

RESEARCHING FOR AFRICA'S TRANSFORMATION: CHALLENGES, QUALITY, AND IMPACT: SPECIFIC CONSIDERATION OF LIFE ASSURANCE IN AFRICA

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Introduction: This study examines life assurance in Africa, with a specific focus on digital transformation to improve customer experience and growth. The market faces challenges such as market penetration, COVID-19, and the Ukraine crisis (McKinsey & Company, 3.; Investopedia, 2.). Overcoming obstacles in life insurance; firms must utilise wearable technologies and AI for risk assessment and underwriting (EY Global, 1). Life assurance is on rapid increase due to growing economy, urbanisation, and population drives market expansion, making microinsurance products more accessible (PwC Strategy&, 2020)⁴. Astonishingly, Africa has the second-fastest-growing insurance market globally after Latin America. Compound annual growth rates (CAGRs) for the insurance industry were expected to rise at a 7% pace before COVID-19 (McKinsey & Company)³.

Objectives: Identifying the portion of the continent's population lacking insurance and financial protection, compare life insurance performance at international, continental, African, regional, and national levels, and verify trends in life insurance in Africa.

Methods: Various techniques hinging on mix-methods were used, mostly based on secondary research data.

Results: The insurance industry is projected to reach a GWP of over \$68 billion, with a 3% penetration rate (Statista, 5). Southern Africa's life insurance accounts for 54% of premiums. In 2019, the global insurance market experienced a modest increase of 4.9%, surpassing the industry's CAGR of 3.5% from 2010 to 2018. Countries are enacting laws and policies to promote insurance penetration beyond regional borders, attracting investments and increasing demand for insurance-related goods and services (PwC Strategy&, 2020). However, experts caution against relying on trust in the African insurance industry due to low penetration rates and limited infrastructure and resources (PwC Strategy&, 2020).

Conclusion: The African insurance industry is expected to undergo significant digitalization, leading to growth and job opportunities. Addressing infrastructure and capacity issues is crucial for maintaining the sector's growth.

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