

IRA Calls for Inclusive Growth as Uganda's Insurance Premiums Hit Sh2.02 trillion



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The Chief Executive Officer of the Insurance Regulatory Authority of Uganda, Alhaj Dr Kaddunabbi Ibrahim Lubega, has called on industry players to prioritise inclusivity and rebuild trust as Uganda's insurance sector records strong growth.

Speaking at annual conference organised by the Insurance Brokers Association of Uganda (IBAU) under the theme "Trust Reimagined: Delivering on the Promise," Lubega said the sector's progress must translate into wider access and relevance for ordinary Ugandans.

"As of 2025, gross written premiums surpassed sh2.02 trillion, up from sh1.76 trillion in 2024. This reflects a strong upward trajectory," he said.

He noted that premiums generated through brokers rose to sh567.58b in 2025 from Sh545.6b the previous year, accounting for 28.03% of total industry premiums. However, he observed that this remains below historical levels.

"Historically, brokers contributed over 30% of premiums. This needs to be improved so that their share can rise to about 40%," Lubega said.

He described brokers as central to restoring confidence in the sector, given their client-focused role. "By definition, insurance brokers act on behalf of the client and not the insurer. They must continue to provide independent advice and negotiate optimal coverage," he emphasized.

Despite the growth, Lubega acknowledged that insurance penetration remains low, largely due to the sector's historical focus on corporate clients.

"Medium and Small-scale Enterprises (MSMEs), informal sector workers and households remain uninsured or underinsured, creating a trust deficit as many people perceive insurance as complex and



Chief Guest the Governor of the Bank of Uganda, Prof August Nuwagaba

inaccessible," he said.

To address this, he called for a shift from transactional to transformational insurance. "Insurance must work for ordinary Ugandans. Growth must translate into inclusivity," he stressed.

Lubega outlined key priorities including designing products for underserved groups, simplifying policy language, leveraging technology, and strengthening professionalism.

"Let's move away from policies people do not understand. Brokers help bridge this knowledge gap, and trust grows where complexity declines," he said, adding that digital platforms and mobile distribution are critical to expanding reach.

He also reaffirmed the regulator's commitment to balancing innovation with consumer protection. "We are creating an enabling environment that supports innovation while safeguarding policyholders," he noted.

Lubega urged insurers and underwriters to promote the use of brokers as trusted intermediaries, saying this is key to delivering on the promise of insurance.

"It is through collective action

that we shall build trust, deepen penetration, and ensure insurance delivers meaningful impact across Uganda," he concluded.

BoU Urges Insurance Sector to Build Trust and Deepen Financial Inclusion

The Chief Guest the Governor of the Bank of Uganda, Prof August Nuwagaba, has challenged Uganda's insurance industry to move from rhetoric to action, calling for deliberate efforts to rebuild trust, expand access, and strengthen the role of insurance in economic transformation.

He was speaking at IBAU AGM in Mbarara, Prof Nuwagaba stressed that trust is the backbone of both business and financial systems.

He outlined the central bank's core mandate, noting that it revolves around maintaining price stability and ensuring a sound financial system, but added that this must now go further. "We have expanded our focus to ensure that price stability and a sound financial system support socio-economic transformation. They cannot exist for their own sake," he said.

According to the Governor, Uganda

has made notable progress in macroeconomic stability, citing low inflation and a stable currency.

"Our headline inflation is around 2.9%, and core inflation about 3%. We have ensured that inflation remains under control and the currency remains stable," he noted.

However, he warned that stability without risk management is fragile, placing insurance at the center of sustainable growth.

"Can you have a stable economy when businesses are at risk and people are uncertain? It is not possible. Insurance must be at the core of business," he said.

Despite progress, Prof Nuwagaba expressed concern over Uganda's low insurance penetration. "Ugandans, we need to do more to appreciate and embrace insurance," he said, noting that Uganda lags behind regional peers such as Kenya and Tanzania. He pointed to Mauritius and South Africa as examples of stronger insurance uptake on the continent.

A major theme in his address was financial inclusion. "When we talk about growth, we must ask—growth for whom?" he posed. "We cannot celebrate growth when many people are left out."

He called for innovation in product design, particularly flexible payment models. "Why should someone pay an annual premium at once when it can be broken into monthly payments? That is how we bring more people on board," he said.

Prof Nuwagaba also highlighted claims settlement as a key barrier to trust. "People have an axe to grind with insurers because of delays. Trust

is built when compensation comes at the right time and in the right way," he said.

To address these gaps, he emphasized financial literacy and transparency. "We are not going to remain a central bank that does things people do not understand. People must understand savings, investments, and financial systems," he said.

The Governor further revealed that the central bank has strengthened its focus on risk management through a dedicated directorate. "Risk management is central to economic stability. You cannot do business without managing risk," he added.

He urged insurance brokers to play a more active role in bridging the gap between insurers and clients. "You help people understand policies and make informed decisions. You are central to building trust," he said.

Echoing similar sentiments, Joseph Nubuga, CEO of MIRAI General Insurance Uganda Ltd the key sponsor of the event, called for inclusive and relatable insurance solutions.

"The work of brokers is to bring professionalism and bridge the gap between us and our clients, "We need to take insurance to ordinary Ugandans—the underserved—and craft products that speak their language," Nsubuga said

Prof Nuwagaba concluded with a call for collective action. "If we build trust, improve products, and manage risk effectively, insurance will play its rightful role in supporting Uganda's economic transformation," he said.