



Venue

LAKE KIVU SERENA HOTEL

REPORT

(Final)

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Rwanda Insurance Brokers Association (**RIBA**) /
Association Professionnelle des Courtiers d'Assurances
"APROCAS"

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ACRONYMS/ABBREVIATIONS

AFR	Access to Finance Rwanda
Africa-Re	African Reinsurance Corporation
AIBK	Association of Insurance Brokers in Kenya
APROCAS	Association Professionnelle des Courtiers d'Assurances
ASSAR	Rwanda Insurers Association
BFP	Budget Framework Paper
COP	Common Operation Procedure
EAIBA	East African Insurance Brokers Association
FDI	Foreign Direct Investment
GDP	Gross Domestic Product
GWP	Gross Written Premiums
IBAB	Insurance Brokers Association in Burundi
IBAU	Insurance Brokers Association in Uganda
MNO	Mobile Network Operator
MTPL	Motor Third Party Liability
NAIS	National Agriculture Insurance Scheme
NBR	National Bank of Rwanda
NGOs	Non-government Organizations
RBS	Reinsurance Brokerage Solutions
RIBA	Rwanda Insurance Brokers Association
SCG-Re	Gabonese Commercial Reinsurance Company
TIBA	Tanzania Insurance Brokers

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EXECUTIVE SUMMARY



Mr. Mubiligi K. Jean-Pierre
President, RIBA

Rwanda Insurance Brokers Association (RIBA) or the Association Professionnelle des Courtiers d'Assurances "APROCAS" (in French) is the umbrella organization for insurance brokers in Rwanda.

The organization was formed to ensure a high level of professionalism and integrity amongst members while advocating for consumer protection, lobbying stakeholders for policies and regulations which are internationally acceptable and conducive for both local and international insurance markets. RIBA, being one of the insurance industry stakeholders, organized its first annual brokers conference between 1st -3rd September 2022, Rubavu, Serena Resort Hotel. The conference theme was "*The Future of Insurance Industry in Rwanda.*"

The keynote speaker was Dr. Corneille Karekezi, Group MD and CEO of Africa-Re. The President of East African Insurance Brokers Association (EAIBA) who doubles up as the chair of the national association in Tanzania, Mr. Amir Kiwanda was among the conference speakers. The attendees from the region were the presidents of the Associations of Insurance Brokers in Kenya, Uganda and Burundi. Rwanda delegates included the Chairperson Rwanda Insurers Association (ASSAR), MDs of Insurance Companies, Insurance Brokers, Financial Sector Players among other distinguished participants.

The event was graced by the Governor of the National Bank of Rwanda, Hon. John Rwangombwa. Although he could not make it to the venue, the Governor officially opened the proceedings via virtual mode. This was done after the welcoming remarks by RIBA President and the Mayor of Rubavu district, who stood-in for the governor of Western Province. RIBA president called upon the participants to deliberate the topics around the conference theme. The key topics were insurance inclusion, regulation, innovation, the role of digitalization, brokers contribution, dialogue between brokers and insurers as well as the emerging risks like natural disasters and pandemics.

RIBA President reiterated the goal of the Conference, which was to contribute towards increased insurance penetration in Rwanda. Likewise, the specific objectives aimed at promoting the role of the insurance broker within the insurance industry; promoting insurance sensitization and education; re-energizing and continually professionalizing practitioners with interesting people and content; understanding the latest research and trends; providing a forum for networking and creating (new) partnerships; and, promoting industry stakeholders' mutual support and partnerships. Accordingly, the discussions were divided into six thematic areas from which the following resolutions were adopted.

1. Reaffirmation to Increase the Insurance Access and Coverage;
2. Emphasis on the role of Reinsurance in Building Resilience of the Rwandan Market;
3. Assurance to Enhance the role of Insurance brokers;
4. Commitment to Engage Regulator for Improvement of Insurance business environment;
5. Pledge to enhance Collaboration with Stakeholders;

6. Agreement to Digitalize Insurance Service delivery.

Activities under each of the above resolutions reflect the specific outcomes and recommendations on the interventions required to reach the ultimate desired goal. Those activities have been outlined at the final chapter of the report. The conference was unequivocally successful. This is in consideration of the number and profile of participants. RIBA committed to work with various stakeholders at all levels to implement the outcome of the conference.

RIBA Members, Officials and Event Sponsors

RIBA Members:

⇒ Liaison Rwanda Ltd	⇒ Global Risk Advisors Ltd
⇒ Zion Insurance Brokers Ltd	⇒ Falcon Insurance Services Ltd
⇒ Kigali Trusty Brokers Ltd	⇒ Stapple Brokers Ltd
⇒ Safe Insurance Brokers Ltd	⇒ Alliance Insurance Brokers Ltd
⇒ Alpha Insurance Brokers Ltd	⇒ Zamara Actuaries, Administrators and Insurance Brokers
⇒ Connect Insurance Brokerage Services Ltd	⇒ Reinsurance Brokerage Solutions (RBS)
⇒ Olea Cuzo	⇒ Mirka Insurance Services Ltd
⇒ Ascoma Rwanda Ltd	

RIBA Executive Committee:

- Mr. Mubiligi K. Jean-Pierre, President
- Dr Ben Karenzi, V/ President
- Mr. Titien Muberangabo, Treasurer
- Miss. Belinda Uwase, Secretary
- Ms. Mendies Mhiribidi, Adviser

- Mr. Roland Kifory, Adviser
- Mr. Melchior Ingabire, Auditor
- Mr. Dieudonné Mbonigaba, Auditor

Pre-Session Activities; RIBA handed over special gifts to the regulator/NBR, Western Province and Rubavu District.

Event Sponsors



1.1 Insurance Sector in Rwanda

Rwanda insurance industry is marked by low levels of penetration. The total insurance penetration – Gross Written Premium as a percentage of GDP – in 2017 stood at 1.6%, rose up to 1.9% in 2021 (NBR presentation), with private insurers representing 0.9% and public insurers representing 0.7%. The situation demonstrates the need for increased efforts towards education and sensitization on insurance use and uptake among all industry stakeholders. The main insurance industry stakeholders include the following:

- Public Insurers (mainly RSSB and Military Medical Insurance);
- Private Insurers (for Life and Non-Life Insurance);
- Insurance Intermediaries (mainly insurance brokers);
- Government and non-government organizations (NGOs) mainly involved in policy, research and improvement of financial access and affordability.

According to 2021 NBR Annual Report, the insurance sector is dominated by public insurers. In terms of asset size, public insurers are dominant with an asset size equivalent to 63% of total assets and 43% of gross written premiums (GWP) of the insurance sector. On the other hand, private insurers held 37% of total assets and 57% of gross written premiums. Private sector insurance business is dominated by non-life insurance representing 88% of gross written premiums. Among the private insurers, non-life or general insurance representing 78% of GWP. Life insurance on the other hand, provided by 3 insurers, represented 12% of total sector premiums and 20% of private insurers GWP.

