NATIONAL INSURANCE COMMISSION

2023

INSURANCE MARKET PERFORMANCE

Insurance Sector in 2023

The Nigerian Insurance industry attained its longed goal-line of the ambitious one trillion Naira premium generation in 2023 and indeed, posting the highest growth rate in the financial services sector during the year. The market sustained its progressive trend of positive performance, recording a milestone growth rate of 32.1 per cent to close at N1,043.1billion in gross written premium, obviously an exceptional stride in performance during the year. The Non-life segment sustained its lead with an aggregate contribution to the gross premium pool of 60.7 per cent, same as in the prior year while the life Insurance business accounted for 39.3 per cent of all Insurance premiums generated during the period.

In tandem with the scenario in premium generation, the gross claims reported during the period also grew by 91.6 per cent, far higher in pace compared to 7.6 per cent recorded previously. The Non-Life business pulled about 61.7 per cent, valued at N411.6billion while Life business accounted for a total of N255.9billion of gross claims, indicating a share of 38.3 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, recording about twenty-one (20.9%) per cent increase compared to the prior year, representing about N3,005billion. The structure of the total Assets mirrored the premium generation as the non-life segment dominates with a contribution of 55.6 per cent of all the industry Assets to close at about N1,670.9billion while the life business was valued at about N1,334.2billion, accounting for about 44.4 per cent during the year.

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 the policy provision on tenure system of Executive Directors of insurance and reinsurance companies was implemented effectively during the year. The Nigeria Actuarial Society (NAS) Discount Rate Committee was also inaugurated during the year, saddled with the responsibility of making available the yield curve to be used by the Insurance industry and, this they published on monthly basis on NAS and NAICOM's website. Additionally, 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 while effecting a full implementation and application of IFRS 17 reporting standard in the industry.

DESCRIPTIVE ANALYSIS OF THE MARKET PERFORMANCE

1.1 Gross Premium Written

The sustained growth in the Nigerian Insurance industry has culminated in the achievement of the age-long grand target of a trillion Naira in written premiums by the close of 2023. The premium generation which indeed, is the most essential indicator of the market performance and sustainability grew at a remarkable rate of 32.1 per cent, year on year, in spite macroeconomic and operational challenges prevalent during the period to close at N1,043.1billion. That also was the highest performance recorded in five years since 2019 as related in Table 1 of the gross premium generation over the five-year period.

Table 1: Gross Premium Written: Non-Life & Life Businesses: 2019 – 2023

Currency: ₦ Million

Year	Fire	Gen. Accident	Motor	Marine &Aviation	Oil &Gas	Misce-lleneous	Life Business	Industry Total
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
2023	155,909.95	60,215.61	120,342.54	73,671.49	166,611.27	56,390.61	409,933.16	1,043,074.62

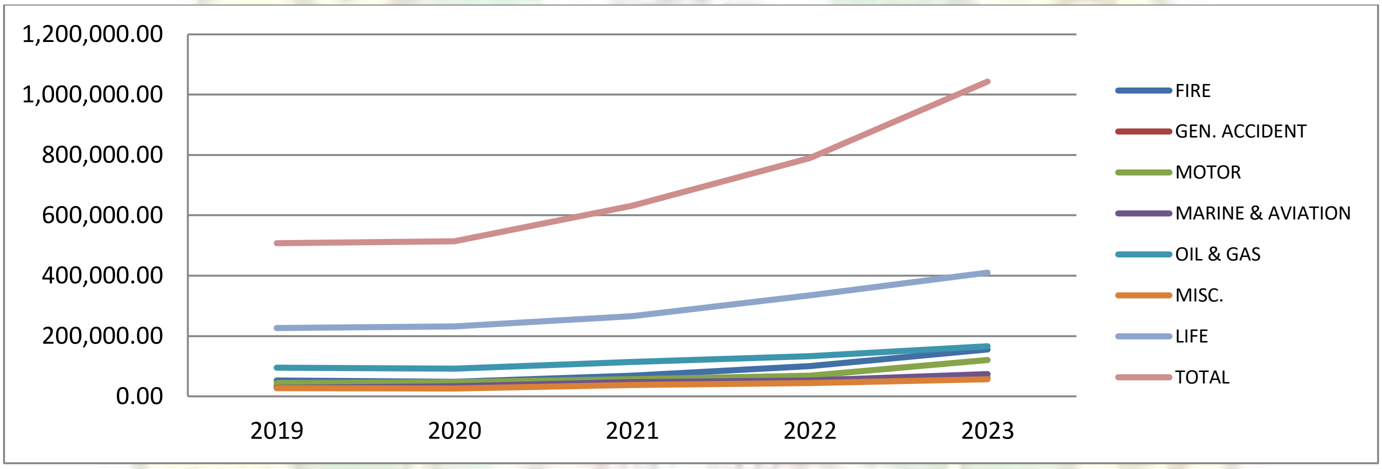
The five year Statistics represents the progressive rate of performance of the insurance market, it is also a translation of its resilience even in the times of global and domestic economic challenges as proven during COVID-19 and the recession periods in Nigeria.

