



UGANDA
INSURERS ASSOCIATION
ANNUAL REPORT 2015



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CONTENTS

6	Committees, Partners & Memberships
7	Acronyms
8	The Chairman's Message
11	The Executive Committee
12	The CEO's Message
14	The Staff
15	Our Programs
16	2015 Strategies
18	Highlights & Achievements
24	2015 Activity Report
32	The Financials
36	Governance Report
37	Our Members
38	Appendix



ABOUT US

Who we are

An Association that was founded in 1965 by insurance companies to promote the development and expansion of a sound insurance and reinsurance environment in Uganda.

What we do

We work to advance the interests of insurance and reinsurance companies by adopting a common strategy that encourages and promotes close cooperation, the exchange of business among members, builds on knowledge through research, influences the enactment of favourable legislation and represents the views of the membership to Government, quasi-government and private bodies.

Our Vision

To be the most respected and effective trade association in East Africa.

Our Mission

To promote best practices and the highest standards within the Ugandan insurance sector safeguarding the consumers' best interests.

Our members:

All licensed Insurance and Reinsurance companies in Uganda.

COMMITTEES, PARTNERS & MEMBERSHIPS

Association Committees

The Committee for Liaison for Underwriters and Brokers (CLUB)

The Disciplinary Committee

The Finance and Investment Committee

The Legal Affairs Committee

The Life and Pensions Committee

The Non- Life Committee

The Oil and Energy Committee

The Performance Evaluation Committee

The Special Rating Committee

Medical Insurers Committee

Key Industry Partners

Insurance Regulatory Authority (IRA)

The Insurance Institute of Uganda (IIU)

Memberships

African Insurance Organisation (AIO)

Organisation of Eastern and Southern Africa Insurers (OESAI)

Federation of Uganda Employers (FUE)

Private Sector Foundation Uganda (PSFU)

The Financial Literacy Foundation (FINLIT)

The Institute of Corporate Governance of Uganda (ICGU)

Uganda Chamber of Mines and Petroleum (UCMP)

Uganda Manufacturers Association (UMA)

ACRONYMS

AGM	Annual General Meeting
AIO	African Insurance Organisation
BoU	Bank of Uganda
CMA	Capital Markets Authority
EAIA	East Africa Insurers Association
IIU	Insurance Institute of Uganda
IRA	Insurance Regulatory Authority of Uganda
EAMU	East African Monetary Union
FIA	Financial Institutions Act
FIA	Financial Intelligence Authority
HMO	Health Membership Organisation
MOFPED	Ministry of Finance, Planning and Economic Development
MOH	Ministry of Health
OESAI	Organisation of Eastern and Southern Africa Insurers
PSFU	Private Sector Foundation Uganda
UAEVLA	Uganda Association of Engineering Valuers and Loss Assessors
UAIA	Uganda Association of Insurance Agents
UAIB	Uganda Association of Insurance Brokers
UBA	Uganda Bankers Association

UCIFA	Uganda Clearing Industry and Forwarding Association
UCMP	Uganda Chamber of Mines and Petroleum
UgandaRe	Uganda Reinsurance Company
UIA	Uganda Insurers Association
URA	Uganda Revenue Authority
UMA	Uganda Manufacturers Association
UPF	Uganda Police Force
URBRA	Uganda Retirement Benefits Regulatory Authority
USSIA	Uganda Small Scale Industries Association
MTPI	Motor Third Party Insurance
VAT	Value Added Tax
WHT	Withholding Tax

THE CHAIRMAN'S MESSAGE



On behalf of the Executive Committee, I am pleased to present the Uganda Insurers Association Annual Report for the year ended December 31st 2015.

The Economic and Market Environment

The year under review was a very challenging year for the Ugandan economy; with the local currency fluctuating between Ushs2,800 at the start of the year and Ushs3,700 in September 2015, to eventually settle at Ushs3,360 in December 2015. Against the dollar, Inflation peaked at 8.4% in December 2015 following the Bank of Uganda's intervention which saw its lending rate sharply rise from 11% to 17%. In light of these circumstances the country's annual economic growth projection was revised from 5.9% to 4.9%

In spite of this, positive sentiments from Uganda's development partners and the market at large indicate that our economy will, on balance, continue to grow, the effects of the shocks notwithstanding during financial year 2015/16. This outlook greatly depends on the success of the government's huge investment program aimed at the construction of; energy dams to increase availability as well as reduce the cost of electricity, roads to ease connectivity, and the refinery to process oil before it is exported out of Uganda.

