

Mergers and Acquisitions: A New Frontier for Growth in Uganda's Insurance Industry

The insurance industry in Uganda continues to evolve in response to new opportunities, emerging risks, and the dynamic needs of the economy. As innovation, technology, and customer expectations redefine the business landscape, insurers are increasingly seeking new models of growth and competitiveness. Among the most promising strategies is the pursuit of mergers and acquisitions (M&A), a pathway that aligns strength with sustainability.

Globally, M&A has long been recognised as a tool for strategic expansion and innovation. In Uganda, this discussion is gradually gaining traction, reflecting a growing appreciation of collaboration as a means of unlocking efficiency, broadening market reach, and enhancing financial resilience.

A Sector on the move

Over the past decade, Uganda's insurance industry has registered steady growth in premiums, product diversity, and professional capacity. As the market deepens, competition is also increasing - a healthy sign of a vibrant and responsive sector. Yet, in this evolving environment, mergers and acquisitions present insurers with opportunities to consolidate their strengths, enhance governance, and scale innovations that can serve customers better.

Rather than a sign of weakness, consolidation

reflects strategic foresight - a way for institutions to optimise resources, achieve operational efficiency, and improve their technical capacity to underwrite large and complex risks, including those emerging from national development projects such as oil and gas, infrastructure, and agriculture.

A Regulatory perspective: Enabling Sustainable Growth

From a regulatory standpoint, the Insurance Regulatory Authority of Uganda views mergers and acquisitions as part of a healthy evolution of the market, provided they are guided by transparency, fairness, and a clear value proposition for all stakeholders.

Our primary focus is to ensure that such transactions strengthen the sector, safeguard policyholders, and contribute to broader financial-sector stability. Through frameworks anchored in risk-based supervision, capital adequacy, and sound governance, the Authority continues to create an enabling environment where innovation and collaboration can thrive responsibly. The goal is not to limit competition, but to nurture strong, well-capitalised, and customer-centred institutions that can confidently meet the growing demands of the economy and deliver greater public value.

Unlocking synergies for innovation and Service excellence

Mergers and acquisitions offer practical benefits for both insurers and consumers. They bring together complementary strengths: combining



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technology, expertise, and networks that can accelerate innovation. Larger and better-integrated institutions are able to invest in research, improve service delivery, and expand financial inclusion through new distribution models such as digital channels and microinsurance solutions.

For policyholders, this translates into greater product variety, stronger claims-paying capacity, and improved customer experience. For the economy, it means more stable and competitive financial institutions capable of supporting national development.

Building the future together

As Uganda's insurance sector

continues its transformation journey, the future will belong to those who embrace partnership, innovation, and purpose-driven growth. The Insurance Regulatory Authority remains committed to providing policy direction, technical guidance, and regulatory clarity to ensure that such transformations are inclusive, well-managed, and beneficial to the entire ecosystem.

Ultimately, mergers and acquisitions are not about who survives, but about how the industry collectively thrives, building a modern, robust, and trusted insurance market that safeguards the aspirations of individuals, businesses, and the nation.

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