NATIONAL INSURANCE COMMISSION

2022

INSURANCE MARKET PERFORMANCE

Insurance Sector

The Insurance industry of Nigeria has sustained its progressive trend of positive market performance, recording yet a milestone growth rate of 25 per cent to close at about N790billion in gross premium written, obviously an exceptional stride at a period when the real national output grew by 3.1 per cent. The Non-life segment sustained its lead with an aggregate contribution to the premium pool of 57.7 per cent, same as in the prior year while the life Insurance business accounted for 42.3 per cent of all Insurance premium generated during the period.

In tandem with the experience from underwriting, the gross claims reported during the period also grew by 7.6 per cent, albeit lower pace compared to 31.0 per cent recorded previously. The Non-Life business pulled about 43.9 per cent, valued at N152.9billion while Life business accounted for a total of N195.5 billion of gross claims, indicating a share of 56.1 per cent of all reported claims during the year. This trend is attributable to the growing policyholder confidence in Insurance cover as a necessary safety net and general public awareness owing to the Commission's market development measures.

The insurance market size as measured by the total Assets of the industry, also sustained the positive trajectory of the recent, recording about twelve per cent increase compared to the prior year, representing about N2,485.8 billion. The structure of the total Assets mirrored the premium generation as the non-life segment dominates with a contribution of 52.1 per cent of all the industry Assets to close at about N1,296billion while the life business was valued at about N1,190billion, accounting for 47.9 per cent.

Towards the implementation of a strategy targeted at effective regulation and development of the industry, the apex regulator of the market has carried out a number of measures including; Project e-Regulation, aimed at industry-wide digitisation of regulatory processes and entrenching of a functional NAICOM Portal, wholly automated Insurance Licensing System, and, a Regulatory Returns e-platform whereby all the process of regulatory returns submissions is effected electronically. On the other hand, a similar process of stakeholders' Complaints Management System, and Data analysis software deployment was still ongoing at the close of period 2022. It also issued a Regulatory Sandbox Guidelines to encourage innovation in the industry and further accelerate competitive innovation in the Nigerian insurance industry.

During the year and in line with the code of conduct regarding governance, tenure system for Executive Directors of insurance and reinsurance companies was implemented to ensure for good and productive corporate governance in the industry. The arrangements for ECOWAS Brown Card component of the Motor third party liability insurance was also finalised and incorporated into all Third-Party Motor Insurance issued in Nigeria, aimed for implementation from January 2023. This is focused on giving an adequate insurance cover to motorist operating within the ECOWAS member states.

Similarly, in line with regulatory and the supervisory best practice, the Risk-Based Supervision approach was adopted in a comprehensive manner for all categories of Insurers during the year while Partnership with FSD Africa on Risk-Based Capital, is maintained for sustaining the supervisors' capacity and capabilities in a seemingly evolving area of expertise.

MARKET PERFORMANCE

1.1 Gross Premium Income

The Insurance industry of Nigeria has sustained an apparent mark of a positive trend with regards premium generation which is indeed, a most essential variable in the measurement of the market performance and sustainability. In 2022, in spite a prevalent macroeconomic challenges, the industry grew at about 24.0 per cent compared to the prior period, about a point higher than the rate (22.7%) recorded in 2021. That also was the highest performance recorded in five years since 2018 as related in Table 1 of the gross premium generation over the five-year period.

Table 1: Gross Premium Income: Non-Life & Life Businesses: 2018 – 2022

Currency: ₦ Million

Year	Fire	Gen. Accident	Motor	Marine &Aviation	Oil &Gas	Misce-lleneous	Life Business	Industry Total
2018	45,036.60	28,782.71	40,149.33	26,472.04	82,236.87	22,733.62	180,799.76	426,210.93
2019	52,968.16	34,878.19	43,878.79	27,927.89	94,705.48	26,988.11	226,883.43	508,230.05
2020	47,888.27	36,587.63	47,515.23	33,107.78	91,877.70	25,735.09	231,876.15	514,587.85
2021	68,116.52	41,088.72	57,297.24	47,326.82	114,416.82	37,550.96	265,618.64	631,415.72
2022	100,736.09	55,370.66	68,970.43	52,847.94	133,678.88	43,670.73	334,374.02	789,648.75

