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Insurance Today



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Uganda Insurers Association

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INSURING PROSPERITY: ICOGU'S PIVOTAL ROLE IN UGANDA'S EXTRACTIVE SECTOR

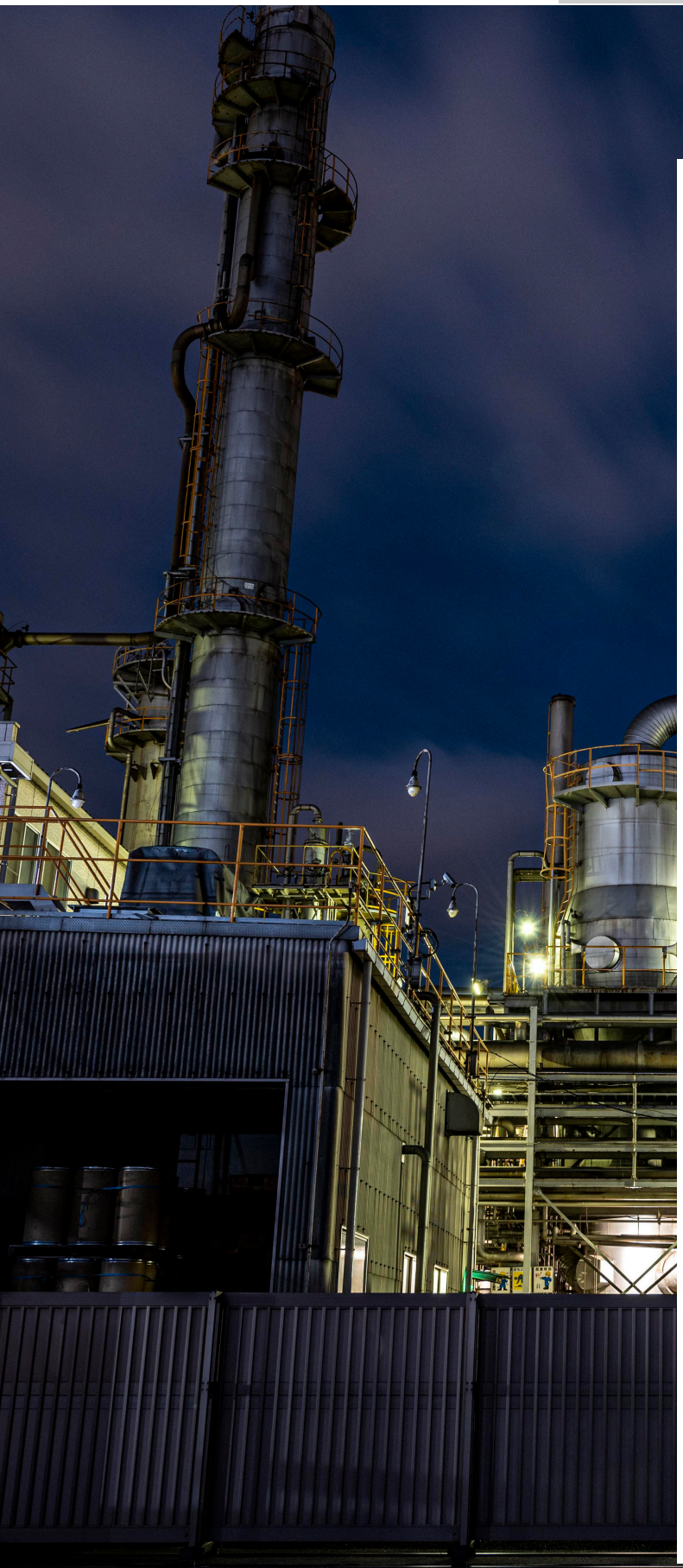


Uganda's Oil and Gas sector is emerging as a major force in the economy and is poised for a transformative future. Insurance on the other hand, is set to play a key role in supporting and driving this growth forward. The Insurance Consortium for Oil and Gas Uganda (ICOGU), a group of local licensed non-life insurance companies, has become the key player in managing the significant risks involved in the extractive industries. ICOGU's inception in 2016 marked a significant milestone in Uganda's journey towards self-reliance in the risk management, particularly in the high-stakes oil and gas sector.