Despite the challenging economic environment, the Ugandan insurance industry continues to record positive growth with 2015 combined Gross Written premium increasing by an estimated 19.6% to Shs 546 billion from Shs 457 billion in 2014. Non- Life premium grew by 16% while Life business premiums increased by 35% over the same period. Premiums from infrastructure projects and medical insurance were the major contributors to market growth.

Despite the challenging economic environment, the Ugandan insurance industry continues to record positive growth with 2015 combined Gross Written premium increasing by an estimated 19.6% to Shs 546 billion from Shs 457 billion in 2014.

Non-Life business accounts for about 80% of insurance business in Uganda; and this split remained unchanged between 2015 and 2014. A notable observation is that while the General business premiums have on average grown by 14% over the last five years, Life business on the other hand has grown at an average of 31% over the same period. Insurance penetration still remains below 1%, an indication of the huge potential in the market. This potential is evidenced by the fact the market continues to attract new entrants.

In more advanced markets, the health of the life insurance market is indicative of the level of maturity of the said market and the fact that we are becoming progressively responsive to life insurance is a step in the right direction.

In terms of regulation, the Insurance Regulatory Authority of Uganda (IRA) continued to engage the industry on the amendments to the Motor Vehicle Insurance (Third Party Risks) Act, amendments to the Insurance Act, Health and Micro Insurance Regulations intended to create an enabling regulatory environment. We also continued to engage the Ministry of Finance Planning and Economic Development (MOFPED), Bank of Uganda and other key stakeholders to ensure that the amendments to the Financial Institutions Act (FIA) which would, among others allow for bancassurance, are passed. These amendments would allow for insurance companies to distribute their products through the bank network which will not only increase access to these services but enhance the consumer's overall experience as the bank will provide a one-stop financial services solution point.

Key Industry Highlights

The Association

In 2015, the Association celebrated 50 years of contributing to the development and expansion of a sound insurance and reinsurance environment in Uganda. Notable achievements included;

- I. Growth of Membership to UIA to 30 insurance and reinsurance companies- 21 General Insurance Companies, 8 Life Insurance Companies and 1 National Reinsurance Company;
- II. Streamlining of VAT remittances by insurance companies and reduction of WHT on Foreign Reinsurance from 15% to 10%, indicating strengthened relations with our partners; the MOFPED and the Uganda Revenue Authority (URA);
- III. Receiving Financial Reporting (FIRE) Awards (from the

Institute of Certified Public Accountants Uganda (ICPAU) in partnership with Capital Markets Authority (CMA)) for the years 2014 & 2015, in the category of Regulatory Bodies & Associations (as 1st Runner up), for quality of Financial Reporting as well as for Communication and Presentation of Financial Statements in line with International Financial Reporting Standards (IFRS);

- IV. Being recognised by the Private Sector Foundation of Uganda (PSFU) as the Business Association for 3 years (2008, 2009, 2011) and;
- V. Signing of the East Africa Insurers Association Constitution in Kampala in July 2015, and thereby showing our commitment to the East Africa Community Integration process.

Consumer Awareness

The Association's aggressive sensitisation campaigns have seen a more informed and stronger consumer as evidenced by the average 16% premium growth rate coupled with the 12% net claims growth rate experienced over the past 5 years.

In 2016, more resources will be devoted to consumer awareness to foster appreciation of insurance as part of our strategy towards achieving the insurance penetration rate goal of 3% by 2025. This program will heavily rely on our continuing to demystify insurance and present it as a solution in a way that the public can understand and relate to.

Curbing fraud and improving business standards

The industry performance starkly reflects the impact of fraud and other malpractices on the sector. As an Association, we continue to apply our Code of Conduct to govern members' interactions with each other as well as our clients to uphold ethical standards and improve service delivery. Players are encouraged to share information on incidences of insurance fraud.

The Association is developing a suitable database, accessible to all members, to record and share such incidences. We expect

that with the setup of the database, implementation of the Code of Conduct and involvement of the IRA, instances of fraud and other malpractices will reduce thereby improving our performance and service delivery.

We will continue to work with the other industry Associations and through platforms such as the Committee for Liaison for Underwriters and Brokers (CLUB) to ensure that industry standards are established and maintained.

Research and Market Development

I am happy to report that we are finalizing our Market Growth Development plan intended to drive insurance penetration growth to 3% by 2025. Key pillars to this plan are; (a) expanding consumer reach and distribution, advocacy and leveraging on technology. The implementation of this plan will result in enhanced market penetration, the development of products and services suitable to our market, the demystification of insurance resulting in better interaction with our customers, and of course the identification of insurance as a key pillar to the country's economic growth.