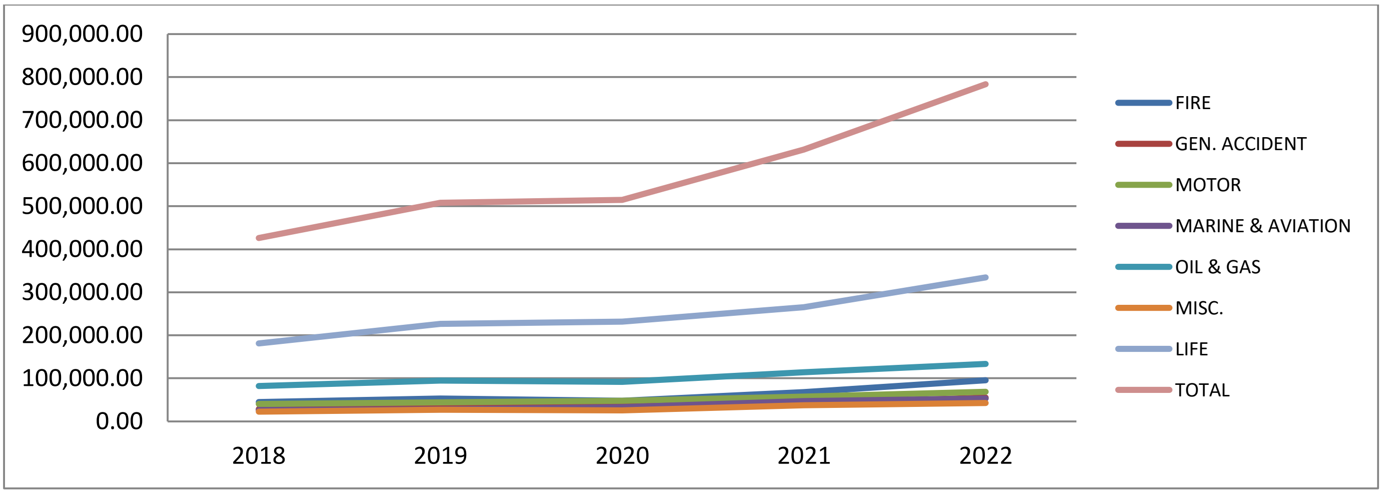
The five year Statistics represents the progressive rate of performance of the insurance market, it is also a translation of its resilience even in the times of global and domestic economic challenges as proven during COVID-19 and the recession periods in Nigeria.

Basically, during the whole period, the market has sustained an entirely positive growth trajectory and of course in a double digit, except for in 2020 when it recorded a single figure. The gross premium was growing in the first two periods at about the rate of 14 per cent, 19 per cent, declined steeply in 2020 (1.3%), then a v-shaped recovery at about 23 and 25 per cent over the last two periods, in an ascending order.

It is noteworthy that at no time the market recorded a negative growth in both Life and Non-Life business, even during economic recession periods as depicted by table 1. While the insurance industry as a whole grew by 85.3 per cent from N426.2 billion in 2018 to N789.6billion in the current period, the Life section including Individual, Group and Annuity businesses grew at about 84.9 per cent and, the non-life business grew by 85.5 per cent over the same period.

Chart 1 shows the growth evolution of respective classes of Insurance business over the five year-period.

Chart1: Gross Premium By Class - Non-Life & Life Business: 2018 – 2022



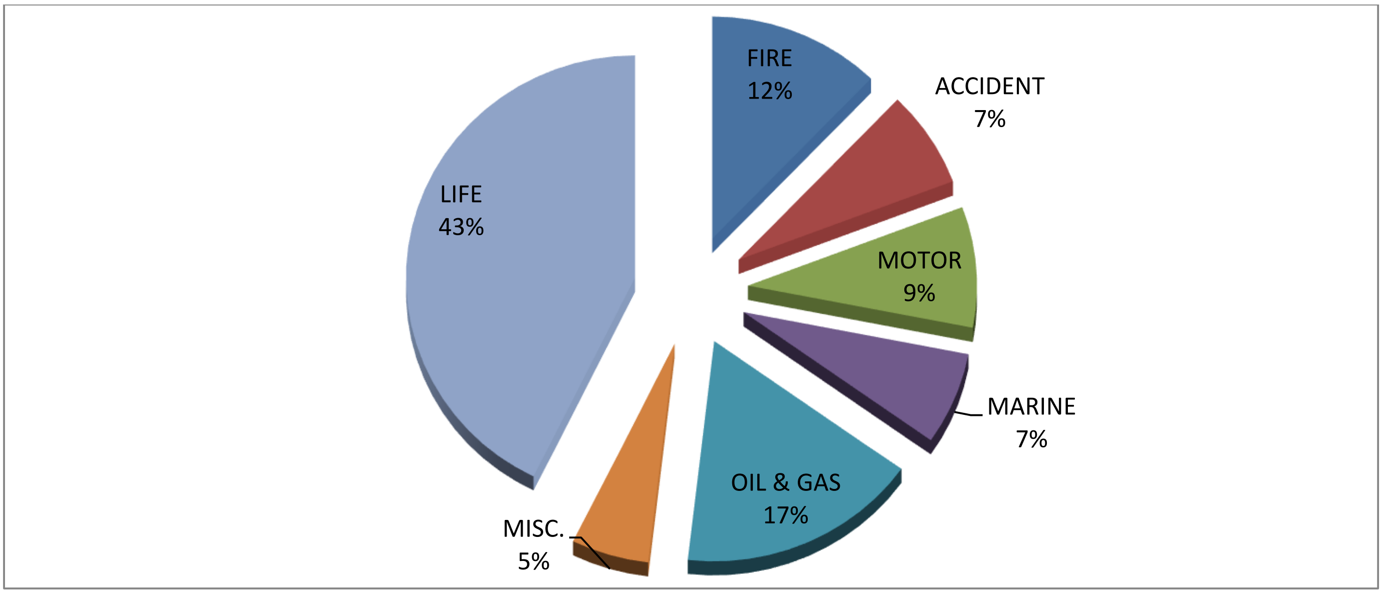
Worthy to note that, all classes recorded some significant increase in terms of premium generation during the period as Life business sustaining its relative higher pace of increase, relative to the Non-Life business. From chart 1, the segment of Life business which consistently maintained a positive trend since 2018, recorded a rate of progression by 84.9 per cent over the period while growing at about 25.9 per cent in 2022, year on year. This is consistent with the market behaviour of Non-Life where all classes sustained some degree of increase during the same period with an average rate for all portfolios recorded at about 85.5 per cent over the five years and, by 24.5 per cent in the current period, year on year. Insights into the respective Non-Life businesses revealed that Fire Insurance led the segment, it grew at 123.7 per cent over the same period. This is followed by Marine & Aviation business (99.6%), General Accident (92.4%), Miscellaneous (92.1%) and, Motor Insurance (71.8%) while Oil & Gas Insurance lagged at about 62.6 per cent over the five-year period.