Insurers are heavily dependent on motor and medical insurance products. As at end June 2021, motor and medical insurance products contributed 63% of total private insurer's premiums, reflecting the product concentration risk. Property represented 11%, guarantees 4%, engineering 4%, accident and health 2%, liability 2%, transportation 1%, and other nonlife insurance products 6%.

The insurance industry, a major component of the financial services sector, needs to focus on the majority population that is in the informal sector if it is to grow. Sustainable growth should involve innovative insurance products that address both access and affordability by the majority informal sector. Such mechanisms have been spearheaded by Access to Finance Rwanda (AFR). These include, but not limited to, "EJO HEZA" and the establishment of the National Agriculture Insurance Scheme (NAIS).

1.2 Highlights of the Opening Remarks



Hon. John Rwangombwa
Governor, National
(Central) Bank of Rwanda

The Governor of the National Bank of Rwanda (NBR), Honourable John Rwangombwa delivered the opening remarks as the chief guest, and the regulator of the insurance sector in Rwanda. The Hon Governor thanked the conveners of the event, and acknowledged the privilege to be invited.

Hon. Governor stated that such an eminent conference enables industry experts to come together. He highlighted that such first annual RIBA conference would have not come at any better time than when the insurance industry players need to reflect on challenges facing the sector. The Hon. Governor made reference to the ravaging pandemic that immensely affected the financial sector including the insurance industry.

He further divulged that the role of brokers and other industry players cannot be overemphasized enough. This is because the insurance is not only for protection but also critical for economic development, which makes it a key sector among others. However, he expressed concerns over the low up-take of insurance in Rwanda compared to other countries. For instance, Rwanda written premiums as percentage of GDP has increased by only 0.5% from 1.4% in 2011 to 1.9% in 2021. Considering that the world average penetration is 7.3% and in South Africa is 13.7%, it demonstrates that higher levels of insurance penetration can be achieved. Hon. Governor stressed that the aforementioned insurance statistics are not only arithmetic numbers but an indication of how people's lives, investments and property are secured in any given country.

Hon. Governor observed that many of the Rwandans still rely on friends and families when faced with challenges. It is because the benefit of insurance has not been perceived within its importance. He called upon the insurance practitioners to make an extra effort in sensitization, public education and awareness creation about the importance of insurance coverage. One of the approaches the regulator proposed is for the insurance service providers to restructure insurance products that are appealing to different cadre of persons. *“There is a need to adopt new innovations such as use of mobile phones to improve access*

and coverage of insurance among Rwandans,” he added. The use of technology will reduce costs and increase efficiency.

NBR has continued to play its rightful role to ensure better regulatory framework for the insurance and the financial sector. The government has supported the insurance sector through policies such as microinsurance framework, which allows establishment of microinsurance business to reach the underserved. Others include easing licensing for insurance brokers, implementing consumer protection law to increase the trust of consumers in financial services including insurance products, among others. There are all efforts to operationalize the insurance training center that aims to increase professionalism of the insurance staff and the intermediaries.

The Hon Governor indicated that NBR is working with the Ministry of finance and economic planning in the development of third financial sector development programs. It will set new development targets for the sector. He concluded by stating that industry players should take advantage of such government initiatives and develop strategies that can help them achieve growth. This can be further attained through collaboration among the key stakeholders. A lone you can go fast but together we can go far!

1.3 Summary of the Key Note Speech



Dr. Corneille Karekezi
MD and CEO of Africa-Re.

Dr. Corneille Karekezi, Group MD and CEO of Africa-Re delivered the Key note speech. First and foremost, he appreciated the organizers of the 1st Annual RIBA conference for bringing together practitioners.

Dr. Karekezi acknowledged that the theme of the event, “*The Future of Insurance Industry in Rwanda*,” was well chosen. He expressed the trust that the participants would be able to define that future and propose what should be done to create it. He cited key factors, according to Insurance Development Forum and Geneva association and based on collective experience, that drive insurance market development and for closing the inclusion gap. The Key Note Speaker cited higher level of financial and insurance literacy, risk awareness among all stakeholders, effective insurance regulation and supervision, and increasing trust in insurance solutions, and others.

Dr. Karekezi specified that insurance intermediaries including the brokers contribute directly in ensuring financial inclusion. They raise risk awareness and improve trust in insurance solutions. Thus, the responsibilities of insurance brokers are very important. They include technical assistance, premium financing, modelling, policy and strategy advisory, risk transfer and financial products, distribution channel, strategy partnership with international community, claims management and many

others. Insurance brokers are responsible for sourcing and facilitating sales insurance products and services while leveraging their proximity to the general masses, which helps in closing the protection gap.

The MD and CEO of Africa-Re emphasized that insurance brokers need to cooperate more closely with insurers, regulators, and policy makers to enhance the understanding the role of insurance in the society. It would lead to development of conducive public policy and regulation enabling insurance and making society more resilient. Dr. Karekezi commended RIBA for doing so. He specified that organizing industry events like the conference are necessary to bring the importance role of insurance more to the front of the key decision makers.

While concluding, Dr. Dr. Karekezi added that such events would encourage Rwandan insurance community in a well-coordinated manner to keep explaining their role with compelling, rational and irrefutable narrative. Political decision makers may not understand enough these roles if not well narrated such as issues of risk exposures, risk pricing, insurance capacity and possibility of public-private partnerships.

Sponsor Moment



The African Reinsurance Corporation (Africa Re) is the leading pan-African reinsurance company dedicated to professional insurance capacity building and technical assistance to African insurers.

Some Notable Quotes

“We live in transformative age; traditional insurance business is being challenged by new ways and approaches.”
RIBA President.

“There is a need to adopt new innovations such as use of mobile phones to improve access and coverage of insurance among our populations.” Hon. Governor, NBR.

“Insurance brokers need to cooperate more closely with insurers, regulators, and policy makers to enhance the understanding of the role of insurance in the society.” MD
and CEO of Africa-Re


“As the Government entity and District representatives, we will endeavor to create enabling environment to ensure the insurance sector thrives.” Mayor Rubavu District.

PART TWO: CONFERENCE SESSIONS

2.1 Financial and Insurance Inclusion

Presentation by Ms Agnes Uwanyiligira, **AFR Programmes Officer**

The key role of Access to Finance is to foster financial inclusion. It is to enable individuals and businesses have access to useful and affordable financial products and services that meet their needs – transactions, payments, savings, credit and insurance – delivered in a responsible and sustainable way. AFR identifies and intervenes to address constraints that prevent the financial sector from serving Rwanda’s low-income population through promoting innovations and learning that result in sustainable change.