The Uganda Oil and Gas Co-Insurance Syndicate

Firm plans are underway to ensure that the Co-Insurance Syndicate is fully operational in 2016. Total Risks Solutions (TRS), an independent energy insurance consultancy, was appointed by the Association, to provide expert advice to local insurance companies on underwriting oil and gas related risks and has commenced on formalities to operationalize it. Establishing this Syndicate will ensure availability of sufficient capacity to cover oil and gas risks locally.

These are but a few of our achievements through the year 2015 as we continue to engage with other stakeholders to ensure the establishment of a robust and ever growing industry and Association.

Looking Ahead

I wish to commend all our members and partners for making 2015 a successful year especially in increasing the reach of our awareness and sensitization programs, the development of new products and improvements in technology to ensure usage and greater access to insurance services, thereby deepening penetration.

As earlier mentioned, in 2016 we will be focusing on increased consumer awareness and education supported by, market development initiatives and capacity building.

We will continue to work with our partners to ensure the establishment of a sound insurance and reinsurance environment in Uganda. These include, and are not limited to, the Ministries of Finance, Gender, Justice, Energy, and Agriculture, the IRA, URA, Uganda Retirement Benefits Regulatory Authority (URBRA), Financial Intelligence Authority (FIA), Uganda Investment Authority (UIA), Uganda Police Force (UPF), Uganda Shippers Council (USC), Private Sector Foundation of Uganda (PSFU), the Insurance Institute of Uganda (IIU), the Uganda Association of Insurance Brokers (UAIB), Uganda Association of Insurance Agents (UAIA) and the Uganda Association of Engineers Valuers and Loss Assessors (UAEVLA).

Note of acknowledgement

I now take the opportunity to thank member companies for their contributions to the activities of the Association.

I also appreciate the Executive Committee and members of our various Committees for their guidance, contributions, valuable time and commitment towards ensuring the achievement of our objectives.

I thank the IRA, IIU, insurance brokers, agents, loss assessors and adjustors for their support and contributions towards the industry.

My sincere thanks are also due to the Management and Staff of the Association for their commitment and dedication towards the implementation of the activities of the Association.

Lastly, as we work towards ensuring that we educate our consumers about insurance and work to provide solutions suited to this market, I call upon all members to work together to achieve a visible, vibrant and responsive insurance industry.

Thank you

Deepak Pandey
Chairman
April, 2016

THE EXECUTIVE COMMITTEE



Mr. Deepak Pandey
Chairman



Mr. Allan Mafabi
Vice Chairman



Mr. Sam Phiri
Hon. Treasurer



Mrs. Solome Luwaga
Hon. Secretary



Mr. Newton Jazire
Deputy Secretary



Mr. Azim Tharani
Committee Member



Mr. Joseph W. Kiwanuka
Committee Member



Mr. Naik Suryakiran
Committee Member



Mr. Joe Almeida
Committee Member

THE CEO'S MESSAGE



Malcom X once said, "The Future belongs to those who prepare for it today."

As the Association, we work to achieve three broad outcomes; one, an informed consumer who looks at insurance as a well-rounded solution; two, an enabling business and regulatory environment that will spur consistent growth and three; continuously match insurance to market needs to ensure we remain relevant.

In ensuring that we achieve the above and that as an industry we develop and grow, consumer awareness will continue being a main focus area to ensure that every Ugandan, regardless of age, sex, educational background or geographical area can understand and appreciate insurance and its benefits. To achieve this, we will continue approaching the demystification of insurance through three main initiatives;

- a. Targeted messaging as a means to make the information we relay relevant and relatable;
- b. Segmenting audiences to ensure that messages match audience needs and,
- c. Consistent audience engagement to ensure that messages on insurance are systematically and regularly distributed throughout the year through various channels.

Key to these channels will be one-on-one engagement sessions with segmented audiences as well as the mass media to ensure country wide information distribution.

Tied to ensuring consistent consumer awareness and education is the use of opportunities that our partner networks provide for us to reach more people across the country. We will continue to provide the technical expertise readily available from the industry itself- our members, the Insurance Institute of Uganda (IIU), the Insurance Brokers, Service Providers and the Insurance Regulatory Authority (IRA)- to primarily reach and find solutions for Corporate entities, SME's, educational institutions as well as the informal and agricultural sectors.

We also expect that as we educate and reach wider populations, we will continue studying the market to determine needs, trends and opportunities for the industry to take advantage of. In 2016, through a Financial Services Deepening Uganda (FSDU) funded project, we will assess the holistic provision of insurance services taking into account the entire service delivery chain- extending to the client, agents/brokers,

service providers (assessors and surveyors), insurers and industry institutions—to determine our points of strength, weaknesses and opportunities to improve on overall delivery of services to improve upon penetration.