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 period at the rate of 19 per cent, declined steeply in 2020 (1.3%), then a v-shaped recovery at about 23, 25 and at 32 per cent over the last three periods, in a continuously 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 105.3 per cent from N508.2 billion in 2019 to N1,043.1billion in the current period, the Life section including Individual, Group and Annuity businesses grew at about 80.7 per cent and, the non-life business grew by 125.0 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 Written by Class - Non-Life & Life Business: 2019 – 2023



Worthy to note that in 2023, all classes recorded some significant increase in terms of premium generation during the period as Non-Life business recorded a higher pace of increase, compared to the Life business in contrast to the prior year scenario. From chart 1, the segment of Life business, recorded a progression rate of 22.6 per cent over the period, a slide decrease from 25.9 per cent recorded 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 125.0 per cent over the five years and, by 39.1 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 194.4 per cent over the five-year period. This is followed by Motor insurance (174.3%), Marine & Aviation insurance (163.8%), Miscellaneous Insurances (109.0%) and, Oil & Gas Insurance (75.9%) while General Accident business lagged at about 72.7 per cent over the same period.

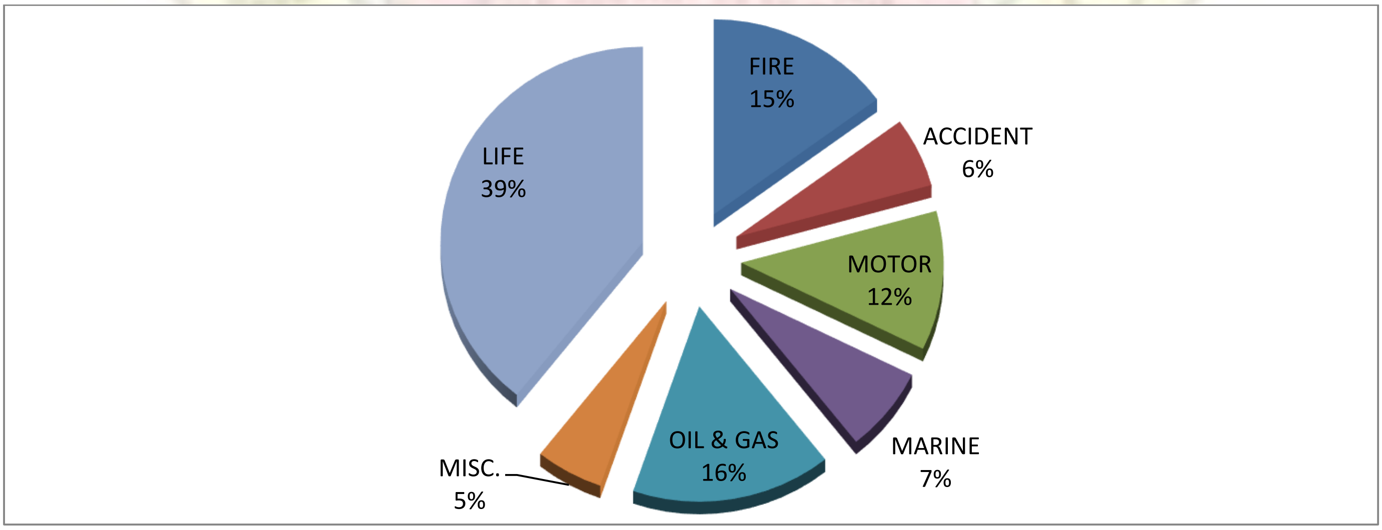
In a similar pattern during the current year, the market sustained its positive performance posture recording a market average of 39.1 per cent in the Non-Life segment, its progression was visible across all classes as witnessed especially in Motor business which grew at 74.9 per cent, year on year, apparently in reflection to the upward review of the Motor insurance third party liability rates effected during the year. The Fire business also grew at about 54.8 per cent, higher in pace relative to its position in prior year when it reported about 47.9 per cent Similarly, Marine & Aviation Insurances portfolio expanded at the rate of 39.4 per cent while Miscellaneous (29.1%), Oil & Gas (24.6%), and General Accident Insurance (8.8%) 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 General Accident declined significantly compared to the prior period when it posted a whopping 34.8 per cent, it was over tripled in that of Motor business as all other portfolios also reported some considerable positive increase in terms of growth rate in 2023 compared to the rate of change recorded in the prior year.

