broking at its best... stakeholders' satisfaction

CONTENT



02 UAE INSURERS PREPARE FOR INFLUX OF CLAIMS FOLLOWING DEVASTATING FLOODS

03 WHY HEALTH INSURANCE MATTERS: PROTECTING YOUR FINANCES AND WELL-BEING

03 NCRIB SECURES LANDMARK DEAL WITH FG TO BOOST ECONOMIC GROWTH

04 NAICOM SOUNDS ALARM: BEWARE OF FAKE RECRUITMENT WEBSITES!

04 PULA RAISES \$20M TO SHIELD NIGERIAN FARMERS FROM BANDITRY WITH INNOVATIVE INSURANCE SOLUTIONS



02 **NUGGETS**

05 **BOFF EVENTS**

NUGGETS

➔ NAICOM Gets New Board



President Bola Tinubu has appointed a new board for the National Insurance Commission (NAICOM), comprising of: Ms. Halima Kyari as Chairperson, Mr. Olusegun Ayo Omosehin as Commissioner for Insurance, Mr. Olawoye Gam-Ikon as Deputy Commissioner (Technical Operations), Dr. Usman Ankara Jimada as Deputy Commissioner (Finance & Administration), and Dr. Miriam Kene Kachikwu, Mr. Adeniyi Olusegun Fabikun, and Mr. Umar Khalifa Mohammed as members. The President expects the new board to demonstrate utmost probity and lead the Commission in ensuring a safe, sound, and stable insurance sector, protecting policyholders, the public interest, and improving trust and confidence in the sector. NAICOM was established in 1997 to administer, supervise, regulate, and control insurance business in Nigeria, protecting insurance policyholders, beneficiaries, and third parties to insurance contracts in the dispensation of its duties.

➔ Mutual and Cooperative Insurance Sector Sees Significant Growth



The global mutual and cooperative insurance sector, including takaful operators, reached a milestone in Y2022, writing \$1.41 trillion in premiums and achieving an 8-year high with a 26.3% Insurance market share. These statistics were revealed in the recently published "Global Mutual Market Share 2024" report by The International Cooperative and Mutual Insurance Federation's (ICMIF). The report depicts the growth of the Mutual and Cooperative insurance sector, aggregating data from over 4,700 mutual, cooperative, and member-owned insurers worldwide. This comprehensive report offers valuable insights into the sector's performance and influence in the global insurance market, making it a must-read for industry stakeholders. You can read through the full report to discover more.

UAE Insurers Prepare for Influx of Claims Following Devastating Floods



The United Arab Emirates (UAE) recently experienced unprecedented flash flooding, causing widespread damage and disruption to homes, businesses, and transportation. As a result, insurance companies in the region are bracing themselves for a significant increase in claims related to motor, property, and business interruption policies.

Despite the severity of the flooding, the impact on primary insurers is expected to be manageable due to low insurance penetration and extensive reinsurance cover. However, motor insurers are particularly vulnerable to natural catastrophe events, and the recent flooding is likely to have a substantial impact on motor portfolios.

It is important to note that comprehensive motor policies, which typically include flood cover, are not as common in the UAE as third-party liability policies, which do not cover natural disasters. This means that many vehicle owners may not have adequate insurance coverage to protect against flood-related damages.

In response to the flooding, the UAE Central Bank has taken steps to alleviate the financial burden on affected individuals and businesses. The bank has confirmed that damage to vehicles and homes will be covered under comprehensive insurance policies and has instructed banks and financial services companies to offer a six-month deferment of repayments for personal and car loans to affected customers, with no additional fees or interest charges.

The recent extreme weather events in the UAE and wider Gulf Cooperation Council (GCC) region highlight the need for insurers to consider how changing weather trends may affect the projected frequency and severity of claims in a given period. Insurers are already taking proactive measures to reduce potential losses, such as sending notifications to consumers during heavy rain and encouraging the construction of canopies to reduce vehicular damages during hailstorms.

As the region experiences more frequent and intense weather events, insurers must remain vigilant and innovative in their approach to risk management and loss mitigation. By doing so, they can help mitigate the impact of natural disasters and provide essential support to individuals and businesses in times of need.

Why Health Insurance Matters: Protecting Your Finances and Well-being



As we celebrated World Health Day on April 7, and more recently, World Malaria Day on April 25, we are reminded of the importance of prioritizing our health and well-being. In today's fast-paced and unpredictable world, health insurance is more crucial than ever. It serves as a vital safety net, shielding individuals and families from the financial burden of unexpected healthcare costs. Beyond mere financial protection, health insurance grants access to essential medical services when needed most, preventing health concerns from spiraling into financial crises.