As part of our initiatives to ensure the establishment of the highest business standards and sustainable relationships within the industry as well as between the industry and our clients, we will continue to curb fraud and other malpractices. This will be achieved through, among others, the development of a database to enable information sharing, determination of the extent of fraud/malpractices and the impact of these on the industry; the development of effective actions; strengthening our industry partnerships to encourage a systematic approach on the same and further enforcing our members' Code of Conduct to ensure that we are accountable to ourselves and our clients.

2016 also represents the last operational year of the Association's three year Strategic Plan (2014–2016).

We have seen success in growing consumer awareness and experienced wins in our lobbying and advocacy initiatives including, the reinstatement of the Value Added Tax (VAT) exemption on microinsurance products and reinsurance services; the reduction of Withholding Tax (WHT) on reinsurance services from 15% to 10%; the reduction of stamp duty on microinsurance products reduced from UGX 35,000 to UGX 15,000 and the application of VAT on collected premiums to ease the remittance of this tax by insurance companies.

We will therefore take the time, this year, to review the plan in its entirety and determine how the lessons learned over the past 3 years critically play into where we, as the Association and industry, want to be over the next 5–10 years.

I would like to take this opportunity to appreciate all the support accorded to us by the Insurance Regulatory Authority of Uganda (IRA), Ministry of Finance Economic Planning and Development, Ministry of Gender Labour and Social Development, Ministry of Trade Industry and Cooperatives, Industry and related sector institutions and Associations including UAIB, IIU, PSFU, UMA, USSIA, that work with us to ensure that we meet the objective for which the Association was set up.

I also recognize and appreciate the work and effort that the Secretariat staff did in making 2015 a success.

Miriam Magala
Chief Executive Officer
April, 2016

THE STAFF



Ms. Miriam Magala
Chief Executive Officer



Ms. Martha Aheebwa
Life and Pensions



Ms. Faith Ekudu
Public Relations and
Advocacy



Mr. Allan Katwere
Research and Market
Development



Mr. Abbey Luwano
Accountant



Mrs. Jane kawuki
Executive Assistant to
the CEO



Mrs. Ruth Munyirwa
Accounts Assistant



Mr. Christopher Bakesiga
Technical Assistant



Mr. Jude Kafeero
IT/Office Assistant



Ms. Ruth Namirembe
Administrative
Assistant

OUR PROGRAMS

1~

CONSUMER AWARENESS
AND EDUCATION

4~

SKILLS DEVELOPMENT

2~

LOBBYING AND ADVOCACY

5~

CORPORATE SOCIAL
RESPONSIBILITY

3~

RESEARCH AND MARKET
DEVELOPMENT

6~

REGIONAL
INTERGRATION

2015 STRATEGIES

In line with the Association's mandate, 2015 provided the opportunity to ensure the establishment of a positive business and regulatory environment for the benefit of the insurance sector and its stakeholders across Uganda.

We therefore identified the necessary areas in which we needed to influence change to enable growth through strategic action. Broadly speaking, particular issues related to Consumer Awareness, Lobbying and Advocacy, Market Development, Skills Development, Enforcement & Management of Motor Third Party Insurance Stationery and Regional Cooperation.

1. Consumer Awareness

Insights generated through our various interactions with the public and the Association's market research report 2013/2014, indicate that the appreciation of insurance remains low.

Our Strategy

Through our partner networks (including the media) aggressively educate the public about insurance with the end goal of increasing penetration.

2. Lobbying and Advocacy

The industry continues to grapple with the changes effected in the taxation regime in 2013-2014. In addition to this, there are a number of Bills being proposed that would have an impact on insurance business. Our concern therefore is to ensure that provisions therein do not create unnecessary business bottlenecks to service delivery and business growth.

Our Strategy

Continue to lobby for a more equitable tax regime for the industry including tax incentives to encourage the uptake of Life Insurance, for government subsidies to encourage the development of agricultural insurance, the insurance of government assets as well as the better enforcement of Marine, Motor Third Party and Workers Compensation Insurance.

In terms of proposed Legislation, continue to lobby for the inclusion of the industry's positions in the Insurance Bill, Mandatory Motor Vehicle Insurance Bill, the National Health Insurance Bill, the Retirement Benefits Sector Liberalization Bill and the Bancassurance Regulations and Attendant Regulations.

3. Research and Market Development

This forms the core of our objectives to achieve systematic and sustainable growth of the industry, including appreciation and delivery on consumer needs (product development). It also provides a firm basis on which to formulate interventions and influence sectoral policy.