1.2 Distribution of Gross Premium Written

Chart 2 provides the infographic of proportional contributions of various classes of business to the pool of gross premium written in 2023.

Chart 2: Distribution of Gross Premium by Class of Business - 2023

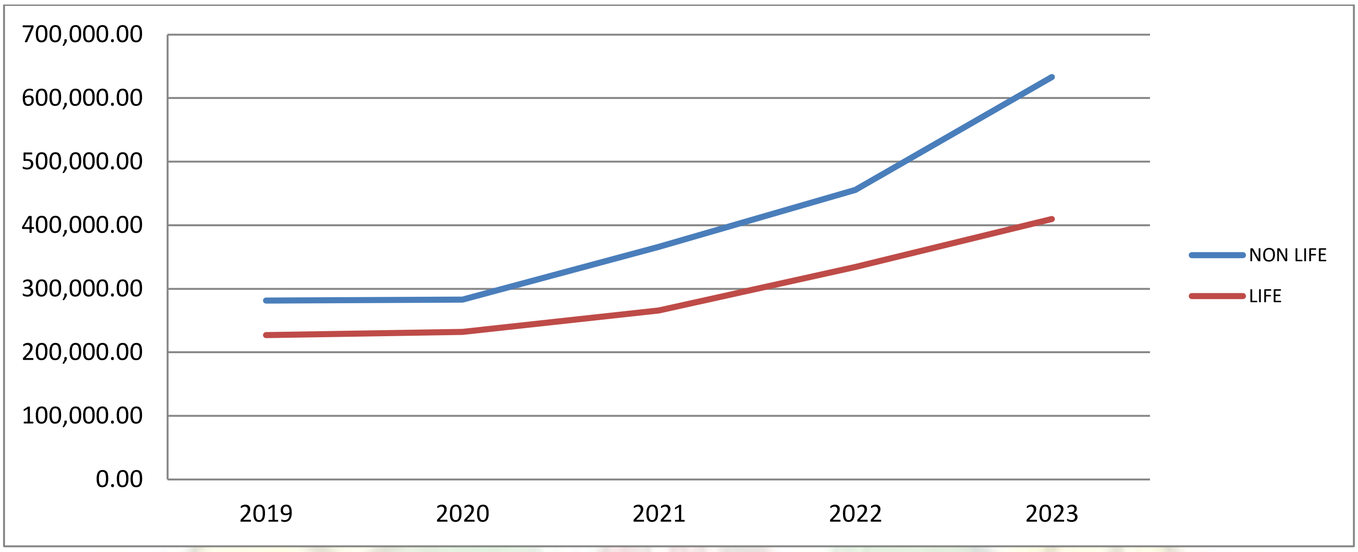


The contribution of Non-life segment of the industry during the current year has increased relative to the Life business at about 61.0 per cent compared to the year previous when it stood at 57.3 per cent. This is in contrast to the market behaviour in the immediate periods past, of 2020 and beyond when 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 of the industry.

