

BUSINESS

Insurance agents urged to drive trust, innovation as industry shifts focus to prevention

Insurance leaders have called for a fundamental shift in the industry, urging agents and stakeholders to prioritise trust, customer understanding, and risk prevention as the sector adapts to a rapidly changing environment.

The call was made during the Fifth Insurance Agents Convention organised by the Uganda Insurers Association (UIA), where executives from banking, insurance, and regulatory institutions emphasised the growing importance of agents in deepening insurance penetration and rebuilding public confidence.

Speaking at the convention, ABSA managing Director, David Wandera said the industry is undergoing a defining shift in how risk is understood and how customers engage with financial service providers.

"We are moving into a new era where protection is not defined by policies alone, but by what happens when things go wrong. That is when families, businesses, and individuals truly discover whether they were protected," Wandera said.

He described insurance agents as custodians of trust, noting that they play a critical role in bridging the gap between financial services and the everyday realities of customers.

"Agents stand between



families and financial hardship, between businesses and loss, and between uncertainty and stability," he said.

Wandera added that while the industry has registered growth in areas such as life insurance, health cover, microinsurance, and digital channels, penetration remains low, signalling both a challenge and a major opportunity.

"The next phase of growth will come from reaching the 99% who remain uninsured—from bodaboda riders to small business owners and families seeking financial security," he said.

He emphasised the need for insurers to shift from product-focused selling to customer-centred solutions, noting that

clients are increasingly seeking certainty rather than complex policy structures.

"Customers are not buying policies. They are buying peace of mind," he said.

UIA Chairperson Ruth Namuli echoed the call for transformation, saying the industry must go beyond activity and focus on purpose-driven service.

"Insurance is first and foremost about protecting lives and livelihoods. Without purpose, it becomes transactional, but with purpose, it becomes a service people trust and rely on," she said.

Namuli noted that insurance agents contribute more than 52% of the industry's business, making them a critical distribution

channel. However, she raised concerns over sustainability in the profession, citing data from the Insurance Regulatory Authority showing that 83% of agents leave within three years, with 30% exiting within the first three months.

"This tells us that performance in this era cannot be accidental. It must be deliberate, structured, and supported by continuous learning," she said.

UIA Chief Executive Officer Jonan Kisakye highlighted the growing relevance of the convention, noting that attendance has steadily increased from about 150 participants in its early years to over 400 in recent editions.

He said the industry is witnessing deeper integration



David Wandera, managing Director, ABSA and Ruth Namuli, Chairperson, Uganda Insurers Association (UIA)

with other sectors, particularly over UGX2 trillion in gross written premiums, and stressed the need for both competition and collaboration.

"The insurance industry thrives when institutions cooperate as much as they compete," Kisakye said.

He also pointed to ongoing reforms, including the digitisation of motor third-party insurance, development of a unified agent code, and increased training programmes led by the Insurance Training College.

"Agents contribute more than 50% of premiums in the industry. The future of insurance will be shaped by what happens in the field—in daily interactions with customers," he added.

Meanwhile, Insurance Agents Association Chairman Joshua Muyomba underscored the need for professionalism and financial discipline among agents, urging them to build sustainable careers and invest their earnings wisely.

"In 2025, the industry recorded

over UGX2 trillion in gross written premiums, with agents contributing more than 55%. That is a strong statement of your impact," Muyomba said.

However, he noted that despite this growth, insurance penetration remains below 1%, highlighting the need for innovation and expanded outreach.

"We must move from simply responding to losses to preventing them. That is the future of insurance," he said.

Muyomba also called on agents to evolve beyond individual practice into structured agencies and larger enterprises, while encouraging collaboration through savings and investment groups to improve financial resilience.

As the industry continues to evolve, stakeholders agreed that trust, simplicity, and customer-centric innovation will be key to unlocking growth and expanding access to insurance services.