In a similar pattern, year on year, the market sustained its positive performance posture recording a market average of 25.1 per cent, its progression was visible across all classes as witnessed especially in Fire which grew at 47.9 per cent, year on year, albeit at a slower pace relative to the prior year increase when it reported about 42.2 per cent. The General Accident portfolio grew at the rate of 34.8 per cent while Motor (20.4%), Oil & Gas (16.8%), Miscellaneous (16.3%) and Marine & Aviation Insurances (11.7%) all recorded positive increase during the year. Life business on the other hand grew at the rate of 25.9 per cent representing about a ten points of pace increase compared its progression recorded in the prior period. It is worthy to note that while the rate of growth in Motor insurance remained stable relative to the previous year, that of General Accident declined while all portfolios reported some positive increase in terms of growth rate in 2022 compared to the rate of change recorded in the prior year as shown by the data under review.

1.2 Distribution of Gross Premium

Chart 2 provides the infographic of proportional contributions of various classes of business to the pool of gross premium written in 2022.

Chart 2: Distribution of Gross Premium Income by Class of Business - 2022



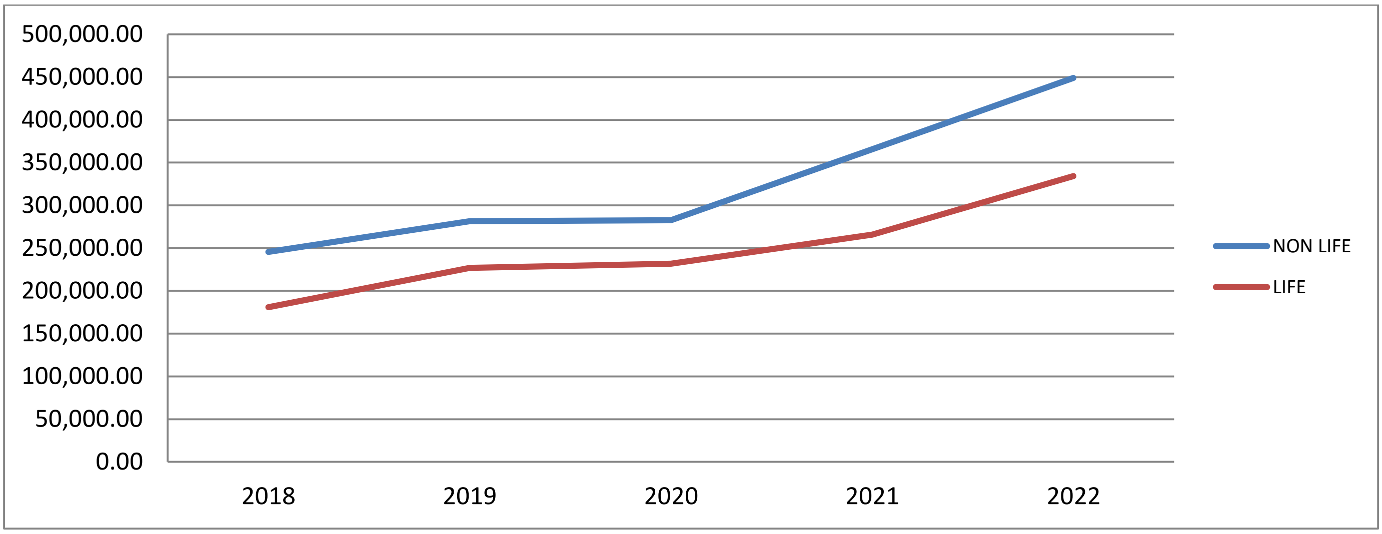
The contribution of Non-life segment of the industry has remained stable at the same position at 57.3 per cent during the current period relative to 57.7 per cent recorded in the previous. This is in contrast to the market behaviour in the immediate periods past of 2020 and beyond when Life was seen to be closing-up the gap in terms of relative relevance in market share as per the total premium contribution. In Nigeria, the Non-life business has remained dominant in the industry over the years and likely going to remain so, owing to the structural market history and the compulsory insurances mostly populated in the Non-Life segment.

Data insights from the 2022 industry Statistics non-life business, indicates a consistent pattern with regards proportional relevance of various classes of insurance. Drivers of the premium contribution were led by Oil & Gas as largest contributor at 29.4 per cent, albeit posing a consistent fall (31.3%) relative to the prior period, its contribution was 32.5 per cent in 2020 and, 33.7 per cent in the in the period earlier. Fire insurance held a second position (22.1%) while Motor (15.2%), General Accident (12.2%) Marine & Aviation (11.6%) and, Miscellaneous insurance (9.6%) followed in that order. In the preceding period the contributions stood at 18.6% for Fire Insurance and was trailed by, Motor (15.7%), Marine & Aviation (12.9%), General Accident Insurance (11.2%) and Miscellaneous Insurances (10.3%) respectively.

