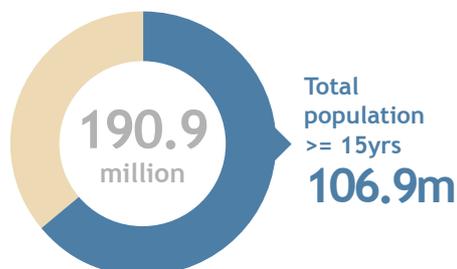


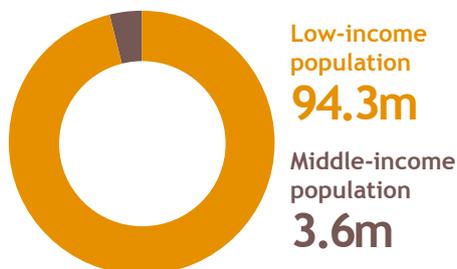


Potential insurance market size

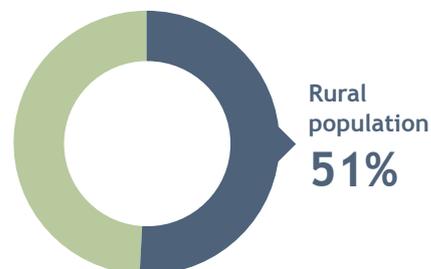
Total population



Income population



Rural population



GDP per capita

Nigeria \$1,994



Financial inclusion



Average life expectancy



Adult literacy rate



Mobile subscriptions



Internet users



Focus on insurance

Insurance penetration (\$ premiums/GDP)	0.24%
Insurance density (\$ premiums per capita)	US\$4.7
Total gross written premiums (life)	\$274.0 million
Total gross written premiums (non-life)	\$628.0 million
Microinsurance gross written premiums	\$5.9 million
Microinsurance lives covered	2.2 million
Microinsurance lives covered (% of low and middle income population)	2%
Number of fully qualified actuaries	9
National insurance association	Nigerian Insurers Association (www.nigeriainsurers.org/)
Insurance regulator	National Insurance Commission (www.naicom.gov.ng/)

The National Insurance Commission (NAICOM) was established in 1997 by the National Insurance Commission Act 1997 with responsibility for ensuring the effective administration, supervision, regulation and control of insurance business in Nigeria. The Commission is also charged with this responsibility in protecting insurance policyholders, beneficiaries and third parties in their insurance contracts.

Regulatory Snapshot

On 1st January 2018 NAICOM's (National Insurance Commission) new microinsurance guidelines came into force. The guidelines include both a qualitative and quantitative definition of microinsurance setting a maximum limit on the sum insured. All microinsurance intermediaries are required to obtain a licence and the guidelines list out a broad range of different types of entities which are eligible to apply. Caps are placed on the level of acceptable commissions for both life and non-life insurance business. A dedicated microinsurance licence is also foreseen with lower capital requirements. All microinsurance products are subject to the Commission's approval. The guidelines also seek to ensure consumer protection through simplified disclosure requirements, restrictions on claims payment periods and establishment of complaints management systems.

Definitions:

Income groups: low-income live on on \$2.01-10, middle income on \$10.01-20; figures expressed in 2011 purchasing power parities in 2011 prices.

Microinsurance: insurance products targeting the low income population.

Fully Qualified Actuaries: members of a full member association of the International Actuarial Association.

Sources:

African Development Bank Group - African Financial Sector Database; International Monetary Fund World Economic Outlook Database; International Telecommunications Union; Pew Research Center; Swiss Re Institute Sigma Explorer; The Brookings Institution; United Nations Population Division; World Bank - Global Findex Database 2017; World Bank - World Development Indicators Database; World Health Organization.

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