The planned consortium's strategic objectives are multifaceted, encompassing the regulation, supervision, and control of insurance activities within the sector, this helps keep risks managed within the country and supports the growth of the national economy. ICOGU's commitment to fostering local capacity and ensuring that the financial and technical expertise remains in Ugandan hands is a testament to its foundational ethos of protecting national interests.

ICOGU's 2024 activities and milestones, such as the ICOGU Oil & Gas Symposium 2024, the high-level benchmarking trip to Ghana and the Annual General Meeting at Paraa Safari Lodge highlights its dedication to aligning with global best practices and enhancing its operational excellence. These activities are not mere formalities but pivotal moments of learning, sharing, and strategizing, which propel the consortium forward in attaining its mission. The consortium's growth is especially important because it is now looking beyond Oil & Gas and focusing on the larger mineral sector. This shows that it is looking to expand its activties and influence. This expansion is not just about scale but also about depth, as ICOGU aims to build specialized skills and capacity to navigate the complex landscape of mineral extraction insurance. The extractives sector is a high risk industry, which underscores the need for robust insurance mechanisms. Projects like the East African Crude Oil Pipeline (EACOP) and the Refinery are immense endeavors that demand advanced risk management strategies.

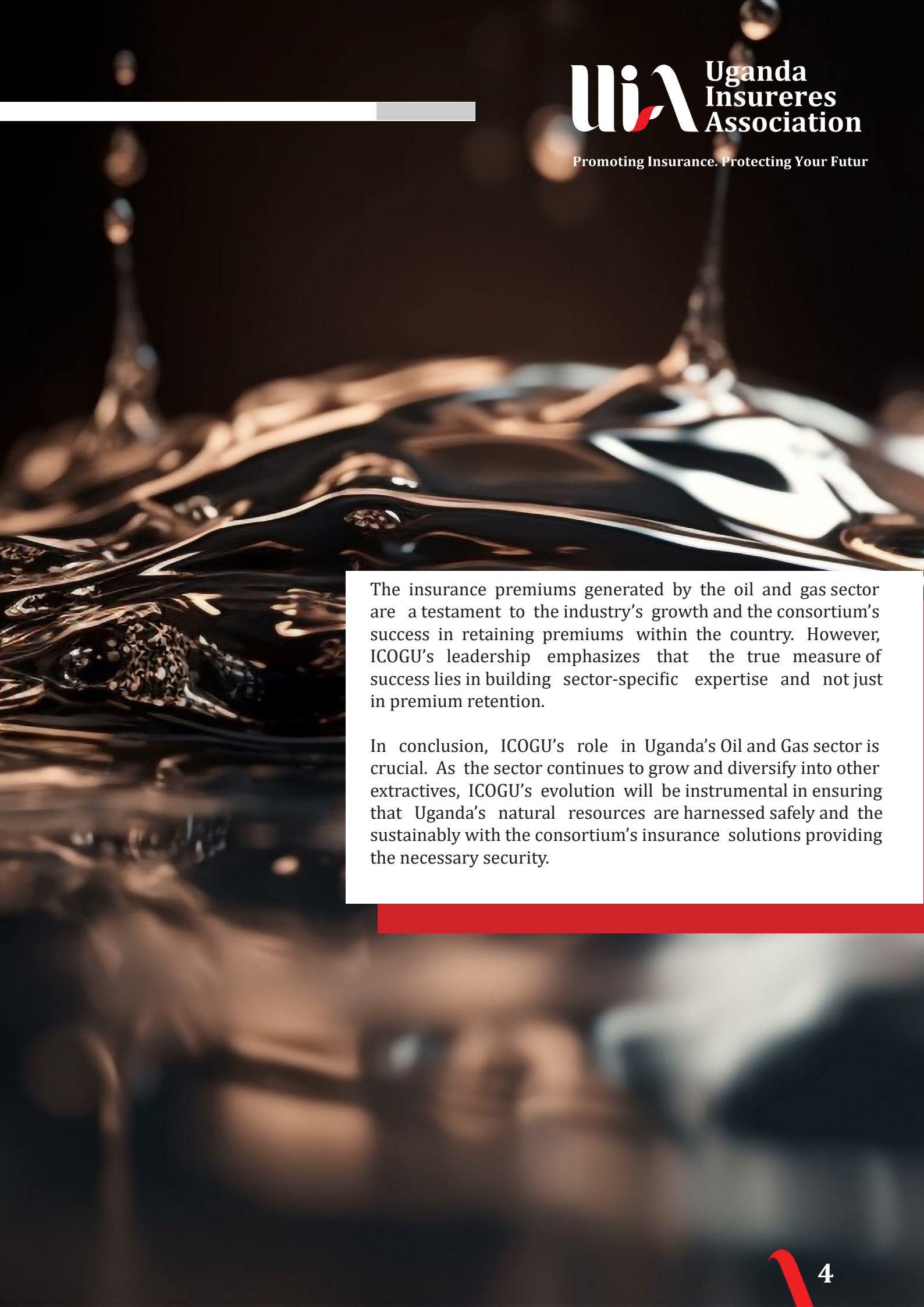
ICOGU's role in these projects is not just as an insurer but as a partner in progress, ensuring that the ventures are secure and the risks are carefully handled. ICOGU's prospects in the mineral sector are bright, with the potential for growth being immense. The consortium's proactive approach in capacity building and skill development is poised to meet the increasing demands of the mining industry.



