



# MONTHLY E-NEWSLETTER

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## CIIN President underscores benefits of technology to insurance growth

The use of technology to its full capacity will encapsulate the insurance industry to new heights, the President, Chartered Insurance Institute of Nigeria (CIIN) Sir. Muftau Oyegunle, has said.

He disclosed this at the 2021 Lagos Chamber of Commerce and Industry (LCCI) Insurance Stakeholders' Consultative Forum in Lagos.

Whilst speaking on the theme: Nigerian Insurance Industry; Breaking New Frontiers, he submitted that insurance technology will be the most formidable means that will transform the sector from being obscure to one that succeeds by placing the customer at the centre of everything.

According to him, there is a need to groom world-class manpower for improved performance and the growth of the industry. "There is a popular saying in H.R. "If you don't train them, don't blame them". Former president of the United States of America Barack Obama tasks the mind to thought with his assertion that "Knowledge is the most valuable product a man can sell", he posited

He stated that the Chartered Insurance Institute of Nigeria is the premier professional body that caters for insurance professionals by continuously providing them with the knowledge required to improve performance, become world beaters and ultimately become drivers of defined growth within the industry.

The institute's professional development curriculum and training programs for all cadres in the industry, he said ensures that vital knowledge is readily available and circulated within the industry. He further stressed that most recently, the institute renewed its partnership with the Chartered Insurance Institute United Kingdom to boost the human capital and enable knowledge sharing of international best practice and ethics in the insurance industry.

The activities of the institute, he maintained has given rise to the birth of the College of Insurance and Financial Management, adding that the College is saddled with providing in-depth training in insurance, financial management and marketing in order to create an expert-driven resource pool for the industry to benefit from.

Oyegunle noted that the Institute has also embarked on an aggressive campaign targeted at spreading the tenets of Insurance to the youths in Universities and in secondary schools through well-organized programs aimed at catching them young, adding that it is the belief that the generation next will bring the much-desired elements that will raise the bar with respect to the level of performance.



Sir Muftau Oyegunle

According to him, with these put in place, the Nigerian Insurance Industry can be positioned to be a global frontier in the coming years.

## CIIN Ramadan Tafsir: Islamic cleric proffers solutions to kidnapping, banditry

The passing of commensurate punishments on offenders would help stem the menace of kidnapping, banditry and other social vices bedeviling the country.

A lecturer of Insurance Department, Faculty of Management Sciences, University of Lagos, Dr Tajudeen Yussuf, said this at the 2021 Chartered Insurance Institute of Nigeria (CIIN) Ramadan Tafsir in Lagos.

Whilst speaking on the theme: 'The Menace of Kidnapping, Armed Robbery, Disruptive Protest and Other Social Vices in Nigeria: The Islamic Remedy', he said requital of those who wage war against Allah and His Apostles, and try cause corruption on earth, is that they shall be slain or crucified or have their hands and feet cut off from opposite side or be banished from the land.

He submitted that the punishment serves as a disgrace for them in the world and the hereafter, stressing that there is a great punishment for them exempting those who repent and acknowledged Allah as all-forgiving and all-merciful.

According to him, social vices are caused by a lack of fear of the creator as the lawgiver; a lack of appreciation of the essence of life; a lack of belief in the hereafter; worship of materialism and corruption of the soul.



Participants at the National Insurance Commission inauguration of the Sub working Groups of Insurance Industry Financial Reporting Working Group in Lagos.

## Chartered Insurance Institute of Nigeria Mourns Past President Onifade

The President, Chartered Insurance Institute of Nigeria (CIIN) Sir. Muftau Oyegunle and some Committee members including the Director-General, Mrs. Abimbola Tiamiyu, had on Tuesday, May 18, 2021, paid a condolence visit to the Family of the Late Past President of the Institute, Mr. Khanunel Emmanuel Bamidele Onifade.

The President at the visit presented the insurance death benefit cheque put in place by the institute to the late president's wife.

On their arrival at Late Past President's residence, they were received by the Late President's wife, Mrs Iyabode Onifade his daughter Ms. Janet Onifade and grandson.

The President, Elder Oniwinde and Past President Dr Fatai Lawal took turns to talk about the late president. They all spoke about his tenacity for work, his love for his family, and his humility.

### Institute's Activities in the Past Month

April Diet Examinations

Date: Monday 12<sup>th</sup> - Friday 16<sup>th</sup> April, 2021.

Venue: Nationwide

Ramadhan Tafsir

Date: Thursday April 29<sup>th</sup>, 2021.