Data insights from the 2023 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 26.3 per cent, albeit lower than its share (29.4%) of the prior period of 2022, a consistent comparative fall since the year 2020 (32.5%) and, through 2021 (31.3%), it stood at 33.7 per cent in the in the period earlier. Fire insurance held a second position (24.6%), higher than its contribution in the prior period while Motor insurance (19.0%), General Accident (9.5%) and, Miscellaneous insurances (8.9%) followed in that order. Marine & Aviation (11.6%) maintained the same share as of the year previous of the gross premium written for the period under review. In the preceding period the contributions stood at 22.1% for Fire Insurance and was trailed by, Motor (15.2%), General Accident Insurance (12.3%), Marine & Aviation (11.6%), and Miscellaneous Insurances (9.6%) respectively.

Correspondingly, the Life Insurance business with about 39.3 per cent of all the premiums generated in 2023, had Individual portfolio of the business leading by a share of 41.9 per cent while group life (29.5%) and Annuity (28.5%) Insurance business follow respectively. This is a similar structure reported in 2022 when still individual led the segment of Life business at 37.4 per cent while the Annuity component lagged at 29.4 per cent during the period. Nonetheless, irrespective of relative significance of respective classes in terms of gross premium generation in 2023, it is obvious that both Life and Non-life businesses recorded some positive growth all through the five-year period as illustrated by Chart 3

Chart 3: Gross Premium Written: Non-Life &Life Insurance Businesses: 2019 - 2023



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 N281.3 billion in 2019 to peak at N633.1 billion in 2023, representing an appreciable increase of 125.0 per cent as a whole while the Life sector grew at about 80.7 per cent over the same period of five years to close at N409.9billion from about N226.9billion recorded at the beginning of the period.

In a nutshell, the industry recorded some 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

The Insurers' carriage capacity has remained a significant indicator of financial strength and stability as a retention extent is the volume of risks portion carried by Insurance companies determined by risk appetite of Insurers at any given period, defined by the amount of premium kept from Insurance contracts.

Table 2 reveals the performance of the market with respect to the Net Premium retained by Insurers over the five-year period, showing impressive progression recorded from about N366.4billion in 2019 to peak at N605.0billion in 2023, signifying about 65.1 per cent increase over the historical phase. The changes over the period has been a positive double digit throughout, except in 2020 when it stood at just about 1%, owing to the obvious operational challenges of the pandemic period.

Table 2: Sequence of Net Premium Income: Non-Life & Life Businesses 2019 - 2023

Currency: ₦ Million

Year	Fire	Gen. Accident	Motor	Marine &Aviation	Oil &Gas	Misce-lleneous	Life Business	Industry Total
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
2023	90,729.07	42,287.15	95,894.50	39,334.99	43,465.89	39,729.92	253,528.63	604,970.15

Table 3 provides the Annual growth rates of Net Insurance premium recorded for the period of 2019 to 2023 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
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
2023	80.0	14.9	58.6	29.9	-7.8	98.2	-16.9

