

INSURANCE TODAY

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Jonan Kisakye
CEO

Message from CEO

2023 was a flurry of activity as we purposefully sought to make strides towards the goals of improving the appreciation of insurance & its uptake in the wider populace whilst ensuring that the insurers operate in a conducive environment and in the best interests of the insured. I am happy to say that we started the year with 2 licensed Micro Insurers and closed it with 5, signalling a step in the right direction.

One of our fundamental focal areas for 2024 is enhancing our Stakeholder Relationships which will entail developing & implementing an elaborate member value proposition, deepening our collaboration with the Insurance Regulatory Authority (IRA) & other industry players: ITC, Brokers, Agents, Assessors etc.

We shall strengthen strategic partnerships with similar professional associations, amplifying engagements with our development partners and formulating win-win partnerships with the media. We also seek to strengthen the Association's Institutional Capacity through reviewing & establishing an ideal organizational structure needed to smoothen the implementation of our plans, recruiting competent personnel to strengthen the leadership & efficiency of the Secretariat and setting up a fully-fledged Research & Data Analytics Unit.

Seeing that clear structures are crucial for seamless operation, we are looking to develop and implement Standard Operating Procedures for the Association, a standard UIA Culture, a robust Human Resources (HR) Manual, a Risk Management Framework and a strong Monitoring & Evaluation Framework. We are cognizant of our rapidly evolving digital environment and therefore wish to leverage technology to increase insurance penetration by improving automation and digitization of all UIA processes, developing user-friendly member engagement platforms, putting in place a public engagement platform that's fully-furnished with insurance-related information and build capacity to drive innovation, product development & penetration of insurance.

While inroads have been made in increasing UIA's visibility & impact, the efforts won't recede in 2024 as we work towards positioning UIA as the Insurance Thought Leader, developing an Insurance Literacy Agenda/Strategy, revamping the UIA Website and reviewing & implementing our Building Project.

I wish to also inform members that UIA championed the “First Aid Box” fundraiser campaign to raise funds for a new ambulance for the Uganda Red Cross Society (URCS) which we kick started with an initial contribution of UGX 100,000,000. This is in support for URCS’ commendable charity work of being at the fore front of saving lives, a key reason for the partnership. This is also in line with UIA’s commitment to road safety. By virtue of the fact that we offer Motor Insurance & Medical Insurance, we believe that we share some responsibility in what transpires on the road and ought to do whatever we can to help. We therefore urge you all to contribute to this cause so that we can raise the UGX 300,0000,000 needed for the new ambulance.

To conclude, as the New Year takes shape, we are more energized than ever to work tirelessly towards the betterment & expansion of insurance in Uganda. It is not a walk we shall take alone but together with our esteemed membership, partners & stakeholders. Without a doubt, we shall all prevail and make 2024 one for the books.



Annet Katusiime
Market Development
Manager

Market Development Highlights for 2024

The Market Development Desk is responsible for expanding the insurance client base to support the UIA members in achieving their business goals. We therefore work closely with industry stakeholders, development partners, government agencies and other similar organizations to identify promising initiatives and develop effective projects and programs.

In the year 2024, our main focus is on providing relevant valuable market insights and information, creating platforms for business planning, product development, innovation and market expansion opportunities. A number of activities have been earmarked to achieve this.

Strategic Partnerships are part and parcel of the UIA's operation and that's why, over the years, the Association has enjoyed thriving partnerships with various stakeholders in different fields. We wish to enhance the existing ones, initiate new ones to create more opportunities for members to engage in productive dialogues, collaborate & derive business from the same. To be specific, we plan on having various business-to-business engagements and activities that will enable members to showcase their business solutions and leverage each other's strengths. Case in point is the on-going collaboration with Agent Banking Company (ABC), which will allow our members to access their agent outlets, to distribute pre-underwritten insurance products and a payment platform for existing policies.

Our engagements with strategic partners will also entail information sharing on relevant industry-specific policies, regulations, best practices and emerging trends. Research and development studies & surveys remain fundamental to our plan as this will inform business growth initiatives and help to inform product enhancements and innovations. We also seek to build capacity through sensitization drives and seminars on insurance services.

The second key activity is Lobbying and Advocacy which forms part of UIA's mandate. We have scheduled engagements and meetings with government and government agencies to discuss insurance industry issues. These meetings will culminate in a policy dialogue that is set to take place in the second quarter of the year. The main objective of this dialogue is to bring together stakeholders to have open, in-depth discussions on the major barriers hindering the uptake of insurance as a risk management tool in Uganda. We will also explore ways to alleviate these barriers and encourage the adoption of insurance services. From the dialogue, we expect to develop a set of recommendations and an action plan for policymakers aimed at promoting insurance services and driving financial inclusion.

