



CHARTERED INSURANCE INSTITUTE OF NIGERIA MONTHLY E-NEWSLETTER

VOLUME 1, ISSUE 12

August, 2018

CIIN President leverages professionalism to advance insurance practice

The task of raising professionals for the insurance industry is one of the responsibilities of the Chartered Insurance Institute of Nigeria (CIIN) which was set up to equip practitioners in the sector with requisite knowledge needed to carry out underwriting activities in the country.

To ensure that practitioners acquire the needed skill and adhere to the industry's code of conduct, the newly elected President of the CIIN, Eddie Efekoha, has said his administration whilst building on existing structures laid by his predecessors, will focus on education and professional development.

Efekoha, who stated this at his investiture in Lagos, recently, noted that corporate governance, quality and quantity of human resources are major issues that operators must continue to address to keep our industry relevant, stressing that his administration is conscious of the statutory role of the institute as the educational arm of the Industry, therefore they have been guided by this fact to arrive at the theme of his presidency which will focus on education and professional development.

"It is against this background that I have chosen to make Advancing Insurance Education and Professionalism the theme of my tenure," he said.

He maintained that in advancing insurance education and professionalism, he will give attention to infrastructural development at the College of Insurance, adding that the institute has achieved so much infrastructural development at the College of Insurance and Financial Management Studies within a short time.

Institute's Activities in the Past Month

1. Presidential valedictory address
Date: July 18, 2018
Venue: Lagos
2. Annual General Meeting/Election
Date: July 18, 2018
Venue: Lagos
3. Investiture of the 49th president of CIIN
Date: July 24, 2018
Venue: Lagos

Upcoming Events

1. Annual Insurance Family Picnic
Date: Saturday 18th August 2018
Venue: The Eleko Beach

Participation Fee for Companies:
N50,000
2. 2018 Insurance Professionals' Forum
Date: Wednesday 19th September 2018,
to
Saturday, 22nd September 2018
Venue: Park Inn by Radisson,
Abeokuta, Ogun State,



From left: Director-General Chartered Insurance Institute of Nigeria, Richard Borokini, President, Eddie Efekoha, Mrs Ogheniyoreh Efekoha and past President, Bola Temowo at an event in Lagos.

"We have to sustain the tempo to make the College the pride of our efforts. It is against this background that we have chosen to commence work on the construction of the Auditorium, complete on-going development of the sporting facilities and furnishing of the Rector's lodge. These will be the major projects at the College during my tenure, while not neglecting all other areas of need," he said.

He also pledged to advance insurance education by making the Chartered Insurance Institute of Nigeria examination more accessible and affordable for students; promote the emergence of a new generation of Insurance professionals; review the Insurance Textbook for Secondary Schools; institutes best graduating insurance students awards in accredited institutions; equips accredited Insurance Departments in Tertiary Institutions; re- invigorates and continuing existing programmes on insurance awareness; accredits and establish new insurance programmes in selected Universities across the nation and organise insurance lectures and workshops.

On professional development, he maintained that there would be collaboration with National Insurance Commission (NAICOM) and other arms of the industry to enhance post-qualification development of practitioners.

Moreso, he noted that there will be continuous development of the manpower, process and physical structure of the institute to ensure operators are responsive and efficient, stressing that the established working relationship with the CII London, will be sustained.



Insurance practitioners at the investiture of President of Chartered Insurance Institute of Nigeria Eddie Efekoha in Lagos.

Other areas of concern according to him, would be standardization of Insurance agents certificates; introduction of single subjects' examinations in special areas of practice to meet the needs of the industry, adding that this would include Life, Oil and Gas.

He also pledged to replicates MCPD programmes in other chapters of the Institute; sustain the society of fellows' evening; have international exchange programme and keep the elders' forum going.

He posited that the vision would be reduced to specific goals and targets with time frames to be pursued vigorously within the next one year.

Meanwhile, Members of the prestigious Ikeja Golf Club have endorsed Eddie Efekoha, a foremost member of the club, by stating their confidence in his ability to bring growth and engender stakeholder participation during his tenure as the 49th president and Chairman, Council of the CIIN.

The golfers, at a dinner organised in honour of Efekoha at the Club House of the Ikeja Golf Club, stated he had distinguished himself as a member of the club and in the Insurance industry and therefore his investiture as the president was fitting recognition for a man who had become the epitome of focus, commitment and a yardstick for measuring distinction in craft.

Captain, Ikeja Golf Club, Bola Temowo, said Efekoha was a committed golfer who wore his heart on his sleeve on the golf course and in whatever he set his mind on doing.

He also touched on Efekoha's love for family as a unifying factor and stated that he was sure the New President would bring all his sterling traits to bear in moving the Institute forward.

Temowo, ended by pointing out that there was considerable representation of the Institute at the Club, assuring the CIIN boss of the club's support throughout his tenure.

Efekoha had stated earlier on during the CIIN investiture ceremony proper which was held in Lagos, that his tenure would see him focus on 'Advancing Insurance Education and Professionalism'.

He opined that continuity was a key factor in ensuring defined growth and as such, he would build on the existing foundations laid by his predecessors in addition to embarking on new projects and plans.

STAND OUT
From The Crowd

WITH A PROFESSIONAL QUALIFICATION IN
INSURANCE

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INSURANCE INDUSTRY NEWS

Underwriters position for tier-based operations

Foremost insurance companies in the country are already positioning themselves for the tier-based capital regime recently announced by the National Insurance Commission (NAICOM) which will commence by January 1, 2019.

The underwriters, who have applauded the initiative said they are ready to occupy the frontline when the initiative kicks-off. According to them, the initiative would really transform underwriting operations in the country.