Presentation	Financial Inclusion - The future of insurance industry in Rwanda	
Organization	Description	Partnership with Insurance Sector
	Access to Finance Rwanda (AFR) is a Rwandan not for profit organization. AFR’s strategic focus is to stimulate financial sector development by partnering with	AFR is a strategic partner with government, the insurance and financial sector players. Particularly, in mobilizing capital and setting up

Presenters: Agnes Uwanyigi	financial institutions and other stakeholders to increase access to and use of financial services.	microinsurance schemes targeting small-holder farmers. They also undertake fiscal surveys and ensuring there is insurance thematic area to inform policy reforms.
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2.1.1 Panel Discussions

Moderator	Lemmy Manje Founder & CEO FinBrobity Solutions	FinProbity Solutions Limited works with financial service providers to deliver innovative client centric solutions that meet the needs of diverse market segments.
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Summary of the Discussions

Panelist	Organization Represented	Experiences & Lessons learned
Ovia Tuhairwe	RADIANT is a Microinsurance service provider motivated by the drive to help the underserved	One of the great experiences for Radiant Yacu is opting to serve the under-served like the motorcycle-riders.

<p>Radiant Yacu</p>	<p>people of Rwanda secure better lives and future by helping them mitigate the impact of financial losses that arise from insurable risks that confront them.</p>	<p>The lesson learned is the significance of increasing coverage through partnerships. Radiant Yacu has partnered with crop cooperatives, microcredits, agents, brokers, which help to grow further. The key point from the experience shared was the saying that “clients come first while the profits come last.”</p>
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Panelist	Organization Represented	Experiences & Lessons learned
<p>Muhire Nkurunziza SANLAM Vie</p>	<p>Sanlam is an insurance company that promotes financial inclusion, transformation and empowerment through our broad product and financial advice offering, inclusive culture and partnership approach.</p>	<p>There are assertions that insurance coverage is not affordable, but that should not be the case. For instance, Sanlam Vie has innovated product offering by providing funeral coverage for members of the cooperatives for as low as 500 USD.</p>

Panelist	Organization Represented	Experiences & Lessons Learned
<p>Dr. Ben Karenzi</p> <p>RIBA</p>	<p>An umbrella association, one of the key objectives of RIBA is to advocate for consumer protection, lobbying stakeholders for policies and regulations which are internationally acceptable and conducive for both local and international insurance markets.</p>	<p>There is fortune at the bottom of the pyramid, there are huge masses that need the insurance services. There is available capacity among the insurance service provides to support the insurance inclusion. There is demonstratable possibility of reaching the underserved. There are notable examples in Rwanda such Mutuelle de Sante subsidizes 50%, National Agriculture insurance government subsidizing 40%, Ejo heza, among others. The next frontier for inclusive insurance is protection of the majority rural households against natural disasters by setting up a natural catastrophe insurance scheme.</p>

2.1.2 Sponsor Moment

Old Mutual	Old Mutual Limited (OML) is a premium financial service	Domestic Health Coverage Motor Vehicle Insurance Travel Insurance Group personal accident.
Presenters: Muhoza Adeline		

2.1.3 Key Outcomes


- Formulate a roadmap that outlines or the roles of policy maker, regulator, insurance players, partners and consumers.
- Work and re-design products that can replace traditional model and systems.
- Design Simple, Understandable, Accessible, Valuable or Customer Centric (SUAV).
- Working hand in hand with the government to increase the insurance value chain.
- Next frontiers need to focus on disasters and natural catastrophes.

2.2 The Role of Reinsurance

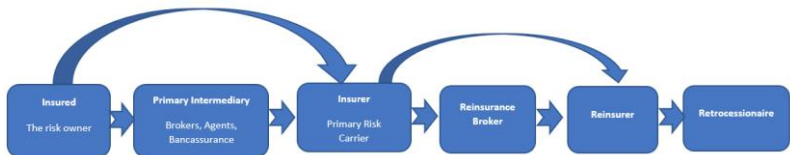
Presentation by Leonard Maweu, **W-SAFE Regional Manager for Eastern & Southern Africa**

A legal definition of reinsurance was given by Lord Mansfield in the case of Delver v. Barnes (1807), that reinsurance -“consists of a new assurance, effected by a new policy, on the same risk which was before insured in order to indemnify the underwriters from their previous subscription; and both policies are in existence at the same

time. In simple terms, reinsurance is insurance of insurance, where one or more insurance companies agree to indemnify the risk, partially or altogether, for the policy issued by another one or more insurance companies.

Presentation		The role of reinsurance in building resilience of the Rwandan market
Lead Organization	Description	Activities
 <p>Presenter</p> <p>Leonard Maweu</p>	<p>W-SAFE is headquartered in Caribbean and operates in Africa, Middle and Far East. W-SAFE provides reinsurance partnerships in business relations by offering risk transfers and capital optimization.</p>	<ul style="list-style-type: none"> • Reinsurance • Retrocession • Run-off Management • Actuarial Services • Declined Pull

2.2.1 Risk Placement Channel



2.2.2 The Goal of Reinsurance

- To secure a large number of similar risks to permitting the prediction of losses with a reasonable degree of certainty, insurance companies have devised the practice of reinsurance.
- Reinsurance is the transfer of insurance business from one insurer to another. Its purpose is to shift risks from an insurer, whose financial security may be threatened by retaining too large an amount of risk, to other reinsurers who will share in the risk of large losses.
- Reinsurance tends to stabilize profits and losses and permits more rapid growth.
- The entire area of reinsurance and retrocession is an example of the essential need for a spread of risk among many risk bearers. Much of the process goes on without the policy holder being aware of its existence since he is not a party to the reinsurance arrangement.
- Reinsurance enables a risk to be scattered over a much wider area, which is the primary concept of the whole business of insurance.
- The need for reinsurance arises in the same way as an original insured need insurance protection.