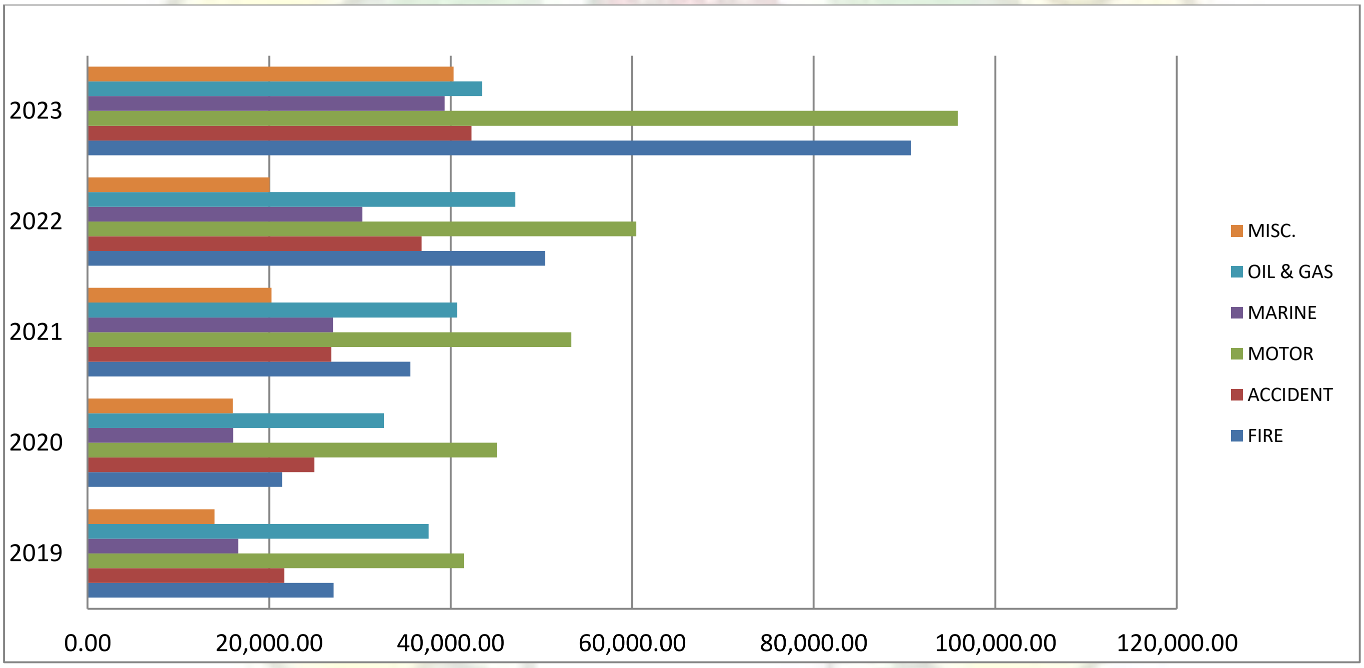
Insights from the Statistical ratios presented in table 3 reveals the market standing as positive, recording some increase across all businesses even during the COVID-19 pandemic period, except for the Oil & Gas and Life Business Insurances, closing at a negative. The Statistics shows that in 2023, the industry recorded highest rate of retention increase in the Miscellaneous insurance, grew at 98.2 per cent from a negative point recorded in the prior period while Fire Insurance follows at 80.0 per cent, year on year. Others were; Motor Insurance (58.6%), Marine & Aviation (29.9%) while the General Accident insurance posted the least growth in premium retention for the year at about 14.9 per cent.

More so, looking at the market average for the Non-Life segment in terms of the five-year period, it is apparent that despite an overall positive trajectory in which it grew by about 183.9 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 three different periods of 2019, 2020 and, in the current year. The Life insurance segment too recorded a negative during the current period even though it held a positive posture in the preceding, decreasing by 16.9 per cent in the volume of Net premium retention in 2023 compared to the prior period and, by about 21.9 per cent over the five years' era.

However, during the entire era, Fire business, led the industry at about 234.7 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 (15.6%) 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, of high priority to reverse it, is the urgent need for capital resource investment.

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: 2019 - 2023



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 2019 – 2023.

Table 4: Retention Ratios for Non-Life and Life Insurance Business; 2019 To 2023

Year	Non-Life Insurance (%)	Life Insurance (%)
2019	56.3	91.7
2020	55.2	91.6
2021	55.7	89.8
2022	53.8	91.2
2023	55.5	61.9

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 usually higher in retention, owing to the effect of Annuity business that goes exclusively retained by Insurers. This is not to say that the development in the non-life is poor relative to life but, is reflective of the dominance of special risks businesses associated with the non-life especially for Oil & Gas, Aviation and Marine Insurances in which risks has to be maximally managed through reinsurance ceding. During the current period nonetheless, while the non-life retention sustained a relative increase compared to its prior position, the retention ratio recorded for life business recorded some level of decrease (61.9%) compared to the proportion recorded in the prior period when it was reported at above the ninety percentile, 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. This could be attributable to a consistent underwriting efficiency, government policies with regards life portfolio domestication, operator confidence, growing risk appetite prevalent in the market and indeed, resultant effect of proactive regulatory measures aimed at a stable and sound insurance industry.