Correspondingly, the Life Insurance business with about 42.3 per cent of all premiums generated in 2022, had Individual portfolio of the business leading by a share of 37.4 per cent while group life (33.3%) and Annuity (29.4%) Insurance business follow respectively. This is a similar structure reported in 2021 when still individual led the segment of Life business at 40.7 per cent while the Annuity component lagged at 26.3 per cent during the period.

Nonetheless, irrespective of relative significance of respective classes in terms of gross premium generation in 2022, it is obvious that both Life and Non-life businesses recorded some positive growth over the five-year period as illustrated by Chart 3

Chart 3: Gross Premium Income: Non-Life &Life Insurance Businesses: 2018 - 2022



From Chart 3, it is obvious that the industry performance in terms of premium generation remained largely progressive over the years, even during the pandemic year of 2020. The Non-Life segment recorded an apparently steady growth from N245.4 billion in 2018 to peak at N455.3 billion in 2022, representing an appreciative increase at 85.5 per cent as a whole while the Life sector grew even at a higher pace of 84.9 per cent over the same period of five years to close at N334.4billion from about N180.8billion recorded at the beginning of the period.

In a nutshell, the industry recorded a robust performance overall during the period under review for both non-life and life businesses, attributable to strong industry fundamentals, and consistent regulatory proactivity while depicting a prosperous industry outlook.

1.3 Retained Premium Income

Insurance retention capacity remains a major indicator of Insurers' financial health and carriage capacity as defined often by the risk appetite of underwriters. Generally, retention extent of Insurers is the volume of risks portion carried by Insurance companies on respective policies at any given period as defined by the amount of premium kept from an Insurance contract.

Table 2 reveals the performance of the market with respect to the Net Premium retained by Insurers (NPI) over the five-year period, showing impressive progression recorded from about N315.5billion in 2018 to peak at N550.2billion in 2022, signifying about 74.4 per cent increase over the historical phase.

Table 2: Sequence of Net Premium Income: Non-Life & Life Businesses 2018 - 2022

Currency: ₦ Million

Year	Fire	Gen. Accident	Motor	Marine &Aviation	Oil &Gas	Misce-lleneous	Life Business	Industry Total
2018	23,233.37	19,498.10	36,875.09	14,740.78	40,200.31	14,421.85	166,526.37	315,495.87
2019	27,106.97	21,652.66	41,452.98	16,608.87	37,587.14	13,992.11	207,976.08	366,376.81
2020	21,411.99	24,992.04	45,069.04	16,028.05	32,637.94	15,986.03	212,436.19	368,561.28
2021	35,563.96	26,847.45	53,277.32	27,027.58	40,695.59	20,268.40	238,622.90	442,303.20
2022	50,396.08	36,788.01	60,463.41	30,289.70	47,125.61	20,050.68	305,050.70	550,164.19

Table 3 provides the Annual growth rates of Net Insurance premium recorded for the period of 2018 to 2022 with respect to various portfolios recorded for Life and Non-Life classes of business.

Table 3: Annual Growth Rates of Net Premium Income (%)

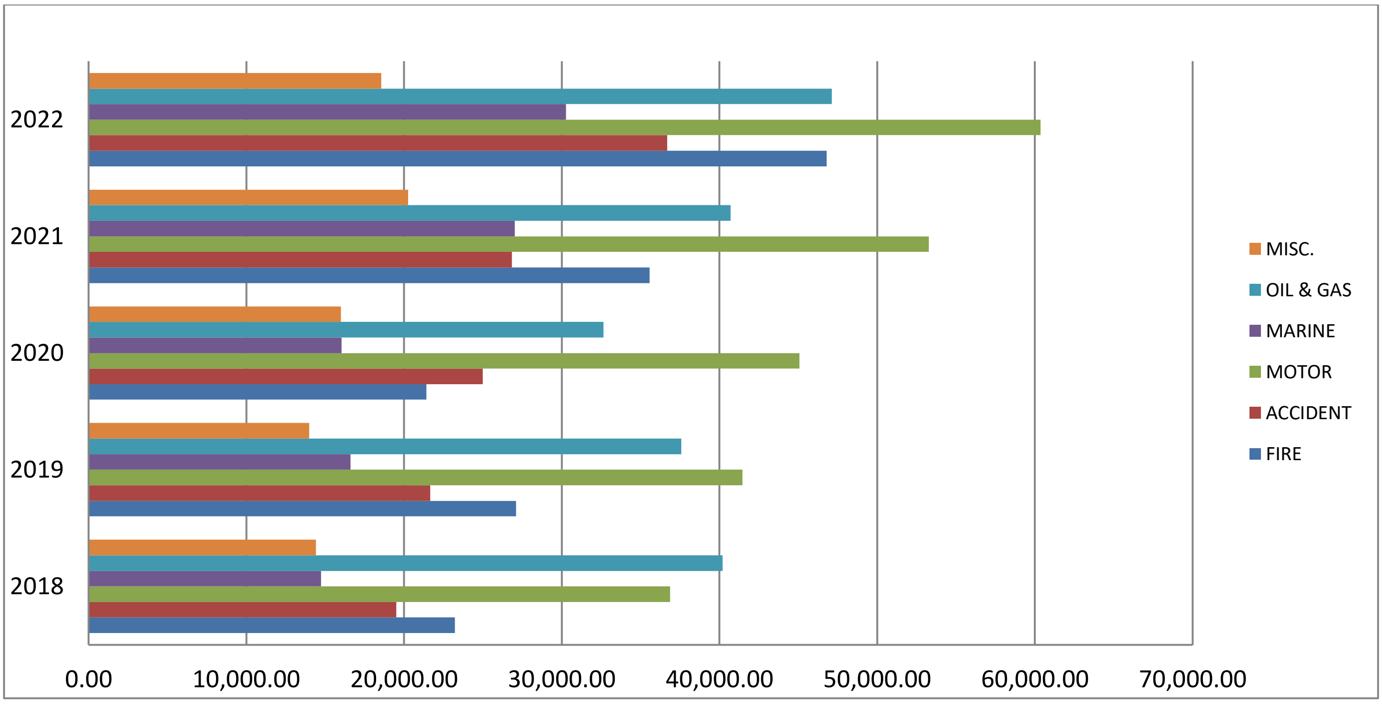
Year	Fire	Gen Accident	Motor	Marine &Aviation	Oil &Gas	Miscellaneous	Life Business
2018	18.3	(2.4)	(8.3)	39.5	57.1	35.4	19.9
2019	16.7	11.1	12.4	12.7	(6.5)	(2.9)	24.9
2020	(21.0)	15.4	8.7	(3.5)	(13.2)	14.3	2.2
2021	66.1	7.4	18.2	68.6	24.7	26.8	12.3
2022	41.7	37.0	13.5	12.1	15.8	-1.1	27.8