The Managing Director, FBNInsurance Limited, Val Ojumah, said the duo of FBNInsurance Limited and FBN General Insurance Limited will play in tier 1 category comes next year.

He noted that the initiative taken by the industry regulator remains one of the best things to have happened to the insurance industry in recent times, stressing that the initiative will help address the ills in the industry.

According to him, the initiative will help build capacity for underwriters, meet claims responsibilities and act professionally. He added that the step will also help push up prices of insurance stocks at the Nigerian Stock Exchange (NSE).

He said the firm has been underwriting risks in oil and gas and aviation sectors as well as writing annuity business, promising that these critical areas of its business would receive greater attention in the envisaged business model.

Ojumah maintained that the firms will also expand their branch network to cover all parts of the country, which will help to deepen insurance penetration.

Managing Director/Chief Executive Officer, FBN General Insurance Limited, Bode Opadokun, said the Risk-Based Categorisation (RBC) will reposition industry, adding that it will also strengthen financial positions of firms and improve Return On Investment (ROI).



From left: Past President, Chartered Insurance Institute of Nigeria (CIIN) Funmi Babington-Ashaye; President, Eddie Efekoha and Past President, Lady Isiola Chukwuma at the investiture of Efekoha in Lagos.

He commended NAICOM for the initiative, stressing that the step will pave way for engagement of competent hands by underwriting firms and encourage professionalism.

The Managing Director/Chief Executive Officer (CEO) of Leadway Assurance Company Limited, Oye Hassan-Odukale, also has commended NAICOM for the introduction of Tier-Based Minimum Solvency Requirement (TBMSR).

Hassan-Odukale, who is also the Chairman of the Sub-Committee on Publicity and Communication of the industry's Insurers' Committee, believes the introduction of the solvency requirement for insurers in Nigeria commencing January 1, 2019, will help to restructure the market in a way that insurers can choose which part of the consumer segment (retail, commercial or industrial) is best served based on the capital fund that it holds or is able to deploy.

He stated that with this restructuring, insurers do not have to be compelled to increase capital to underwrite risks that stress their capital without delivering commensurate returns to capital providers/shareholders. He believes that the restricting will foster the emergence of players with capacity to become retail specialists or become specialist underwriters of big-ticket risks in critical sectors of the economy, such as the aviation and oil & gas, whilst accelerating the growth of the industry and its contributions to the Gross Domestic Product (GDP) of the country.

He also expressed his confidence in the initiative stating: "The news of NAICOM's introduction of TBMSR is a positive one. I am confident that it is an initiative with potential upside for the industry to grow and take its rightful position as a formidable contributor to our national economic activities, growth and development as it is in developed economies.

The Board of NSIA Insurance Limited has joined the league of operators commending NAICOM for its efforts to develop and deepen the Insurance Market with the introduction TBMSR model.

The Board believes this initiative will encourage more effective deployment of Capital and Specialisation amongst insurers

Tier-based minimum solvency capital structure is a complimentary measure to the ongoing implementation of the risk-based supervision programme by NAICOM and is aimed at supporting the nature, scale and complexity of the business conducted by insurers.

Insurers to tackle fraudulent claims with BVN

Poised to curtail incidences of fraudulent insurances, the Nigerian Insurers Association (NIA) is considering the utilisation of Bank Verification Number (BVN) validation service for validating identity of prospective clients and beneficiaries of claims.

The Director-General NIA, Mrs Yetunde Ilori, stated this in a report, adding that the initiative will be linked with the Nigerian Insurance Industry Database (NIID).

She noted that the claims module of the NIID platform has been strengthened to flag and report suspected cases of multiple insurance/claims and these had led to early detection of cases of probable fraudulent claims.

Ilori said the NIID has proved to be a major breakthrough in the operations of insurance in Nigeria, and has become a good case study for some African markets.

The Industry generated N153.10 million from data uploads on the NIID in 2017.

The NIA said this in its 2017 financial statements, adding that interest accrued on the NIID accounts was N3.06 million; disbursement during the year, N102.07 million; transfer to the association's account, N43.40 million, while the balance at the end of the year stood at N79.97 million.



From left: Executive Director; FBNInsurance Limited, Ekpe Ukpabio; Managing Director/Chief Executive Officer, Val Ojumah; Head, Business Development, Shola Osho and Managing Director/Chief Executive Officer, FBN General Insurance, Bode Opadokun, at an event in Lagos.

BUSINESS AND ECONOMY NEWS

Nigeria's external reserves fall below \$47bn

The nation's foreign exchange reserves have dropped below \$47 billion losing \$251million per cent in the first six days of the month, data from the Central Bank of Nigeria (CBN) has revealed

The reserves, which stood at \$47.119bn as of July 31, fell to \$46.868bn on August 6, the lowest level in nearly four months.

The CBN data showed that the external reserves rose from \$46.845bn on April 11 to \$46.881bn on April 12. The reserves hit a high of \$47.798bn on July 5 and had been declining since then.

Analysts at FSDH Research, in a Monthly Economic and Financial Markets Outlook released recently, noted that the external reserves recorded persistent drawdown in July.

"This was due to the foreign investors' pull-back from the Nigerian market and the increase in demand at the foreign exchange market. The 30-day moving average external reserves decreased by 1.32 per cent, down from \$47.79bn at end-June to \$47.16bn at the end of July.

"The total inflow through the Investors' and Exporters' FX Window (I&E Window) between April 2017 and July 2018 stood at \$34.29bn. Our analysis shows that the total inflow through the Investors and Exporters Window in July was the lowest figure recorded since August 2017. The two largest contributors to the inflow in July were \$0.56bn from other corporates, and \$0.54bn from Foreign Portfolio Investments," analysts said.

They added that the favourable crude oil price offered support to the accretion to the external reserves in the

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