2.2.3 The Role of Reinsurance

In Building Resilience	In creating Vibrant Industry
<ul style="list-style-type: none"> • Loss Limitation • Provision of capacity to the insurer • Creation of financial stability • Protection of Solvency Margins 	<ul style="list-style-type: none"> • Improves Capacity • Adds Stability • Improves Financial aspects • Creates Closer cooperation

<ul style="list-style-type: none"> • Provision of Value-added services • Increasing Insurance Penetration • Reciprocity <div data-bbox="184 326 484 570"> <p>“ Reinsurance is as important to the insurance industry as it is backbone to vertebrates. Operates at the backend but supports the entire system”</p> </div>	<ul style="list-style-type: none"> • Offers training and Manpower Development • Contributes to foreign currency earning <div data-bbox="560 326 878 553"> <p>Its importance should never be tested by breaking it</p> </div>
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2.2.4 Sponsor Moment

Presentation by Dr. Andrew | SCG-Ré

The role of a national reinsurer in ensuring market resilience

Gabonese Commercial Reinsurance Company (SCG-Ré) was established as a solid and lasting foothold in Central Africa in order to consolidate its position as the benchmark reinsurer in the sub-region. SCG-Ré teams have met with managers of insurance companies in different countries, in order to address questions concerning their business partnerships, the renewal of treaties and upgrading of the capacities. SCG-Ré covers the risks of the various insurance markets. Other key work with the national insurance agencies includes:

- Significantly improving premium.
- Consolidating insurance sector.

- Providing market ceding companies with opportunities to represent their paid-up commitments.
- Partnership in mutualization of risks within the local market.
- Offering quality and availability of reinsurance services.
- Reduction of the balance of payment.
- Mobilization of funds on interbank market.

2.2.5 Panel Discussion

Moderator	Dr. Ben Karenzi	RIBA
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Summary of Q & A Sessions

Question 1	What is the role of a national insurer in creating market resilience?
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Panelist	Response
Dr. Andrew SCG-Ré	The positive experience of SCG-Ré in Rwanda was the quicker way in which the registration and licensing was acquired. Going forward, SCG-Ré intends to contribute to building the resilience of the insurance market in Rwanda and to collaborate closely with market bodies and actors to increase the penetration rate of insurance in Rwanda.

<p>Africa-Re Regional Director, Mr Ephraim Kiiza Bichetero</p>	<p>Insurance is not a gambling because of the tight regulations like solvency and capital requirements. This makes it a critical industry in terms of resilience. It warrants some strategic efforts to overcome all these.</p> <p>Fragmentation of African market requires reliance on reinsurance to navigate that. There is a need for the governments to pull resources together by the governments. From the experiences, Africa-re has been able to represent insurance companies to achieve higher rating.</p> <p>Africa-Re provides support in the inclusive insurance. For instance, in the microinsurance. To achieve that support, there must be clear objective from the insurer because the sustainability is the main goal. There must be clarity on what is needed by availing accurate data.</p>
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<p>Question 2</p>	<p>How do we reconcile climate change associated risks and future of insurance?</p>
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<p>Panelist</p>	<p>Response</p>
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<p>W-SAFE Benard Maweu</p>	<p>Agriculture and climate change is one of the biggest risk areas. There are bailing outs for organizations like Africa risk Capacity. The same support exists for other schemes in the agriculture sector. Rwanda is an example where government subsidies exist.</p> <p>To effectively manage the subsidies, it should be institutionalized so that it becomes sustainable. It happens in countries like India's Agriculture insurance scheme. This makes sure that the farmers are able to proceed with insurance up-take even in the absence of subsidies. Overall, partnership helps in strengthening the existing or coming up with products that famers may need.</p>
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2.2.6 Key Outcomes

- Develop insurance products while involving stakeholders at all levels so that at the end of the day it meets diverse needs.
- Insurers should reassess how to cover emerging risks like the COVID-19, which led to business interruptions and losses that businesspersons were unable to cushion.
- Identify ways in which there can be African-wide collaboration to come up with some of the unique products that may require more capacity.
- Bundle livestock, crop, and health insurance policies, and come up with national agriculture insurance schemes.

- There is need to establish a national insurer in Rwanda, currently the missing link in the industry. Gabon’s SCG RE is an inspiration.

2.3 Role of Insurance Broker

Presentation by Amir Kiwanda, President, EAIBA

Presentation	The role of Insurance Broker in increasing the insurance penetration	
Organization	Presenter	Position
EAIBA	Amir Kiwanda	President

2.3.1 Generally Accepted Roles

The generally accepted role of the insurance broker is to;

- Establish client’s risk profile.
- Mobilize/ Solicit terms of cover.
- Formulate a comparative summary and negotiate for client.
- Advise best available alternative.
- Bind insurance arrangement.
- Assist in Claims processing and management.

2.3.2 Reflections of the Market

Rwanda’s insurance sector has been steadily expanding in the past decade. However, the growth has not been satisfactory enough, and the country’s share in the global insurance market still remains extremely low. Economic Survey of 2020-21 show that, insurance penetration in emerging markets only marginally improved from 2.71 per cent in 2001 to 3.76 per cent in 2019. Rwanda thus, remains far behind its regional counterparts, such as Kenya, South

Africa and Egypt when it comes to the widespread expansion of insurance.

As a departure from other EAC countries, Rwanda insurance market is regulated by the national/central bank (NBR). Other EAC countries have a standalone regulatory authority. Compulsory insurances include: motor third-party liability and professional indemnity. 100% Foreign Direct Investment (FDI) is permitted in the Rwandan insurance industry. Composite insurance is not permitted in the Rwandan insurance industry

2.3.3 Position of Micro-Insurance

Micro insurance is playing an important role in increasing the uptake of insurance products among the low-income population of the country. Effective from January 2018, mandatory motor third party liability (MTPL) insurance premiums for both public and private vehicles increased up to 73%, to enable insurers to maintain financial stability. Some of insurance Companies, in 2013, introduced Micro insurance products in association with Tigo, a Mobile Network Operator (MNO), which targeted the low- and middle-income population. The number of insurers operating in Rwanda increased from eight in 2013 to 14 in 2017 respectively.

2.3.4 African Market Highlights

African average insurance penetration dropped from 2.78 per cent in 2019 to two per cent in 2020. While the global average penetration rate was 7.20 per cent in 2019, it rose to 7.40 per cent in 2020. This is greatly attributed the low insurance penetration on the continent to low income and awareness, failure to embrace digital technology, high level

of financial exclusion, lack of infrastructural and distribution channels, as well as domestic skills and a shortage of data.

While the global average penetration rate in 2019 was 7.20 per cent that of Africa was 2.78 per cent. In 2020, while the global average went up to 7.40 per cent that of Africa came down significantly to about two per cent. This should be of great concern to us as a region.”

Stating that regulators were not keeping pace with innovation, as timing and implementation of regulatory changes need to be looked into, Smart stressed that the lack of consumer trust as presence of weak firms erode trust, pricing and other market and cultural issues, fragmentation and over competition were hindering insurance penetration.

2.3.5 Major Factors Impeding Growth

High Premium Costs

- One of the main reasons why the insurance sector is not expanding fast enough in emerging markets is because of the high premium costs.
 - High premium costs have been a traditional deterrent for people trying to avail themselves of insurance arrangements.
 - This eventually leads to a vast majority of the population to be under-insured or uninsured.
-
- Lack of insurance cover is a problem for families -this is because insurance plans are extremely useful and beneficial to anyone looking to

**Availability of
Appropriate
Covers**

protect their family, assets/property, and themselves from financial risks and losses.