Insights from the Statistical ratios presented in table 3 reveals the market standing as positive, recording some increase across all businesses even during the COVID-19 pandemic period, except for Miscellaneous Insurances, closing at a negative. The Statistics signifies that in 2022, the industry recorded highest rate of retention increase in the Fire Insurance, growing by 41.7 per cent, year on year while the special risks of Marine & Aviation Insurances were the least in terms of retention growth. Other portfolios were; General Accident (37.0%), Motor Insurance (13.5%) and Oil & Gas (15.8). More so, looking at the market average for the Non-Life corner in terms of the five-year period, it is apparent that despite an overall positive trajectory in which it grew by about 74.4 per cent, some noticeable fluctuations were recorded especially in Oil & Gas business, whereby the change in the volume of Net Premium recorded were posted as negative for two conservative periods of 2019 and 2020. The Life insurance segment however, reported an all positive occasion during the period, increasing in the volume of Net premium retention by 27.8 per cent in 2022 compared to the previous year and, by 83.2 per cent over the five years' era.

However, during the entire era, Fire business, led the industry at about 116.9 per cent increase, highest in the market, reflective to the growing underwriting capacity and industry confidence over the years. Oil and Gas insurance on the other hand remained lowest (17.2%) compared to retention increase among the various portfolios in the market. This phenomenon in the special risk of Oil & Gas remain a sector-wide challenge attributable to capital and professional inadequacies prevalent in the Nigerian insurance industry.

The infographic in Chart 4 provides the net premium income of various Non-Life insurance businesses recorded during the five-year period.

Chart 4: Net Premium Income for Non-Life Insurance Business: 2018 - 2022



It is explicitly evident that the pattern of net premium growth of respective classes of Insurance is in tandem with the growth profile of their corresponding gross premium accounts as demonstrated in Chart 4.

The next segment of this report provides the details of the retained Insurance premium sequence for Life and Non-Life Insurance classes of the industry.

1.4 Retention Ratios

Table 4 provides the proportion of retention scales in Insurance premium generated for the period of 2018 – 2022.

Table 4: Retention Ratios for Non-Life and Life Insurance Business; 2018 To 2022

Year	Non-Life Insurance (%)	Life Insurance (%)
2018	60.7	92.1
2019	56.3	91.7
2020	55.2	91.6
2021	55.7	89.8
2022	53.8	91.2

The average market retention ratio for both Life and Non-Life has signified adequate operator confidence, posting above average figures throughout the era with Life business holding a near perfect figure of the carriage capacity. This is not to say that the development in the non-life is poor relative to life but is reflective of the domestication policy in the life aspect of the business as well as the nature of special risks businesses associated with the non-life especially for Oil & Gas, Aviation and Marine Insurances. During the current period nonetheless, while the non-life retention sustained a relatively slight decline compared to its prior position, the retention ratio recorded for life business recorded an increase (91.2%) compared to the proportion recorded in the prior period when it was reported at about 89.8 per cent of all Life insurance premiums generated during the period.

As observed clearly from Table 4, it is remarkable that both for Life and Non-Life businesses, average class retentions were recorded at above fifty per cent (50%) mark throughout the period under review, attributable to the growing underwriting efficiency, government policies with regards life portfolio domestication, operator confidence and growing risk appetite prevalent in the market.