As the sector expands, ICOGU's readiness to adapt and evolve will be crucial in safeguarding the interests of all stakeholders involved. The insurance coverage provided by ICOGU to the oil and gas industry is a critical component of the sector's structure. It not only protects against financial losses but also instils confidence in investors and operators, knowing that their ventures are backed by a solid of insurance framework.

The collaboration between the ICOGU and the government entities, such as the Ministry of energy and Mineral Development, is a key factor in the consortium's effectiveness. High-level meetings and discussions with government officials ensure that the insurance sector's role is recognized and integrated into the national agenda for the extractives industry.
These collaborations also facilitate the review and updating of laws to accomodate the evolving needs of the sector.

ICOGU's leadership in the insurance market is not just about underwriting risks but also about advocating for the importance of insurance in the extractives sector. Through various training sessions and public engagements, ICOGU raises awareness about the critical role insurance plays in the sustainable development of the sector. The consortium's focus on the national content commitments reflects its dedication to ensuring that the benefits of the extractives sector are felt across the country. By prioritizing the local participation and capacity-building, ICOGU contributes to the creation of a skilled workforce that can support the insurance industry's growth.



The insurance premiums generated by the oil and gas sector are a testament to the industry's growth and the consortium's success in retaining premiums within the country. However, ICOGU's leadership emphasizes that the true measure of success lies in building sector-specific expertise and not just in premium retention.

In conclusion, ICOGU's role in Uganda's Oil and Gas sector is crucial. As the sector continues to grow and diversify into other extractives, ICOGU's evolution will be instrumental in ensuring that Uganda's natural resources are harnessed safely and the sustainably with the consortium's insurance solutions providing the necessary security.

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UIA, URA AND IRA ENGAGE CLEARING, FORWARDING AND CUSTOMS AGENTS ON LOCAL MARINE INSURANCE



In partnership with the Uganda Revenue Authority (URA), the Insurance Regulatory Authority (IRA), and the Uganda Insurers Association (UIA), a successful two-day workshop on Local Marine Insurance was held at URA Offices in Nakawa. Day one featured representatives from the Uganda Clearing Industry and Forwarding Association (UCIFA), Uganda Freight Forwarders Association (UFFA), and the Federation of Uganda customs Agents and Freight Forwarders (FUCAFF). On day two, attendees included members of the Uganda Shippers' Council, Uganda Cargo Consolidators, and used car dealers. The workshops aimed to educate participants on Marine Insurance, gather feedback, and prepare them for the implementation of the mandatory local Marine Insurance.

URA's Assistant Commissioner's Trade, Ms. Brenda Wanene, opened the discussions by highlighting the vital role of Local Marine Insurance in Uganda's economic growth. She urged clearing agents to take the initiative to understand the insurance process and adopt these practices for the benefit of both the business sector and the wider economy.

Additionally, she encouraged the UIA and IRA to keep promoting awareness through diverse platforms.

Gilbert Emojong, UIA Non-Life Technical Assistant, highlighted the benefits of Local Marine Insurance, noting its all-risk coverage that protects goods throughout the entire shipment process. He then emphasized that this local solution not only builds capacity for insurers but also offers competitive rates and simplifies claims. Emojong encouraged partipants to visit the Local Marine Portal on the UIA website for easy access to this insurance.