- Having insurance plans can help immensely when it comes to paying for medical emergencies, hospitalization, treatment of serious illnesses, and so on.
- We are here looking at the relevance of the existing traditional/Conventional insurance products viz a viz the majority of the potential insureds.

**Lack of
Education**

- In emerging markets, out-of-pocket expenditure during medical and other unexpected emergencies is high.
- Insurance could help cover these heavy expenses and ensure that families do not have to break into their life savings just to pay medical bills or repair the damage to their home from a fire.
- Insurance could, thus, mean the difference between financial security and debt, and therefore, must be considered as an essential, as opposed to being optional.

2.3.6 Panel Discussions

Moderator	Maurice Amogola, Former President IBAU
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Question 1	What is the Kenyan Experience that makes it lead in the region?
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Panelist	Response
Anthony Mwangi, President of AIBK	<ul style="list-style-type: none"> • Relatively high GDP growth in Kenya. • Stability in insurance market that generate trusts. • There is also compensation fund that clients can be paid in case of issues with the insurance company. • No one is allowed to own more than 25% of the insurance company it makes one not doing what they want to. • Not everybody can run insurance; the CEO under rigorous vetting. • There is much more innovation in terms of products. • Kenya is very structured with strong middle class.

Question 2	What does Uganda do in terms of digitalization including innovation
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Panelist	Response
Paul Muhame	<ul style="list-style-type: none"> • Innovation requires generation and young people to drive it faster. • There is platform that ensures every Ugandan car has at least

<p>President IBAU</p>	<p>third-party insurance. Now the platform has digitalized and one can buy insurance using the mobile money.</p> <ul style="list-style-type: none"> • Uganda marine insurance is already operational. Unfortunately, it is bought by suppliers hence premium lost. • Those who buy insurance locally have an advantage over those who do not. The latter group is charged when they register for the first time on the platform. • Uganda microinsurance appeals to companies and the consumers.
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<p>Question 3</p>	<p>How is insurance performing in the market and what would happen if they are better trained?</p>
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<p>Panelist</p>	<p>Response</p>
<p>Abdul Salum Rucekeri President IBAB</p>	<ul style="list-style-type: none"> • An experience in Burundi demonstrates a situation where brokers are willing to do the job but with limited skills. • IBAB took an initiative to train the brokers; IBAB partnered with Insurance college of Uganda and the Insurance college of Kenya. • Association also resolved to set standards by putting it compulsory that one has to have COP. This was by IBAB initiative and not the regulator.

	<ul style="list-style-type: none"> • Insurance brokers productivity is not only selling services to get profits, there are other related services. • They include loss adjustment and valuation that are significant in terms of capacity building. For instance, beginning from valuation of assets and moving to the next.
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Question 4	What is it required to be done to improve Agriculture insurance?
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Panelist	Response
Amir Kiwanda President TIBA	<ul style="list-style-type: none"> • Coming up with national agriculture insurance scheme. This requires Agriculture consortium that is able to study the market and provide right information. • Engaging with ministry of Agriculture to see how to by loans with less interest, which has borne fruit in Tanzania. • Structuring that collaboration helps farmers to get credits from the banks and microinsurance services. • Tech companies are also coming up with solutions that may work. For example, having the framers registered on a platform in terms what they deal with the type of tools and other related details.

	<ul style="list-style-type: none"> • The above have improved the agriculture insurance base in Tanzania.
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Question 5	What does Rwanda do right in terms of health insurance that can be copied owing to the large coverage?
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Panelist	Response
<p>Jean Pierre Mubiligi President RIBA</p>	<ul style="list-style-type: none"> • The penetration rate of health insurance in Rwanda is high because the insurance companies are putting effort to meet expectations of the consumers. • The target audience are also well prepared by the government, which is the base for the community health insurance scheme. • There is a stable public insurance scheme that target all employees. • Then the other level is the private sector that are now covered by insurance institutions. New products were then easy to be developed that cover Rwanda, region and outside the region. • As time goes on, the products are improving and the customers are becoming more demanding. • Furthermore, selling medical insurance is more appealing to the consumers because it touches on life which is critical to everyone.

	<ul style="list-style-type: none"> • There is room for innovation and even offer more.
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Question 6	How do we overcome challenges of premium collection?
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Panelist	Response
<p>Maurice Amogola</p> <p>Former President IBAU</p>	<ul style="list-style-type: none"> • Challenges of premium collection can be overcome by allowing clients to pay by installment. One of those challenges is like in Uganda where the Client has to get approval from the regulator. • Payment of premium through brokers should have regulated timelines. • The insurers must also accept to release commissions as early as required by the law.
<p>Anthony Mwangi</p> <p>President AIBK</p>	<ul style="list-style-type: none"> • The brokers should handle insurance premium, with tight regulations. • Cash and carry approach in premium collection can be good, but regulation must be clear. • In Kenya payment of premiums in installment is allowed. It is an arrangement of the parties, which has improved up-take.

Question 7	What is the role of the Insurance broker?
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Panelist	Response
Amir Kiwanda President TIBA	<ul style="list-style-type: none"> • Defining clients' needs. • Look for alternative options. • Advice the clients on which insurance to take. • Asses the claims.

2.3.7 Key Outcomes

- Explore untapped markets such as making insurance services more accessible to rural populations.
- Bundle livestock, crop, and health insurance policies, and make them available through digital channels (Partnership with Banks and MNOs).
- Advocate for reduction of taxes attached to the insurance covers. For instance, insurance attracts 18% which may be slashed by 5%.
- Insurance Brokers should partner with Insurers to come up with Micro Insurance products answering the needs of low segment of the society.
- Insurance brokers need to make the best possible use of social media and digital tools that allow for speeding up of processes, such as KYC verification, customer on boarding and so on.