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

Year	Fire	Gen Accident	Motor	Marine &Aviation	Oil &Gas	Miscellaneous
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	50.0	66.4	87.7	57.3	35.3	45.9
2023	58.2	70.2	79.7	53.4	26.1	70.5

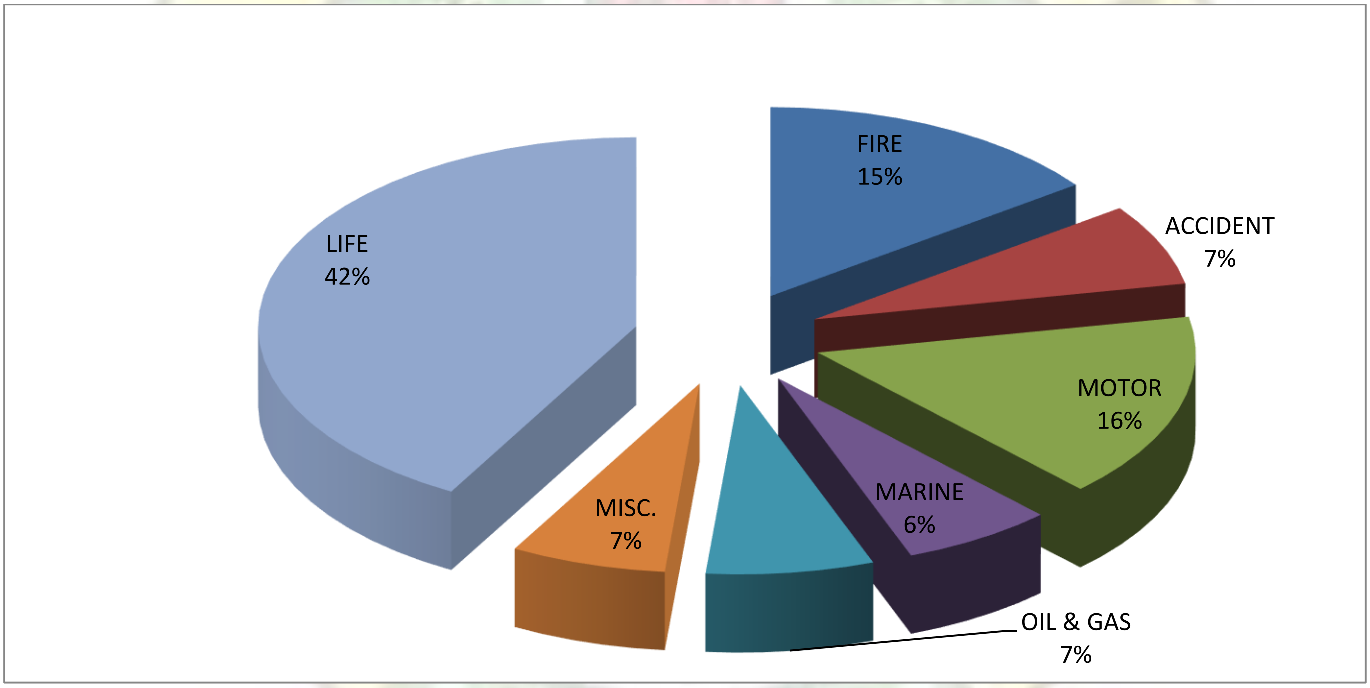
Insights from individual portfolios in the Non-Life segment of the market as provided for in Table 4.1, shows that although industry average was commendable, there was some deterioration in terms of poor performance for some portfolios at a micro analysis level. This is most apparent in the corner of the Oil & Gas Insurance which remained below average for all the five years, reporting worst (26.1%) 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 2023, General Accident, Fire and Miscellaneous insurances reported increase while some relative decline was recorded in Marine & Aviation and Motor businesses, year on year.

This scenario is nonetheless expected to reverse in the next period owing to net effect of the regulatory measures already in place with regards industry recapitalisation, and risk-based supervision approach that emphasises the need for insurers' critical skills upscale and carriage capacity strengthening.

1.5 Distribution of 2023 Net Premium Income

Chart 5 provides the proportional distribution of retained premium income for respective classes of Life and Non-Life Insurances as recorded in 2023.

Chart 5: Distribution of Net Premium Income - 2023



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, 42 per cent of all premiums retained in 2023.