Alhaji Jaffer Abdallah, President of the Uganda clearing Clearing Industry and Forwarding Association (UCIFA) emphasized the significance of Local Marine Insurance. He noted that clearing agents previously struggled to grasp its benefits, but ongoing discussions are enhancing industry awareness. Abdallah urged URA's Assistant Commissioner of Trade, Ms. Brenda Wanene, to facilitate training for clearing agents, to ensure that they fully understand Local Marine Insurance processes.



System Developer Elizabeth Musasizi offered a comprehensive overview of the Marine Cargo Insurance portal, demonstrating how importers can effortlessly secure Marine Insurance through the UIA website. She emphasized that those with an existing insurer can directly obtain their certificates from their provider. Musasizi also underscored the importance of ensuring cargo coverage from the point of origin to the final destination, warning against penalties for non-compliance.

During the Q&A session, Barbra Walugembe, IRA's Legal Officer, shared insights on Local Marine Insurance, highlighting its introduction after extensive research into the challenges posed by foreign insurers She reassured attendees that local insurers are equipped to manage claims effectively through co-insurance and urged businesses to report any delays or non-payments to the IRA.



Walugembe emphasized that the benefits of Local Marine Insurance far outweigh its drawbacks and underscored the importance of industry feedback for its successful implementation.

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UIA CEO, Jonan Kisakye emphasized to the audience that Local Marine Insurance is now mandatory for all importers. He confirmed that the engagements had met their objectives and affirmed that insurance stakeholders would collaborate with URA to address any concerns and enhance the system.

Charles Ekweu, Director General of FUCAFF, expressed his support for Local Marine Insurance and urged stakeholders to resolve delays hindering its implementation, enabling importers to benefit fully from local insurers.

UFFA Chairman Charles Mwebembezi commended UIA and IRA for their efforts in the promoting of Local Marine Insurance. He emphasized theurgent need for implementation implementation, highlighting its vital role in Uganda's economy and urging all stakeholders to prioritize its adoption for the protection of the business community.





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KEY TO NOTE

The two-day engagement effectively educated clearing agents and freight forwarders on the vital role of Local Marine Insurance. Participants left with enhanced insights into the processes involved and the significant benefits it provides for them and Uganda's economy.

UIA'S NEW EXECUTIVE COMMITTEE MEETS IRA LEADERSHIP



The newly appointed Executive Committee of the Uganda Insurers Association (UIA), led by the chairperson Ms. Ruth Namuli, held an introductory meeting with the leadership of the Insurance Regulatory Authority (IRA), headed by CEO Alhaj Kaddunabbi Ibrahim Lubega at the Insurance Tower on Lumumba Avenue.



Ms. Namuli highlighted the critical need for collaboration within the industry, calling for unified efforts to drive digitization and embrace technological innovation.

She urged UIA members to rally behind current initiatives, support industry growth, and adopt the modern digital solutions that will pave the way for a better future of the insurance sector.



KEY TO NOTE

The discussion highlighted the strategic plan currently being implemented by UIA, focusing on critical issues like tackling fraud in the insurance sector and enhancing the uptake of Motor Third Party insurance.

This meeting also emphasised strengthening partnerships within the insurance industry, ensuring regulatory compliance & promoting innovation.

INDUSTRY ACTIVITY HIGHLIGHTS





Britam Uganda unveils the Britam Easy Earner Dollar Fund, offering clients flexible investment solutions tailored for both local and international markets, while diversifying their portfolios.





UAP Old Mutual Uganda donates supplies to the victims of the tragic Kiteezi landfill collapse, which claimed over 30 lives.





Liberty Uganda hosts Miss Uganda Tourism and provides insightful lectures on Financial LIteracy and Travel insurance.





Jubilee Allianz Uganda hosts a Thought Leadership Breakfast Meeting for brokers, where they discuss performance milestones and outline growth plans for 2024 and beyond.





The Mayfair Insurance Uganda team actively participates in the Annual Rotary Kiwatule Fitness Day.





ICEA LION Uganda hosts a session with Ms. Evas Atwine, showcasing practical strategies for managing stress and building resilience in challenging environments.