2.4 Enabling Regulatory Environment

Presentation by Dilme Niyonizeye, **Director, Insurance & Pension Supervision at NBR**

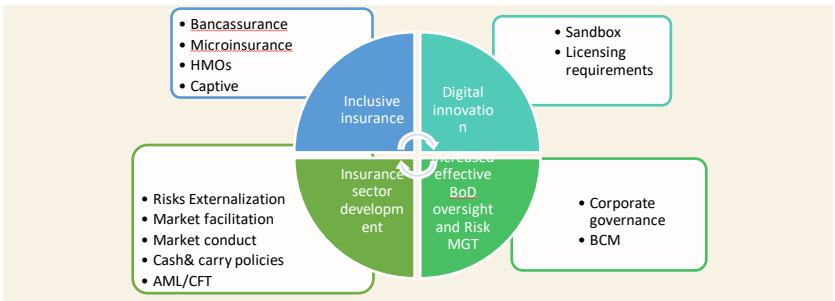
Presentation	Creating an Enabling Environment through Regulation	
Organization	Presenter	Position

NBR	Niyonizeye D. Dilme	Ag. Director, Insurance and Pension Supervision
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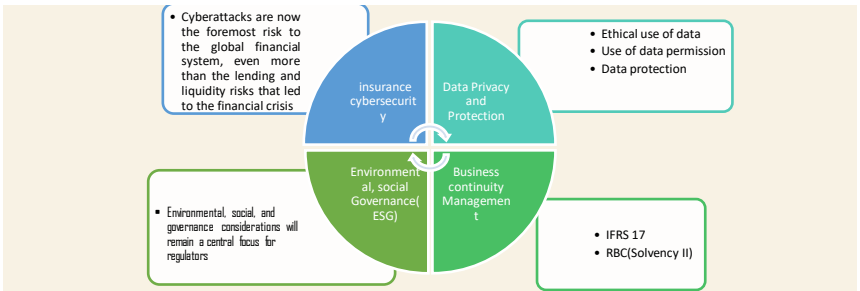
2.4.1 Rationale for Regulation



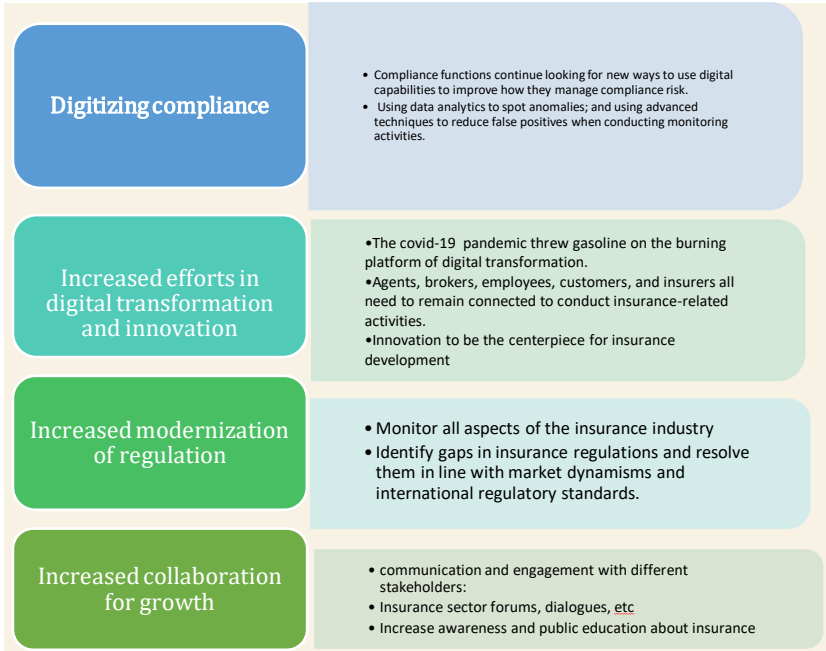
2.4.2 Enabling Regulations



2.4.3 Emerging Regulation Topics



2.4.4 Future Plans



2.4.5 Panel Discussions

Moderator	Anthony Mwangi, President of AIBK
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Question 1	As a practitioner how do you assess the regulatory framework in Rwanda?
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Panelist	Profile	Responses
Christian Kabeza	Director EST DRC	There is a need for all the actors to collaborate. The role of government is very key. The Rwandan regulator is doing a great work to improve the

		situation. However, there are still gaps that need to be addressed.
Annie Nibishaka	MD, Old Mutual	There is a lot to be improved, but so far, the regulations are being updated to respond to the needs.

Question 2	Unlike other countries in the region, why in Rwanda the national/central bank regulate the insurance?
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Panelist	Profile	Response
Niyonizeye Dilme	Ag. Director NBR	Markets are different and circumstances are different. After the turbulent past, Rwanda needed to build resilience in all sectors. For example, there was a need to have a strong starting point. Therefore, the government phased out national insurance commission and brought the mandate to the central bank. This helped in building the required synergy and having a central point of information.

Question 3	How did you overcome the challenges of insurance coverage during COVID-19?
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Panelist	Profile	Responses
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Annie Nibishaka	MD, Old Mutual	The regulator assisted in allowing digital transmission of files. For medical cover during pandemic, the government stepped in. There was no exclusion of pandemic. In addition, most of the patients went to the government facilities that never attracted costs.
General Comments		There are concerns over Bancassurance in Rwanda due to the practice of tied selling. This is unlike other markets where the practice is illegal. For instance, in Burundi the banks are completely stopped from selling insurance, but are allowed to partner with brokers and agents.

2.4.6 Key Outcomes

- Identify gaps in insurance regulations and resolve them in line with market dynamisms and international regulatory standards.
- Increase the scope of compulsory insurances. For instance, fire, marine cargo on all imports, among others.
- Harmonize insurance regulations within the East African community.
- Enforce the existing rules to shun any non-compliance within the Bancassurance businesses.

- The regulator to provide data on the contribution of Insurance Brokers to the financial sector and the economy at large.

2.5 Collaborating for Growth

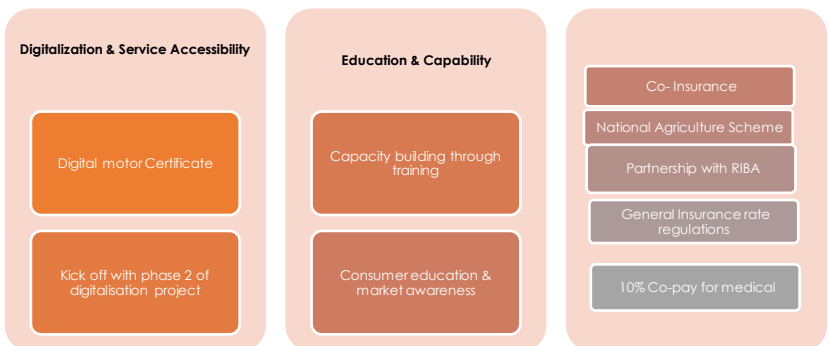
Presentation by Annie Nobishaka, **ASSAR Chairperson & CEO, Old Mutual Rwanda**

Presentation		Collaborating Towards Growth	
Organization	Presenter	Position	
ASSAR	Annie Nabishaka	Chairperson	