The third key activity is the development of the Insurance Literacy and Inclusion Strategy. UIA is charged with sensitizing the public on the concept of insurance as a service to ensure that both existing and prospective customers clearly understand and appreciate its value. Together with the Africa Re Foundation, we have embarked on a project to develop a robust and effective strategy for disseminating accurate, comprehensive, and simplified insurance-related information and services to stakeholders & the general public. This will enable them to make well informed decisions at the point of accessing insurance services. As a result, we expect to produce a strategy document by the end of the second quarter that will provide a framework for disseminating insurance-related information and services in a clear and concise manner that is easily accessible to everyone.

Lastly, enhancing UIA's visibility & impact is another focal area for 2024. In line with our current 5-year strategic plan and deliberations from our last Annual General Meeting, it was resolved that UIA establishes a training section that would concentrate on enhancing the practical technical skills of our members. To this end, we have planned a number of capacity building sessions several throughout the year, which will be conducted by experts & partners in the fields of Oil and Gas, Environmental Social and Corporate Governance and Artificial Intelligence.



Angella Kemigisa
Research Officer

2024 Research Plans

It is a fact that the current insurance uptake numbers remain abysmal.

The 1% penetration undoubtedly looks grim but on the upside, it is indicative of untapped potential for insurance in the Ugandan market. What this means is that we have the not-so-enviable task of identifying the “what’s”, “why’s” & “how’s” one sector at a time. This will in turn inform the interventions to plug the gaps which range from tailored product development to advocating for favourable legislation and policy reviews that can lead to growth in revenues for the insurance industry. In a nutshell, research could hold the master key to unlocking this untapped potential.

Good news is that research is an integral part of our UIA’s 5-year strategic plan. If we are to go by last year, the Secretariat made huge leaps towards actualizing this. A fully-fledged research desk was established and undertook a number of market studies including: an Insurance Coverage & Needs Survey that was conducted among members of Kampala City Traders Association (KACITA), Mbarara City Traders Association (MBACITA) & Mbale City Traders Association (MACITA) in July, 2023, the Workers Compensation Survey that was conducted in August 2023, targeting employers, employees and other stakeholders across 17 districts. A Medical Industry Actuarial study aiming at getting a better understanding of the medical insurance industry was also commissioned and done. Through its Research & Market Development desks, the UIA Secretariat is very keen on using research and data analytics to generate reports that can be used by its members to make informed decisions and open new markets for them. This will also inform the basis for lobbying and advocacy work. In line with this, a number of focus areas have been earmarked for research in 2024. These include but not limited to;

A Research study on the uptake of insurance among education institutions aimed at lobbying for the inclusion of fire insurance cover for schools in the basic requirements and minimum standards for education institutions.

A Public Insurance Survey among the general public on knowledge and attitudes towards insurance to aid in UIA’s awareness initiatives and industry at large and form the basis for the Insurance Literacy and Inclusion Strategy.

Insurance coverage and needs among the members of the Uganda Manufacturers Association (UMA) to establish their uptake of insurance, unmet needs, barriers & gauge their willingness to insure against the risks their businesses are exposed to. This will aid in the development of products relevant for them.

UIA also seeks to cultivate an insurance culture among the youths and add on the body of knowledge in the insurance sector through sponsoring university students to undertake research in insurance-related topics.



Badru Bengo
Manager - Life, Medical
& Pensions

Life, Medical & Pensions Outlook for 2024

In the ever-evolving landscape of healthcare, Life Insurance, and Pension Management, the Medical, Life, and Pensions Department is gearing up for an ambitious year. As we step into 2024, the department is committed to implementing a series of strategic plans aimed at bettering uptake, improving customer experiences while staying on top of all industry developments.

One of our key objectives is to promote medical insurance and curb the high loss ratios. The department aims to achieve this by supporting in the implementation of the claims management framework and effective dissemination of the actuarial report to all concerned stakeholders.

We aim to hold regular engagements with medical service providers and HMOs to smoothen the work relationships. The department also seeks to promote Life & Pensions business through publicity campaigns, life camps and community drives in different parts of the country with the Life members. These initiatives seek to popularize Life Insurance & Pensions, provide opportunities to interact with policyholders and increase overall efficiency.

We also want to leverage collaborations to boost Pensions. On behalf of our membership and the insurance industry at large, we intend to develop working relationships with Uganda Microfinance Regulatory Authority (UMRA) & National Social Security Fund (NSSF), offer them more flexible products and propose models of implementation. Educational campaigns will be conducted to raise awareness about the significance of early pension planning. Additionally, we plan to introduce innovative investment strategies aimed at optimizing returns for pension holders in the ever-changing economic environment. A major focus for 2024 is enhancing the overall customer experience. The department plans to implement a customer-centric approach by investing in customer service training and improving communication channels. This is, so that policyholders feel supported and valued throughout their journey. The department intends to hold relevant engagements with various stakeholders such as banks & bancassurance supervisors on premium collection. We plan on holding a Life Insurance & Pensions Forum with the Association of Micro-finance Institutions in Uganda (AMFIU) to identify their members' insurance needs. We are also organising a Life Managers' Forum on underwriting and claims bringing together claims and underwriting managers to discuss industry concerns.