Venue: Lagos Central Mosque

### Upcoming Events

Quiz Competition for Secondary School

Date: Thursday June 3<sup>rd</sup>, 2021.

Fitness Walk

Date: TBD

In attendance at the visit were, President Sir, Muftau O. Oyegunle; Deputy President, Edwin Igbiti; Elder A.K Oniwinde; Past President and Managing Director, Sterling Assurance Dr Fatai Lawal; Chairman, Office Representatives Committee, Mr. Gbenga Elusakin; Director General, Mrs. Abimbola Tiamiyu; Mr Nobert Eluonye; Mrs. Ogunlusi and Miss Adejumo.

Onifade, who died on April 22, 2021, at the age of 83 is survived by his wife, children and grandchildren.

Onifade served as the institute's president in 1978.



President, Chartered Insurance Institute of Nigeria, Sir. Muftau Oyegunle and some Committee members including the Director-General, Mrs. Abimbola Tiamiyu, at the condolence visit to the family of Late Past President of the Institute, Mr. Khanunel Emmanuel Bamidele Onifade.



President, Chartered Insurance Institute of Nigeria, Sir. Muftau Oyegunle and some Committee members including the Director-General, Mrs. Abimbola Tiamiyu, at the condolence visit to the family of Late Past President of the Institute, Mr. Khanunel Emmanuel Bamidele Onifade.

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# INSURANCE INDUSTRY NEWS

## NAICOM inaugurates group to provide guidance for adoption of IFRS 17

The National Insurance Commission (NAICOM) has inaugurated the Sub Working Groups (SWGs) of the Insurance Industry Financial Reporting Working Group (IIFRWG), which was constituted to assist the Insurance Industry Financial Reporting Working Group (IIFRW) and provide guidance for seamless adoption of IFRS 17 which will take effective January 1, 2023.

The Commissioner for Insurance, Sunday Thomas, at the event in Lagos, said the Insurance Industry Working Group (IIFRWG) which is an initiative of the Commission was inaugurated on 2nd of March 2020 as an advisory and consultative team of experts for the purpose of seamless adoption of IFRS 17 in Nigeria, stressing that the initiative is in line with the Commission's strategic goal as IFRS 17 will facilitate transparency and accountability in financial reporting. "On this note, I am glad to state that the Working Group has performed creditably well and we appreciate all the members for selfless service to the Nigerian insurance industry in this journey to IFRS 17," he said.

"We all know that in May 2017 the International Accounting Standard Board (IASB) issued the International Financial Reporting Standard 17 (IFRS 17) Insurance Contract which will replace the present IFRS 4 on accounting for insurance contracts with an effective date of January 01, 2023.

"Thus, beginning from January 01, 2023, all insurance and reinsurance contracts must be reported in accordance with IFRS 17 whose objective is to ensure that it provide relevant information that faithfully represents the insurance contracts. This information forms the basis for users of financial statements to assess the effect that insurance contracts have on the entity's financial position, financial performance and cash flows.

"If the effective date of application is not shifted further by the IASB, it, therefore, means that Nigeria insurance industry has less than two (2) years to prepare for the adoption of IFRS 17. It is against this backdrop that the Commission hereby constitutes a Sub Working Group that will help to foster the country's adoption of the IFRS 17 in line with best practice.

"The Commission had equally issued a "Roadmap" on Adoption of IFRS 17 Insurance Contract for Insurance Industry in Nigeria" on January 28, 2020. The activities and timelines in the Roadmap are intended to set the tone and facilitate a coordinated process and action steps. The Roadmap was issued for general adoption by all Insurance, Reinsurance, Takaful and Micro Insurance Companies in Nigeria.

"In addition to the inauguration of the IIFRWG and issuance of the Roadmap, the Commission had organized an IFRS awareness training on IFRS 17 for CEOs, Non-Executive Directors and Accountants of insurance and Re-insurance companies in Nigeria. The two days awareness training session was an equally huge success.

"It is now in furtherance to providing technical recommendations and production of relevant guidance for the implementation of IFRS 17 that members of the IIFRWG are now grouped into SWG that we are today inaugurating. The Sub Working Groups are constituted to assist the IIFRWG in the achievement of its mandates by considering those technical aspects in the implementation of IFRS 17 and that will support in the seamless transition," he said.

Thomas maintained that Members of the various SWGs comprises some selected members of the IIFRWG and the co-opted members selected from the various organisations.

According to him, membership of each of the SWG was selected based on a member area of strength in terms of knowledge and experience to contribute meaningfully to the achievement of the assignment of the SWG. The aim is to ensure that the views from stakeholders interested in insurance financial reporting issues are properly considered in SWG discussions.

He stressed that the Sub Working Group is advisory in nature. Thus, the Sub Working Group's output will always take the form of recommendation to the IIFRWG for further consideration.



## Mr. Sunday Thomas CIIN releases result

The Chartered Insurance Institute of Nigeria (CIIN) on May 7, 2021, released the April 2021 diet examination results to the public after a successful examination and marking exercise. The date for the registration of the October diet examination will be released to the general public in due time.

## BUSINESS AND ECONOMY NEWS Nigeria's inflation drops by 0.05% in April — NBS

The National Bureau of Statistics (NBS), said the inflation rate reduced by 0.05 per cent in April compared to what obtained in March.

It said while the inflation rate stood at 18.17 per cent in March, it reduced to 18.12 per cent in April.

The rate was contained in the NBS's Consumer Price Index (CPI) report for April 2021 released on Monday in Abuja.

The CPI measures the average change over time in the prices of goods and services for day-to-day living.

The report also said increases were recorded in all Classification of Individual Consumption by Purpose (COICOP) divisions that yielded the headline index.

"On a month-on-month basis, the headline index increased by 0.97 per cent in April. This is 0.59 percentage points higher than the rate recorded in March (1.56 per cent)", the report said.

The NBS said that the percentage change in the average composite of CPI for the 12 months period ending in April over the average of CPI for the previous 12 months period was 15.04 per cent.

This, it said, represented a 0.48 per cent increase over 14.55 per cent recorded in March. It, however, said that the rural index also rose by 0.95 per cent in April, down by 0.57 per cent, compared to the 1.52 per cent rate recorded in March.

"The corresponding twelve-month year-on-year average percentage change for the urban index is 15.63 per cent in April.

"This is higher than 15.15 per cent reported in March, while the corresponding rural inflation rate in April is 14.48 per cent compared to 13 per cent recorded in March," it stated.

The NBS said that the composite food index rose by 22.72 per cent in April compared to 22.95 per cent in March. It added that on a month-on-month basis, the food sub-index increased by 0.99 per cent in April, down by 0.91 per cent from 1.90 per cent recorded in March. It said that the rise in the food index was caused by increases in prices of coffee, tea and cocoa, bread and cereals, soft drinks, milk, cheese and eggs, vegetables, meat, oil and fats, fish and potatoes, yam and other tubers.

The data bureau said that "All items less farm produce" or Core inflation, which excludes the prices of volatile agricultural produce stood at 12.74 per cent in April, up by 0.07 per cent when compared with 12.67 per cent recorded in March.

It added that on a month-on-month basis, the core sub-index increased by 0.99 per cent in April, down by 0.07 per cent when compared with 1.06 per cent recorded in March.

It said that the highest increases were recorded in the prices of pharmaceutical products, vehicle spare parts, hairdressing salons and personal grooming establishments.

Other areas are garments, furniture and furnishing, medical services, shoes and other footwear. Others are motor cars, major household appliances whether electric or not, dental services, hospital services, non-durable household goods and fuel and lubricants for personal transport equipment.

For state profile, the NBS said that in April, "all-items" inflation on year-on-year basis was highest in Kogi at 24.33 per cent, Bauchi State at 22.93 per cent and Sokoto State at 20.96 per cent. Abia at 15.94 per cent, Kwara at 15.70 per cent and Katsina State at 15.58 per cent recorded the slowest rise in headline year-on-year inflation.

On a month-on-month basis, however, in April "all-items" inflation was highest in Kebbi at 2.24 per cent, Cross River at 1.99 per cent and Jigawa at 1.78 per cent. Ebonyi at 0.12 per cent recorded the slowest rise in headline inflation month-on-month with Rivers and Ogun recording price deflation or negative inflation.

For food inflation on a year-on-year basis, in April, it was highest in Kogi at 30.52 per cent, Ebonyi 28.07 per cent and Sokoto State at 26.90 per cent. Abuja at 18.63 per cent, Akwa Ibom at 18.51 per cent and Bauchi State at 17.64 per cent recorded the slowest rise in year-on-year inflation.

On a month-on-month basis, however, April food inflation was highest in Kebbi at 2.46 per cent, Ekiti State at 2.42 per cent and Kano State at 2.17 per cent. Meanwhile, Abuja at 0.05 per cent recorded the slowest rise in month-on-month food inflation with Rivers and Ogun recording price deflation or negative inflation.

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