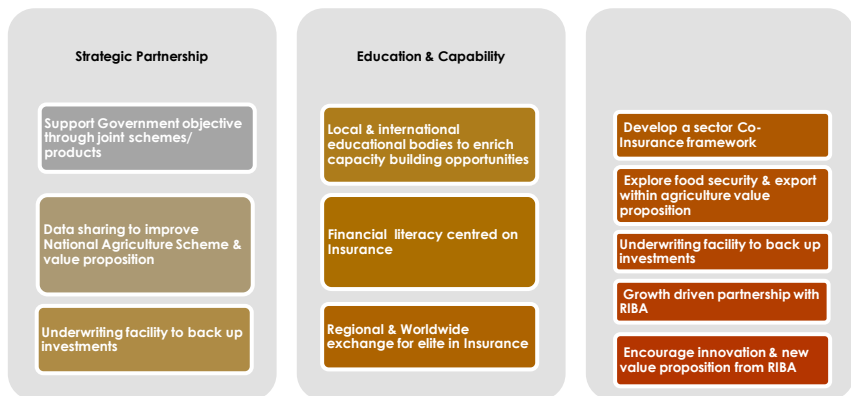
2.5.1 Significance of Collaboration

- Keep growth momentum.
- Grow all Insurance Categories.
- Drive profitability.
- Leading solutions & relevancy.
- Strategic partnerships.
- Capability Development.

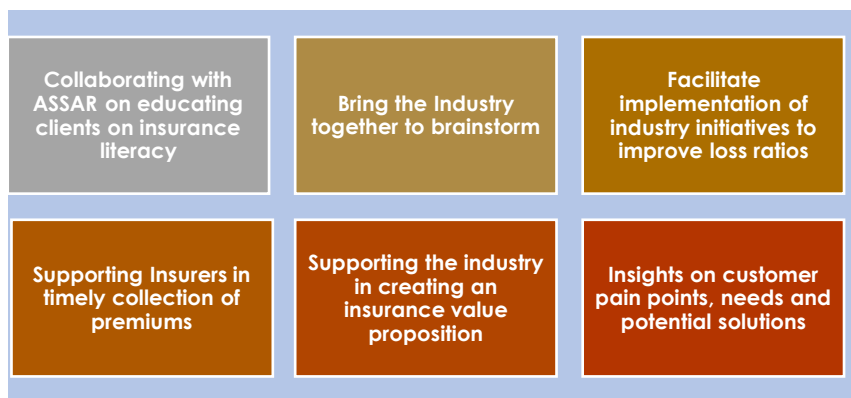
2.5.2 Success Stories



2.5.3 General Opportunities



2.5.4 RIBA Opportunities



2.5.5 Panel Discussions

Moderator	Mendies Mhiribidi, RIBA
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Question 1	How can all stakeholders work together towards a more profitable insurance business?
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Panelist	Response
Betty Sayinzoga Sanlam General, CEO	<ul style="list-style-type: none"> • Improving the ecosystem around insurance. • Managing inflation rates, managing cost of other products. • Improving regulatory framework. • Introducing co-payment in some categories of insurance cover. • Approaching stakeholders as an association. • Digitalization aimed at eliminating tedious processes to bring the cost down.

Question 2	What is the role of market facilitator in development of Insurance sector?
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Panelist	Responses
Jean Bosco Iyacu AFR	<ul style="list-style-type: none"> • Involving that all stakeholders and market actors to eliminate constraints. • Market facilitator is a neutral party to address the challenges. • Awareness and education of the masses is required. • Designing collective strategies. • Data facilitation.

	<ul style="list-style-type: none"> • Learn from best practices like in South Africa where there is a percentage of premium dedicated for public awareness.
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Question 3	How does the industry address the notion that insurance is for the rich, and how can stakeholders collaborate to do so?
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Panelist	Response
Annie Nabishaka ASSAR President	<ul style="list-style-type: none"> • There is need for more innovation and know exactly what clients want. • Work on affordability of the products • Awareness creation. • Stakeholders putting their heads together.

2.5.6 Sponsor Moment

Organization	Description	Products/Services
MUA	The Mission of MUA Insurance (Rwanda) is to be a professional insurance company providing consistently superior service to our customers.	<ul style="list-style-type: none"> • Motor Insurance • Travel Insurance • Individual Personal Accident • Golfers Insurance • Wedding Bells Policy

2.5.7 Key Outcomes

- The need to share data between the stakeholders.
- Partner with telecommunication Companies to improve the insurance service offering.
- Adopt the new technologies such as artificial intelligence and machine learning
- Advocate for embodiment of insurance education within the curriculum.
- Collaborate with media to provide free public information platforms.
- Work together with banks to increase insurance value proposition.

2.6 The Role of Digitalization

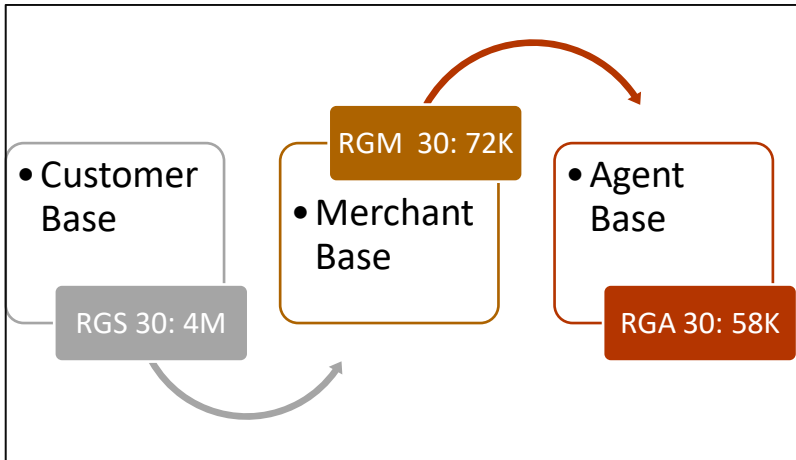
Presentation by Christian Kajeneri, Head of Strategy, Products & Services, MTN Mobile Money

Presentation		The Role of Digitization in Improving Customer Experience in Insurance Industry	
Organization	Presenter	Position	
MTN	Christian Kajeneri	Head of Strategy, products and services.	

2.6.1 MMRL Insuretech

Mobile Money Rwanda Ltd is a PSP licensed fintech in Rwanda. Mobile money has been growing in different dimensions where we have been able to creation of solutions such as MoMoPay, MTN m-Ticketing as a digital user-friendly ticketing solution, Tap&Go payments for bus services, Bill Payments, Bulk Payments, Electricity purchase,

Payment of Government services, Bank Push & Pull, MoKash Loans & Savings, and more.



2.6.2 Panel Discussion

Moderator	Sam Ndoli, Head of Operations, Inclusivity Solutions
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Question 1	What is key to effectively realizing the digitalization of the insurance?
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Panelist	Response
Lemmy Manje Founder & CEO FinBrobit Solutions	<ul style="list-style-type: none"> • Digitalization is an enabler but not a silver bullet. • Strategies are required to implement the processes. • Full digitalization may happen without a corresponding up-take.