Statistics for Life retention under the five-year era nonetheless, show that, its relative proportion in the market stood at about 55% in the prior period and, was 54%, 58% and 57% in the earlier years respectively. This is not so desirable as the long term funds from Life business is often significant for the long term investments in critical infrastructure needed for economic growth and development thus, the larger its share in the basket, the better. It is often the structure obtainable in most developed regions of the world where the Life business leads.

1.6 Claims Experience

1.6.1 Gross Claims

Claims settlement remains the major reason why policyholders seek insurance and a fundamental element in the Insurance business model, thus signifying its behaviour as a famous determinant of the Market confidence. During the period under review, the gross claims grew at a ninety percentile, indicative of a sustained policyholder enlightenment and specific regulatory measures focused on claims settlement, prompting more reportage of the claims. In 2023 the industry recorded a gross claims reported of N614.0billion representing 76.2 per cent rate of increase compared to its prior position when it stood at N348.4billion. This is exceptionally a significant increase, several times higher than its prior growth in 2022 owing to some major numbers pulled from the special risks especially, in the Oil & Gas business during the year. Other classes also reported some significant movement which reflects the growing confidence in the market as more reports are made on crystallised risks in the sector.

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: 2019 -2023

Currency: ₦ Million

Year	Fire	General Accident	Motor	Marine &Aviation	Oil & Gas	Misce-lleneous	Life Business	Industry Total
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
2023	93,479.31	35,721.38	46,334.19	31,057.16	172,587.81	39,857.47	194,914.50	613,951.82

The developments in the market 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 dip in 2019 (-10.7%) to pick-up gradually for the rest of the period under review, marking its highest peak in the current period of 2023 (76.2%) to close at N614.0billion in the current period, representing about 172.7 per cent over the five years' period. Noteworthy that in the current year, the Non-Life segment witnessed a surge in the performance with respect to increase in claims reported, grew at 174.1per cent owing to activities in the special risks region of the market. Similarly, the performance in Miscellaneous Insurances (131.1%), Fire (114.7%), Marine & Aviation account (113.1%), General Accident (67.5%) and Motor (53.0%) all recorded some significant increase while especially, the Oil & Gas business recorded a growth rate of 566.0 per cent, on the basis of year on year computation in 2023.

Furthermore, looking at the gross claims performance on the scale of five-year wide period, the Oil & Gas business still recorded the highest surge in the change of gross claims reported, posting 756.6 per cent over the period, Miscellaneous and Fire accounts follow in the rate of change compared to the 2019 position, grew at the rate of 573.4% and 201.9% respectively during the era. Likewise, the account of Marine & Aviation business (173.6%), General Accident (169.7%) and, Motor Insurance (134.4%) followed in that order.

The Motor account maintained a moderate increase and lower relative to other classes, signifying a comparatively lower claims volume in a business dominated by the third-party liability. During the same period, the Life business as a whole grew by 57.5 per cent.

The aggregate gross claims of the industry nonetheless, recorded the highest figure in the current period to peak at N614.0billion in 2023.

1.6.2 Net Claims: NON-LIFE Insurance Business

The patterns of the net claims in 2023 was in tandem with the movement recorded in the gross claims reported during the period for both Life and in the Non-life classes. Oil & Gas insurance, in a direct reflection to the scenario in its gross claims, grew highest in the market by 502.7 per cent, year on year to peak at about N74.0billion in net claims paid. This is followed by other classes of Fire Insurance business (179.0%), Miscellaneous insurances (158.8%), Marine & Aviation (142.6%), General Accident Insurance (99.9%) and, Motor (56.1%) in that order. Notably, no business recorded negative in the nonlife, in contrast to the prior period when Fire insurance posted a decline in net claims paid of 17.7 per cent during the year. On the other hand, the Life segment declined by 12.7 per cent, year on year, representing aggregate net claims paid of N158.8billion at the close of the year.

