

DOROTHY NAKAWEESI

For years, non-life insurance looked like the steady giant of the market. As of December 2023, it held 58.37 percent of total industry premiums, with gross written premiums of about Shs934.49b.

For years, non-life insurance looked like the steady giant of the market. As of December 2023, it held 58.37 percent of total industry premiums, with gross written premiums of about Shs934.49b.

Life insurance was smaller at 37.89 percent of industry contributions and Shs606.64b in written premiums. But that story seems to be changing, and the 2025 Insurance Regulatory Authority (IRA) data tells a different story.

Data from IRA Market Performance Quarterly reports indicate that non-life has been growing, but mostly at a walking pace. Its year-on-year growth rates were 5.15 percent, 5.59 percent, 10.71 percent, and 1.53 percent in the first, second, third, and fourth quarters of 2025, respectively, returning an annual average of 5.74 percent.

Its gross written premiums still rose through the year; from Shs329.17b, to Shs572.6b, to Shs875.64b, and finally to slightly above Shs1 trillion in the four quarters, respectively, but its market share shrank, from 57.65 percent in March to 49.47 percent in December 2025.

Life insurance, by contrast, was sprinting, with year-on-year growth rising by 25.36 percent, 12.55 percent, 15.82 percent, before surging by 39.34 percent in quarters one, two, three, and four, respectively.

Its gross written premiums rose from Shs215.95b, to Shs402.71b, to Shs638.65b, and then to Shs978.54b in the four quarters of 2025, while life's share of the market rose from 37.82 percent in quarter one to 48.33 percent in the same period, just within percentage points of non-life market share.

So the story is no longer "non-life dominates, life follows"; it's now non-life is still slightly ahead, but life is catching up fast enough to reshape the market.

From December 2023 to December 2025, life premiums have risen from Shs606.64b to Shs978.54b, which is about 61.3 percent of total growth over two years, while over the same period, non-life has risen from Shs934.49b to slightly above Shs1 trillion, which is only about 7.2% total growth.

In terms of market share, life has moved from 37.89 percent to 48.33 percent, while non-life declined from 58.37 percent to 49.47 percent in the period under review, which is not a marginal shift, but a structural change.

What has changed?

The written-premium gap between the two segments has narrowed dramatically over the period.

As of December 2023, non-life gross written premiums stood at Shs934.49b while life stood at Shs606.64b, leaving a gap of about Shs327.85b in favour of non-life.

But by December 2025, non-life had reached Shs1 trillion, while life had risen to Shs978.54b, narrowing the gap to

Could life insurance be the next big thing?



Life insurance is rapidly closing the gap with non-life, driven by strong growth, innovation, and rising awareness, signaling a shift toward long-term financial security and a more balanced insurance market.

PHOTO / FILE

Key figures

Shs1 trillion

Non-life's gross written premiums rose from Shs329.17b, to Shs572.6b, to Shs875.64b, and to slightly above Shs1 trillion in the four quarters

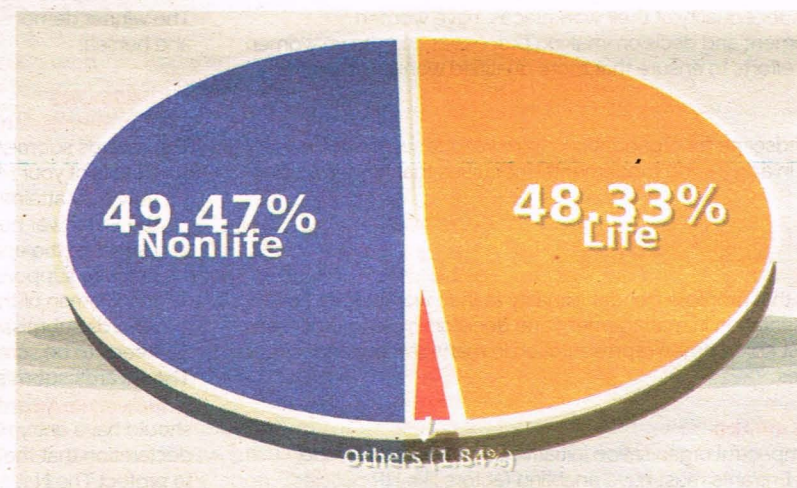
Shs978.5b

Life's gross written premiums rose from Shs215.95b, to Shs402.71b, to Shs638.65b, and then to Shs978.54b in the four quarters of 2025.

Shs37.39b

During 2025, HMO and microinsurers wrote Shs37.39b worth of gross written premium, which, however, was a decline from the Shs71.53b recorded in 2024.

Contribution of life and non-life to insurance sector gross written premiums



only about Shs23b. In just two years, the advantage held by non-life has nearly disappeared.

Mariam Nalunkuma, IRA manager corporate affairs, says while the non-life continues to dominate the market, life has, over the years, steadily gained ground and is increasingly claiming its rightful position.

This, she says, mirrors trends in developed economies, where life insurance contributes a larger share of gross written premiums than non-life.

The relatively faster growth in life re-

fects a positive shift toward individuals prioritizing long-term financial security and protection.

A range of savings-linked life products that combine protection, savings, and investment has made life insurance increasingly attractive to customers.

"We have also observed the introduction of more affordable products targeting low-income earners and the informal sector, which has significantly boosted uptake of life insurance," Nalunkuma says.

But beyond this, the improved pay-

ment of legitimate claims has strengthened policyholder trust, with the industry paying Shs934b in claims, representing 46.2 percent of the Shs2.02 trillion written premiums.

Nalunkuma also says that Covid-19 "served as a wake-up call for many individuals, highlighting the need to secure their families' financial futures against unexpected health risks and mortality".

Next big thing?

From current trends, life is the strongest choice to become the next major growth engine of the insurance industry.

Life is growing much faster than non-life, with an average annual growth rate of 23.26 percent in 2025 compared to 5.74 percent for non-life.

At the same time, life is steadily gaining market share, rising from 37.89 percent in December 2023 to 48.33 percent in December 2025.

The surge is particularly important because it signals strong acceleration. In addition, life is now close enough to non-life that only modest continued growth would allow it to overtake.

If non-life grows by around 5 percent in 2026, life would need to grow by only about 7.5 percent to surpass it. That is far below its recent growth levels.

2026 outlook

Using the quarter 2025 figures as a base, in a conservative scenario where life grows by 15 percent and non-life by 5 percent, life would reach about Shs1.12 trillion, while non-life would reach about Shs1.05 trillion, meaning life overtakes non-life.

In a base case scenario where life maintains its 2025 average growth of 23.26% and non-life grows at 5.74 percent, life would reach about Shs1.2 trillion while non-life would reach about 1.1 trillion.

Across all scenarios, unless life insurance growth drops significantly, life is likely to overtake non-life in the near term.

What is driving the growth?

IRA data shows that the growth appears to be supported by both product expansion and strong performance among leading insurers.

The product mix has broadened significantly. Between quarter three and quarter four of 2025, the largest increases in cumulative premiums came from health and medical business, individual life, group credit, and other life-related products such as unit-linked and savings products.

This indicates that growth is not dependent on a single product line but is spread across multiple segments.

At the same time, growth is being driven by large insurers such as Jubilee Life, ICEA, Prudential, Old Mutual Life, Sanlam, and Liberty, which signals that the growth is more sustainable and scalable.

Life insurance has transitioned from a secondary segment into a central force in the insurance market.

Life insurance is not just growing; it is reshaping the structure of the industry and is well-positioned to become the next big thing, according to IRA data.