	<ul style="list-style-type: none"> • The challenge is that technology needs investment.
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Question 2	What is the process of on-boarding to the digitalization?
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Panelist	Response
Christian Kajeneri MTN	<p>There is a challenge of insurance affordability and cashflow management that MTN is trying to bridge through MOMO platform, which offers the following:</p> <ul style="list-style-type: none"> • Automated collection. • Disbursement. • There is auto debit. • There is also platform for selling insurance.

Question 3	Is there revenue sharing arrangement?
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Panelist	Profile/organization	Response
Sam Ndoli	Head of Operations, Inclusivity Solutions	Inclusivity Solutions offers commission sharing arrangement.

2.6.3 Sponsor Moment

Organization	Description	Products

W-SAFE	W-SAFE provides clients with innovative, transparent, and flexible solutions tailor made to problems	<ul style="list-style-type: none">• General Insurance• Life Insurance• Reinsurance
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2.6.4 Key Outcomes

- Put investment in order to implement digitalization.
- Take appropriate steps to ensure data privacy.
- Develop appropriate strategies and processes to support digitalization.
- Adapt to the changing nature of product consumption modes.

3.1 Conclusion

Aggressively promoting consumer education about insurance products is undervalued, yet an important strategy. Emerging markets remain the most under-insured countries in the world because a vast majority of the populace is not aware of the various risks associated with their life, health, business, car, home, etc. Hence, insurance companies need to take it upon themselves to change this and drive the narrative in their favour through initiatives.

Such initiatives that can be deployed include marketing campaigns, customer awareness seminars, press releases, write-ups, direct mailing, and much more. The brokers must be at the forefront of doing so or addressing the existing challenges and capitalizing the unfolding opportunities. This will bring an incisive yet highly practical analytics, ability to anticipate emerging risks, and capacity for innovation. Eventually, an inspirational leadership would be needed to create effective and economic risk management solutions.

3.2 Resolutions

Consequently, the delegates collectively adopted the following resolutions. The participants and the leadership of RIBA agreed to implement the activities proposed under each of the resolutions. These efforts will be focused on addressing the underlying bottlenecks and to drive the insurance sector forward.

3.2.1 Reaffirmation to Increase Insurance Inclusion - Access and Coverage

- ◇ Re-design products that can replace the traditional models and systems.
- ◇ Undertake fiscal surveys with insurance as thematic area to inform policy reforms.
- ◇ Address constraints derailing access to insurance for the low-income population.
- ◇ Explore untapped markets such as rural population.
- ◇ Design simple, understandable, accessible, valuable or customer centric (SUAV) insurance products.
- ◇ Re-focus on disasters and natural catastrophes and provide protection to majority households through a natural catastrophe insurance scheme.
- ◇ Advocate for government subsidies to such a scheme using examples of Rwanda community health insurance where government subsidizes 50%, the national agriculture insurance government subsidizing 40%, 'Ejo Heza', among others that demonstrate effectiveness of reaching the underserved population.

3.2.2 Emphasis on the role of Reinsurance in Building Resilience of the Rwandan Market

- ◇ Undertake public education and awareness about insurance.
- ◇ Reassess how to cover emerging risks like the COVID-19, which led to business interruptions and losses that businesses were unable to cushion.
- ◇ Increasing the scope of compulsory insurances; For instance, fire, commercial buildings, medical malpractice, marine cargo on all imports, among others.

- ◇ Advocate for embodiment of insurance education within the secondary school curriculum.
- ◇ Advocate for the establishment of a national reinsurer in Rwanda as a means to improving market resilience and capacity.

3.2.3 Assurance to Enhance the role of Insurance brokers

- ◇ Conduct continuous capacity building for insurance brokers to effectively carry out their functions, like the case of Burundi where IBAB partnered with Insurance college of Uganda and the Insurance college of Kenya for trainings
- ◇ Insurance brokers to partner with insurers to come up with Microinsurance products answering the needs of low segment of the society.

3.2.4 Commitment to Engage Regulator for Improvement of Insurance business environment

- ◇ Identify gaps in the insurance regulations and resolve them in line with market dynamisms and international regulatory standards.
- ◇ Review laws that are aligned to the technology deployed and innovation in the insurance service delivery like the case of Uganda.
- ◇ Harmonize insurance regulations within the East African community.
- ◇ Enforce the existing rules to shun any non-compliance within the Bancassurance businesses, such as eliminating tied selling.

- ◇ Advocate for the regulator to provide industry data. For instance, the contribution of Insurance Brokers to the financial sector and the economy at large.

3.2.5 Pledge to enhance Collaboration with Stakeholders

- ◇ Formulate a roadmap that consolidates the roles of policy maker, regulator, insurance players, partners and consumers.
- ◇ Develop insurance products while involving stakeholders at all levels to leverage ownership of the end results.
- ◇ Work hand in hand with the government to increase the insurance value chain.
- ◇ Identify ways in which there can be an African-wide collaboration to come up with some of the unique products that may require more capacity.
- ◇ Engage tech companies to create databases and platforms that can be utilized in designing various insurance products, for instance in agriculture sector like the case of Tanzania where such data is used.
- ◇ Share data between and/or among the stakeholders.
- ◇ Collaborate with media to provide free public information platforms.
- ◇ Work together with banks to increase insurance value proposition.

3.2.6 Agreement to Digitalize Insurance Service delivery

- ◇ Make insurance services available through digital channels (Partnership with Banks and MNOs).
- ◇ Insurance brokers to make the best possible use of social media and digital tools that speed up of processes, such as KYC verification, customer on boarding and so on.
- ◇ Partner with telecommunication Companies to improve the insurance service offering.
- ◇ Adopt the new technologies such as artificial intelligence and machine learning.
- ◇ Put investment in order to implement digitalization.
- ◇ Take appropriate steps to ensure data privacy
- ◇ Develop appropriate strategies and processes to support digitalization.
- ◇ Adapt to the changing nature of product consumption mode, and focus on consumer insight while implementing digitalization.

3.2 Vote of Thanks

At the closure of the conference, RIBA expressed great appreciation to all the participants for their availability and extensively deliberating the topics with utmost expertise and mastery of the subjects. The organizing committee members were similarly appreciated for playing a great role that enabled the success of the conference. Finally, RIBA expressed gratitude to the regulator, National Bank of Rwanda, for gracing the event, the Rubavu District for hosting the event and to all the distinguished guests who spared their valuable time and made insightful contributions.

Annex: Event Photo Gallery





RIBA / APROCAS

Rwanda Insurance Brokers Association
Association Professionnelle des Courtiers d'Assurance



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