Analysis on a five-year latitude similarly, further reveals that the net claims paid over the period was a direct replication of the general pattern with all businesses posting positive growth ratios. During the period, Oil & Gas insurance Miscellaneous insurances recorded the highest growth at about 779.7 per cent while the Oil & Gas insurance (521.0%), Fire (313.8%), Marine & Aviation (209.6%), General Accident (207.0%) and Motor insurance (137.4%) reported positive figures of net claims increase over the five-year era, in tandem to increases observed in the total claims reported and, general performance in terms of premium generation and retention capabilities in the industry. The Life Insurance segment also recorded a net premium growth of 79.2 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: 2019 - 2023

Currency: ₦ Million

Year	Fire	General Accident	Motor	Marine &Aviation	Oil & Gas	Misce-Lleneous	Industry Total
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
2023	71,163.78	29,311.62	42,081.76	23,193.39	74,044.04	30,397.79	270,192.39

Data of the net claims in the non-life segment grew from N67.3 billion in 2019 to peak at N270.2billion at the end of period under review, signifying a 175.1 per cent increase in net claims paid over the era of five years.

Table 7: Net Claims Paid: Life Business

Currency: ₦ Million

Year	2019	2020	2021	2022	2023
Amount	88,594.8	116,943.2	150,361.7	181,875.25	158,773.89

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 2019 to 2023.

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

Year	2019	2020	2021	2022	2023
Gross Claims(Nm)	225,171.3	247,234.9	323,804.7	348,424.5	613,951.8
Gross Premium(Nm)	508,230.1	514,587.9	631,415.7	789,648.8	1,043,074.6
Claims ratio (%)	44.3	48.0	51.3	44.1	58.9

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

Year	2019	2020	2021	2022	2023
Gross Claims(Nm)	101,395.3	123,927.1	164,541.4	152,884.7	419,037.3
Gross Premium(Nm)	281,346.6	282,711.7	365,797.1	455,274.7	633,141.5
Claims ratio (%)	36.0	43.8	45.0	33.6	66.2

Table 8.2 Gross Claims/Gross Premium Income - Life

Year	2019	2020	2021	2022	2023
Gross Claims(Nm)	123,776.0	123,307.8	159,263.3	195,539.9	194,914.5
Gross Premium(Nm)	226,883.4	231,876.2	265,618.6	334,374.0	409,933.2
Claims ratio (%)	54.6	53.2	60.0	58.5	47.5

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 general view of the industry hence, company specific ratios are provided for 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 2023

Table 9 provides the Summary of the Gross and Net of Premiums and Claims recorded for the period of 2023

Table 9: Premiums and Claims Statistics, 2023

Currency: ₦ Million

Description	Gross premium	Net premium	Gross claims	Net claims
Non-Life Insurance Business	633,141.5	351,441.5	419,037.3	270,192.4
Life Insurance Business	**409,933.2**	**253,528.6**	**194,914.5**	**158,773.9**

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 76.9 per cent for the period of 2023, signifying a decline in profitability stand compare to 41 per cent reported in the prior period. This is obvious given the relative operational and general macroeconomic situation during the current period. It is similar in the Life segment as the net claims ratio also stood at 62.6 per cent, about three points increase compared to the year previous. Nonetheless, the position recorded in the market has remain significantly commendable as the industry sustained its profitability posture of just within the seventy percentile in net loss ratios for both Life and Non-Life classes.

The market size of the insurance industry as measured by its total Assets has sustained the convention of a steady growth during the current year, recording remarkably an expansion of 20.9 per cent, year on year for both Life and Non-Life businesses to hit a three trillion Naira in total volume. During the year, the Non-Life segment leads, accounting for 55.6 per cent of all the Assets reported in 2023, at about N1,670.9billion while total Assets attributable to Life business increased by about 12.2 per cent, valued at N1,334.2 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 volume. In the overall analysis, the Life business grew by 60.1 per cent over the five-year period while Non-Life increased by 141.6 per cent as the aggregate market average stood at 97.0 per cent of industry size expansion during the five years era.

Table 10: Total Assets in Millions of Naira 2019 – 2023

Year	2019	2020	2021	2022	2023
Non-Life Business	691,641.5	850,940.7	1,132,170.2	1,296,258.9	1,670,870.9
Life Business	833,461.0	1,201,282.3	1,089,577.2	1,189,562.1	1,334,152.8
Total	1,525,102.4	2,052,223.0	2,221,747.4	2,485,821.0	3,005,023.6

The Nigerian insurance market, against all odds has sustained a steady positive growth in size, in spite periods of macroeconomic contractions and numerous operational challenges. 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 as established by the statistics of the industry business retention recorded over the era under review and, most especially during the current year.