In an effort to empower individuals with knowledge about healthcare, life insurance, and pension planning, the department will conduct community outreach programs and educational initiatives. Seminars, workshops, and informative campaigns will be organized to spread awareness and foster financial literacy.



Gilbert Emojong
Technical Assistant
Non Life

2024 from the Non-Life Lens

The Non-Life Department is in full force for the year 2024. In a bid to create value for our members, the department is prioritizing a number of main areas in line with the Association's 5-year strategic work plan. A number of these happen to be technology-driven. One of the key priority areas is the operationalization of local Marine Cargo Insurance. Following the commencement of the implementation of the Insurance Act 2017, it is our responsibility to ensure that the enforcement is smooth on the insurer's part. To this end, efforts are underway to fast-track the effectuation of a fully functional Marine Insurance platform. In the same vein, we aim to drive Marine Cargo Insurance uptake by improving its appeal to importers and the general public through a clear value proposition of its benefits.

Improving the uptake of Motor Third Party Insurance is another priority area. This we plan to achieve through ensuring growth in compliance by motorists and driving the appreciation & purchase of enhanced Motor Third Party Insurance. Therefore, awareness drives targeting motor vehicle & motorcycle owners, pedestrians and passengers are set to take place. We are cognizant of the need to ensure that accident victims know their rights and seek compensation. We will continually monitor and improve the conditions under which the Motor Third Party agents conduct business. To support the enforcement arm, we intend to conduct traffic police engagements in all regions to address the existing information gaps on Motor Third Party Insurance and provide them with all the necessary support they need to improve on Motor Third Party Insurance enforcement.

To support UIA in fulfilling its advocacy mandate, Worker's Compensation is also a key priority area. The department is set to undertake and conclude consultations on the draft guidelines for Workman's Compensation in all regions to facilitate the amendment of the Worker's Compensation Act. We also plan to embark on awareness efforts to bridge the existing knowledge gap on Worker's Compensation Insurance.

Over the years, the Association has been active in road safety campaigns. This is set to continue with the Non-Life Department spearheading the Association's efforts. Sensitization activities meant to curb road carnage will also target schools & universities to cultivate the youngsters' adherence to responsible road use. It should be noted that while a few Non-Life Insurance lines have been mentioned, the department is keen on promoting all the policies offered under Non-Life Insurance with the foresight of improving the understanding and appreciation of insurance in general.

MEDICAL INSURERS & MEDICAL SERVICE PROVIDERS DISCUSS THE STATE OF MEDICAL INSURANCE

We took part in the Medical Service Providers Breakfast Meeting at Fairway Hotel organised by the Uganda Healthcare Federation & UIA. The objective of the meeting was to discuss issues pertinent to Health Insurance based on the Medical Actuarial Study Report, and to forge a way forward for the benefit of both the insurers & medical service providers.



Mr. Ambrose Kibuuka, the CEO of ICEA Lion General Insurance who represented the UIA Chairman noted that medical insurance has grown steady in the past 3 years from UGX 243 Billion in Gross Written Premiums in 2020, UGX 276 Billion in 2021 to UGX 321 Billion in 2023 but remains the class of insurance with the highest gross pay-outs: UGX 196 Billion in 2020, 224 Billion in 2021 & 269 Billion in 2022, a trend that poses a sustainability threat to the medical insurance business. He however urged the players to remain positive whilst working on solutions to ensure the continuity of the business.



The Medical Insurance Committee Chairman, Mr. Dan Musiime echoed the need for medical insurers and service providers to move in the same direction, commit to resolving issues as they come for the mutual benefit of the businesses and the customers.



The Executive Director Uganda Healthcare Federation, Ms. Grace Ssali Kiwanuka called for more frequent engagements revolving around the operational concerns of health insurance.

- *Mr. Ambrose Kibuuka revealed that a Medical Symposium to discuss aspects pertinent to medical insurance will take place in July 2024.*
- *Ms. Grace Ssali Kiwanuka urged high value medical facilities to actively come on board for these engagements.*
- *Mr. Ernest Magezi presented the Medical Actuarial Study Report.*

UP COMING ACTIVITIES



OIL & GAS SYMPOSIUM

Four Points
By Sheraton   20th - 22nd
Feb, 2024.

THE ALBERTINE PROGRESS REVIEW

Albertine Region   23rd - 25th
Feb, 2024.