1. **4.1 Retention (%) of Non-Life Insurance by Class of Business**

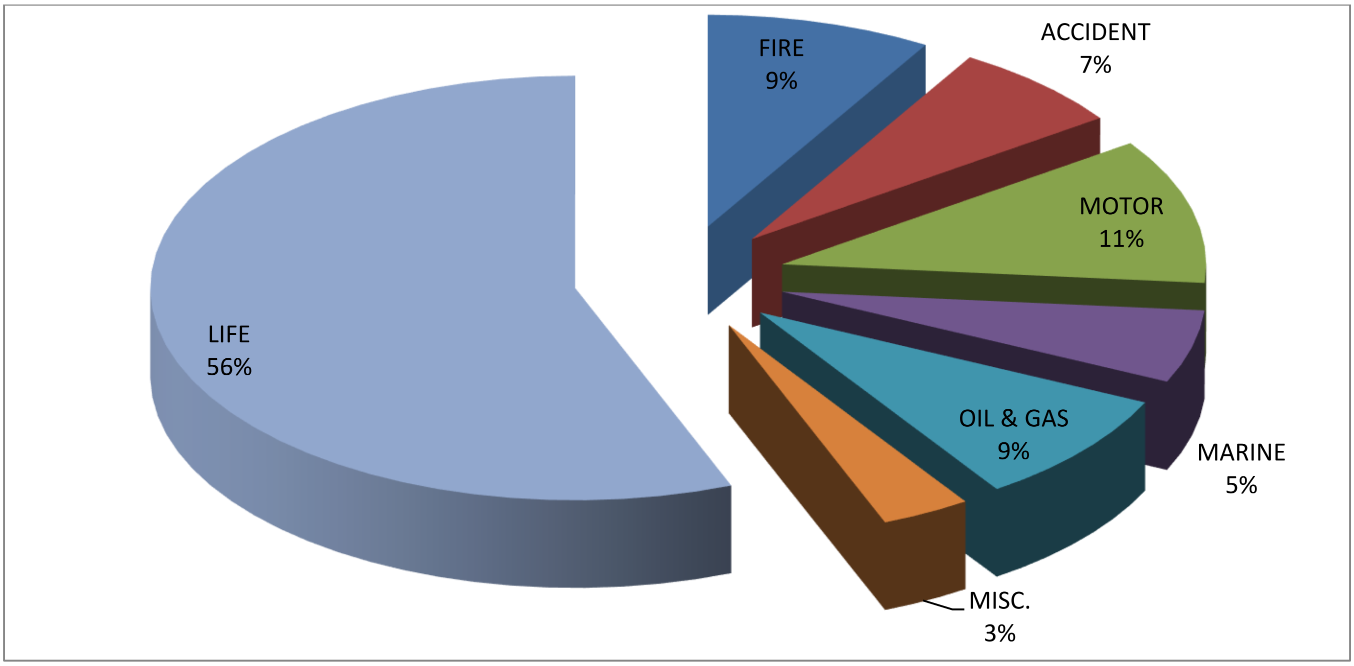
Year	Fire	Gen Accident	Motor	Marine &Aviation	Oil &Gas	Miscellaneous
2018	51.6	67.7	91.8	55.7	48.9	63.4
2019	51.2	62.1	94.5	59.5	39.7	51.8
2020	45.1	68.3	94.9	48.4	35.5	62.1
2021	52.2	65.3	93.0	57.1	35.6	54.0
2022	50.03	66.44	87.67	57.31	35.25	45.91

Insights from individual portfolios in the Non-Life segment of the market as provided for in Table 4.1, shows that although industry average was commendable, there was some deterioration in terms of poor performance for some portfolios at a micro analysis level. This is most apparent in the corner of the Oil & Gas Insurance which remained below average for all the five years, reporting worst (35.3%) in the current year. The matter of retention capacity and capital plight in special risks, especially Oil & Gas would require deliberate action in terms of financial and human capital injection necessary for the market to partake appropriately in that corner of the market. However, in 2022, General Accident and Marine & aviation reported increase while Fire, Miscellaneous and Motor Insurances reported some relative decline, year on year. This scenario is nonetheless expected to reverse in the next period for the regulatory measures already in place with regards industry recapitalisation, and risk-based supervision approach that emphasises the need for insurers' critical skills upscale.

1.5 Distribution of 2022 Net Premium Income

Chart 5 provides the percentage distribution of retained premium income for respective classes of Life and Non-Life Insurances as recorded in 2022.

Chart 5: Distribution of Net Premium Income - 2022



The infographic of Chart 5 represents the relative contribution the Life insurance section to the total net premium income of the industry whereby, observing the three components of the Life business together, as against the various portfolios in the Non-Life, it held a position of larger share, 56 per cent of all premiums retained in 2022.

Statistics for Life retention under the five-year era nonetheless, show that, its relative proportion in the market stood at about 58% in the prior period and, was 57%, 53% and 52% in the earlier years respectively. This is significant for the Nigerian economy for its long-term nature, suitable for long term investments in critical infrastructure needed for economic growth and development. This is often the structure obtainable in most developed regions of the world.

1.6 Claims Experience

1.6.1 Gross Claims

As a fundamental element in the Insurance business model, the Insurance claims bahaviour remains a major determinant of Market confidence in the sector. During the period under review, the gross claims grew by 7.6 per cent, indicative of a sustained policyholder enlightenment and specific regulatory measures focused on claims settlement. In 2022 the industry reported a gross claims reported of N342billion representing about eight per cent rate of increase compared to its prior position when it stood at N324billion. This is a significant increase even though many times slower than its prior growth in 2021 yet, significantly reflective of prudent underwriting skills being encouraged in the market as macroeconomic and general operational challenges pervades.