The importance of health insurance is especially evident during unforeseen illnesses or accidents, which can result in astronomical medical expenses. Moreover, it encourages proactive healthcare by facilitating regular check-ups and preventive care, ultimately promoting overall well-being. In these uncertain times, where global health challenges abound, the value of health insurance shines brighter than ever. It offers stability and peace of mind, allowing individuals to navigate life's twists and turns with confidence, knowing their health and financial interests are safeguarded.

Upon reflection of World Malaria Day on April 25, we are reminded of the devastating impact of malaria on Nigerian families. According to the World Health Organization (WHO), Nigeria accounts for 27% of global malaria cases and 23% of global malaria deaths.

Despite the evident benefits, there is still a significant gap in health insurance penetration amongst the Nigerian populace today. An estimated 120 million Nigerians did not have health insurance coverage in 2022, according to International Trade Administration (ITA). It is imperative for individuals to secure health insurance, especially with rising healthcare costs and an increase in lifestyle-related diseases.

Fortunately, technological advancements and regulatory reforms are driving change in the health insurance industry. Initiatives like the National Health Insurance Scheme (NHIS) in Nigeria are playing a pivotal role in expanding health insurance coverage. Insurers are embracing cutting-edge technologies, positioning themselves for a future that prioritizes efficiency and sustainability. From automated claims processing to personalized products, InsurTech solutions are driving a systemic overhaul.

In conclusion, health insurance is a crucial safeguard against financial instability in the face of healthcare expenses. With concerted efforts from both public and private sectors, coupled with advancements in technology, goals to improve the affordability of good healthcare and improve the overall well-being of individuals and families across Nigeria. As we work together to tackle the scourge of malaria and other health challenges, let us recognize that health insurance should be a vital tool in our arsenal.

NCRIB Secures Landmark Deal with FG to Boost Economic Growth



In a significant breakthrough, the Nigerian Council of Registered Insurance Brokers (NCRIB) has sealed a crucial partnership with the Federal Government to harness the power of insurance in driving national development. This milestone recognizes the pivotal role of insurance in aiding recovery and fostering sustainable growth.

The Federal Government, through the Minister of Finance and Coordinating Minister of the Economy, Mr. Wale Edun, has pledged to work closely with professional institutions like NCRIB to implement policies that will stimulate economic growth and ensure the nation's prosperity. This collaboration aims to leverage the expertise of insurance professionals in navigating the complex risk landscape and unlocking economic opportunities.

NCRIB President, Prince Babatunde Oguntade, emphasized the need for the government to prioritize insurance as a critical component of economic reforms. He stressed that insurance can help mitigate risks, preserve resources, and promote peace of mind, ultimately contributing to economic growth.

Oguntade advocated for stricter enforcement of compulsory insurance laws, increased involvement of registered insurance brokers in government insurance accounts, and an end to virement practices that deprive the industry of revenue. He also called for the removal of NAICOM from the list of revenue-generating agencies to ensure effective legislative oversight.

This landmark partnership marks a new era of collaboration between the insurance industry and the government, paving the way for sustainable economic growth and development in Nigeria.

NAICOM Sounds Alarm: Beware of Fake Recruitment Websites!



The National Insurance Commission (NAICOM) has issued a stern warning to the public about the proliferation of fraudulent recruitment websites posing as NAICOM and soliciting job applications. These scammers are using sophisticated tactics to deceive unsuspecting victims, and NAICOM is urging everyone to be vigilant and cautious.

NAICOM has made it clear that it is not currently conducting any recruitment exercises or offering grants or financial assistance programs. Any information suggesting otherwise is false and should be disregarded. The Commission will not be held responsible for any losses or damages incurred as a result of engaging with these fraudulent websites or individuals misrepresenting NAICOM.

These fraudulent websites and individuals may request personal information, payment, or other sensitive details. NAICOM advises the public to be wary of such requests and to verify the authenticity of any communication or website before responding or taking any action.

To avoid falling prey to these scams, NAICOM advises the public to always visit its official website (www.naicom.gov.ng) for accurate information on recruitment, grants, or any other official communication. Don't let fraudsters deceive you - verify information through NAICOM's recognized communication channels.

If you suspect any fraudulent activity or have been a victim of a scam, report it to NAICOM immediately. Your prompt action will help the Commission combat fraud and protect the public.

