

# Uganda Reinsurance Company (Uganda Re) rebounds in 2025, targets regional expansion in new five-year plan

**Uganda Reinsurance Company** has posted a strong recovery in 2025 after a challenging 2024, signalling renewed stability in a sector that has recently grappled with rising claims and tightening margins. Chief executive officer Ronald Musoke said preliminary fourth-quarter management accounts show a marked improvement in profitability, revenue growth and cost control compared to the previous year. Although the final audited results are still being compiled, he noted that current indicators point to a significantly stronger financial position.

The reinsurer's 2024 performance had been weighed down by heavy claims in medical insurance, bonds and property classes. Medical insurance in particular has remained a persistent challenge across the industry due to escalating healthcare costs and fraud-related leakages. The strain was compounded by unusually high claims in bonds and property, which eroded margins and slowed growth.

In response, the company tightened underwriting standards, reviewed pricing models and strengthened claims oversight. Internal monitoring systems were

also enhanced to provide closer tracking of portfolio performance and early warning signals.

"Those corrective measures began to bear fruit in 2025. Claims experience stabilised, revenue improved and management expenses were kept within tighter limits, allowing the company to return to stronger profitability," Musoke said. He added that management's focus is now on ensuring that the rebound is not a one-off recovery but the foundation for sustained and disciplined performance going forward.

## Five-year strategy

The recovery coincides with the rollout of a new strategic plan covering 2026–2030, anchored on customer focus, financial strength, operational efficiency, and learning and growth.

On the customer front, the reinsurer intends to deepen relationships with domestic insurers while gradually expanding its foreign portfolio. Currently, about 95 percent of its business is generated locally, with only 5 percent coming from foreign markets.

While foreign business has grown in absolute terms, it has not increased proportionally because

domestic business has expanded at a faster pace. The company now plans to rebalance its portfolio by growing regional and cross-border exposure to diversify risk and broaden revenue streams.

Financial resilience remains central to the new strategy. Management is targeting sustained profitability, steady premium growth, strict expense discipline and strong capital adequacy. Although the regulatory minimum capital adequacy requirement stands at 200 percent, the company aims to maintain levels well above that benchmark to cushion against unexpected shocks. In reinsurance, capital strength is critical, given that large claims can arise suddenly and require prompt settlement to maintain confidence in the market.

## Digitisation and governance

The company is also accelerating digitisation efforts to streamline operations and improve efficiency. Several manual processes have already been automated, and performance dashboards introduced to support real-time decision-making.

"Digitisation has enhanced underwriting turnaround times, strengthened internal

controls and improved transparency in claims management," Musoke said. He noted that investment in human capital forms another key pillar of the strategy. Technical training programmes are ongoing for underwriting, claims and finance teams, while board-level capacity is being reinforced to align governance practices with evolving regulatory standards.

The reinsurer also adopted a board-approved Environmental, Social and Governance (ESG) policy. ESG compliance reports are now presented regularly at board meetings, underscoring a growing emphasis on sustainable and responsible business practices within the insurance sector.

## Industry challenges

Despite the improved outlook, Musoke acknowledged that risks continue to be a key area to watch and therefore need constant monitoring. Election-related slowdowns in early 2026 affected business momentum, while global geopolitical tensions continue to pose uncertainty for investment performance and claims trends.

Premium collection discipline also remains a concern across the industry. Delayed



**Mr. Ronald Musoke** Chief executive officer, Uganda Re.

remittances can complicate claims settlements and strain relationships between insurers and reinsurers.

The company is advocating stronger industry collaboration to address systemic weaknesses such as underwriting inconsistencies, claims leakages and documentation delays. Structured engagement among industry players like the regulator, insurers, brokers, loss assessors and reinsurers not forgetting the training college Musoke said, is essential to strengthen public confidence and

reduce avoidable losses.

Asked if there are any prospects in the near future, Musoke responded that for now, there are no immediate plans to list on the stock exchange but will continue exploring the best options depending on the capital requirements and market conditions.

With improved financial performance and a clear five-year roadmap, the reinsurer says it is positioning itself for sustainable growth in a market that continues to evolve under economic and regulatory pressures.