Table 5 provides numbers on the Gross claims recorded for various classes of Insurance during the recent five years of business.

Table 5: Gross Claims Reported – Non-Life & Life Insurance In: 2018 -2022

Currency: ₦ Million

Year	Fire	General Accident	Motor	Marine &Aviation	Oil & Gas	Misce-lleneous	Life Business	Industry Total
2018	20,348.49	11,175.70	17,455.64	13,303.84	51,141.10	7,052.83	131,712.61	252,190.21
2019	30,967.18	13,246.25	19,764.95	11,349.68	20,148.05	5,919.15	123,776.03	225,171.29
2020	33,626.45	14,945.24	19,068.71	12,922.09	35,182.12	8,182.53	123,307.79	247,234.93
2021	54,742.44	17,829.65	26,752.70	10,743.18	40,048.72	14,424.71	159,263.25	323,804.65
2022	43,532.74	21,330.84	30,282.33	14,573.70	25,915.21	17,249.86	195,539.85	348,424.53

Industry evolution with respect to gross claims reported as listed in table 5 shows that it fluctuated substantially during the period of five years yet, mostly experienced some sort of growth, over time. The average industry aggregate reported a steady increase since the noticeable dip in 2019 (-10.7%) to pick-up gradually for the rest of the period under review, marking its highest peak in 2018 (35.3%) to close at N348.4billion in the current period, representing about 38.2 per cent over the five years' period. However, in the current year, the Non-Life segment witnessed a mixed performance with respect to increase in claims reported. In one hand, the Marine & Aviation account (35.7%), General Accident (19.6%), Miscellaneous Insurances (19.6%) and Motor (13.2%) recorded increase while decline was reported for Fire (-20.5%) and most essentially in the Oil & Gas business (-35.3%) which in the previous year reported an increase of 13.8 per cent, it was even higher (74.6%) in 2020 on the basis of year on year computation.

However, looking at the gross claims performance on the scale of five-years wide, Miscellaneous and Fire insurances led in the rate of change compared to 2018, grew at the rate of 144.6% and 113.9% respectively during the era while Oil & Gas business contracted at the rate of -49.3 per cent over the same period. General Accident (90.9%), Motor Insurance (73.5%), and Marine & Aviation account (9.6%) followed in that order. The Motor account, in spite its significant retention ratios over the years relative to other businesses, still not leading in growth rate in terms of gross claims reported over the era, signifying the challenge of low reportage of incidences by most policyholders in that corner of the market, mostly dominated by the third-party liability. During the same period, the Life business as a whole grew by 48.5 per cent.

The aggregate gross claims of the industry nevertheless, recorded the highest figure in the current period to peak at N348.4billion in 2022.

1.6.2 Net Claims: NON-LIFE Insurance Business

The movement patterns recorded in the net insurance claims paid by the industry in 2022 reflects the total claims reported, for both positive and negative growth rates as were in the former. Marine & Aviation insurances, in a direct reflection to the its gross claims, grew highest in the market at 70.5 per cent, year on year to peak at about N9.6billion in net claims paid over the period. This is followed by other classes of Miscellaneous Insurance business (32.9%), General Accident Insurance (25.5%) and, Motor (24.5%) in that order. Other businesses reported negative especially, Fire insurance which recorded a decline of -17.7 per cent in tandem with the negative growth it recorded (-20.5%) in gross claims reported during the year. Life segment similarly, grew by 21.0 per cent, year on year, representing aggregate net claims paid of N181.9billion in 2022 compared to N150.4billion reported in the prior period.

Analysis on a five-year latitude similarly, further reveals that the net claims paid over the period was a direct reflection of the general pattern observed in 2022 but with all businesses posting positive growth ratios except, the Oil & Gas business (-28.3%) in similitude to its behaviour in gross claims reported. Other accounts of Fire (175.3%), Miscellaneous (146.1%), General Accident (73.9%), Motor (55.4%), and Marine & Aviation (34.1%), all reported positive figures of net claims increase over the five-year period, in tandem to increases observed in the total claims reported and, general performance in terms of premium generation in the industry. The Life Insurance segment also recorded a net premium growth of 55.0 per cent during the same period under review.

Table 6 provided a sequence of Net Claims Statistics on Non-Life business for the period of five years.

Table 6: Net Claims Paid: Non-Life Business: 2018 – 2022

Currency: ₦ Million

Year	Fire	General Accident	Motor	Marine &Aviation	Oil & Gas	Misce-Lleneous	Industry Total
2018	9,266.50	8,428.10	17,344.02	7,128.17	17,122.68	4,773.46	64,062.93
2019	17,196.69	9,547.69	17,724.60	7,492.04	11,923.77	3,455.51	67,340.31
2020	18,909.14	11,129.00	17,647.62	5,784.63	16,469.29	4,473.24	74,412.92
2021	30,973.24	11,674.51	21,641.03	5,606.40	13,080.82	8,841.34	91,817.35
2022	25,505.63	14,656.62	26,953.44	9,560.74	12,285.74	11,747.95	100,710.12

Data of the net claims in the non-life segment grew from N64.1 billion in 2018 to peak at N100.7billion at the end of period under review, signifying a 67.2 per cent increase. This is also representative of about 37.8 per cent of all net claims paid over the era of five years, portraying the extent of Life business comparative relevance in the sector in terms of claims paid.

Table 7: Net Claims Paid: Life Business

Currency: ~~N~~ Million

Year	2018	20189	2020	2021	2022
Amount	117,322.1	88,594.8	116,943.2	150,361.7	181,875.25

1.6.3 The Claims Ratios

Tables 8, 8.1 and 8.2 provides a further insight with respect to Statistics of the claims ratios for the period of 2018 to 2022.

Table8: Gross Claims/Gross Premium Income - Aggregate Life and Non-Life

Year	2018	2019	2020	2021	2022
Gross Claims(Nm)	252,190.2	225,171.3	247,234.9	323,804.7	348,424.53
Gross Premium(Nm)	426,210.9	508,230.1	514,587.9	631,415.7	789,648.75
Claims ratio (%)	59.2	44.3	48.0	51.3	44.1

Table 8.1 Gross Claims/Gross Premium Income: Non-Life

Year	2018	2019	2020	2021	2022
Gross Claims(Nm)	120,477.6	101,395.3	123,927.1	164,541.4	152,884.68
Gross Premium(Nm)	245,411.2	281,346.6	282,711.7	365,797.1	455,274.73
Claims ratio (%)	49.1	36.0	43.8	45.0	33.6

Table 8.2 Gross Claims/Gross Premium Income - Life

Year	2018	2019	2020	2021	2022
Gross Claims(Nm)	131,712.6	123,776.0	123,307.8	159,263.3	195,539.9
Gross Premium(Nm)	180,799.8	226,883.4	231,876.2	265,618.6	334,374.0
Claims ratio (%)	72.8	54.6	53.2	60.0	58.5

Ratios provided for in Tables 8, 8.1 and 8.2 presented the average market ratios and thus are not individual institutions' specific, insurers could carry higher or lower ratios than the industry average depending on a particular Insurer's explicit circumstances. Furthermore, the ratios are simply a mirror, as are not founded on the actual net incurred loss basis but industry gross reported. Company specific ratios are nevertheless provided in the relevant statistical ratio analysis tables of the Nigerian Insurance Statistics and Directory (NISD) of this edition.

1.6.4 Summary of Insurance Industry Claims and Expenses in 2022

Table 9 provides the Summary of the Gross and Net of Premiums and Claims recorded for the period of 2022

Table 9: Premiums and Claims Statistics, 2022

Currency: ₦ Million

Description	Gross premium	Net premium	Gross claims	Net claims
Non-Life Insurance Business	455,274.7	245,113.5	152,884.7	100,710.1
Life Insurance Business	**334,374.0**	**305,050.7**	**195,539.9**	**181,875.3**

From table 9, it is obvious that the industry recorded some desirable ratios with respect to net loss ratios for both Life and Non-Life segments of the market. The Statistics reveals that the net incurred loss ratio for non-life stood at about forty one per cent for the period of 2022, signifying an improved profitability stand by about five points when compared to the prior period (45.0%), as further improvement from 47.7% recorded earlier. In Life segment, the ratio stood at 59.6 per cent also improving from its prior position of 63.0% recorded previously. This development is rather commendable as net loss incurred ratios remain within much tolerable space even for the Life business sub-sector and, an indication of sound underwriting capabilities existent in the industry.

The industry market size as measured by its total Assets recorded an impressive expansion for both Life and Non-Life businesses, growing by 11.9 per cent, year on year to a total volume of N2,485.8billion as Non-Life segment leads, accounting for 52.1 per cent of all the Assets reported in 2022. Although, this is representative of the second least rate of growth recorded during the five years' period under review, it is worthy to reflect that the industry grew from the single digit growth. The Non-Life assets also grew by 19.0 per cent during the year amounting to N1,296.3billion while total Assets attributable to Life business increased by about 5.1 per cent valued at N1,189.6 billion, over the same period.

Five years Statistics of the industry Assets depicts consistently a positive trajectory over the period except for the dip (-5.3%) reported in Non-Life Assets in 2019 while in 2021 for Assets of Life business (-5.8%) at period when the non-life sector experienced its peak (28.0%) in terms of rate of increase. In the overall analysis, the Life business grew by 98.4 per cent over the five-year period while Non-Life increased by 77.5 per cent as the aggregate market average stood at 86.9 per cent of industry size expansion in five years.

Table 10: Total Assets in Millions of Naira 2018 – 2022

Year	2018	2019	2020	2021	2022
Non-Life Business	730,360.2	691,641.5	850,940.7	1,132,170.2	1,296,258.9
Life Business	599,585.9	833,461.0	1,201,282.3	1,089,577.2	1,189,562.1
Total	1,329,946.0	1,525,102.4	2,052,223.0	2,221,747.4	2,485,821.0

The Nigerian insurance market, against all odds has sustained some positive growth in size, even during the COVID-19 pandemic that also coincides with the regulatory attempt to increase the industry's regulatory capital, one of the Nigeria's best with regards to rate of progression in the economy. Moreover, aside the relative good market fundamentals in terms of propensity for premium generation, impressive net loss ratios and the extent of market size growth, the industry could be adjudged as sound and stable owing to Statistical insights of the industry over the period under review.