Pula Raises \$20M to Shield Nigerian Farmers from Banditry with Innovative Insurance Solutions



In a groundbreaking move, Pula - a Kenya-based agric insurance technology company - has secured \$20 million in funding to expand its revolutionary insurance products for farmers in Nigeria and other emerging markets. This funding will enable Pula to provide comprehensive insurance coverage against banditry, disease, and animal death, empowering rural farmers to thrive in spite of unpredictable challenges.

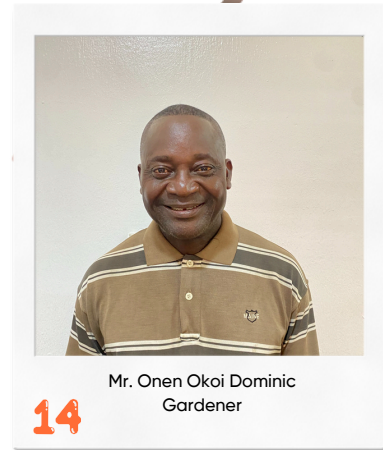
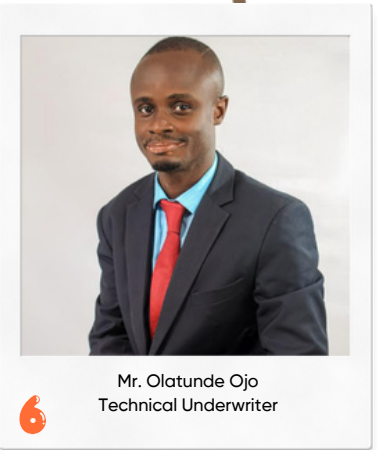
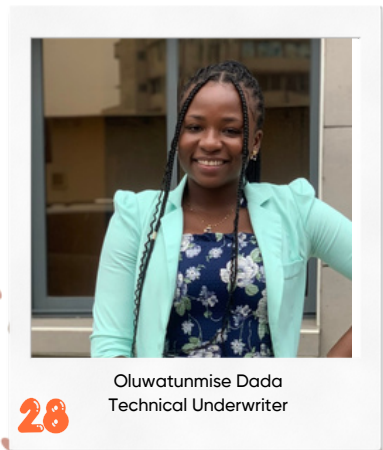
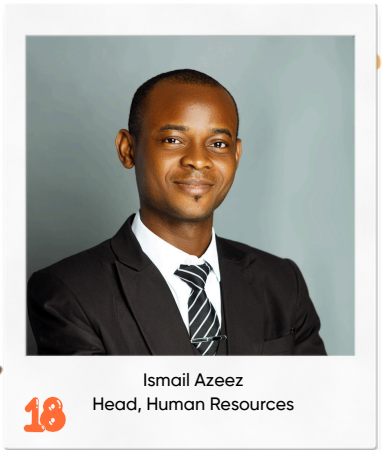
Pula's CEO, Thomas Njeru, expressed excitement about partnering with like-minded investors to drive the startup's ambitious "triple 100" vision: bringing insurance to 100 million smallholder farmers globally. With this funding, Pula aims to establish new partnerships and expand its insurance policies to include livestock coverage.

Instead of direct sales, Pula has built a robust distribution channel of over 100 partners, including charitable organizations, banks, governments, and agricultural input companies. This ensures that even the most remote farmers can access Pula's "embedded insurance" products, seamlessly integrated into farm input costs or credit.

Pula's products have already made a significant impact, with 15.4 million farmers across Africa, Asia, and Latin America benefiting from their customized insurance solutions. By providing financial protection against unpredictable events, Pula has helped farmers increase investment, yields, and savings, demonstrating the immense potential of agricultural insurance in emerging markets like those within Africa.

Pula's impact is evident in its impressive renewal rates, with 80% of farmer groups and aggregators renewing their insurance products the following year. This testament to the effectiveness of Pula's solutions has led to significant growth, underscoring the company's commitment to empowering smallholder farmers worldwide.

Birthday Celebrations



Our Acting Managing Director, Ms. Omowale Olatunde-Agbeja with Ms. Adeolu Adewumi-Zer, CEO of Zer Consulting Africa at our Lagos office



On this joyous day of

Eid El Fitr,

may your prayers be answered, and
your heart be filled with gladness.

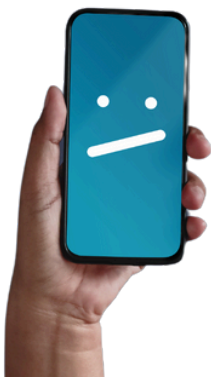
 @boffbrosers  info@boffbrosers.com

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: