CHARTERED INSURANCE INSTITUTE OF NIGERIA

2024 INSURANCE PROFESSIONALS' FORUM

THEME: THE INSURANCE INDUSTRY: TRANSFORMATION STRATEGIES TOWARDS EXPANDING MARKET REACH

Hybrid Event held from Wednesday September 11 to Friday September 13, 2024

Presented Papers

- **First Session:**

  Customer-Centric Insurance: Enhancing the Customer Experience.

- **Second Session:**

  Breakout Session

  Interactive Refresher Session on Insurance Principles and Practices.

  Interactive Refresher Session on Reinsurance Principles and Practice.

- **Third Session:**

  Unlocking Market Development Through Regulation; NAICOM's Strategic Priorities.

- **Fourth Session:**

  Digital Authentication and Insurance Fund

- **Fifth Session:**

  Building Resilience: Strategies for Mental Wellbeing at Work.

- **Communique**

Customer-Centric Insurance: Enhancing the Customer Experience

Mr. Victor Banjo
Director, Executive Education
Lagos Business School

Mr. Victor Adenrele Banjo, mni

Victor Banjo, mni, is the Director of Executive Education at Lagos Business School and an alumnus of the National Institute for Policy and Strategic Studies (NIPSS), Kuru, Nigeria. He has extensive experience in various sectors, including FMCG, aviation, banking, maritime, consulting, and not-for-profits, where he has managed roles in human resources, corporate governance, aviation security, and supply chain.

His leadership roles include serving as Director General/CEO of the Institute of Directors Nigeria, member of the Governing Board of IoD Centre for Corporate Governance and Executive Committee member of the African Corporate Governance Network (ACGN) in Johannesburg, South Africa. He is certified by the International Finance Corporation (IFC) as a Trainer on the Corporate Governance Board Leadership Resources and Building Director Training Organisations toolkits. He also held senior HR positions at British American Tobacco Nigeria, Virgin Nigeria, Jagal Group, Oceanic Bank PLC, and Green Africa Airways. Banjo is also a Board Advisor to Nagode Group/Afriglobal Limited and holds various fellowships and memberships in professional organizations such as the Chartered Institute of Personnel and Development (CIPD, UK), Enterprise Risk Management Professionals (AERMP), and Chartered Institute of Personnel Management Nigeria (CIPM Nigeria). He is also a member of the Society for Corporate Governance Nigeria, and Honorary Senior Member of the Chartered Institute of Bankers of Nigeria (CIBN).

An accomplished public speaker and moderator, Victor has participated in numerous high-profile seminars and conferences across Africa and the United States. He is also a guest columnist for Ethical Boardroom and serves as an Independent Non-Executive Director for GVE Projects Limited and GVE AssetCo Limited. Banjo's global perspective is enriched by his travels across 31 Nigerian states, 30 African countries, and various nations in Europe, North America, and the Middle East.

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Customer-centric Insurance: Enhancing The Customer Experience

2024 CIIN Insurance Professionals Forum

Victor Adenrele Banjo, mni
Director, Executive Education,
Lagos Business School
12 September 2024

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Greetings and acknowledgements

- His Excellency, the Governor of Ogun State, Prince Dapo Abiodun, MFR
- The President/Chairman of Council, The Chartered Insurance Institute of Nigeria (CIIN) Mrs Yetunde Ilori, FIIN
- The Commissioner of Insurance, Mr. Ayo Omoseyin,
- Our Royal Fathers
- Members of the Council, The Chartered Insurance Institute of Nigeria (CIIN)
- Esteemed members

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Victor Adenrele Banjo, mni

- **Current Business and Networking Platforms**
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  - Non-Executive Director, GVE AssetCo Limited
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  - Board Advisor, Nagode Group
  - Human Resources Director, Virgin Nigeria
  - Chief People Officer, Green Africa Airways
  - Talent Manager, British American Tobacco Nigeria
  - Human Resources Director, British American Tobacco Nigeria
  - Director General/CEO, Institute of Directors Nigeria
  - Board Member, IoD Centre for Corporate Governance
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  - Group General Manager (HR), Jagal Group/Nigerdock FZE
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- **Professional Accreditations**
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  - FITC-accredited Board Evaluation Practitioner
  - IFC-accredited trainer on *Corporate Governance Board Leadership*
  - IFC-accredited trainer on *Building Director Training Organisations*
  - Fellow, Mentoring & Career Development Institute of Nigeria
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Introduction of subject matter

It is a great honour to stand here today at the Year 2024 Insurance Professionals Forun to share my thoughts on a topic that is increasingly shaping the future of the insurance industry and adding a new dimension to sustainability of businesses and level of competitiveness.

Customer-Centric Insurance and the Importance of Enhancing the Customer Experience

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Commendation

- I commend the leadership of The Chartered Insurance Institute of Nigeria for the role you are playing in grooming "World Class" talent for an "International Industry.
- Since the Chartered Insurance Institute of Nigeria (CIIN) is charged with the important duty of determining the standards of knowledge and skills to be attained by persons seeking to become registered members of the Insurance profession in Nigeria and reviewing those standards, placing emphasis on Customer-Centric service delivery should be at the heart of what your members do.

The case for paradigm shift

In an era where customer expectations are evolving rapidly, the insurance industry faces a pivotal moment.

Skeptics in the industry must shift their focus from merely offering products to creating holistic, customer-focused experiences that add value at every touchpoint.

Enhancing the "Customer-Centric Experience in Insurance delivery is an essential topic in the evolving landscape of the insurance industry.

It focuses on placing the customer at the core of business operations, with the goal of improving customer satisfaction, loyalty, and engagement.

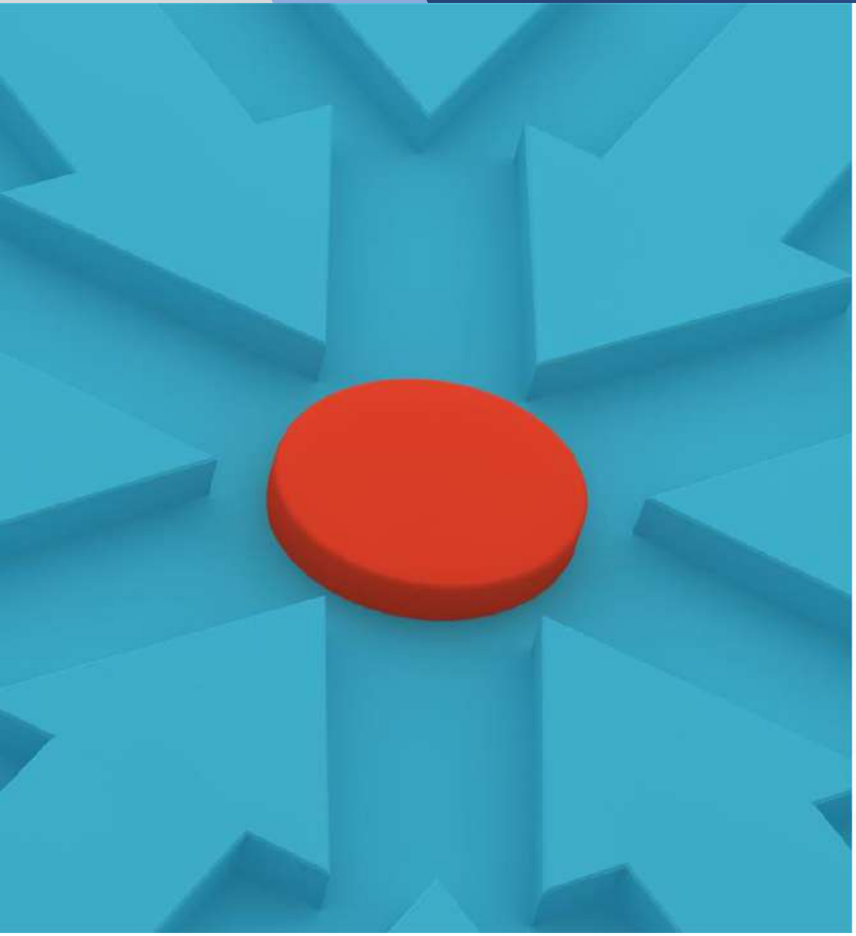
The Evolution of the Insurance Landscape

Traditionally, the insurance industry has been product-centric, with a strong emphasis on risk management and financial protection.

However, this approach often led to a disconnect between insurers and we (the policyholders), resulting in a perception of insurance as a necessary (evil) but impersonal service.

We are witnessing a major transformation. Advances in **technology**, **data analytics**, and a deeper understanding of **customer/consumer behaviour** are driving a shift toward a personalized and responsive approach to insurance service delivery.

The modern consumer is knowledgeable, empowered, and expects more from their interactions with your industry.



At the heart of the transformation is the concept of **customer-centricity**

- This involves placing the customer at the **centre** of every **decision**, **process**, and **strategy**.
- It is about **understanding** their **needs**, **preferences**, and pain points and delivering solutions that not only meet but exceed their expectations.

Why is customer centricity important?

1. **Improved Customer Satisfaction:** By focusing on the customer's needs, you can offer products and services that better match their expectations. Happy customers are more likely to stay loyal and promote your company to others.
2. **Increased Loyalty and Retention:** When customers feel valued, they are more likely to stick with you for the long term. In insurance, where contracts and renewals are ongoing, retaining customers is highly valuable, as acquiring new ones can be costly.
3. **Differentiation in a Competitive Market**: A customer-centric approach helps distinguish a business from competitors. Many insurance products are similar, so the customer experience becomes a key differentiator, helping you stand out in a crowded market.
4. **Higher Revenue and Profitability**: Satisfied and loyal customers tend to buy more, stay longer, and recommend you to others. This increases revenue and lowers costs related to customer acquisition and churn management.
5. **Building Trust and Reputation:** This is essential because customers are placing their financial security in your hands. A customer-centric approach fosters transparency, reliability, and trust, which are critical for long-term success.
6. **Adaptability to Customer Expectations:** Expectations are constantly evolving, especially with digital innovations. If you are customer-centric, you will be more agile and able to adapt to new demands, offering personalized, seamless experiences across different channels.
7. **Stronger Brand Loyalty**: By consistently putting the customer at the centre of decisions, you build a strong emotional connection between the customer and your brand. This connection leads to advocacy, repeat business, and resilience against competitors' offers.

The Importance of a Customer-Centric Approach

In the context of insurance, trust and service quality are paramount. Customer-centricity can dramatically

1. Improve the overall experience,

2. Build long-term relationships,

3. Ultimately drive business success.

Does corporate culture play any role in shaping customer-centricity in the insurance industry?

Yes! Corporate culture plays a crucial role in shaping customer-centricity in an organization. This applies to your industry.

Corporate culture significantly influences customer-centricity in the insurance industry, possibly even more so than in other sectors due to the unique dynamics of trust, long-term relationships, and the complexity of insurance products.

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The right corporate culture emphasizes **transparency, honesty, and ethical behavior** promotes trust with customers.

Encourages employees to empathize with policyholders. Insurance is associated with emotional or stressful life events (e.g., accidents, illness, or natural disasters). Focuses on understanding and caring for industry a human face.

Ensures that claims are handled efficiently and fairly. Prioritizes resolving claims quickly and equitably. Let us have a positive experience, even in difficult situations.

More likely to innovate and develop personalized products. Offer tailored policies/services that fit individual risk profiles. This is key to attracting and retaining modern insurance customers, who expect more flexibility and customization.

Embraces **innovation and digital transformation.** A forward-thinking, tech-driven culture helps you to adopt digital tools like chatbots, mobile apps, and AI-driven processes that improve interactions and provide real-time solutions.

Train and empower employees to put the customer first. Provide them with tools, knowledge, and authority to make decisions that benefit the customer.

Offer value-added services like risk assessments, preventive advice, and ongoing support, rather than just reacting to claims.

Ensures that you not only meet regulatory requirements but also communicate clearly and fairly with customers about regulations.

Close collaboration between in-house departments. Creates a more seamless experience for customers.

Places more value on long-term relationships rather than just short-term profits. This mindset leads to focus on customer retention, loyalty programmes, and continuous engagement with policyholders through the years.

Customer-centricity goals at Lagos Business School

1. Deliver a pleasurable learning experience, ensuring that all nodes along the customer journey exceed our customers' expectations.

2. Create a pleasant learning experience that will lead to repeat business and referrals through hitch-free delivery of our executive programmes and seminars.

3. Make a conscious effort to understand the needs and expectations of our customers **before** they come for programmes and reflect this in the programme design and delivery.

4. Match key learning outcomes on programmes with what was learnt and ensure the development of post-programme interventions to address areas with limited learning assurance.

5. Our objective is to ensure that customers make **Lagos Business School** their preferred learning partner through professional service right from the security gate to the classroom.

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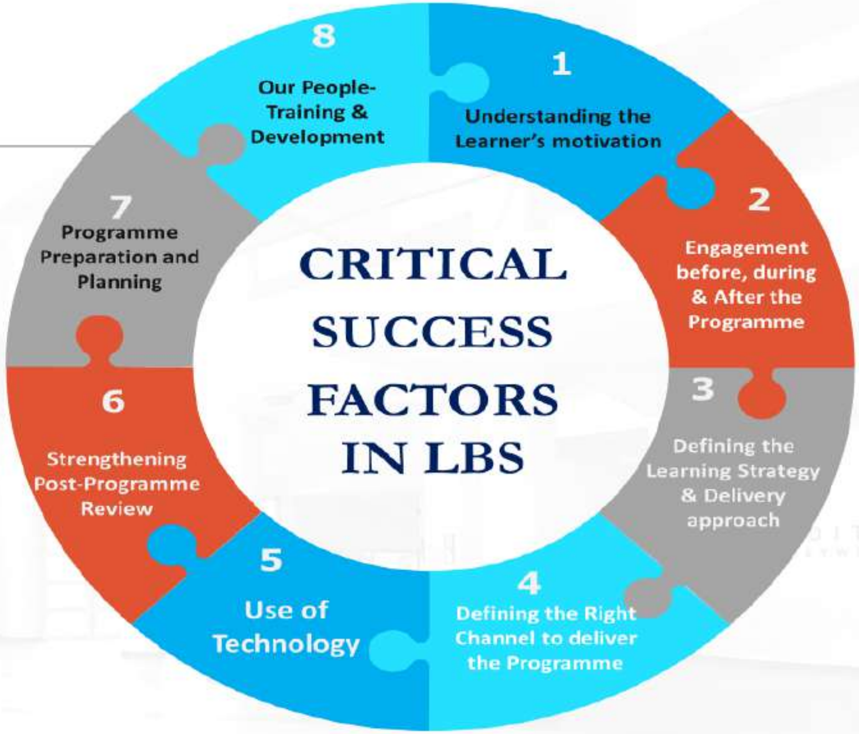

Critical success factors in Lagos Business School customer-centricity objectives

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Key Performance Indicators for Lagos Business School customer engagement team members

- Thorough product knowledge demonstrated for all programmes managed
- % of repeat business from participants on programmes managed
- % of overall satisfaction rating by participants in all programmes managed
- % of prompt responsiveness to participants in all programmes managed
- % rating in the understanding of customer needs in all programmes managed
- % rating in engagement with Faculty members on product design and delivery
- % rating in giving feedback to Faculty members on participants' expectations from the programme
- % rating in preparation of reports for pre, during and post-programme engagements
- % rating in the overall evaluation of all touchpoints along the customer journey

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Skills required for delivering a pleasurable learning experience at Lagos Business School

Adapted from: Marshall, G. W., Goebel, D. J., & Moncrief, W. C. (2003). Hiring for success at the buyer–seller interface. *Journal of Business Research*, *56*(4), 247-255.

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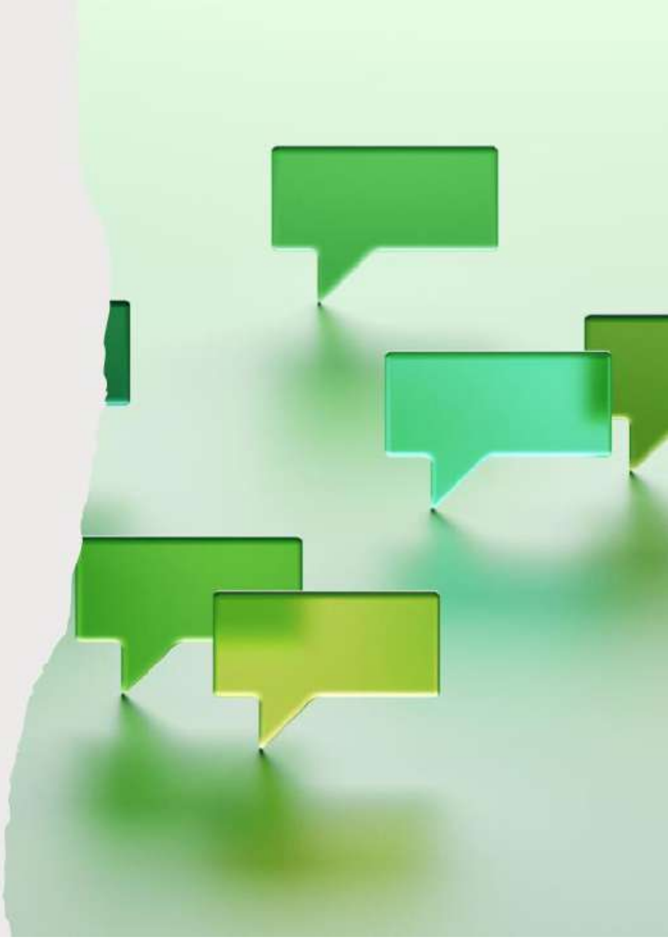
How can insurers enhance the customer experience and grow their business?

- Personalized Products and Services
- Tailoring insurance products to the unique needs of each customer, rather than offering a one-size-fits-all solution.
- For example, pay-as-you-go insurance for those who drive less.
- Identifying different customer segments and tailoring offerings to meet the specific needs of each group.

Personalized Communication

- **Omni-Channel Support:** Provide seamless communication across multiple platforms (email, phone, chat, social media) to make it easy for clients to reach you in their preferred way.
- **Regular Updates and Education:** Keep clients informed about policy details, updates, and any changes in regulations that may affect them.
- Educational content about insurance options and financial planning can help clients make informed decisions. This can be achieved using advanced data analytics, AI, and machine learning to predict customer needs and offer relevant products.
- **Understanding Customer Needs**. Leverage predictive analytics to gain insights into customer preferences, behaviours, and pain points. You can personalize products and services based on these insights. You can anticipate client needs and offer relevant products or services before they ask. Suggest policy adjustments during major life events like buying a home or starting a family.



Seamless Digital Experiences

- In today’s digital age, customers expect convenience and ease of access.
- A seamless digital experience, from policy purchase to claims processing, is essential. This includes user-friendly interfaces, quick and easy communication channels, and 24/7 access to services.

(1) Omnichannel Access: Providing customers with a consistent experience across all channels, whether it is a website, mobile app, or in-person interaction.

2) User-Friendly Interfaces: Designing intuitive and easy-to-navigate platforms where customers can manage their policies, file claims, or get assistance without hassle.

Streamlined Claims Process

Fast and Transparent Claims Handling: Simplify the claims process with digital tools that allow clients to easily submit claims, track progress, and receive payouts quickly.

Initiative-taking Assistance: Offer support throughout the claims process, such as helping clients gather necessary documents or providing updates on the status of their claim.

Initiative-taking Customer Engagement

Engaging with customers proactively rather than reactively. This involves regular communication, providing helpful information, and offering value-added services that enhance their lives beyond just insurance coverage.

24/7 Support: Offering round-the-clock customer support through various channels, including chatbots, live chat, and phone support. Reaching out to customers with reminders, tips, and updates that add value, such as renewal notifications or advice on reducing premiums.

Customer Feedback Loops: Regularly collecting and analysing customer feedback to identify areas for improvement.

Continuous Innovation: Staying ahead of industry trends and continuously innovating to meet the evolving needs of customers.

Customer Loyalty Programmes

Rewards and Discounts: Offer discounts, rewards, or benefits for long-term customers or those with multiple policies.

Loyalty programmes can enhance customer retention.

Referrals: Encourage satisfied clients to refer others by offering incentives. This not only brings in new business but also strengthens the relationship with existing clients.

Financial Wellness and Education

- **Educational Initiatives:** Providing resources and tools that help customers make informed decisions about their insurance needs.

- **Financial Planning Assistance:** Offering services that help customers plan, ensuring they are protected.

Transparency and Trust

- Building trust through transparency. Customers want to know that their insurer has their best interests at heart.
- Clear communication, fair pricing, and a commitment to ethical practices are key to fostering long-term relationships.
- Ensuring that all policy terms, conditions, and processes are communicated clearly and transparently. Streamlining claims and underwriting processes to make them quicker and easier for customers to understand and navigate.
- Ethical Data Use: Be transparent about how customer data is used and ensure it is protected. Use data to benefit customers, such as providing better rates or more relevant product offerings.

Empathy and Human Touch

1

Human-Centred Design philosophy ensures that products and services are offered with empathy, ensuring they address real-life customer concerns and challenges.

2

Foster long-term relationships by genuinely caring for customers' well-being, not just during the sales process but throughout the policy lifecycle.

3

Train customer service representatives to manage inquiries and complaints with empathy and understanding, especially during stressful situations like claims.

4

For high-value clients, consider assigning personal relationship managers who can provide dedicated support and advice.

The Role of Technology

- AI and Machine Learning: Using AI to improve underwriting accuracy, detect fraud, and offer personalized recommendations.
- Blockchain: Leveraging blockchain for secure, transparent, and efficient policy management and claims processing.
- Customer-Centric Technology
- Develop intuitive mobile apps that allow clients to manage their policies, file claims, make payments, and access support services.
- Implement AI-driven Chatbots tools to provide instant assistance and answer common queries, freeing up human agents for more complex tasks.
- While technology is a powerful tool, it must be used thoughtfully. The goal is not to replace human interaction but to enhance it, creating a balanced blend of digital efficiency and personalized human touch.

Sustainability and Corporate Responsibility

1. Ensure that your company practices are sustainable and ethically sound, which can build trust and loyalty.

2. Involve customers in corporate social responsibility (CSR) initiatives and demonstrate a commitment to societal well-being.

3. Engage in CSR activities that resonate with your client base. This improves your brand image and builds a stronger connection with clients who value social responsibility.

Challenges and Opportunities

- Adopting a customer-centric approach comes with its challenges.
- These include the need for significant investment in technology, overcoming legacy systems, and cultural change within organizations.
- You must be willing to embrace innovation, be agile in your approach, and continuously learn from customer feedback.
- The opportunities far outweigh the challenges.
- A customer-centric strategy can lead to increased customer satisfaction, loyalty, and advocacy, which ultimately drives growth and profitability.
- It positions you as trusted partners in your customers' lives, rather than just service providers.

Continuous Improvement

Stay informed about industry trends and be willing to adapt your offerings to meet evolving customer needs.

Conduct regular reviews of customer interactions and satisfaction levels to identify areas where the experience can be improved.

Conclusion

In conclusion, the future of insurance lies in your ability to adapt to the changing needs of your customers.

By embracing a customer-centric approach, you can enhance the customer experience, build stronger relationships, and create a more resilient and dynamic insurance industry.

As we move forward, commit to putting your customers at the centre of everything you do, ensuring that their needs and experiences guide your decisions and shape the future of insurance.

Adopting a customer-centric approach in insurance is not just about meeting customer expectations; it is about exceeding them.

By focusing on the customer experience, you can build stronger relationships, increase customer satisfaction, and drive growth and profitability in a highly competitive market.

By focusing on these areas, you can create a more satisfying and engaging experience for your insurance clients, leading to higher retention rates and more positive word-of-mouth referrals.


NEW MINDSET
NEW RESULTS

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Thank you for your participation.

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Connect with **Victor Adenrele Banjo** and **Lagos Business School Executive Education** on LinkedIn for more conversation.

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Thank you

Interactive Session: Insurance Principles and Practice

Chief Babajide A. Olatunde-Agbeja
Boff & Company Insurance Brokers Limited

Mrs. Olubukola Ifemade
Orthodox Insurance Brokers Limited

The Cost of Unprofessionalism: How Ethical Lapses Are Undermining Insurance Growth in Nigeria

Presentation by

Chief Babajide Olatunde-Agbeja FCIB, ACII

Mrs. Bukola Ifemade ACIIN, ACIB

at the

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Chief Babajide Adeniyi
Olatunde-Agbeja

Babajide Adeniyi Olatunde-Agbeja is a Chartered Insurance Broker and Chairman of Boff & Company Insurance Brokers Limited. Born on March 8, 1958, in Ibadan, Nigeria, he has had a distinguished career in the insurance industry spanning over four decades. He has held various leadership positions, including National President of Junior Chamber International (JCI) and International Vice President.

Babajide Adeniyi Olatunde-Agbeja has received numerous awards and recognition for his contributions to the insurance industry and society, including the Chartered Insurance Institute of Nigeria merit award and the Most Influential JCI Senators in Africa and the Middle East award. He is a member of various professional bodies and serves on the boards of several companies. He is also a philanthropist, having established the David and Marian Agbeja Foundation to provide sponsorship to indigent students. He is happily married with four children and two grandchildren.

Mrs. Bukola
Ifemade

Bukola Ifemade is an astute insurance professional with deep passion for deploying insurance as a socio-economic tool for families and businesses. Her most passionate focal point is insurance penetration in Nigeria.

She has Bachelors and Masters' Degrees in Actuarial Science. A member of Chartered Insurance Institute of UK, Associate Member of Chartered Insurance Institute of Nigeria and Nigerian Council of Registered Insurance Brokers. She is a Certified Lead Auditor in ISO 9001:2015 and ISO 22000:2018.

Bukola has over three decades experience in the insurance industry and worked with top insurance companies including AXA Mansard and NSIA insurance as an Executive Management staff and IGI where she joined the industry in 1992. She is the pioneer Managing Director of Orthodox Insurance Brokers which began operations in 2006 and an advocate of important role of Broker in the insurance value chain. She has been an active member of the Nigerian Council of Registered Insurance Brokers (NCRIB), where she was a Past Chairman of the Lagos Chapter, former Board member of the Council and She is currently serving on various National Committees of the Council.

Professionalism

Professionalism refers to the set of **behaviors**, **attitudes**, and **standards** that are expected in a **professional environment**.

It encompasses qualities such as **competence**, **reliability**, **integrity**, and **respect for others**.

Professionalism goes **beyond just knowledge**; it's about embodying **trust**, **accountability**, and **ethical behaviour** in every aspect of service delivery.

Indices of Professionalism

1. **Integrity**
   - Being honest and transparent in all dealings, avoiding any actions that could be perceived as deceptive or unethical.
2. **Expertise**
   - Possession of in-depth knowledge and skills
   - Continuously updating knowledge through education and experience to maintain high standards in one's area of specialization. (MCPD)
3. **Reliability**
   - Delivering on promises and deadlines and being dependable in both routine and critical situations.

Indices of Professionalism

4. **Accountability**
    - **Owning up to mistakes** and addressing them promptly while ensuring they don't recur.
5. **Ethical Standards**
    - Following industry regulations and ethical guidelines, and avoiding conflicts of interest
6. **Respect**
    - Treating colleagues, clients, and others with courtesy and respect, even in difficult situations.

Matters arising

Have we truly lived up to the ethical standards that are expected of professionals?

Matters arising

1. Rate cutting
2. Insurance fraud
3. Inadequate risk assessment
4. Cut-throat competition
5. Premium/Commission sharing
6. Non remittance of reinsurance premiums
7. Agency fraud
8. Conflict of Interest
9. Exit of staff without prior notice
10. Unjust claim reductions by loss adjusters

Scenarios

"An economy is only as advanced as its insurance sector."- Tony Elumelu

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1) Rate Cutting - Scenarios

1. To gain a competitive edge and maintain solvency, Solekodowo Company offered a conglomerate a motor insurance premium 3% below the NAICOM-authorized rate. To ensure compliance with regulations, they collected premiums at the authorized rate and subsequently refunded the 2% difference.
2. To secure direct business, Mara Amụma Insurance Company offered a "brokerage" discount to a bank. The company's Director, upon assuming a leadership role at the bank, proposed a system where brokers must share commissions with the bank to continue providing services.

2) Insurance Fraud - Scenario

During ongoing negotiations with a client, whose Managing Director has a personal relationship with a Director at Olegbeolegba Insurance Institution, instructions are sent from above to backdate the transaction to a pre-loss date and process claims accordingly.

3) Inadequate Risk Assessment - Scenario

XYZ Real Estate Ltd., a property development company, approaches ABC Insurance for a multi-million naira property insurance policy covering several high-value commercial buildings. To expedite the process, the underwriters rely on outdated information and incomplete client submissions.

Shortly after the policy is issued, a major fire breaks out in one of XYZ Real Estate Ltd.'s buildings, causing extensive damage. During the claim investigation, it is revealed that the building lacked functional fire alarms, had faulty electrical wiring, and did not comply with local fire safety regulations—factors that were overlooked due to the inadequate risk assessment by ABC Insurance.

4) Cut-throat Competition - Scenario

In an effort to retain a significant client portfolio, Awalokan Insurance Institution, a market leader, devised strategic changes to their eligibility criteria. These modifications were designed to discourage competition from smaller firms.

One such change involved requiring proof of international affiliation or clientele, even though the client's headquarters is based in Nigeria and their operations do not require foreign influence. This requirement effectively eliminated many potential competitors on the account.

5) Premium/Commission Sharing - Scenario

To secure a substantial and lucrative portfolio, Kwadayi Insurance Institution proposed a commission-sharing arrangement with key officers of the client organization. This incentive was offered to encourage the client to place their business with Kwadayi.

The agreed commission split was 30% for the client and 70% for Kwadayi Insurance Institution.

6) Non-Remittance of Reinsurance Premium - Scenario

Emighi Emi Insurance has been providing comprehensive insurance coverage to Agbatide Conglomerate for over a decade. Due to Agbatide's consistently low claim ratio, Emighi Emi implemented a cost-saving strategy by excluding certain low-risk businesses from their reinsurance program.

Unfortunately, this strategy proved to be a significant oversight when a devastating fire engulfed Agbatide's office complex, resulting in substantial losses. Emighi Emi, unprepared for such a large claim without reinsurance coverage, found themselves in a difficult financial position. To avoid facing the consequences of their underinsurance, Emighi Emi resorted to unethical tactics.

They pressured Agbatide to bypass their broker and sign a discharge voucher directly with the insurance company. This action was taken without Agbatide's full understanding of the implications.

7) Agency Fraud - Scenario

Ajanlekoko, a former insurance agent with SilverLining Insurance Company, had struggled to secure permanent employment. After joining SilverLining, he demonstrated exceptional sales performance.

Following his departure from SilverLining to join an oil and gas company, the company experienced a surge in payment issues from clients under Ajanlekoko's former purview. Investigations revealed that Ajanlekoko had engaged in unethical practices to maximize commissions, including convincing clients to make cash payments that were not deposited into the company's bank account.

8) Conflict of Interest - Scenario

In violation of industry regulations, Mr. Olaniyonu established a brokerage firm while serving as MD/CEO of an insurance company. To conceal his ownership, he used intermediaries to represent the firm.

Mr. Olaniyonu instructed the Head of Technical to route all direct transactions through his brokerage firm, ensuring that commissions were paid to him. Additionally, premiums collected for other businesses channeled through his brokerage firm were not remitted to the insurance company. Despite this, Mr. Olaniyonu insisted that claims be processed promptly.

9) Unjust claim reductions by Loss Adjusters - Scenario

In a recent case, a business owner experienced significant damage to their warehouse due to a fire. After filing a claim, the insurer appointed a loss adjuster to assess the damages. Despite clear evidence and documentation provided by the client, the loss adjuster applied stringent and unreasonable reductions to the claim amount, citing minor technicalities and discrepancies in paperwork that were irrelevant to the actual loss incurred.

This led to an unjustifiable reduction of 30% in the claim payout. As a result, the client was left with insufficient funds to fully recover from the loss, putting their business at risk.

10) Exit of Staff without notice - Scenario

In a medium-sized insurance brokerage firm in Lagos, Mr. Ade, a senior underwriter with a portfolio of high-value corporate clients, was responsible for managing critical accounts and renewing major policies. Due to his expertise, he had developed strong relationships with clients who trusted his guidance on their complex insurance needs.

Without prior notice, Mr. Ade received an offer from a competitor with a significantly higher salary and better perks. He decided to leave immediately, abandoning his responsibilities and not informing his current employer or clients of his departure.

Clients who were in the midst of policy renewals or claim processes were left without guidance. Some had urgent deadlines that were missed, leading to lapses in coverage and financial exposure.

How do these issues affect our industry?

Industry Impact

1. **Market Repercussions**: Smaller insurers, unable to compete with such low rates, begin losing corporate clients and face increased pressure to reduce rates, threatening their financial stability. The overall market begins to see a decline in profitability as margins are squeezed.
2. **Claims Handling Issues:** As the rates drop, insurance companies are forced to cut costs elsewhere, often resulting in reduced customer service quality and delayed claims processing. This creates dissatisfaction among clients and a perception of unprofessionalism in the industry.
3. **Reinsurance Challenges:** Reinsurers, noticing the reduced premium rates, become wary of the heightened risks not being adequately priced. This leads to tougher negotiations for reinsurance treaties and increased scrutiny of the terms, sometimes resulting in higher reinsurance costs that further strain insurers' margins.

Industry Impact

4. **Financial Loss**: Fraudulent claims may result in a substantial payout by affected insurance companies, impacting their financial standing. The institution faces potential penalties for non-compliance with industry regulations and is at risk of losing reinsurance support due to the compromised underwriting standards.
5. **Regulatory Scrutiny and Penalties**: Upon investigation by the National Insurance Commission (NAICOM), severe sanctions may be imposed on Insurance Institutions that are found wanting, including fines and restrictions on their operating license.

The untapped potential of the insurance industry in Nigeria

For how long are we to remain the poor cousins of banks?

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Wide-gap untapped potential

In 2023, the Nigerian insurance industry's gross premium income (GPI) exceeded ₦1 trillion for the **first time**, representing a **27%** increase from 2022.

Zenith Bank: Gross earnings for 2023 financial year were **₦ 2.13 trillion**, a 125.4% increase from 2022.

Access Holdings: Reported a gross earning of **₦ 2.59 trillion**, an 87% increase from 2022

UBA: Reported a gross earning of **₦ 2.08 trillion**, a 143% increase from 2022

GTCO: Reported a gross earning of **₦1.19 trillion**, a 120% increase from 2024

"Insurance is the safety net that catches society when the unexpected happens" - Unknown

Discussion

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Thank you

Interactive Session: Reinsurance Principles and Practice

Mr. Mathew Akinware
Allianz Nigeria Insurance Limited

Mr. Imo Imo
Linkage Assurance Plc

Mr. Matthew
Akinware

Matthew Akinware is an accomplished insurance professional with nearly 16 years of experience. He holds both an HND and BSc in Insurance and is an Associate of the Chartered Insurance Institute of Nigeria. His career began in 2009 as an Insurance Salesman at Mutual Benefits Assurance, where his skills in sales, lead generation, and client management stood out. In 2011, he transitioned to the broking side at Man-Mountain Insurance, where he developed expertise in business negotiation and client service.

In 2013, Matthew joined Royal Exchange General Insurance (now Rex Insurance) as an Insurance Technical Auditor, later rising to Deputy Manager and eventually becoming Head of Reinsurance and Statistics in 2017. His work in audit, compliance, and reinsurance strategy was highly impactful.

Beyond his corporate roles, Matthew has been a facilitator for over 14 years, teaching at institutions like the Chartered Insurance Institute of Nigeria and the West Africa Insurance Institute. As of August 2024, he leads the Reinsurance and Special Risks team at Allianz Nigeria Insurance, bringing his deep industry knowledge and passion for risk management to the role.

Dr. Imo Okorie
Imo

Imo O. Imo is a highly qualified scholar and insurance professional with over two decades of industry experience. He holds a Bachelor's degree in Agricultural Technology from the Federal University of Technology Owerri (FUTO), a Master's in Management from the University of Lagos, and a PhD in Entrepreneurship from Joseph Ayo Babalola University (JABU). He is also an Associate of the Insurance Institute of Nigeria (AIIN).

His career began at ADIC Insurance Limited under the mentorship of the late Prof. J. O. Irukwu. He has held prominent leadership roles in the Insurance Industry, including Chief Strategy & Product Development Officer at Linkage Assurance Plc and leadership positions at UBA Insurance, Law Union & Rock, Cornerstone Insurance Plc, and Fortune Assurance Limited. His expertise covers reinsurance, claims, strategy, product development, and regulatory compliance.

Dr. Imo authored Essentials of Reinsurance: Applications & Principles, which won the Year 2024 AIO 2nd Runner-up Book Award. His research focuses on entrepreneurship, particularly within the Igbo entrepreneurial ecosystem and sustainable development in emerging markets. He also tutors CIIN Professional Examination courses on reinsurance and business management.

Agenda

1 Introduction to Reinsurance

2 Reinsurance Program and Mechanism

3 Coinsurance vs. Reinsurance

4 Case Studies

5 Reinsurance Optimization: ADC and DBD

Introduction to Reinsurance

Core concepts

Introduction to Reinsurance

Understanding Reinsurance:
Reinsurance, often referred to as "insurance for insurers," is a fundamental mechanism that allows insurance companies to manage their risk portfolios effectively. It involves the transfer of part of the risk from the insurer to the reinsurer, enabling insurers to protect themselves from large losses, stabilize their financial positions, and improve their capacity to underwrite new policies.

The Concept of Treaty Reinsurance

- Treaty reinsurance is a foundational risk transfer mechanism in the insurance industry, where an insurance company (the ceding insurer) enters into an agreement with a reinsurer (the accepting insurer) to transfer a predetermined portion of the risks underwritten by the ceding insurer. This arrangement typically covers a specific class of business or a portfolio of policies, rather than individual risks. Unlike facultative reinsurance, which involves underwriting each risk individually, treaty reinsurance provides a systematic and efficient means of risk transfer, allowing insurers to manage their capital more effectively.

Introduction to Reinsurance

The key principles of reinsurance are:

- **Risk Transfer:** Insurers shift a portion of their liabilities to reinsurers, reducing the impact of large claims and ensuring no single insurer bears the full burden of catastrophic events.
- **Diversification:** Reinsurance spreads risk across multiple insurers and regions, preventing overexposure to specific risks and stabilizing the insurance market.
- **Capacity Enhancement**: Reinsurance increases insurers' ability to underwrite more policies or larger risks, supporting growth, especially in emerging markets.
- **Stabilization of Results:** Reinsurance helps insurers maintain consistent financial results by absorbing large claims, thereby maintaining stakeholder confidence.
- **Capital Relief**: By transferring risk, insurers can reduce the capital they need to hold, allowing for more efficient use of resources in growth and innovation.

It's important to distinguish reinsurance from co-insurance, which operates as a risk-sharing mechanism

- In co-insurance, multiple insurers jointly cover a risk, with each insurer being liable for their specific share of the risk. This means the liability is joint but several, as opposed to reinsurance, where the reinsurer's liability is separate from the ceding insurer's, effectively transferring the risk rather than sharing it.
- The Significance of Placing a Treaty Reinsurance Program

Implementing a treaty reinsurance program is a strategic decision that significantly enhances an insurance company's financial stability and resilience. By transferring risk to reinsurers, insurers ensure they have the financial capacity to meet policyholder obligations, even in the event of catastrophic losses.

- This risk transfer mechanism enables insurers to access global markets and diversify their risk exposure, contributing to their long-term sustainability and growth.

Introduction to Reinsurance

Type	Definition	Characteristics	Examples
(i) Surplus Share Treaty	A proportional reinsurance treaty where the ceding insurer retains a fixed amount of risk, called the "retention," and cedes the surplus above this retention to the reinsurer.	- The ceding insurer retains a fixed amount, e.g., ₦1 million per risk. - Surplus above retention is ceded to the reinsurer. - Reinsurer pays a proportional share of losses and premiums.	If a policy insures a property for ₦10 million, with a retention of ₦2 million, the surplus of ₦8 million is shared with the reinsurer in agreed proportions, e.g., 80% reinsurer, 20% insurer.
(ii) Quota Share Treaty	A proportional treaty where the ceding insurer and the reinsurer share a fixed percentage of all premiums and losses.	- Fixed percentage of each policy's premium and losses is ceded. - Simplified risk management and predictable costs. - Used for straightforward, non-complex portfolios.	An insurer agrees to cede 50% of all risks to a reinsurer. If a policy has a sum insured of ₦10 million, the insurer retains ₦5 million, and the reinsurer covers the other ₦5 million.
(iii) Facultative Obligatory Treaty	A hybrid proportional treaty where the ceding insurer can choose which risks to cede, but the reinsurer is obliged to accept those risks.	- Flexibility for the insurer to select risks. - The reinsurer must accept all risks ceded. - Combines facultative and treaty reinsurance characteristics. - Effective for managing large or specialized risks.	A reinsurer agrees to accept all commercial property risks from an insurer for policies above ₦20 million. The insurer decides which specific policies to cede under this treaty.

Introduction to Reinsurance

Type	Definition	Characteristics	Examples
(i) Per Risk Excess of Loss (XOL)	A non-proportional treaty where the reinsurer covers losses above a specified amount (deductible) per individual risk, up to a certain limit.	- Protection is provided per individual risk. - Deductible is typically set on a per-risk basis. - Suitable for high-value or volatile risks.	If an insurer's deductible is ₦5 million per risk and has a claim of ₦10 million on a single risk, the reinsurer covers the ₦5 million excess, subject to the treaty's limit.
(ii) Catastrophe XOL	A non-proportional treaty where the reinsurer covers aggregate losses above a specified amount that result from a single catastrophic event, up to a certain limit.	- Protects against accumulation of losses from a single event. - Typically used for natural disasters or large-scale accidents. - Retention is set on an aggregate basis.	An insurer bears the first ₦100 million of losses from a hurricane, and the reinsurer covers losses above this amount, up to ₦500 million.
(iii) Stop Loss Ratio	A non-proportional treaty where the reinsurer covers the insurer's losses once they exceed a certain percentage of the insurer's earned premiums, up to a defined limit.	- Protection is based on the insurer's overall loss ratio. - Helps stabilize the insurer's financial results. - Retention is based on a percentage of premiums.	An insurer with an earned premium of ₦1 billion has a Stop Loss Ratio treaty that kicks in when losses exceed 70% (₦700 million). The reinsurer covers any losses above this amount.
(iv) Aggregate XOL	A non-proportional treaty where the reinsurer covers the aggregate losses of all events combined in a year, exceeding a specified retention, up to a certain limit.	- Covers aggregate losses across multiple events. - Suitable for managing annual loss volatility. - Retention is set on a cumulative basis.	An insurer bears the first ₦200 million of combined annual losses, and the reinsurer covers losses above this threshold up to ₦1 billion.

Reinsurance Program and Mechanism

Arrangement and operation

Reinsurance Program and Mechanism

REINSURANCE

- **Types of contracts**
  - Proportional reinsurance:
    - quota share;
    - surplus.
  - Non-proportional reinsurance:
    - excess of loss;
    - stop-loss.
- **Method transfer of risk**
  - Facultative
  - Obligatory
  - Facultative-obligatory
- **Method actions**
  - Active:
    - transfer of risk to reinsurance.
  - Passive:
    - taking risks in reinsurance.

Reinsurance Program and Mechanism

Reinsurance Structure refers to the arrangement and organization of reinsurance coverage between the ceding insurer and the reinsurer. It defines how risks are ceded, the type of reinsurance agreement in place, and how claims and premiums are handled. There are two primary structures:

Proportional Reinsurance:
Quota Share Treaty: The ceding insurer and the reinsurer share premiums and losses in a fixed proportion. For example, if an insurer cedes 30% of the risk, the reinsurer will receive 30% of the premiums and pay 30% of any claims.
Surplus Treaty: The ceding insurer retains a specified amount of risk (referred to as the "retention limit"), and anything above this amount is passed on to the reinsurer. The reinsurer covers the surplus portion, sharing the premiums and losses accordingly**.**

Non-Proportional Reinsurance: Excess of Loss (XL): The reinsurer only pays for losses that exceed a certain threshold, known as the "retention" or "deductible." This structure is commonly used to protect insurers against catastrophic losses. For example, if the deductible is =N=1 million, the reinsurer will only cover losses above this amount.
Stop Loss: This is a form of excess of loss reinsurance where the reinsurer covers aggregate losses that exceed a predetermined amount during a specific period, effectively capping the insurer's total losses.

Reinsurance Program and Mechanism

- Reinsurance Mechanism refers to the operational process through which reinsurance functions, including how risks are transferred, how claims are processed, and the financial transactions between the ceding insurer and the reinsurer:

Risk Transfer: The primary mechanism in reinsurance involves the transfer of risk from the ceding insurer to the reinsurer. This allows the insurer to reduce its exposure to large or catastrophic losses and stabilize its financial results.

Premium and Claims Handling: In proportional reinsurance, the reinsurer shares in the premiums collected by the ceding insurer and is responsible for a corresponding share of the claims. In non-proportional reinsurance, the reinsurer receives a premium and only pays claims that exceed a certain threshold , i.e., deductible / Priority/ Attachment Point

Retention: Retention is the amount of risk the ceding insurer chooses to retain before the reinsurer's coverage kicks in. The level of retention is a critical factor in determining the overall reinsurance structure, as it affects the balance between risk transfer and premium costs.

Reinsurance Program: Insurers often use a combination of reinsurance structures (proportional and non-proportional) to create a comprehensive reinsurance program. This program is designed to optimize risk management, capital efficiency, and financial stability.

Reinsurance Program and Mechanism

Mechanism of reinsurance

•**Treaty vs. Facultative Reinsurance**: Reinsurance can be arranged through treaties, which cover a portfolio of risks, or through facultative agreements, which cover individual risks on a case-by-case basis. Treaties provide automatic coverage for all risks within the agreed parameters, while facultative reinsurance is negotiated for specific risks.

Overall, the structure and mechanism of reinsurance are vital components of an insurer's risk management strategy, enabling them to manage large exposures, protect their capital, and ensure financial stability in the face of unpredictable losses.

Reinsurance Program and Mechanism

Case Study 1: Apportionment with Surplus Treaties

Arsenal Insurance Plc has a Fire & Consequential Loss Treaty with Enyimba Reinsurance Group as follows : Sum Insured: ₦50 billion, Premium: ₦25,000,000, Retention: ₦750 million, First Surplus Treaty: 20 lines, Second Surplus Treaty: 10 lines.

How would a reinsurance manager cede /apportion this risk in a bordereaux assuming there was no MPL in the Survey Report ?

Step 1: Understanding the Retention and Surplus Treaties

- **Retention**: The ceding company retains ₦750 million of the risk.
- **First Surplus Treaty**: 20 lines means the reinsurer can take up to 20 times the retention amount.
  - Maximum capacity of the First Surplus Treaty: 20 × ₦750 million = ₦15 billion.
- **Second Surplus Treaty**: 10 lines means the reinsurer can take up to 10 times the retention amount.
  - Maximum capacity of the Second Surplus Treaty: 10 × ₦750 million = ₦7.5 billion.

Risk Portion	Amount Covered	Premium Allocation
Retention	₦750 million	₦375,000
First Surplus Treaty	₦15 billion	₦7,500,000
Second Surplus Treaty	₦7.5 billion	₦3,750,000
Facultative Reinsurance	₦26.75 billion	₦13,375,000
Total	₦50 billion	₦25 million

In **Case Study 1**, the large commercial risk of ₦50 billion is managed by retaining ₦750 million, utilizing the full capacity of the first and second surplus treaties, and placing the remaining ₦26.75 billion through facultative reinsurance.

Reinsurance Program and Mechanism

Case Study 2: Apportionment Among 3 Insurance Companies via Broker, assuming the Shooting Start Insurance Brokers decided to place this commercial fire policy with 3 different underwriters as follows : Sum Insured: ₦50 billion, Arsenal Insurance Plc: 50% Chelsea Gen Insurance Ltd: 30% and Man-City Assurance Plc: 20% . As a Broker , show how the risk would appear on the Broker's Slip for the Co-insurers .

Summary of the Apportionment Among Insurance Companies:

Insurance Company	Prop	Risk Covered	Premium Allocation
Arsenal Insurance Plc	50%	₦25 billion	₦12,500,000
Chelsea Gen Insurance Ltd	30%	₦15 billion	₦7,500,000
Man-City Assurance Plc	20%	₦10 billion	₦5,000,000
Total		₦50 billion	₦25 million

- In **Case Study 2**, the risk is apportioned among three insurance companies through broker placement, with each company covering a portion of the risk and receiving a corresponding share of the premium.

Reinsurance Program and Mechanism

Case Study 3 : Non-Proportional (Non-Pro-rata) Per Risk Excess of Loss

Assuming that Liverpool Assurance PLC has a Per Risk Excess of Loss with its reinsurers as follows : Deductible N5million , two layers Per Risk XL of First Layer : N10m xs N5m , Second Layer N20m xs N15m and a Cover Limit of N35m. If Mr. Kunle Chukwuemeka placed have a Comprehensive Motor Insurance of N75million Sum insured and Premium of N3,750,000 with Arsenal Insurance Plc and later suffered a partial loss of N35million . Apportion the Loss with its Excess of Loss reinsurers and Facultative reinsurer (if any)

Case Details:

- **Deductible (Retention):** ₦5 million
- **First Layer (Per Risk XL):** ₦10 million in excess of ₦5 million (₦10 million xs ₦5 million)
- **Second Layer (Per Risk XL):** ₦20 million in excess of ₦15 million (₦20 million xs ₦15 million)
- **Cover Limit:** ₦35 million
- **Sum Insured for Mr. Kunle Chukwuemeka's Comprehensive Motor Insurance:** ₦75 million
- **Premium Paid:** ₦3,750,000 , **Partial Loss Suffered:** ₦35 million

Summary of Apportionment:

Layer	Covered Amount (₦)
Arsenal Insurance Ltd (Deductible)	₦5 million
First Layer Reinsurers (₦10m xs ₦5m)	₦10 million
Second Layer Reinsurers (₦20m xs ₦15m)	₦20 million
Facultative Reinsurer (if any)	₦0
Total Loss	₦35 million

Reinsurance Program and Mechanism

Explanation:

- Arsenal Insurance Ltd absorbs the first ₦5 million of the loss as the deductible.
- The first layer reinsurers cover the next ₦10 million of the loss.
- The second layer reinsurers cover the remaining ₦20 million of the loss.
- Since the total loss is within the coverage limits of the Excess of Loss Treaty, there is no need to involve a facultative reinsurer for this loss.

This structure allows Arsenal Insurance Ltd to manage its risk exposure effectively, with the reinsurers stepping in to cover significant portions of the loss beyond the company's deductible / priority / attachment point

Coinsurance vs. Reinsurance

Risks Sharing & Transfer of Risks

Coinsurance vs. Reinsurance

Coinsurance is a concept in the insurance industry where multiple insurance companies share the coverage of a risk. Each insurer involved in the coinsurance arrangement agrees to cover a specific percentage or proportion of the risk, and they are liable for their share of any claims that arise.

Key Features of Coinsurance:

1.Risk Sharing: Unlike reinsurance, where the risk is transferred from the primary insurer to a reinsurer, coinsurance involves the sharing of risk among several insurers. Each insurer is responsible for a portion of the risk and, consequently, a portion of the premiums and claims.

2. Joint and Several Liability: In a coinsurance arrangement, each participating insurer is independently liable for their portion of the risk. If a loss occurs, each insurer pays its share of the claim, up to the percentage of coverage they agreed to provide.

Coinsurance vs. Reinsurance

Coinsurance

Coinsurance: Liabilities of co-insurers are joint but not several. The phrase **"Liabilities of co-insurers are joint but not several"** in the context of coinsurance means that the co-insurers share a common obligation to the insured party, but each insurer's responsibility is limited to its specific share of the risk. Here's a breakdown:

Coinsurance Overview

Coinsurance involves multiple insurers (co-insurers) covering a portion of the same risk. For example, if a property is insured for ₦100 million and three co-insurers participate, they might each cover ₦40 million, ₦30 million, and ₦30 million, respectively.

Liabilities are Joint, But Not Several

- **Joint Liability:** All co-insurers together are responsible for fulfilling the insurance contract's total liability. This means that if the insured files a claim, the total sum insured is considered a single obligation collectively held by all co-insurers.
- **Not Several:** Each co-insurer is only liable for their specific share of the coverage. They are not responsible for the other co-insurers' shares. In the case of a loss, each co-insurer will only pay out their agreed percentage of the claim. If one co-insurer fails to meet its obligation, the insured cannot demand the full amount from the other co-insurers—they can only seek payment based on the agreed proportions.

Coinsurance vs. Reinsurance

Coinsurance

Example:

If a property insured for ₦100 million with three co-insurers suffers a total loss:

- Co-insurer A covers ₦40 million.
- Co-insurer B covers ₦30 million.
- Co-insurer C covers ₦30 million.

Each co-insurer will pay their respective share of the loss, but if Co-insurer C fails to pay, the insured cannot ask Co-insurer A or B to cover C's share. The insured would need to pursue Co-insurer C separately for the remaining amount.

This arrangement ensures that each co-insurer is only responsible for the portion of risk they agreed to cover, and no more.

The next tables highlight how co-insurance is focused on risk-sharing among multiple underwriters, while reinsurance is a risk transfer strategy used by insurance companies to manage their overall risk exposure, typically on an annual basis through treaties or on a per-risk basis through facultative arrangements.

Coinsurance vs. Reinsurance

Aspect	Co-Insurance	Reinsurance
Definition	Risk-sharing methodology where multiple insurers jointly underwrite a single policy, each covering a proportion of the risk.	Risk transfer strategy where an insurance company transfers part of its risk to a reinsurer, either through a treaty (annual agreement) or facultative reinsurance (individual risk).
Risk Management	Risk Sharing: Multiple underwriters share the risk proportionally, reducing each company's exposure.	Risk Transfer: The insurance company transfers part of the risk to a reinsurer, reducing its potential liability.
Types	Single Approach: Co-insurance involves multiple insurers jointly underwriting a policy.	Proportional Treaty: Insurer and reinsurer share premiums and losses in a fixed proportion. Non-proportional Treaty: Reinsurer covers losses exceeding a certain threshold. Facultative Reinsurance: Used for individual risks outside treaty scope.
Capital Efficiency	Optimizes capital usage by allowing insurers to underwrite large policies without overextending capital.	Frees up capital for insurers by transferring part of the risk, allowing for more underwriting capacity and improved solvency ratios.
Underwriting Capacity	Increases market participation by allowing insurers to underwrite larger risks together.	Enhances an insurer's ability to underwrite large or high-risk policies by sharing the risk with reinsurers.

Coinsurance vs. Reinsurance

Aspect	Co-Insurance	Reinsurance
Financial Impact	Risk Sharing Example: - Policy Sum Insured: ₦50 billion - Arsenal Insurance (50%): ₦25 billion - Chelsea Gen Insurance (30%): ₦15 billion - Man-City Assurance (20%): ₦10 billion.	Proportional Treaty Example: - Sum Insured: ₦50 billion - Retention: ₦750 million - Reinsurer covers 90% of losses and premiums. Non-Proportional Treaty Example: - Insurer covers up to ₦1 billion in losses, reinsurer covers losses above this. Facultative Reinsurance Example: - Policy Sum Insured: ₦10 billion - Retention: ₦2 billion - Facultative reinsurer covers remaining ₦8 billion.
Strategic Advantage	Builds relationships among insurers and enhances market presence through collaboration.	Provides protection against catastrophic losses, stabilizes earnings, and improves underwriting capabilities.
Annual Contract	Not typically an annual agreement; instead, it applies to individual policies.	Usually taken as an annual treaty, either proportional or non-proportional, covering multiple risks under a single agreement or facultative for individual risks.

Coinsurance vs. Reinsurance

Aspect	Co-Insurance	Reinsurance
Usage Scenario	Large commercial risks where multiple insurers share the burden (e.g., industrial complexes, infrastructure projects).	Broad range of risks, including catastrophic events, high-value assets, and specialized risks that exceed the insurer's capacity (e.g., aviation, marine).
Example in Naira (₦)	Example: - Total Sum Insured: ₦50 billion - Premium: ₦25 million - Arsenal Insurance (50%): ₦12.5 million premium - Chelsea Gen Insurance (30%): ₦7.5 million premium - Man-City Assurance (20%): ₦5 million premium.	Proportional Treaty Example: - Total Sum Insured: ₦50 billion - Retention: ₦750 million - Reinsurer covers ₦49.25 billion and receives corresponding premium. Non-Proportional Treaty Example: - Insurer retains first ₦1 billion of losses - Reinsurer covers losses above ₦1 billion up to ₦49 billion. Facultative Reinsurance Example: - Sum Insured: ₦10 billion - Insurer retains ₦2 billion, facultative reinsurer covers ₦8 billion.

Coinsurance vs. Reinsurance

Justification	Explanation
Risk Sharing	- Distribution of Risk: Multiple insurers share the risk, reducing individual exposure. - Avoiding Overconcentration: Prevents overexposure to a single large risk.
Enhanced Underwriting Capacity	- Capacity Building: Enables participation in underwriting larger policies beyond individual limits. - Market Presence: Maintains a presence in markets with high-value risks.
Diversification of Portfolio	- Risk Diversification: Spreads potential losses across different lines of business and geographic areas. - Balance Risk and Return: Manages risk by taking a portion of a large risk instead of the entire burden.
Collaboration and Relationship Building	- Market Collaboration: Encourages collaboration among insurers, leading to stronger industry relationships. - Leverage Expertise: Pooling knowledge for complex risks.
Cost Efficiency	- Cost Management: More cost-effective solutions by sharing risk and reducing capital commitment. - Shared Administration Costs: Lowers administrative expenses through shared underwriting and claims handling.
Strategic Flexibility	- Selective Participation: Allows insurers to participate in high-value policies without overcommitting resources. - Market Testing: Test risk appetite before fully underwriting on their own.

Case Studies

Real business case scenarios

Case Studies

Insurance Type	Case Study	Scenario	Reinsurance Protection	Outcome
Property Insurance	Large Commercial Risks	High-Value Commercial Property Fire: A significant fire at a large commercial property, resulting in massive property damage and business interruption.	Proportional reinsurance (quota share or surplus treaties) allowed the underwriting house to share a portion of the risk with reinsurers.	Reinsurance covered a substantial part of the claim, protecting the underwriting house from a crippling financial impact and maintaining its underwriting capacity for other clients without excessive premium increases.
Life Insurance	Mortality and Longevity Risk	Surge in Claims Due to Natural Disaster: A natural disaster caused a surge in mortality claims for a life underwriting house.	Excess of loss reinsurance for large claims and quota share reinsurance to mitigate overall portfolio risk.	Reinsurance mitigated the financial impact of the surge in claims, allowing the underwriting house to continue offering life insurance products without financial strain or reputational damage.

Case Studies

Insurance Type	Case Study	Scenario	Reinsurance Protection	Outcome
Liability Insurance	Mass Tort Claims	Environmental Pollution Liability: Large liability claims due to an environmental pollution event caused by an insured industrial client.	Excess of loss treaties specifically designed for high-severity liability exposures.	Reinsurance provided the funds to cover high-severity claims, protecting the underwriting house's balance sheet from significant depletion and preserving its credibility to manage similar risks in the future.
Health Insurance	High-Cost Medical Claims	Epidemic of a Rare Disease: A spike in claims due to an outbreak of a rare disease with high treatment costs.	Stop-loss reinsurance agreements to limit exposure to high aggregate claims or specific high-cost treatments.	The stop-loss reinsurance reduced the underwriting house's net liability, ensuring coverage for claims without compromising financial stability, crucial for maintaining service levels and competitive pricing.

Case Studies

Insurance Type	Case Study	Scenario	Reinsurance Protection	Outcome
Marine Insurance	Cargo and Hull Losses	Major Shipping Incident: Loss of several vessels and their cargo due to a significant shipping incident.	Excess of loss reinsurance to handle large and unpredictable marine risks.	Reinsurance allowed the underwriting house to absorb substantial claim costs, safeguarding its capital and enabling continued coverage for large marine risks.

Case Studies

Case Study 1 : An Insurance company is interested in protecting its net retention of N15million under Surplus Share reinsurance due to the increasing claims of Natural Perils and desired to optimize its reinsurance in the event of a catastrophic loss . If the insurance company bought a Cat XL , how will that help in the event of a massive flood event that lasted for 3 days . Note the Cat XL treaty has a 72 Hour Clause .

In the scenario where an insurance company is protecting its net retention of ₦15 million under a Surplus Share reinsurance arrangement, and is concerned about increasing claims from natural perils, the purchase of a Catastrophe Excess of Loss (Cat XL) reinsurance policy, particularly with a 72-Hour Clause, would be instrumental in managing catastrophic risks like a massive flood event.

How Cat XL Reinsurance Works in This Scenario:

1.72-Hour Clause Explanation:

1. The 72-Hour Clause is a standard provision in Cat XL treaties that defines the duration within which all claims arising from a single catastrophic event (like a flood) are considered as one occurrence. This means that any claims resulting from the flood within a continuous 72-hour period are treated as a single claim for the purpose of reinsurance coverage.

2.Application to the Flood Event:

1. In the event of a massive flood that lasted for 3 days (72 hours), the 72-Hour Clause would apply. This means that all losses incurred by the insurance company during the flood, over these 3 days, would be aggregated and treated as a single event under the Cat XL treaty.

Case Studies

3. Protection and Optimization:

- **Retention and Claims Impact:** The insurance company's net retention under the Surplus Share treaty is ₦15 million. Any losses exceeding this retention due to the flood would trigger the Cat XL coverage.
- **Cat XL Trigger:** If the aggregated losses from the flood event exceed the attachment point of the Cat XL coverage, the reinsurer will cover the excess losses up to the limit specified in the Cat XL treaty. This significantly reduces the financial impact on the insurance company.
- **Optimization of Reinsurance:** By using Cat XL, the insurance company optimizes its reinsurance program by transferring the risk of large, infrequent catastrophic losses (such as the massive flood) to the reinsurer, thus protecting its capital and ensuring its ability to meet policyholder claims without severe financial strain.

Summary:

The Cat XL reinsurance, with its 72-Hour Clause, would cover the aggregated claims from the 3-day flood event as a single loss occurrence. This coverage would kick in after the company’s net retention of ₦15 million is exceeded, providing substantial financial relief and optimizing the company's reinsurance strategy against catastrophic losses.

Case study 2

An Insurance company is disturbed by high frequency and low to moderate severity on a Motor Insurance portfolio , If is chooses a deductible of N5m and a cover limit of N50m . What type of reinsurance will be suitable and how will it be arranged

Solution

For an insurance company dealing with a Motor Insurance portfolio characterized by high frequency and low to moderate severity of claims, a suitable reinsurance solution would be an Excess of Loss (XL) reinsurance with a deductible and coverage structure tailored to its specific needs.

The Cover can be arranged as follows :

Suitable Reinsurance Type:

Excess of Loss (XL) Reinsurance This type of reinsurance is designed to cover losses that exceed a certain threshold (deductible) and provides protection against large, unexpected losses beyond that threshold. It is particularly useful in cases where there is a high frequency of claims, but the severity of each claim is manageable.

Arrangement Details:1.

Excess of Loss Reinsurance with Deductible and Cover Limit Deductible: ₦5 million. This is the amount the insurance company will retain for each claim before the reinsurance coverage begins. In this case, the company will pay the first ₦5 million of each loss.

Cover Limit: ₦50 million. This is the maximum amount the reinsurer will pay for each claim that exceeds the deductible. In this case, the reinsurer will cover up to ₦50 million for any single claim above the deductible.

Case Studies

Process	Details
Claim Occurrence	If a claim occurs, the insurance company will first absorb the cost up to the deductible amount of ₦5 million.
Reinsurance Trigger	For any part of the claim that exceeds ₦5 million, the Excess of Loss reinsurance will come into effect. The reinsurer will cover losses exceeding the deductible up to the cover limit of ₦50 million.
Example Scenarios	
Scenario 1	Claim Amount: ₦10 million Insurer's Payment: ₦5 million (deductible) Reinsurer's Payment: ₦5 million (₦10 million - ₦5 million)
Scenario 2	Claim Amount: ₦60 million Insurer's Payment: ₦5 million (deductible) Reinsurer's Payment: ₦50 million (cover limit)
Scenario 3	Claim Amount: ₦20 million Insurer's Payment: ₦5 million (deductible) Reinsurer's Payment: ₦15 million (₦20 million - ₦5 million)

Case Studies

Benefits of This Arrangement:

1.Protection Against High Severity Claims:

1. This arrangement effectively limits the insurer's exposure to high severity claims, while retaining control over lower-frequency, lower-severity claims.

2.Cost Management:

1. By setting a deductible, the insurer can manage its costs and retain more manageable risks, while transferring the risk of large claims to the reinsurer.

3.Enhanced Capacity:

1. Provides additional capacity for the insurer to write more policies without being overly exposed to large individual losses, which is beneficial for maintaining profitability and solvency.

Summary:

An **Excess of Loss (XL) reinsurance** arrangement with a deductible of ₦5 million and a cover limit of ₦50 million would be suitable for an insurance company dealing with high-frequency, low-to-moderate severity claims in a Motor Insurance portfolio. This setup allows the insurer to cover routine claims internally while transferring the risk of large, unexpected losses to the reinsurer, thus optimizing its risk management and financial stability.

Case Studies

Case 3

Malam Sanusi is one of the big textile merchant in Kano ,Nigeria he has a Marine Cargo policy with Liverpool Insurance Plc . The insurer has a surplus treaty with retention of N20m and 20 lines treaty limit . Malam Sanusi marine cargo policy has a sum insured of N100m and premium of N250,000,000 .

(i) Apportion the risk and premium base on the treaty terms and conditions .

(ii) If Liverpool Insurance Plc is dissatisfied with its current treaty type , make recommendations for the company on alternatives and give justifications

Summary of Apportionment:

Item	Liverpool Insurance Plc	Reinsurers (Surplus Treaty)
Sum Insured	₦20 million (20%)	₦80 million (80%)
Premium	₦50,000 (20%)	₦200,000 (80%)
Lines Used	Retained 1 line	4 lines (of 20 available)

Case Studies

(ii) Recommendations for Liverpool Insurance Plc on Alternatives to Current Treaty Type
Current Treaty Type: Surplus Treaty
•**Description:** A surplus treaty allows the insurer to retain a fixed amount (retention) and cede the surplus amount to the reinsurer up to a predetermined limit (in this case, 20 lines).
Possible Alternatives:
1.Quota share Treaty:

1. **Description:** In a quota share treaty, the insurer and reinsurer share premiums and losses according to a fixed percentage (e.g., 70/30).
2. **Justification:** This could be beneficial for Liverpool Insurance Plc if it desires more predictable and stable sharing of both premiums and losses across all policies, irrespective of size. It ensures the insurer shares every risk proportionally, which might be preferred if the company wants to improve its premium base.

2.Excess of Loss (XL) Treaty:

1. **Description:** This treaty covers losses that exceed a specified retention amount (e.g., ₦20 million), with the reinsurer covering the excess up to a certain limit.
2. **Justification:** If Liverpool Insurance Plc is concerned about large, infrequent losses that could severely impact its financial stability, an Excess of Loss treaty would provide protection against such catastrophic events. It's especially useful in mitigating the impact of high-severity claims while allowing the insurer to retain manageable risks.

Case Studies

3. Facultative Reinsurance:

1. **Description:** This is a type of reinsurance where individual risks are ceded to the reinsurer on a case-by-case basis.
2. **Justification:** For particularly large or unusual risks that do not fit neatly into the treaty arrangements, facultative reinsurance allows Liverpool Insurance Plc to negotiate specific terms for individual policies. This flexibility might be useful for cases like Malam Sanusi's high-value marine cargo policy.

4. Stop-Loss Reinsurance:

1. **Description:** A stop-loss reinsurance treaty limits the insurer's aggregate losses over a specified period, with the reinsurer covering losses beyond this threshold.
2. **Justification:** This could help Liverpool Insurance Plc protect against the accumulation of moderate-sized losses that could strain its annual results. It is particularly useful in markets where there is a concern over the frequency of losses within the retention limit.

Recommendation:

Given the dissatisfaction with the surplus treaty, Liverpool Insurance Plc might consider a **combination of Quota Share and Excess of Loss treaties**. The quota share will allow for proportional sharing of all risks, ensuring premium income is shared and balanced, while the excess of loss treaty will provide protection against large, unexpected claims. This combination offers a balanced approach to risk management, optimizing premium income while limiting exposure to catastrophic losses.

Reinsurance Optimization:

Matching Reinsurance with Risk Appetite
Adverse Development Cover & Deductible Buy Down

Reinsurance Optimization

Reinsurance optimization refers to the strategic process of designing and structuring reinsurance programs to maximize an insurer's risk management efficiency while minimizing costs and capital requirements. The goal is to achieve the best possible balance between risk transfer, capital relief, and financial performance, ensuring that the insurer is adequately protected against potential losses while also optimizing its use of capital.

Tools of Reinsurance Optimization:

Cost-Benefit Analysis:

1. **Premium vs. Coverage Analysis**: Tools that compare the cost of reinsurance premiums with the coverage provided, helping insurers to identify the most cost-effective reinsurance arrangements.
2. **Return on Equity (ROE) Impact**: Assessing how different reinsurance structures impact the insurer's ROE, enabling the selection of options that maximize financial performance.

3. Retention Optimization:

- *Retention Level Analysis*: Tools that determine the optimal retention level (i.e., the amount of risk the insurer retains before reinsurance coverage kicks in) to balance risk retention and capital efficiency.
- *Layering Analysis*: Assessing how different layers of reinsurance coverage (e.g., primary, excess layers) can be structured to optimize protection and cost.

4. Portfolio Diversification:

- *Risk Diversification Tools*: These tools help insurers diversify their risk portfolio across different geographies, lines of business, or perils, thereby optimizing their reinsurance structure.
- *Global Reinsurance Markets Access*: Utilizing global reinsurance markets to spread risks and access the most competitive terms and pricing.

5. Capital Management:

•*Economic Capital Models:* These models help insurers determine the amount of capital needed to cover their risk exposure, allowing them to optimize their reinsurance to achieve capital relief.

•*Regulatory Capital Optimization*: Tools that assess how different reinsurance structures can impact regulatory capital requirements, helping insurers to maintain compliance while optimizing their capital usage.

Reinsurance Optimization

Reinsurance optimization is not a one-size-fits-all approach; it requires a nuanced understanding of the insurer's risk profile, market dynamics, and regulatory requirements. By leveraging ADC and DBD, insurers can tailor their reinsurance strategies to address specific challenges, ensuring that they are well-prepared to navigate the uncertainties of the market.

As the Nigerian insurance industry continues to grow and evolve, the ability to effectively optimize reinsurance strategies will be a key differentiator for successful insurers. By embracing these advanced reinsurance practices, insurers can protect their capital, enhance their operational resilience, and ultimately deliver better outcomes for their policyholders and shareholders.

*Aligning Reinsurance Structures with Risk Appetite

Key Aspects of Reinsurance Optimization:

1.Risk Transfer Efficiency: Ensuring that risks are transferred in a manner that aligns with the insurer's risk appetite and financial goals.

2. Cost Management: Balancing the cost of reinsurance premiums with the level of protection provided, to achieve a cost-effective reinsurance program.

3. Capital Relief: Optimizing the reinsurance structure to reduce the capital that an insurer needs to hold, which can free up resources for other investments or business expansion.

4. Financial Stability: Ensuring that the reinsurance program contributes to the insurer's overall financial stability, particularly in the face of catastrophic events or large claims.

5. Regulatory Compliance: Structuring reinsurance in a way that meets all regulatory requirements, which can vary by jurisdiction.

Reinsurance Optimization

Adverse Development Cover (ADC):

Principle: Adverse Development Cover (ADC) is a type of reinsurance that protects insurers against the risk of claims reserves deteriorating beyond expected levels. It is particularly useful for managing long-tail liabilities where the ultimate cost of claims may not be known for several years.

Application:
In the Nigerian market, where certain types of claims, such as those related to liability or environmental damage, may take years to fully develop, ADC can provide essential protection. By securing ADC, an insurer can limit its exposure to reserve deterioration, ensuring that unexpected increases in claim costs do not erode its capital or profitability.

Example:
Consider a Nigerian insurer that underwrites liability insurance for oil companies. Given the potential for long-tail environmental claims, the insurer might use ADC to protect against the risk that its initial reserve estimates prove inadequate. If, years later, the cost of these claims exceeds the original reserves, the ADC would cover the excess, thus shielding the insurer from adverse financial impact.

Benefit:
ADC is a valuable tool for insurers managing portfolios with significant long-tail exposure. It helps stabilize financial results and provides peace of mind that unexpected reserve developments won't threaten the insurer's financial stability.

Reinsurance Optimization

Deductible Buy Down (DBD):

Principle: Deductible Buy Down (DBD) is a reinsurance strategy that allows insurers to reduce their deductible or retention on specific risks, effectively lowering the threshold at which reinsurance coverage kicks in. This strategy is particularly useful for managing high-frequency, low-severity losses.

Application:
In the context of the Nigerian market, where certain risks, such as those related to motor or health insurance, may involve frequent but relatively low-cost claims, DBD can help insurers manage their risk exposure more effectively. By buying down the deductible, insurers can reduce the impact of these frequent claims on their balance sheets, while still retaining enough risk to maintain profitability.

Example:
A Nigerian health insurer might face a high frequency of small claims related to outpatient treatments. To manage this exposure, the insurer could enter a DBD arrangement, reducing its retention on these claims from a higher level to a lower threshold. This would allow the reinsurer to cover a greater share of the small, frequent claims, thereby stabilizing the insurer's financial performance and enabling it to focus on managing larger, more complex risks.

Benefit:
DBD is particularly advantageous for insurers dealing with high-frequency claims, as it reduces the volatility of their results and allows them to allocate capital more efficiently. It also provides a mechanism to adjust their risk retention in response to changing market conditions or claims experience.

Reinsurance Optimization

Sector	Risks Covered	Reinsurance Application	Example
Upstream (Exploration and Production)	- Well blowouts - Drilling accidents - Environmental damage - Seepage & Pollution	- Non-proportional Reinsurance: Reinsuring high-value risks in drilling operations. - Excess of Loss Reinsurance: Provides protection against catastrophic losses from well blowouts or environmental incidents.	- A primary insurer covers an offshore drilling rig up to its deductible a significant portion of the risk goes to excess of loss . - Additional capacity to reduce the net retention through facultative line slips
Midstream (Transportation and Storage)	- Pipeline ruptures - Spills - Transportation accidents	- Excess of Loss is often used for high-value pipeline explosions or large spills - Additional protection through facultative outward reinsurance to reduce outlay. - Facultative and line slips	- A pipeline operator insures a cross-country pipeline project and cedes a portion of the risk to a reinsurer. - Excess of loss reinsurance protects against large claims from potential pipeline ruptures or environmental spills.
Downstream (Refining and Distribution)	- Refinery fires - Explosions - Product liability	- Quota Share Reinsurance: Used for large refineries to share risks associated with fires or explosions. - Stop-Loss Reinsurance: Helps manage the accumulation of claims from multiple incidents within the sector.	- A primary insurer covers a refinery complex and cedes 50% of the risk to a reinsurer through a quota share treaty. - Stop-loss reinsurance caps the total losses from potential multiple incidents, such as fires or equipment failures.

Reinsurance Optimization

Conclusion

Aligning Reinsurance Structure with Risk Appetite

Purpose: The primary insurer's risk appetite—the level of risk it is willing to retain—is central to determining the optimal reinsurance structure. By aligning reinsurance with risk appetite, insurers can balance the trade-off between retaining more risk (to save on reinsurance premiums) and ceding risk (to reduce potential volatility and capital strain).

Implementation: Insurers can use a mix of proportional and non-proportional reinsurance to manage their overall risk exposure. For example, they might use quota share treaties for more predictable, high-frequency risks and excess of loss treaties for protecting against low-frequency, high-severity events

Strategic Importance:

- By optimizing reinsurance structures, insurers can better navigate the complexities of risk management, ensuring they are well-positioned to handle both routine claims and extraordinary events, ultimately supporting sustainable growth and profitability

Thank you

Unlocking Market Development Through Regulation; Naicom's Strategic Priorities

Mr. Ajibola Bankole
Director (Inspectorate)
National Insurance Commission

CHARTERED INSURANCE INSTITUTE OF NIGERIA
KNOWLEDGE TRUST & EFFICIENCY

UNLOCKING MARKET DEVELOPMENT THROUGH REGULATION; NAICOM's STRATEGIC PRIORITIES

A paper presented at the **Chartered Insurance Institute of Nigeria (CIIN) 2024 Professional's Forum**

By

Ajibola Bankole

Director, Inspectorate

PRESENTATION OUTLINE

1. Introduction
2. NAICOM's Vision, Mission, and Core Values.
3. Past efforts at developing the market.
4. NAICOM Strategic Plan (2024 – 2027).
5. Current efforts at developing the market.
6. Conclusion.

Introduction

Let me start by welcoming us all to this year Professional's forum and also to specially welcome the Commissioner for Insurance in person of Mr. Olusegun Ayo Omosehin & the Deputy Commissioner for Insurance, Dr. Usman Jankara Jimada

I'll like to express my appreciation to the President and Members of Council for the invite.

Ladies and gentlemen, dear colleagues, the theme of this years' forum is very apt: **Transformation Strategies towards Expanding Market Reach.**

Indeed, you will agree with me that we have a lot of untapped opportunities in expanding our market. To effectively reach the unreached, all hands must be on deck; Regulator, Operators - Underwriters and Intermediaries alike.

In my presentation, we shall be looking at;

Unlocking Market Development through Regulation; but starting with NAICOM's Strategic Priorities.

NAICOM's Vision, Mission, and Core Values

Our Vision

A safe and stable insurance industry competing globally and contributing optimally to Nigeria's economy

Our Mission

To effectively regulate, supervise and develop the Nigerian insurance industry for the protection of insurance consumers and other stakeholders.

Our Core Values

Professionalism

Transparency

Integrity

Consistency

Effectiveness

Past Efforts at Developing the Market

- The Commission has always been in the fore front at taking steps to develop the insurance market.
- **Market Development and Restructuring Initiatives (MDRI**) of the Commission launched more than thirteen (13) years ago.
- **AIM** - to ensure the deepening of the insurance market and moving the industry's gross premium from ₦164 billion as it was then in 2012 to ₦1.1trillion.
- Industry gross premium hit this target in 2023.

NAICOM Strategic Plan (2024 – 2027)

Strategic Priorities

1	2	3	4	5
Safeguard policyholders and improve confidence in the industry	Strengthen our supervisory capabilities and organisational effectiveness	Improve safety and soundness of the Nigerian insurance industry	Foster innovation and sustainability of the Nigerian insurance industry	Enhance overall insurance accessibility and penetration in Nigeria

Strategic Objectives

1	2	3	4	5
1.1 Drive effective claims management process and system	2.1 Strengthen oversight of insurance institutions	3.1 Enhance enforcement mechanisms to drive full compliance with regulation	4.1 Promote an enabling environment for innovation within the industry	5.1 Enhance enforcement of compulsory insurance policies
1.2 Intensify consumer protection measures to improve public trust	2.2 Enhance the regulatory frameworks of NAICOM	3.2 Elevate industry standards through effective rulemaking	4.2 Drive the development of robust industry infrastructure	5.2 Broaden reach and depth of insurance coverage across Nigeria
1.3 Promote responsible market conduct and practices	2.3 Improve depth of risk-based supervision	3.3 Transit to risk-based capital structure and drive recapitalisation of the Nigerian insurance industry	4.3 Promote the adoption of sustainability practices in the Commission and across the industry	5.3 Improve consumer awareness and insurance literacy levels
1.4 Enhance industry transparency and disclosures	2.4 Promote effective collaboration and communication with relevant regulatory bodies and stakeholders	3.4 Solidify solvency control systems and mechanisms		5.4 Facilitate development and adoption of new insurance distribution channels
1.5 Increase the Commission's visibility and digital presence	2.5 Redefine critical processes to attain service excellence	3.5 Establish confidential reporting system for whistle-blowing		
	2.6 Deepen the skills and capacities required to operate as a competent regulator	3.6 Promote sufficient re-insurance capacity		
	2.7 Drive digital transformation within the Commission	3.7 Enhance industry resilience and data security		
	2.8 Enhance data management and analytical capabilities			
	2.9 Develop effective governance to spur industry growth and transformation			
	2.10 Strengthen risk management practices within the Commission			

NAICOM Strategic Plan (2024 - 2027) Cont'd

***Strategy 1*. Safeguard Policyholders & improve confidence in the industry.** There are several ways the Commission hopes to achieve this strategic goal with the cooperation of you all:

- Drive effective **claims management** process and system - in developing our market, we cannot overemphasize the place of prompt settlement of genuine claims. Prompt claims settlement we know is one of the best form of advert for any serious insurer. Dear colleagues, we need to increase our credibility and customer satisfaction.
- Intensify **consumer protection** measures to improve public trust.
- Promote responsible **market conduct and practices.**
- Enhance **industry transparency** and disclosures.
- Increase the Commission's **visibility and digital presence.**

NAICOM Strategic Plan (2024 - 2027) Cont'd

***Strategy 2*. Foster innovation & sustainability of the Nigerian Insurance Industry.** We shall dwell more here as this is the crux of my presentation. The objectives here are:

- Promote an **enabling environment for innovation** within the industry.
- Drive the development of **robust industry infrastructure.**
- Promote the adoption of **sustainability practices** in the Commission and across the industry.
- The Commission envisaged and recognizes the place of innovation and that is why the Management carried out some restructuring by having in place the Innovation & Regulatory Directorate under which the **Insurance Hub Unit** is domiciled.

NAICOM Strategic Plan (2024 - 2027) Cont'd

***Strategy* 5. Enhance overall insurance accessibility and penetration in Nigeria -** The objectives here are:

- Enhance **enforcement of compulsory insurance policies.**
- Broaden **reach and depth of insurance coverage** across Nigeria.
- Improve **consumer awareness and insurance literacy levels.**
- Facilitate development and adoption of **new insurance distribution channels.**

NAICOM Strategic Plan (2024 - 2027) Cont'd

Initiatives to drive relevant NAICOM's Strategic Plans:

The Commission is collaborating with relevant regulatory agencies to enforce compulsory insurance. To further unlock the market, there would be continuous effort to coordinate enforcement actions through partnerships and collaborations with these agencies.

Develop and implement a roadmap to commence sensitisation programmes for state governments and administrators on the relevance of enforcing compulsory insurance policies (i.e. Builders Liability Insurance).

NAICOM Strategic Plan (2024 – 2027) Cont'd

Other initiatives are:

- To develop a framework to guide partnerships and collaborations with telecommunication operators and mobile network operators (MNOs) leveraging their strong distribution networks and infrastructure to deliver microinsurance products.

- To broaden the reach and depth of insurance coverage, there had been an upgrade and streamlining of the agency registration and licensing process to be more efficient. This will continue to ensure effective management of Agents from point of on-boarding at the Agency office to training at the College of Insurance and Financial Management (CIFM) and eventual Licensing. This would continue to be adequately monitored.

NAICOM Strategic Plan (2024 - 2027) Cont'd

Other initiatives cont'd:

- Collaborate with relevant bodies and educational institutions to integrate insurance education into the curriculum.
- Engage media and public opinion influencers to create awareness on the relevance of insurance.
- Enhance access to insurance through alternative and low-cost distribution channels such as digital and mobile platforms through the development and issuance of guidelines on alternative distribution channels and expedite authorisation of these channels.

Conclusion

To drive these priorities, we solicit the cooperation of all players in this space.

The time to act is now!

Thank you

Thank you

Digital Authentication and Insurance Fraud

Dr. Peter Obadare
Chief Visionary Officer
Digital Encode Limited

Dr. Peter Adewale
Obadare

Peter Adewale Obadare is the Founder and Chief Visionary Officer (CVO) of Digital Encode Limited, recognized as a leading figure in cybersecurity, digital trust, and governance across Africa. He holds numerous prestigious fellowships, certifications, and awards, making him one of the most credentialed PAN-African digital trust leaders, cybersecurity strategist, GRC thought leader & global technopreneur.

Peter's expertise spans cybersecurity, data protection, IT governance, and risk management. He has over fifty-eight (58) international professional certifications. He also has Master of Science in Cybersecurity, Liverpool University, United Kingdom, and was awarded Honorary Doctorate Degree in Cybersecurity from Trinity International University of Ambassadors Atlanta Georgia, United State of America. He is a distinguished alumnus of executive education at Harvard Business School, Harvard School of Government, MIT Sloan School of Management, MIT Professional Education, Oxford University, FATE Foundation and US Department of State Exchange Programme.

He has held key roles such as Cybersecurity Advisory Board Member for Lagos State and a Platinum Team Member of Open-Source Security Testing Methodology Manual (OSSTMM), as well a lifetime member of the Open Worldwide Application Security Project (OWASP). He has received several accolades, including the Forbes Best of Africa Digital Trust Leader 2023, African Cybersecurity Person of The Year 2024, and numerous lifetime achievement awards. Peter has also contributed significantly to cybersecurity discourse as a public speaker, thought leader, and advisor.

Digital Encode

Your Trusted Infosec & GRC Advisor

Digital Authentication and Insurance Fraud

Presenter: Dr. Obadare Peter Adewale

(FBCS, FIMC, FIIM, FESRM, FIBM, FTCM

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DR. OBADARE PETER ADEWALE

Chief Visionary Officer Digital Encode Limited and
Forbes Best of Africa Oustanding Digital Trust Leader.

As

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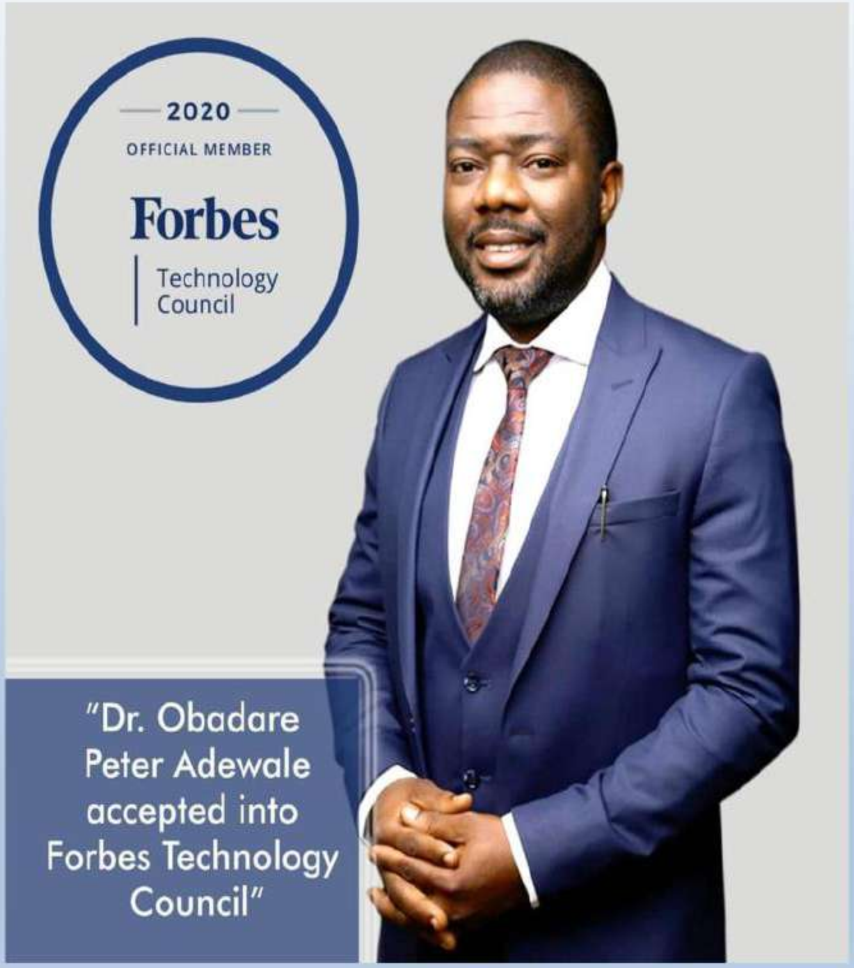
2020
OFFICIAL MEMBER
Forbes
Technology Council
"Dr. Obadare Peter Adewale accepted into Forbes Technology Council"


Forbes
BEST OF AFRICA
JULY 2023
Outstanding Digital Trust Leader Award WINNER 2023
DR. OBADARE PETER ADEWALE
Chief Visionary Officer DIGITAL ENCODE LIMITED
Forbes Best of Africa
AFRICA

Professional Certifications

- Fellow British Computer Society (FBCS)
- Fellow Institute of Management Consultant
- Fellow Institute of Brand Management of Nigeria
- Chartered I T Professional (CITP)
- COBIT 5 Certified Assessor
- COBIT 5 Implementation Certification
- COBIT 5 Foundation Certificate
- Payment Card Industry Professional (PCIP)
- Payment Card Industry Qualified Security Assessor
- ISO 27001 Lead Implementer
- ISO 27001 Lead Auditor
- ISO 2000 Lead Auditor
- ISO 22301/ BS 25999 Lead Auditor
- Integrated Management System Lead Auditor
- Computer Hacking Forensics Investigator (CHFI)
- Computer Hacking Forensics Investigator (CHFI)
- Ec- council Certified Secure Programmer (ECSP)
- Ec- council Licensed Penetration Tester (LPT)
- Ec- council Security Analyst (ECSA)
- Ec- council Certified Ethical Hacker (CEH)
- Master Security Analyst (MSA)
- Certified Security Analyst (CSA)
- Qualys Guard Certified Specialist (QCS)
- Cisco Certified Internetwork Expert (CCIE Written)
- Security Networks with ASA Advance (SNAA)
- Cisco Certified Design Professional (CCDP)
- Cisco Certified Network Professional (CCNP)
- Cisco Certified Network Associate (CCNA)
- Cisco Certified Design Associate (CCDA)
- Microsoft Certified Professional (MCP)

PECB ISO/IEC 27034 Lead Implementer (Application Security)
PECB

PECB Lead Pen Test Professional
PECB

PECB Lead Forensic Examiner
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PECB ISO/IEC 27001 Lead Implementer
PECB

PECB ISO/IEC 20000 Lead Auditor
PECB

PECB ISO 22301 Lead Auditor
PECB

ISO/IEC 27032 Lead Cybersecurity Manager
PECB

ISO/IEC 38500 Lead IT Corporate Governance Manager
PECB

LPT™

Licensed Penetration Tester

PECB

Digital Transformation Officer

CDPSE Certified Data Privacy Solutions Engineer

An ISACA® Certification

PECB | Data Protection Officer

COBIT® 5

COBIT® 5 Assessor

CBP

Certified Blockchain Professional

UNIVERSITY OF OXFORD

Saïd Business School

Oxford Blockchain Strategy Programme

Harvard Business School
Executive Education in Leading Professional Service Firms

Activities and Societies: Discussion Group Leader (Group 64)

Massachusetts Institute of Technology - Sloan School of Management
Entrepreneurship Development Program

Activities and Societies: Visit to MIT Launch

Massachusetts Institute of Technology - Sloan School of Management
Global Executive Academy (GEA), Leadership and Management

Activities and Societies: Innovation visit to MIT Museum

Massachusetts Institute of Technology - Professional Education
CSx CyberSecurity: Technology, Application and Policy

Activities and Societies: Case Studies on Disk Encryption, Mobile Phone Security, Resilient Software & Web Applications

Massachusetts Institute of Technology - Professional Education
Crisis Management and Business Continuity

Activities and Societies: Case Study visit to US Department of Homeland Security-FEMA

Introduction

The pandemic has dramatically increased the speed at which digital is fundamentally changing business and also the inherent risks.

Critical Question - Where are you on the 2x2?

Digital capability

FASHIONISTAS

- Many advanced digital features (such as social, mobile) in silos
- No overarching vision
- Underdeveloped coordination
- Digital culture may exist in silos

DIGITAL MASTERS

- Transformative digital vision
- Strong digital governance
- Many digital initiatives generating business value in measurable ways
- Strong digital culture

BEGINNERS

- Management skeptical of the business value of advanced digital technologies
- May be carrying out some experiments
- Immature digital culture

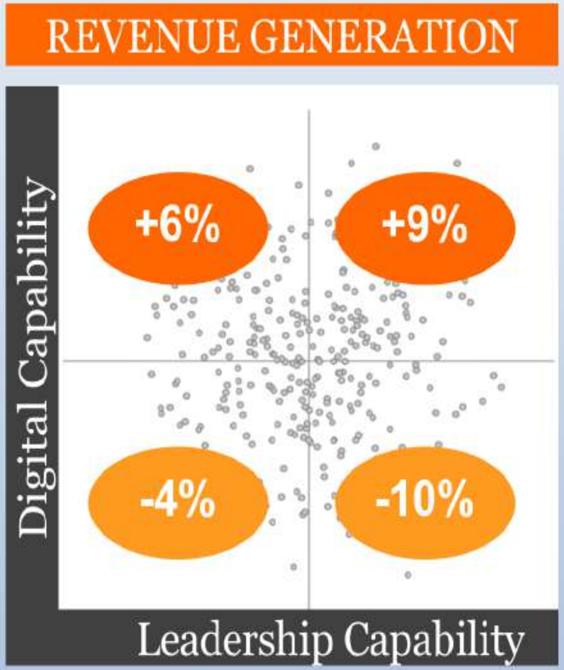
CONSERVATIVES

- Digital vision exists, but may be underdeveloped
- Few advanced digital features, but possibly strong traditional capabilities
- Strong governance across silos
- Very cautious approach to innovation

Leadership capability

Source: Westerman, G. Bonnet, D. and A. McAfee, Leading Digital: Turning Technology Into Business Transformation. Harvard Business Review Press 2014

Digital Masters Outperform Their Peers



Basket of indicators:
Revenue/Employee, Fixed Asset Turnover

Basket of indicators:
EBIT Margin, Net Profit Margin

Note: Chart shows average 2012 performance difference for firms in each quadrant vs. average of all large public firms in the same industry for the 184 publicly-traded companies in our sample.

Digital Transformation Risk - The Elephant in the room

The Two Monsters:

Impeding the pace of Digital Transformation in Nigeria:

1.Cybersecurity threats
2.eFraud

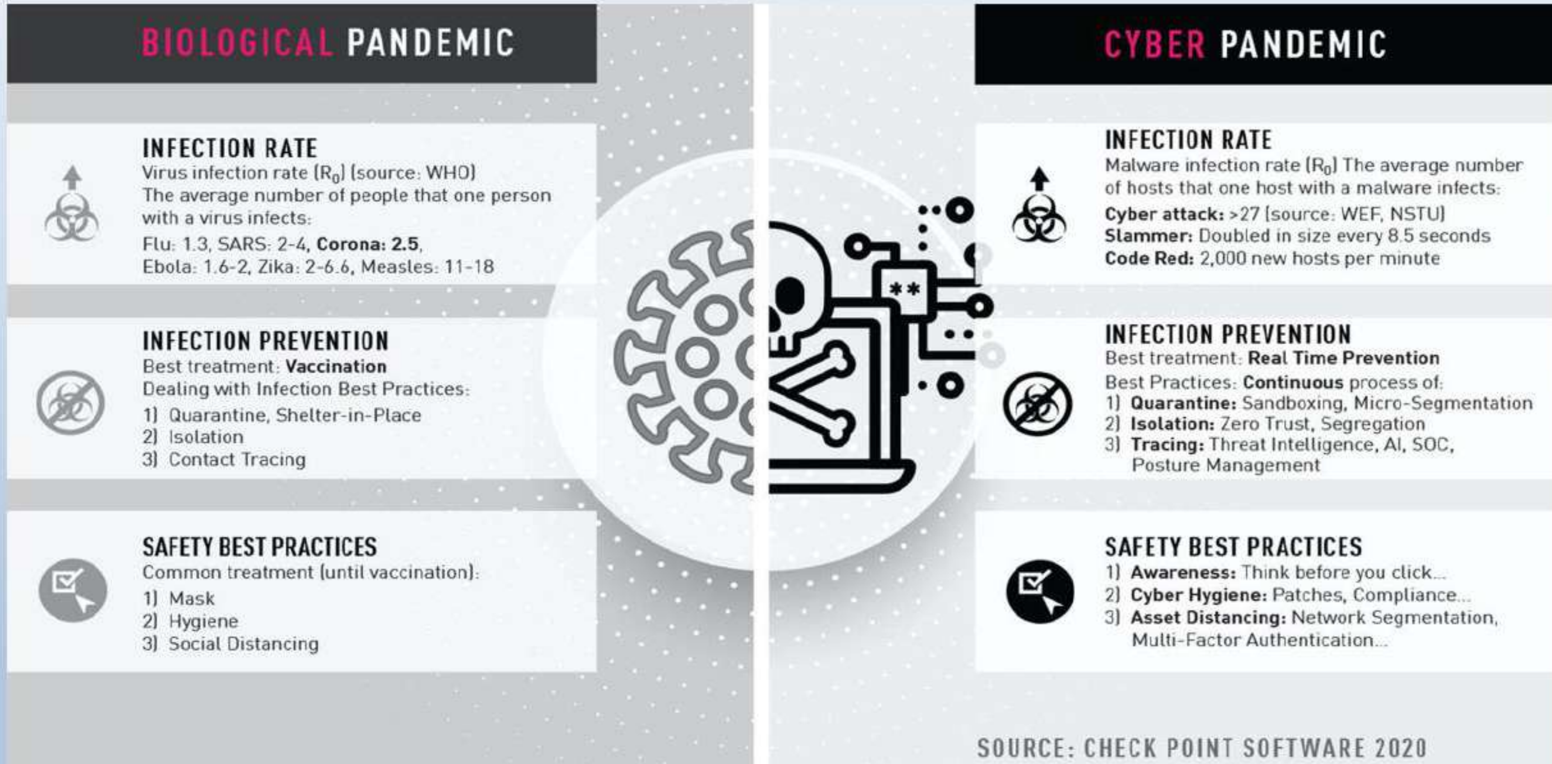
Dr.Obadare Peter Adewale (FBCS, CITP)

Image Source: Google


Global top 10
emerging risks according to experts
1 CLIMATE CHANGE
2 CYBER SECURITY RISKS
3 GEOPOLITICAL INSTABILITY
4 RISKS RELATED TO AI AND BIG DATA
5 ENERGY RISKS
6 NATURAL RESOURCES AND BIODIVERSITY RISKS
7 FINANCIAL STABILITY RISKS
8 SOCIAL TENSIONS AND MOVEMENTS
9 PANDEMICS AND INFECTIOUS DISEASES
10 MACRO-ECONOMIC RISKS

Much is at Stake

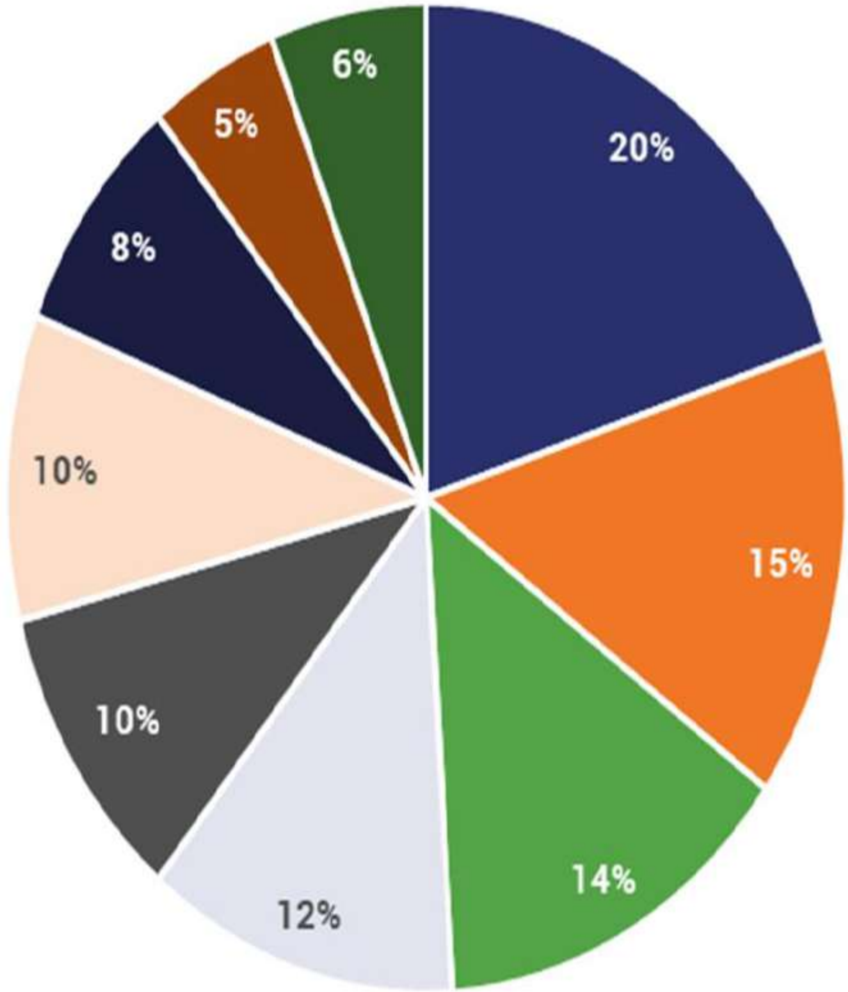
Preparing for the Next Global Crisis - A Cyber Pandemic



Old Villains Workshop

Most likely source of a cyber attack?

- Careless Employees (20%)
- Criminal Syndicates (15%)
- Malicious Employees (14%)
- Hacktivists (12%)
- External Contractors (10%)
- Lone Wolf Hacker (10%)
- State-sponsored Attacker (8%)
- Supplier (5%)
- Other (6%)



Attack Enablers:

Any digital asset can be digitally invaded if there is an issue with any of the following factors: "ADIO"

Architecture	Design
Implementation	Operation

SOCIETY FOR CORPORATE GOVERNANCE NIGERIA

DIGITAL AUTHENTICATION

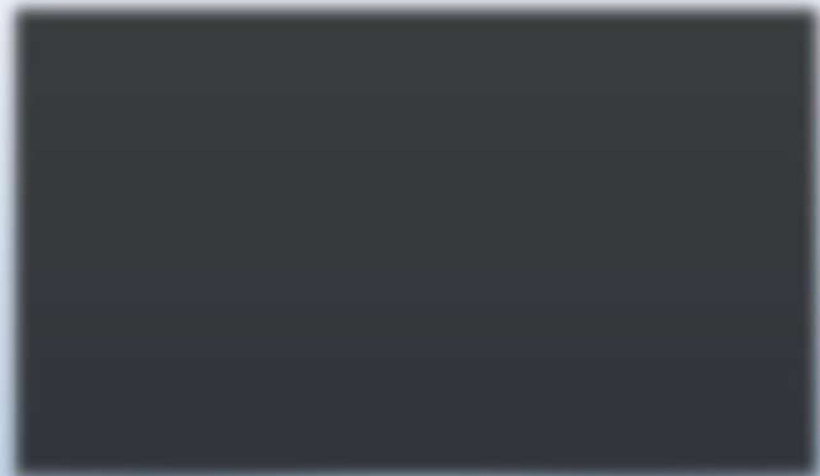
What Is User Authentication?

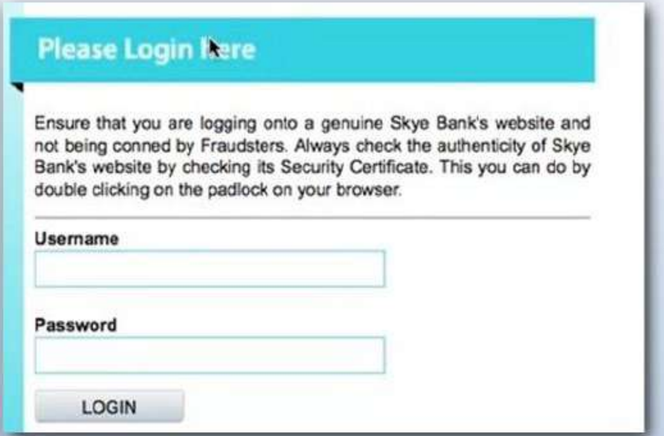
In its most primitive sense, authentication is a process by which a user is challenged to prove their identity. Most resources including networks, devices, and systems, are safeguarded by an Access Control List (ACL). An ACL indicates whether or not an identity is permitted to access a resource and often determines what kinds of operations the identity is entitled to. In most cases, the permitted operations are a **subset of CRUD**.

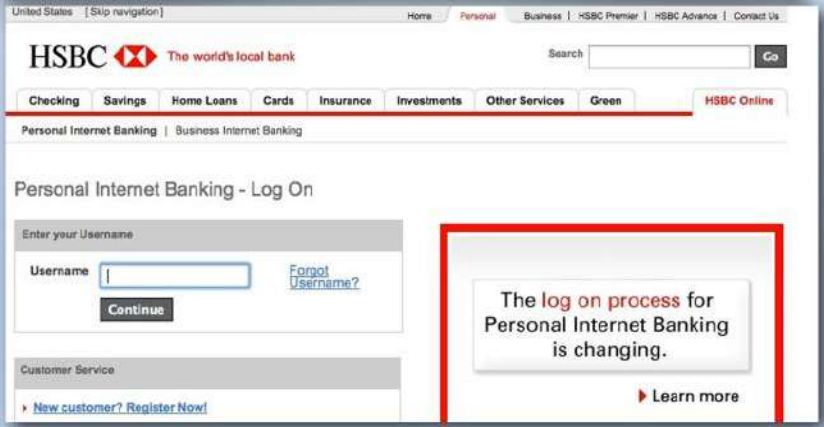
Outside of the digital world, people have used secret phrases, handshakes, and even door knocks to validate their identities. In the modern era, users are challenged to provide their identity based on credentials like user names and passwords, but there are many types including biometrics and authentication applications.

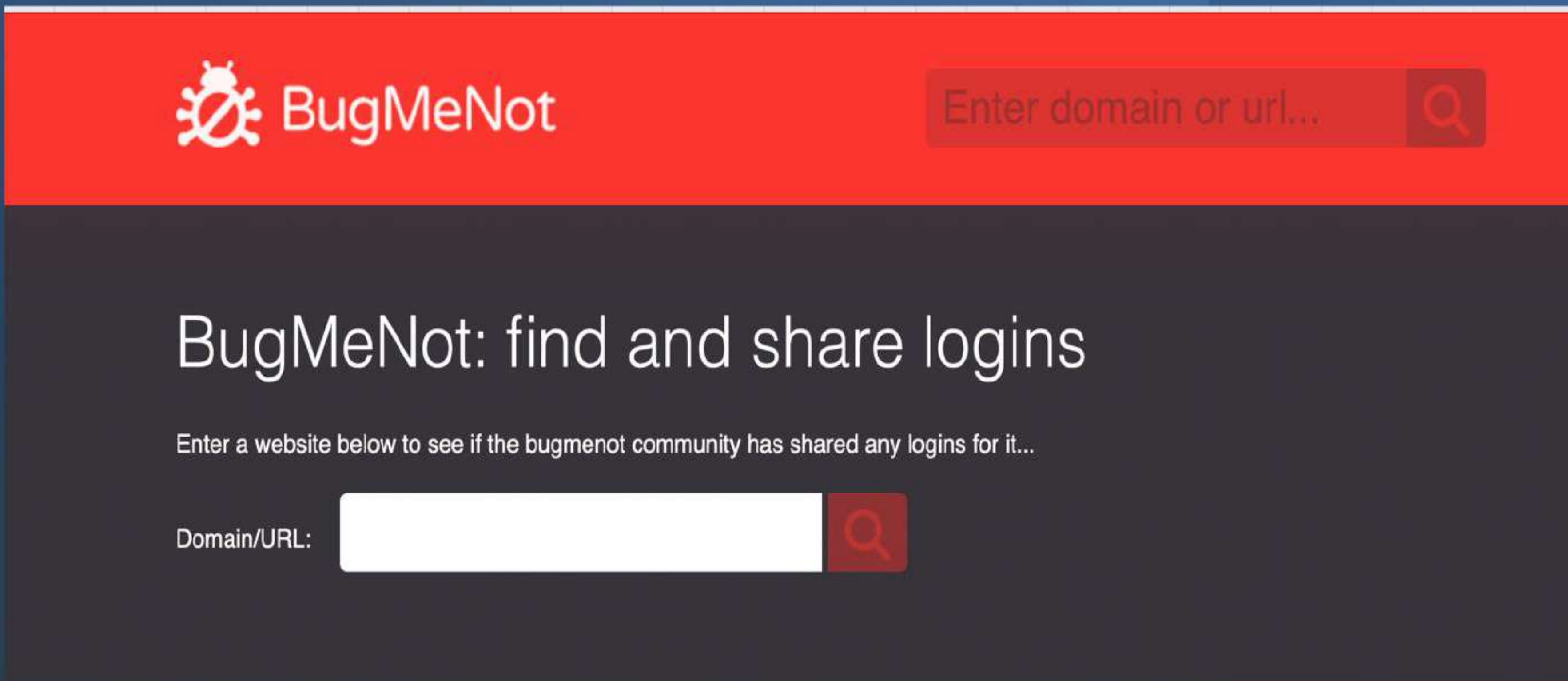
There's a great deal of advanced technology behind user authentication - and some methods of authentication are more secure than others. Robust authentication provides a safeguard against hackers attempting to bypass the system and gain access. When combined with other cybersecurity protocols like intrusion detection systems, it's a powerful tool to protect sensitive data against unwanted intrusion.
The user identification process is one of many defenses that help to prevent cyber attacks. Without authorization, users will be unable to access your network or device. The method includes a login procedure, where an application requests personalized passwords or other details to authorize access.

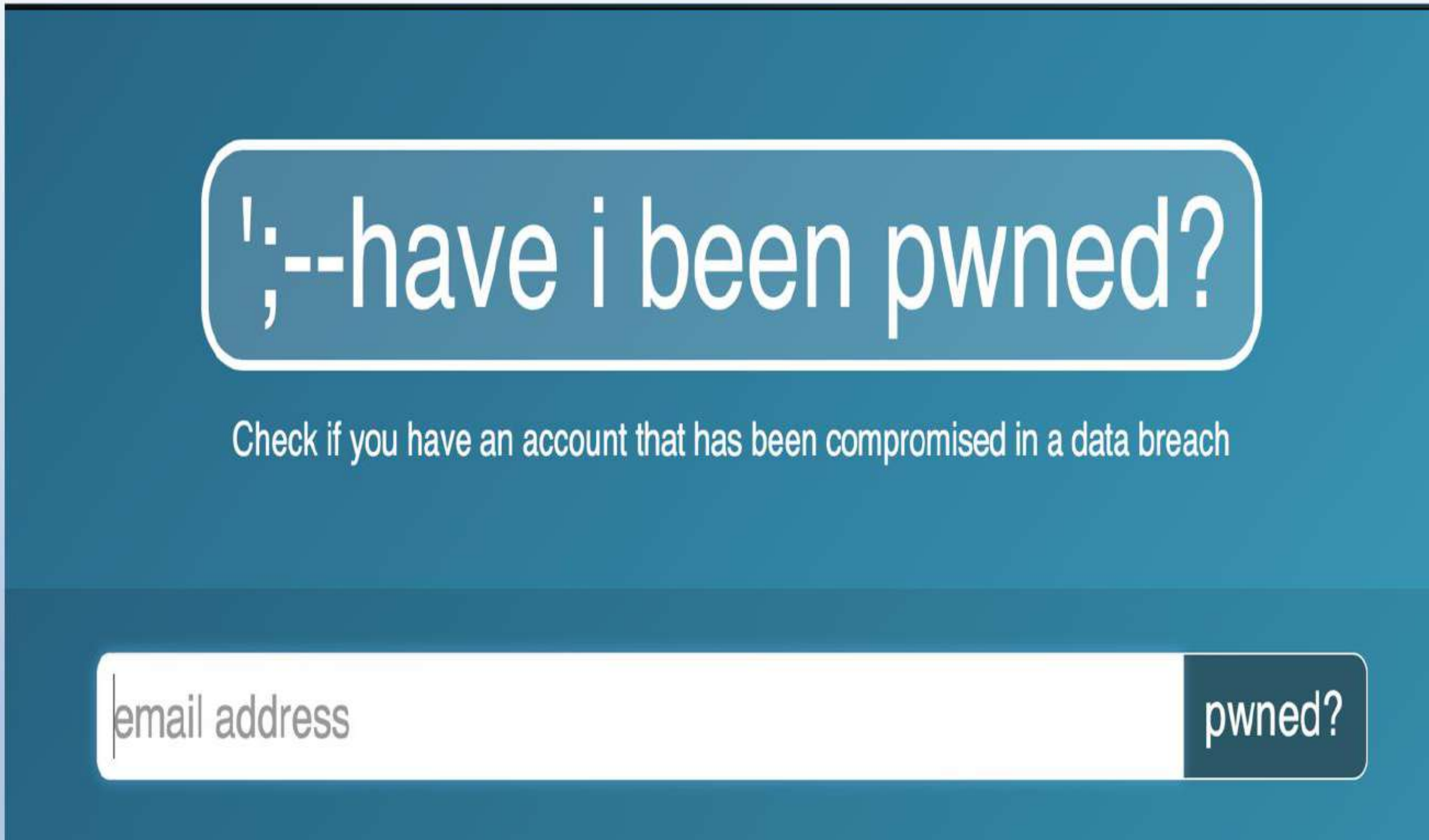
e-Fraud enabler 1: Authentication vs Identification








BugMeNot
Enter domain or url...
BugMeNot: find and share logins
Enter a website below to see if the bugmenot community has shared any logins for it...
Domain/URL:


';--have i been pwned?
Check if you have an account that has been compromised in a data breach
email address
pwned?

Why Is User Authentication Important?

Cybercriminals are creative and determined, and your employees leave digital footprints they can trace throughout your business network. Most businesses have a lot of sensitive employee and client data to protect, as well as proprietary information. User authentication methods are essential because they make cybercriminals' jobs more difficult.

If your business has sensitive data assets, user authentication is the first line of defense. It's effective in reducing cyber threats, enforcing confidentiality, establishing trust and giving people privacy. Some of the primary reasons to prioritize user authentication include the following:

•**Protecting employees and customers:** Data or identity theft has significant emotional and financial implications. User authentication can help to protect your valued partners.
•**Preventing financial loss:** Internet crime alone has resulted in **losses of $27.6 billion** in recent years. User authentication is an excellent defense against unauthorized access, which could cause a breach of your entire network. Unauthorized access to your networks or devices is not an isolated incident. Once a hacker has gained access, they can install malware that transfers across your entire network. The cost of containing the breach is high, but a breach can also cost you money in terms of downtime.
•**Complying with regulations:** Exposing sensitive information to breach or unauthorized access can result in regulatory fines or lawsuits.
•**Strengthening relationships:** Having strong security lets your partners and stakeholders trust you. Everyone involved with your organization knows you're taking every precaution to protect their data.

6 TYPE OF AUTHENTICATION STRATEGIES

1. Single Factor Authentication

Also known as primary authentication, this is the most common form of authentication. While it's straightforward and hassle-free, it's also the least secure. As the name suggests, you only need one factor to gain system access. This factor could be a username and password or a simple PIN, but it is often password-based.

Passwords are a common form of identification. Strong passwords are relatively secure, but some special considerations exist when **using password-based authentication**, especially in large organizations.

Your team should have different passwords for different applications unless you have a Single Sign-On (SSO) system like the one described below. They must also have their passwords in secure locations where no one else can access them and enter your systems.

Cybercriminals have robust password-cracking software, and hacking a single password could be a simple option. This approach is vulnerable to attack for a business with massive amounts of data.

2. Two-Factor Authentication (2FA)

Adding a **second factor to the authentication process** makes it more secure. This double layer re-examines whether the user is who they claim to be. The process involves entering your primary authentication credentials — often a username and password — and inputting a second set of information.

The second factor is more challenging. It requires something you can access but isn't related to the primary system. In many cases, it could be a phone number, as mobile devices are accessible. It could also be biometric, like a fingerprint. Although mobile device 2FA is a secure solution for many people, there are stronger solutions for large businesses.

Two-factor authentication is considerably more secure. The chances of an unauthorized individual having access to both authentication factors are minimal. Many businesses have elected to use this method for security, but it could be more convenient. Making sure the process is as smooth as possible for users is a factor to consider if you plan on implementing this method.

3. **Single Sign-On (SSO)**

SSO allows you to log into one application and gain access to others at the same time. It's convenient, removing the need to keep track of multiple login credentials. Putting an SSO system in place requires you to identify a central domain – ideally, an Identity and Access Management (IAM) system – and create secure SSO links between the various applications and resources your team needs.
Your IT team can monitor the whole domain, and when your team signs off, they sign out of all their applications at once, leaving none open to unauthorized access.

4. **Multi-Factor Authentication (MFA)**

Multi-factor Authentication (MFA) is **one of the most secure forms** of validating users. It's a high-assurance method based on several factors outside the primary system to authenticate users. Based on the same principles as two-factor authentication, MFA takes security to the next level, incorporating additional elements to confirm user identity. Depending on your security needs, a multi-factor authentication strategy can include any combination of factors, from login credentials to biometrics and location or behavior-based information. This strategy can vary the authentication factors between sessions, giving would-be hackers a challenging environment to breach.

5. **Adaptive Authentication**

Adaptive authentication, which also goes by adaptive MFA, risk-based authentication or context-based authentication, is a type of authentication that selects authentication factors for each user based on the characteristics of the user. Examples include employment status, risk level, affiliations with other users, whether the user is on-network or off-network, the time of day, geolocation and more.

Ideally, the first authentication method is lower in friction for users. It is also best practice for this factor not to be a password to deter a brute-force attack. Adapting to user context and characteristics, high-risk users (and their environments) can trigger high-friction authentication. Conversely, low risk users can easily log in.

6. **Passwordless Authentication**

Passwordless authentication involves streamlining and simplifying biometric, multi-factor and device recognition. Eliminating passwords entirely and merging the three best forms of authentication provides a **market-leading choice for many businesses**.

How To Choose The Right Authentication Method

Choosing the correct authentication method for your business depends on your specific needs. Security is your primary concern when considering digital authentication, but your chosen method should also be convenient and user-friendly for your team. Consider the following factors to make the best choice for your business:

1. Your Risk Profile

If you have a lot of sensitive data or the risk profile of your transactions is high, you need a more secure authentication method. Finance-related transactions require the highest level of security, for example.

2. Privacy

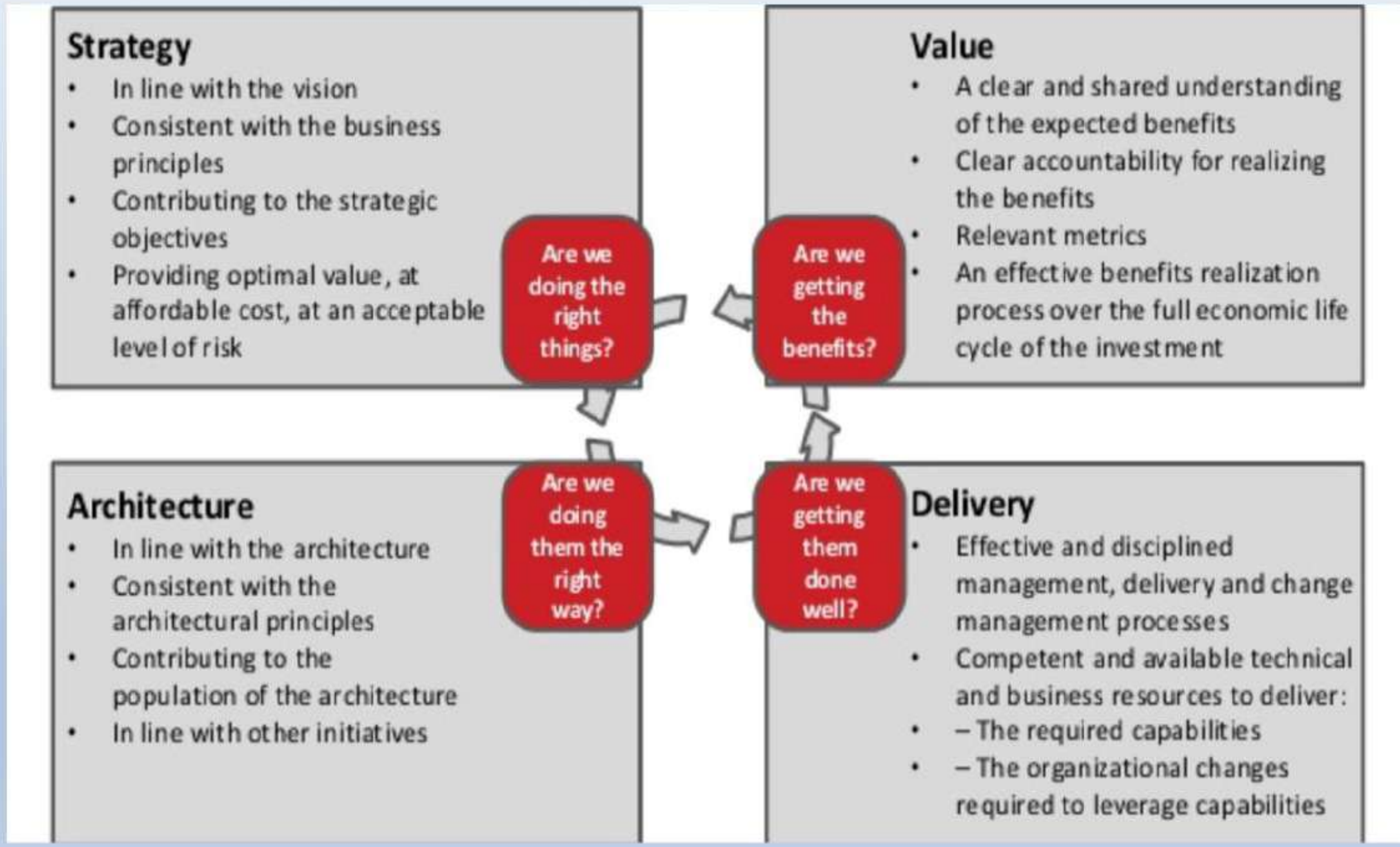
User authentication should not compromise people's privacy. The best authentication method for your business is one that your team and customers are comfortable with.

A Mindset Reset

- Most executives are accustomed to asking themselves the question, "**Is my enterprise secure**?", or, for regulated enterprises, **"Am I compliant?"** Most security practitioners are probably accustomed to providing information to help answer those questions.

- A question that practitioners and executives might be less accustomed to asking is, "Is our security program operating effectively?" Note that this question
is a more nuanced question than "Am I compliant?" or "Am I secure?" Asking whether the security program is effective goes a step further than evaluating whether an enterprise's security program (and by extension the controls/countermeasures employed to support that program) keeps bad guys out, malware from spreading or enforces specific policy.

A Mindset Reset Contd.



Digital Authentication Strategies : Who Has A Seat At The Table?

Key Questions For Stakeholders?

Decisions about cyber risk appetite need to be made with the business and communicated throughout the organization. It's important to understand the culture of the company and how the key stakeholders answer the following questions:

☐ What losses would be catastrophic?
☐ What can we live without and for how long?
☐ What information absolutely cannot fall into the wrong hands or be made public?
☐ What could cause personal harm to employees, customers, partners, visitors?

Creating a common risk management taxonomy and language is essential for an organization to understand cyber risk in the context of its overall objectives.

In Closing

ORPORATE
NIGERIA

Developing Risk Intelligence Quotient

Build An Intelligent SOC Based on AI & Machine Learning

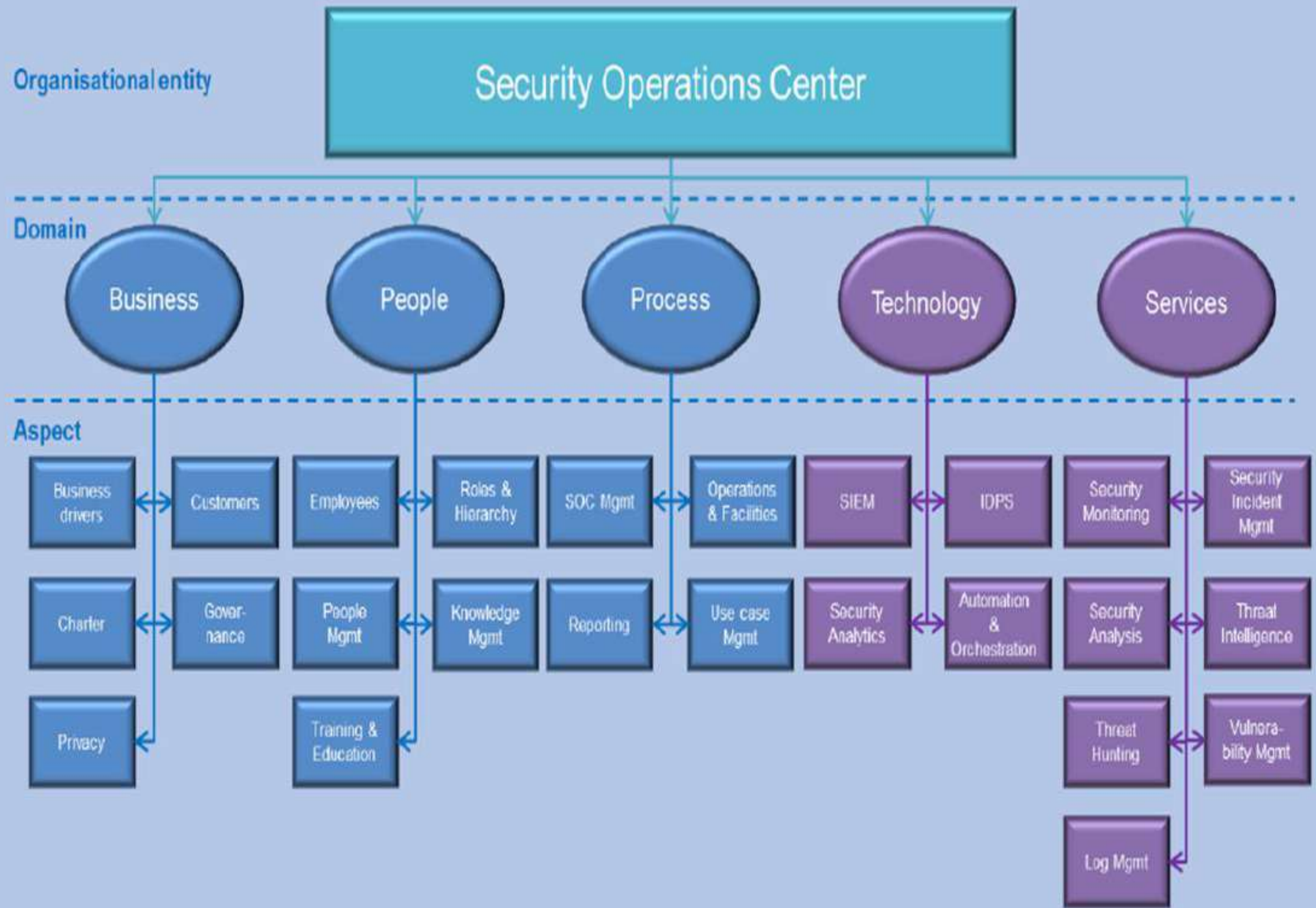


Fig. 2.0: SOC-CMM

Security Operations Centre (SOC)

Categories of tools to have: SOC 101

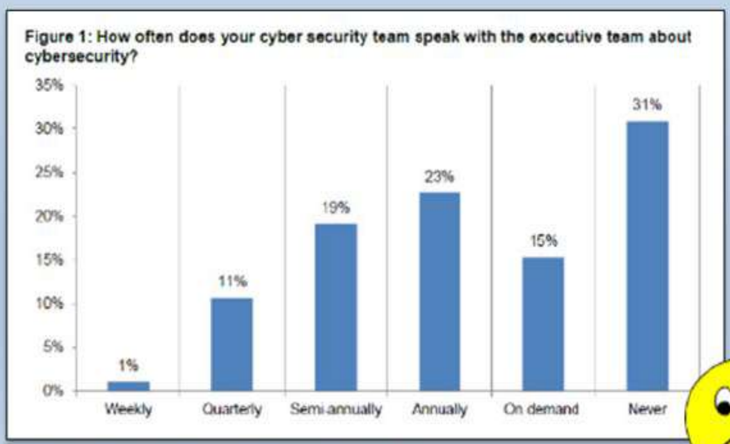
1. Information gathering and analysis tool: nessus, the harvester
2. Vulnerability scanning and penetration testing tool; nessus, qualys, netsparker, nmap
3. Forensics and log analysis; Autopsy, WinMerge, netwitness
4. Code and malware analysis; UnPacker , UnPHP, ZipCoder
5. Hackers tool Pack; KALI, Metersploit, Pentest DB, SqlMap

Understand the big picture

(Organizations must address cybersecurity risk and fraud threat on a number of dimensions)

Cybersecurity/Fraud/Data Protection/Data Privacy is a discussion topic for the Board

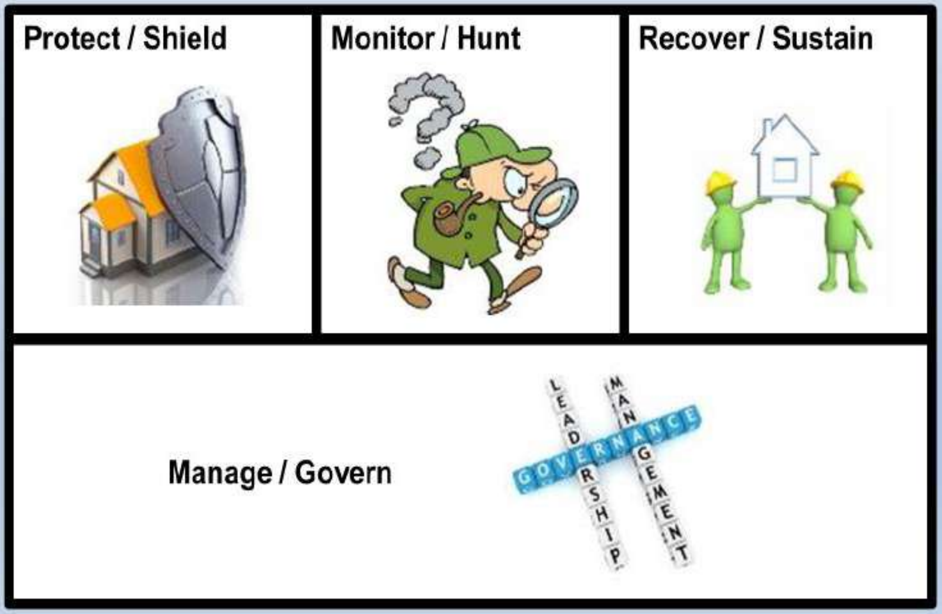
(Not for the data center)



Source: Ponemon Institute Research Report. July 17, 2014

Integrate and coordinate all operational risk management activities

Modern CISO – Designated Role



Invest in people and process

(Not only in technology)

Digital authentication is an ongoing part of an organization's risk strategy and should be viewed as a journey, not a destination.

It's important to continuously test the systems and build capacity.

Conclusion: What can you see?

Conclusion: Everything is not what it seems

Thank you for your attention…

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Thank you

Building Resilience: Strategies for Mental Wellbeing at Work

Dr. Adeoye Oyewole
Managing Director/CEO,
Lifecare Consult

Dr. Oyewole
Adeoye

Oyewole Adeoye is a multifaceted professional with expertise in psychiatry, academia, life coaching, mental health advocacy, theology, and anthropology. He leads Lifecare Consult, a humanitarian initiative supporting individuals with mental health and behavioral challenges. Oyewole Adeoye is a lecturer at Ladoke Akintola University of Technology and has published numerous articles in peer-reviewed journals. He holds degrees from the University of Ilorin, University of Ibadan, and Nigerian Baptist Theological Seminary.

Oyewole Adeoye is a regular columnist, radio/TV presenter, and public speaker, addressing mental health, social anthropology, and social development issues. He works with rehabilitation centers, is a fellow of several professional bodies, and holds membership in various associations, including the Nigerian Medical Association and American Psychiatric Association.
Oyewole Adeoye is married with three children and serves as a medical advisor to the Lord Bishop of Ife-East Anglican Diocese.

BUILDING RESILIENCE: STRATEGIES FOR MENTAL WELLBEING AT WORK

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MENTAL CAPITAL DEVELOPMENT EXPERT
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PREAMBLES

- WELCOME TO THE NEW NIGERIA.
- UPHEAVALS IN THE SOCIOECONOMIC AND POLITICAL LANDSCAPES.
- PETROL SUBSIDY REMOVED WITH RESULTANT GALLOPING INFLATION.
- DOLLAR EXCHANGE RATE HAS BEEN A ROLLER COASTER.
- INCREASED INTEREST RATES AND TAXES.
- ECONOMIC POLICIES ARE ERRATIC AND UNPREDICTABLE.
- BUSINESS ORGANIZATIONS COMING UNDER IN THE TERRAIN

PREAMBLES

- ORGANIZATIONAL PRODUCTIVITY ENDANGERED.
- WORKERS ARE DISTRACTED AND DISILLUSSIONED.
- JOB INSECURITY AND HIGH TURN OVER.
- ABSENTEEISM, PRESENTEEISM , SABOTAGE AND DWINDLING PRODUCTIVITY.
- PRIVATE , PERSONAL LIVES IN CRISIS.
- INCREASED MENTAL HEALTH CHALLENGES IN THE WORKPLACE
- ATTTENDANT DAMAGE TO PHYSICAL HEALTH.

PREAMBLES

- THERE IS DEFINITELY INCREASE IN THE BURDEN OF MENTAL HEALTH.
- ANECDOTAL EVIDENCES ABOUND IN THE GENERAL POPULATION ESPECIALLY IN THE WORKPLACE.
- NO RESPECT FOR CLASS , RACE OR GENDER.
- WORKERS ARE AS AFFECTED AS THEIR EMPLOYERS.
- WHEN THE MD OR C.E.O. OR BUSINESS OWNER ARE AFFECTED ; THE IMPLICATIONS ARE GRAVE.
- ESPECIALLY WHEN THEY DEPLOY IMMATURE DEFENCE MECHANISMS TO PROTECT A FRAGILE , DISTRESSED AND OVERTLY SENSITIVE EGO.

PREAMBLES

- THEY CAN TRANSFER AGRESSION IN THE MOMENT OF CHALLENGE.
- THEY ALSO USE THREAT AND OTHER FORMS OF PSYCHOLOGICAL BULLYING TO COERCE FOR DESIRED OUTCOMES.
- THEY MAY TAKE WRONG DECISIONS AND PARADE DRACONIAN, FIRE-BRIGADE IMPLEMENTATION OF STRATEGIES THAT ARE POORLY THOUGHT OUT.
- SOME MAY BE ABUSING DRUGS ESP ALCOHOL AND OTHERS.
- SOME CAN BECOME OVERTLY SENSITIVE ,PUNITIVE AND EVEN PARANOID.
- BUSINESS ORGANIZATIONS MAY THEN BE RUN AGROUND.

PREAMBLES

- UNPROFESSIONAL BEHAVIOR.
- MICROMANAGEMENT.
- LACK OF EMPATHY.
- INCONSISTENCY
- AVOIDING RESPONSIBILITY
- INEFFECTIVE DELEGATION
- IGNORING EMPLOYEE DEVELOPMENT
- POOR COMMUNICATION
- PLAYING FAVORITES.

WHAT CAN WE DO?

- THE POLITICAL , ECONOMIC AND SOCIAL ENVIROMENT NOT IN OUR IMMEDIATE CONTROL.
- RIOTS , PROTESTS AND CARRYING PLACARDS WONT SAVE OUR ORGANIZATIONS.
- WE NEED AN OBJECTIVE APPRAISAL OF THE CHALLENGES
- WE ALSO NEED A COORDINATED AND INTELLIGENT RESPONSE.
- ALL THESE MUST TAKE PLACE DESPITE THE ENVIROMENT

WHAT CAN WE DO ?

- TWO PARAMETERS ARE INVOLVED ; THE **MIND** AND THE EXTERNAL **ENVIRONMENT.**
- **ENVIRONMENT** – CONSISTING OF THE ECONOMIC POLICIES, THE POLITICAL AND SOCIAL CIRCUMSTANCES BEYOND OUR IMMEDIATE CONTROL.
- NO MATTER HOW BAD THE ENVIROMENT; OUR **MINDS** CAN BE UNDER OUR MANAGEMENT FOR PRODUCTIVITY.
- **THE LOCUS** OF WHAT WE CAN DO THEREFORE IS IN **THE MIND** CRUCIAL TO NAVIGATE THE ENVIROMENT- ECONOMICAL,SOCIAL AND POLITICAL.

WHAT CAN WE DO ?

- PERSONAL ADAPTION FOR CHANGE IS A FUNDAMENTAL CAPACITY OF MAN EMANATING FROM HIS **MIND**.
- THIS CAPACITY HELPS HIM TO SUBDUE AND MASTER HIS BODY AND HIS **ENVIRONMENT**.
- HE HAS CAPACITY TO **CHOOSE HIS RESPONSE** IRRESPECTIVE OF HOW FORMIDABLE THE ENVIRONMENTAL IS.

WHAT CAN WE DO ?

- HUMAN BEINGS ARE DIFFERENT FROM ANIMALS BECAUSE WE HAVE CAPACITY TO **ACT** AND **NOT BE ACTED UPON**.
- **PAVLOV'S EXPERIMENT** – IS **COUPLED- CONDITIONING STIMULUS** IN LOWER ANIMALS BUT WE ARE HIGHER ANIMALS
- WE ARE ENDOWED TO **CHOOSE OUR RESPONSE** NOT TO BE CONDITIONED BY THE ENVIROMENT

RESILIENCE IS NOT JUST COPING

- COPING IS JUST **MERE ADAPTATION** OF THINKING AND BEHAVIOR TO DEMANDS OF LIFE.
- IT MAY GUARANTEE **SOME FUNCTIONING** BUT USUALLY NOT OPTIMAL.
- THAT IS WHEN THE ADAPTATION IS **MALADPATIVE** ….
- COMPLICATED BY **COLLATERAL DAMAGE** TO SELF AND TO THE ORGANIZATION.

RESILIENCE IS NOT JUST COPING

- MOST TIMES WE USE THE WORD COPING CARELESSLY WITH THE MEANING OF SOME MALADAPTIVENESS !
- RESILIENCE ON THE OTHER HAND IS THE PRODUCT OF **ADAPTIVE COPING.**
- IT IS THE PRODUCT OF WHOLESOME ADAPTATION TO CHANGE **WITHOUT DAMAGE** TO THE PHYSICAL,SOCIAL ,HEALTH AND ECONOMY OF THE INDIVIDUAL AND ORGANIZATIONS.
- RESILIENCE IS ACTUALLY **MENTAL CAPITAL** – THE MOST IMPORTANT RESOURCE IN ANY BUSINESS ENTERPRISE.

RESILIENCE AS MENTAL CAPITAL

- **MENTAL CAPITAL** SPARKS THE NOTION OF ASSOCIATION WITH FINANCIAL ASSET ESP IN BUSINESS PARLANCE.
- MENTAL HEALTH **IS A MYTH** UNTIL IT CONFERS MENTAL CAPITAL SINCE NOT ALL APPARENTLY MENTALLY HEALTHY PERSON CAN PARADE MENTAL CAPITAL.
- MENTAL CAPITAL IS THE **COGNITIVE RESOURCE** THAT MAINTAINS MENTAL HEALTH THROUGHOUT LIFE SPAN .
- BY CONFERRING **RESILIENCE** TO COPE WITH LIFE CHALLENGES.
- IT ACHIEVES THIS THROUGH ; RESOURCEFUL COGNITIVE ABILITY, COGNITIVE FLEXIBILITY, EFFICIENT LEARNING STRATEGIES AND EMOTIONAL INTELLIGENCE.

WHAT IS RESILIENCE

- **IT'S A MINDSET** THAT ENABLES YOU TO ;

- OVERCOME MISFORTUNE OR CHALLENGE

- STEER SUCCESSFULLY THROUGH THE TENURE OF CHANGE.

- PICK YOURSELF UP AND MOVE ON

- REACH OUT TO NEW EXPERIENCES CHALLENGES IN THE PROCESS OF ACHIEVING FULL POTENTIAL.

- THE RESPONSE MODIFIES THE ENVIROMENT RATHER THAN SUCCUMB TO IT.

PHENOMENOLOGY OF RESILIENCE

- FIRM , RELIABLE AND REALISTIC THINKERS NOT DELUSIONAL.
- STRONG PERCEPTION THAT LIFE IS MEANINGFUL WITH SUPPORTED VALUES.
- EMPATHETIC , INSPIRATIONAL AND COMPASSIONATE.
- CREATIVE , ADAPTABLE , FOCUSED , DISCIPLINED AND PRINCIPLE-CENTERED.
- AMIABALE , VISIONARY AND EMOTIONAL INTELLIGENT.
- VIGOROUS HEALTH.

DESPITE THE CHALLENGES

IS RESILIENCE INBORN OR A SKILL?

- **NO ONE IS BORN RESILIENT** SO IT IS A SKILL!
- ALTHOUGH THERE ARE FACTORS IN INDIVIDUALS THAT MAY ENHANCE ITS ACQUISITION BUT NOT EQUIVOCAL.
- RESILIENCE IS A PRODUCT OF **INTERPLAY** OF GENETIC FACTORS ,LIFE EXPERIENCES AND ENVIROMENTAL FACTORS ESP –PSYCHOLOGICAL AND SOCIAL.
- GENETICS –PERSONALITY TRAITS ALTHOUGH **NURTURE** IS STILL SUPERIOR.
- CHILDHOOD DEVELOPMENT –PARENTAL INFLUENCES , SENSE OF SELFHOOD.

IS RESILIENCE INBORN OR A SKILL?

- CULTURAL INFLUENCES – SOFTWARE OF BEHAVIOUR.
- PSYCHOLOGICAL OUTLOOK TO LIFE – POSITIVE OR NEGATIVE.
- COPING STRATEGIES – ADAPTIVE OR MALADAPTIVE.
- SOCIAL SUPPORT – SOCIAL NETWORK , SOCIAL BONDS.
- **SPIRITUALITY RATHER THAN RELIGIOSITY** – DEFINITION OF PURPOSE AND MEANING IN A WAY THAT IT CONNECTS TO EVERYTHING INCLUDING WORK.

EARLIEST SIGNS THAT YOU ARE COPING POORLY

- INTELLIGENTLY RECOGNIZING WHAT PRESSURE **BUILD-UP** DOES TO YOU.
- WHEN YOU ARE STRESSED THEN YOU **LOSE PERSPETIVE.**
- YOU FEEL **LOSS OF CONTROL**
- YOU REACT TO EVERYTHING **IN EXAGGERATED ,IMMATURE WAYS**
- YOU CAN BECOME **IRRATIONAL**
- ACT OUT OF CHARACTER
- PHYSICAL HEALTH GETS ON THE LINE

BASIC GENERAL REACTIONS TO EVENTS

- A FREEZE RESPONSE
- A FIGHT RESPONSE-AGGRESSIVELY FACE THE SITUATION HEAD ON
- A FLIGHT RESPONSE – GET AWAY FROM THE SITUATION AS QUICKLY AS POSSIBLE.
- THEN REACTING WITH AN APPROPRIATE SET OF BEHAVIORS TO DEAL WITH THE CIRCUMSTANCES.

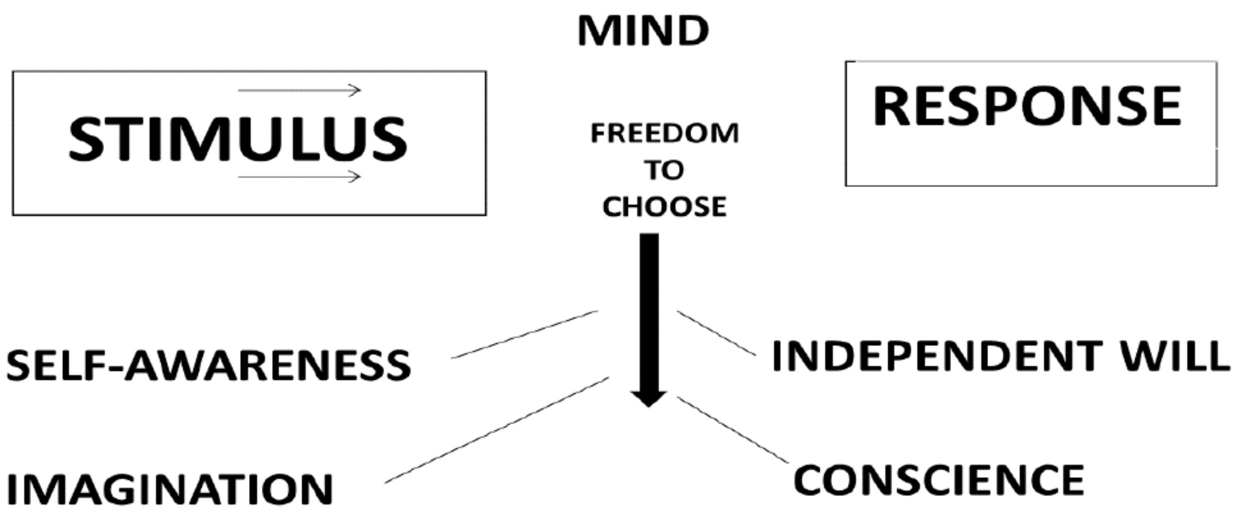
THE DORMINANT EMOTIONS AT DIFFERENT PHASES

- THERE IS **PROJECTED PERSONAL EMOTIONAL TRANSITION** THROUGH CHANGE.
- ANXIETY DEEPENS – CAN I COPE?
- HAPPINESS – AT LAST SOMETHING IS GOING TO CHANGE.
- DENIAL – CHANGE? WHAT CHANGE?
- ANGER – WHO IS AT FAULT? ME OR YOU?
- DISILLUSIONMENT – I'M OFF! THIS IS NOT FOR ME.
- DEPRESSION/DESPAIR – WHO AM I ?
- HOSTILITY – I'M GOING TO MAKE THIS WORK EVEN IF IT KILLS ME
- ACCEPTANCE – I CAN SEE MYSELF IN THE FUTURE.
- MOVING FORWARD – THIS CAN WORK AND BE GOOD.

HOW RESILIENCE STEPS IN

- **ACCEPTANCE** OF HARSH REALITY; TAKING AN OBJECTIVE VIEW WITHOUT INDULGING SUBJECTIVE VIEWS OR DENIAL OR EMOTION.
- **FINDING MEANING IN ADVERSITY**- MENTALLY BUILDING BRIDGES FROM AN ORDEAL TO A FULLER , BETTER FUTURE.
- CAPACITY TO **CONTINUALLY IMPROVISE** BY PUTTING AVAILABLE RESOURCES TO UNFAMILIAR USES AND IMAGINING POSSIBILITIES THAT OTHERS DON'T SEE.
- ESPECIALLY THAT THE INITIAL NEGATIVE EMOTIONAL RESPONSES HAVE BEEN DEALT WITH.
- THEN **CREATIVE AND ADAPTIVE STRATEGIES** ENSUE FROM THIS MINDSET.

CHOOSE YOUR RESPONSE – BUILD RESILIENCE



CHOOSE YOUR RESPONSE – BUILD RESILIENCE

- **MAN** IS CAPABLE OF EXPANDING THE SPACE BETWEEN STIMULUS AND RESPONSE THROUGH THE MIND.

1. SELF AWARENESS

- WE MUST CAPITALISE ON OUR STRENGTHS TO REDUCES OUR WEAKNESSES TO NON-ENTITY.
- RECOGNITION OF THOSE NEGATIVE EMOTIONS AND DEAL WITH THEM APPROPRIATELY.
- DEPLOYMENT OF **EMOTIONAL INTELLIGENCE.**
- EMPATHY

2. IMAGINATION

- THE CAPACITY TO **TRANSCEND** THE IMMEDIATE ENVIRONMENT AND CREATE THE FUTURE.
- IMAGINING FUTURE POSSIBILITIES IN A PRACTICAL MANNER.
- ENVISIONING.
- REFLECTIVE LEARNING.

CHOOSE YOUR RESPONSE – BUILD RESILIENCE

3. CONSCIENCE

- THIS IS THE MORAL COMPASS OF THE HUMAN MIND.
- IT GUIDES US IN OUR COPING AGENDAS SO THAT THEY ARE NOT MALADAPTIVE.
- ENSURES ETHICAL GOVERNANCE OF OUR STRATEGIES.
- INSPIRATION , CONNECTING TO THE HIGHER POWER.

4. WILL POWER

- IT IS THE EXECUTOR OF OUR MANY PLANS.
- IT ENSURES THAT OUR PLANS ARE IMPLEMENTABLE AND PRACTICAL.
- FEASIBILITY STUDIES AND STRATEGY
- GUIDES AGAINST IMPRACTICAL DELUSIONAL STRATEGIES THRU ACTION PLANS.

THE **HEART-MATH** RESILIENCE MODEL

- PHYSICAL-PHYSICAL AGILITY, ENDURANCE, STRENGTH AND PHYSICAL HEALTH AS PRIORITY.
- EMOTIONAL –FLEXIBILITY,POSITIVE OUTLOOK,SELF REGULATION.
- MENTAL – MENTAL FLEXIBILITY, MENTAL FOCUS,ENGAGING AND DISTILLING MULTIPLE VIEW-POINTS.
- SPIRITUAL- COLLAPSING YOUR RELIGIOUS BELIEFS INTO PRACTICAL PRINCIPLES,COMMITMENT TO UNIVERSAL VALUES, TOLERANCE AND HARNESSING OTHERS' VIEWS AND BELIEFS.

ACTION- STRATEGY-1

- **FEEL IN CONTROL**- INTENTIONALLY BANISH EMOTIONS THAT DRAIN SUCH AS HOPELESSNESS,DISCOMFORT AND DISSAPOINTMENT.
- CULTIVATE EMOTIONS OF ESTEEM , CONTENTMENT AND OPTIMISM.
- BE REALISTIC ABOUT WHAT YOU CAN DO PER TIME.
- LEARN TO SAY NO TO AVOID OVER-COMMITMENT.
- CHALLENGE YOUR SELF LIMITING BELIEFS.
- SET SMALL, SHORT TERM GOALS THAT YOU CAN ACHIEVE.
- PROVE YOURSELF.

ACTION STRATEGY -2

- **CREATE A PERSONAL VISION AND HOW TO ACHIEVE IT.**
- CLARIFY YOUR BELIEFS BY CHALLENGING AND VALIDATING THEM.
- LET YOUR BELIEFS BE PRINCIPLE-CENTERED RATHER THAN SELF-CENTERED.
- APPROACH ADVERSITY WITH A SENSE OF HOPE.
- LET YOUR BELIEF AND PURPOSE CARRY YOU FORWARD IN LIFE .
- BANISH EMOTIONS LIKE FRUSTRATIONS,INADEQUACY(VICTIMISM) AND PESSIMISSM.

ACTION STRATEGY -3

- **BE FLEXIBLE AND ADAPTABLE TO CHANGES IN YOUR ENVIROMENT**.
- ADAPT QUICKLY TO WHAT IS HAPPENING WITHOUT LOSING YOUR CORE.
- REFLECTIVELY LEARN FROM LIFE CONSTANTLY THRU SELF AUDIT.
- REMAIN TRUE TO YOUR PURPOSE/VISION BUT MAKE ROOM FOR OTHERS' IDEAS – DON'T BE RIGID OR CLOSED UP.
- BANISH EMOTIONS OF FEAR, DISSAPPOINTMENT AND ANXIETY.

ACTION STRATEGY -4

- **GET ORGANISED – CREATE STRUCTURES/METHODS TO BRING ORDER AND STABILITY ON YOUR TERMS.**
- SET REALISTIC ACHIEVABLE GOALS
- EXPECT THINGS TO WORK OUT BUT HAVE CONTIGEMT PLANS.
- MANAGE THE MOMENT WITH CALMNESS AND CLARITY OF PURPOSE.
- EFFECTIVE TIME MANAGEMENT, CREATE EFFECTIVE AND EFFICIENT PROCESSES , DELEGATE.
- BANISH HOPELESSNESS, FEAR AND DISCOMFORT.

ACTION STRATEGY- 5

- **A MINDSET FOR PROBLEM SOLVING.**
- THINK CRITICALLY,CREATIVELY AND REFLECTIVELY TO SOLVE PROBLEMS.
- VIEWING CHALLENGES AS OPPORTUNITIES FOR LEARNING AND GROWTH.
- VIEW FAILURES AS OPPORTUNITIES FOR INSPIRATION AND LEARNING.
- INTELLIGENTLY ASK FOR HELP – COLLABORATE.
- ANTICIPATE SETBACKS AND MISHAPS.
- MANAGE ANGER,HURT AND GUILT PROPERLY.

SOME ACTION STRATEGY -6

- **GET CONNECTED BY REACHING OUT TO OTHERS.**
- CONTRIBUTE TO OTHERS' WELFARE BY GIVING YOURSELF –SOCIAL CAPITAL
- BUILD BRIDGES – DISCOVER COMMON GROUND.
- BE PLAYFUL AND CREATIVE WHEN EXPLORING OPPORTUNITIES TOGETHER.
- TOUCH OTHERS HEARTS – EMPATHY , LISTEN AND COMMUNICATION.
- BUILD NETWORK AND FIND WAYS TO HELP OTHERS.
- BANISH LONELINESS, ANGER AND SADNESS.

ACTION STRATEGY -7

- **BE SOCIALLY COMPETENT –MASTER THE ART OF GOOD SOCIAL INTERACTIONS AND FRIENDSHIPS – STOP BEING RUDE AND BRASH.**
- DELIBERATELY SEEK OUT OTHERS' PERSPECTIVES.
- DEMONSTRATE EMPATHY AND AN UNDERSTANDING FOR OTHERS.
- SHARE YOUR FEELINGS HONESTLY AND TAKE A LAUGH AT YOURSELF.
- KEEP AN OPEN MIND TO BROADEN YOUR HORIZONS.
- ASK FOR HELP WHEN THERE IS A NEED BUT BE SELECTIVE.
- BANISH GUILT, LONELINESS AND HURT.

ACTION STRATEGY - 8

- **BE PROACTIVE BY ENGAGING CHANGE DIRECTLY.**
- FOCUS ON –AND EXPAND –YOUR SPHERE OF INFLUENCE.
- FOCUS ON ACTIONS YOU MUST TAKE NOW WHILE WAITING FOR OTHERS TO ACT.
- EXPERIENCE AND CELEBRATE SMALL VICTORIES.
- LEAD OTHERS THROUGH CHANGE BY SETTING THE EXAMPLE.
- USE YOUR FORESIGHT TO PLAN AHEAD'
- FOCUS ON VERY URGENT TASKS THAT APPEAR LESS IMPORTANT
- BE DECISIVE.

LEADERSHIP- DEVELOPING RESILIENCE IN OTHERS

- THE MOST IMPORTANT FACTOR IN THE 21ST CENTURY BUSINESS ORGANIZATIONS IS SERVANT- LEADERSHIP.
- LEADERSHIP MUST BUILD RESILIENCE **HAVING EXPERIENCED RESILIENCE.**
- **SERVANT-LEADERSHIP** IS THE TOGA IN THE PROCESS OF DOING BUSINESS.
- LEADERSHIP MUST BE EMPATHETIC, COMPASSIONATE AND FIRM.
- LEADERS MUST BE **SELF-TRANSCENDENT** – METAMOTIVATION AND A THERAPIST.
- LEADERSHIP MUST CONNECT TO THE TRANSITION AND NURTURE THE PROCESS NOT JUST THE OUTCOME.

LEADERSHIP- DEVELOPING RESILIENCE IN OTHERS

- LEADERSHIP MUST DRIVE TO ACHIEVE ORGANIZATIONAL GOALS AS **PERSONAL GOALS ARE NOT JEOPARDIZED.**
- LEADERSHIP MUST SERVE AS **THE PATHFINDER** MAKING IT DIFFICULT FOR ANY EMPLOYEE TO LEAVE.
- **COMMUNICATION PATTERNS** MUST BE INSPIRATIONAL , CORRECTIVE AND CHALLENGING.
- AVOIDANCE OF PSYCHO-BULLYING , THREATS AND OTHER FORMS OF ABUSE.
- EMPLOYEES ALSO GIVE THEIR BEST FOR THE ORGANIZATION THAT CONNECTS TO THEIR LIVES AND FUTURE.

ULTIMATE GOALS OF BUILDING RESILIENCE

- RESILIENCE WHICH IS BEYOND MERE COPING HELPS YOU TO ACHIEVE THE TASKS OF LIFE
- TO LIVE – STAY HEALTHY
- TO LOVE – TAKE CARE OF YOUR RELATIONSHIPS
- TO LEARN – TO KEEP IMPROVING- EQ/SQ
- TO LIVE A LEGACY – THIS IS VERY CRUCIAL AND GETS SUBSUMED IN THE PURSUITS OF ALL OTHER.

RECOMMENDATIONS

- RESILIENCE AS MENTAL CAPITAL IS A **PSYCHOLOGICAL PRODUCT.**
- VERY PREDICTIVE OF ORGANIZATIONAL PROFITABILITY AS IT TAKES CARE OF HIDDEN COSTS THAT WASTES PROFIT.
- SOME OF THE IDEAS EXPRESSED MAY REQUIRE **SOME PROFESSIONAL ASSISTANCE** AND PRIORITIZATION OF MENTAL HELATH ISSUES.
- **EMPLOYEE ASSISTANCE PROGRAM** THROUGH MENTORSHIP AND COACHING ARE INEVITABLE.
- ISSUES OF RECRUITMENT , PROMOTION OR DISCIPLINARY MEASURES ARE ALSO DEEPLY ROOTED IN THIS CONCEPT.
- I THINK AN AVERAGE C.E.O NEEDS THE SERVICES OF PSYCHE DOCTOR TO INTERROGATE , POINT OUT AND REALIGN THEIR MINDS AS THE MOST IMPORTANT RESOURCE IN THE ORGANIZATION.

Thank you

COMMUNIQUE

2024 PROFESSIONALS' FORUM COMMUNIQUE

THEME: ''THE INSURANCE INDUSTRY: TRANSFORMATION STRATEGIES TOWARDS EXPANDING MARKET REACH''

Insurance Professionals, Institutions, Experts and Members of the Chartered Insurance Institute of Nigeria (CIIN) gathered at Park Inn Grand-Inn by Radisson Abeokuta, Ogun State, Nigeria from Wednesday 11th to Saturday 14th September 2024 for its ''2024 Insurance Annual Professionals' Forum''.

The theme of the retreat was ''THE INSURANCE INDUSTRY: TRANSFORMATION STRATEGIES TOWARDS EXPANDING MARKET REACH''.

ADDRESS BY MRS. YETUNDE ILORI, PRESIDENT/CHAIRMAN IN COUNCIL, CHARTERED INSURANCE INSTITUTE OF NIGERIA (CIIN)

As we gather here today, we recognise that the global landscape of insurance is shifting rapidly, driven by advances in technology, changing customer expectations, and emerging risks. The question before us is not just how we respond to these changes, but how we harness them to expand our market reach, deliver greater value and ensure sustainable growth for our industry.

Insurance, at its core, has always been about providing protection and security to individuals, families and businesses and as we move further into the digital age, traditional methods are being challenged with emerging new avenues for innovation. To stay competitive, we must adopt transformation strategies that not only allow us to survive but also to thrive in this dynamic environment.

The forum provided us with the perfect platform to exchange knowledge, engage in insightful discussions, and learn from the experiences and strategies of industry experts. We have a diverse range of participants here today, including but not limited to insurance leaders, risk and portfolio managers, policy and decision makers, and sales and distribution experts and intermediaries, technology innovators, who will all contribute their expertise to the thematic sessions and panel discussions.

Throughout the forum, there were discussions around using digital transformation and how we can offer personalised, seamless experiences for our customers, simplify our operations and create innovative products that address the changing risk landscape. Whether through AI-driven underwriting, blockchain in claims management, or new models like on-demand insurance, our industry is being reshaped.

However, transformation is not only about technology. It is about creating a customer-centric mindset that focuses on building trust, offering transparency, and fostering long-term relationships. Expanding our market reach involves understanding the evolving needs of our customers, reaching underserved segments and providing solutions that speak directly to their concerns.

At the forum, the following papers were presented and discussed by Professionals and Technocrats within and outside the Insurance Industry:

(i) Customer-Centric Insurance: Enhancing the Customer Experience
(ii) Interactive Refresher Session on Insurance Principles and Practice
(iii) Interactive Refresher Session on Reinsurance Principles and Practice
(iv) Unlocking Market Development through Regulation; NAICOM's Strategic Priorities
(v) Digital Authentication and Insurance Fraud
(vi) Special focus-Building Resilience: Strategies for Mental Wellbeing at Work

The following **resolutions** were reached to foster Customer-Centric Insurance and the importance of enhancing the customer experience with a shift in focus from merely offering products to creating holistic, customer-focused experiences that add value at every touchpoint:

S/N	COMMUNIQUE	RESPONSIBLE PERSON(S)/ENTITY(IES)
1.	The Insurance industry must grasp the changing needs of customers, connect with untapped market segments, and deliver tailored solutions that address specific customers' concerns to broaden our market.	NAICOM/NIA/NCRIB/ILAN/PRAN
2.	Players in the Insurance Industry must develop and nurture a culture that values empathy, responsiveness, and continuous improvement to create meaningful interactions and lasting relationships with our customers.	NAICOM/NIA/NCRIB/ILAN/PRAN
3.	The Insurance Industry should develop and implement a comprehensive strategy to prioritize transparency, integrity and trust in all aspect of its operations.	NAICOM/NIA/NCRIB/ILAN/PRAN

4.	Insurance industry must prioritize the training and empowerment of the employees in the industry. to foster a customer-centric culture.	NAICOM/CIIN/NIA/NCRIB/ILAN/PRAN
5.	To unlock growth and enhance customer experiences, the Nigerian Insurance Industry must harness the power of digital transformation.	NAICOM/CIIN/NIA/NCRIB/ILAN/PRAN
6.	To keep pace with a rapidly changing market, our regulatory framework must adapt. We need to champion smart regulation that strikes a balance between fostering innovation and safeguarding consumer interests.	NAICOM/CIIN/NIA/NCRIB/ILAN/PRAN

7.	Insurance professionals must adhere to ethical standards, demonstrate expertise in their respective fields, to earn the trust of their clients.	**NAICOM/CIIN/NIA/NCRIB/ILAN/PRAN**
8.	The Insurance Industry must implement enhanced cybersecurity measures to prevent data breaches and deter insurance frauds.	NAICOM/CIIN/NIA/NCRIB/ILAN/PRAN
9	Insurance operators must prioritize building resilience and integrating mental wellness initiatives in the workplace.	NAICOM/CIIN/NIA/NCRIB/ILAN/PRAN

RESPONSIBLE PERSONS AND ENTITIES INCLUDE:

- National Insurance Commission (NAICOM)
- Chartered Insurance Institute of Nigeria (CIIN)
- Nigerian Insurers Association (NIA)
- Nigerian Council of Registered Insurance Brokers (NCRIB)
- Institute of Loss Adjusters of Nigeria (ILAN)
- Professional Reinsurers Association of Nigeria (PRAN)

Issued on Friday, 13th September 2024

Members of the Communique Drafting Committee

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Thank you