Our Strategy

Together with stakeholders, develop an industry 10 year market growth plan intended to see penetration increase to 3% as well as research on areas intended to achieve strategic growth.

4. Skills Development

Ensuring that the industry has and continues to have the requisite skills necessary to meet the needs of insurance consumers is a priority area for the Association.

Our Strategy

Identify skill and knowledge gaps in the industry and work with training partners to close these gaps. Similarly identify the training needs of government agencies that we need to work with in order to raise the level of understanding of insurance and how the industry interplays with the economy at large.

5. Management & Enforcement of Motor Third Party Insurance (MTPI)

Continue to work with the Uganda Police Force (UPF) to ensure compliance of drivers and vehicle owners with MTPI

Our Strategy

Ensure that we work with the UPF and other strategic partners to ensure the enforcement of MTP as well as the reduction in forgeries of MTPI stickers.

6. Corporate Social Responsibility (CSR)

In order to ensure safer road usage as well as provide support to road accident victims, we participated in the National Road Safety Week in November and provided

material support to Kawolo Hospital in Buikwe District for road accident victims.

Our Strategy

Continue to support Kawolo Hospital and participate in the National Road Safety Initiatives spear headed by the National Road Safety Council as a means for us to encourage safer road usage and reduce on the impact that traffic accidents have on the community.

7. Regional Cooperation

As Uganda engages with regional partners and other countries, the Association is critical in ensuring the protection of national interests while balancing this against opportunities for growth for Ugandan companies in other markets.

Our Strategy

Continue to work with regional partners to ensure positive business and regulatory environments are established.

HIGHLIGHTS & ACHIEVEMENTS

1. Consumer Awareness

The Association has used the strength of her networks to educate the public on the basics of insurance, motor insurance, workers compensation, marine, life and medical insurance throughout the year. This was achieved mainly through;

A. Forums and workshops

The Association organized and partnered with a number of institutions this year to educate different sections of the public about insurance. Key to these were the Insurance Panels, which focused on both industry and sectoral growth, the Life Insurance Forum which primarily focussed on life insurance for SME's and the Shippers Council workshops that educated on Marine Insurance. Key partners included the Uganda Investment Authority (UIA), the Uganda Shippers Council, the Uganda Chamber of Commerce and Industry (UNCCI) and the Uganda Small Scale Industries Association (USSIA).

B. Exhibitions, Fairs and Bonanzas

We participated in the Banking, Finance and Insurance exhibition, the Transport and Insurance exhibition, the MUBS job and career guidance fair, the Uganda Revenue Authority Tax Identification (TIN) Bonanza and the United Nations Development Co-operation forum symposium exhibition. These mainly provided the opportunity for us to reach the business and student community around the city (and surrounding areas) as well as communities in Jinja, Mbale, Gulu and Arua.

C. The Talk show program

Talk shows provide the opportunity for us to reach much wider audiences than would otherwise be accessible through our one-on-one engagement programs. We used both Radio and TV stations to educate the public about suitable insurance policies for individuals and businesses. The stations we primarily used were CBS radio, Simba FM, Radio One and Bukedde Tv.

D. Publications

We continued to publish tips on insurance and work with the media to provide information on insurance throughout the year. Key to these were, a publication on the genuine features of Motor Third Party Insurance stationery to raise the level of awareness about this insurance and its benefits, publications on how to claim in the event of a loss as well as information on how much has been paid in claims by the insurance companies for the year 2014 and part of 2015 as well as the second edition of the Association's "Inside Insurance" magazine. We also continued to circulate information briefs on industry developments and the economy throughout the year.

Looking ahead

We have engaged in a number of strategies to increase on the understanding and appreciation of insurance over the years which extend to, among others, workshops and forums, media engagements and insurance clinics. The Association has taken the decision to bring a communication firm on board to boost our consumer awareness programs over the next three years. All consumer awareness initiatives will therefore be undertaken in line with the industry's 10 year Market Growth Plan.

In addition to executing the new consumer awareness program, we will continue cultivating partnerships to give us more access to a cross section of the public through Forums, Meetings and Insurance Clinics. We will also primarily educate the public on the following insurance classes: Motor, Marine, Workers Compensation, Medical, Life and Domestic Packages (Household) Insurance.

2. Lobbying and Advocacy

We engaged the Ministries of Finance Planning and Economic Development (on taxation, the enforcement of marine insurance, the insurance of government assets and agricultural insurance premium subsidies) and Gender, Labour and Social Development (on the enforcement of Workers Compensation Insurance), the

The Association has used the strength of her networks to educate the public on the basics of insurance, motor insurance, workers compensation, marine, life and medical insurance

URA (on the impact of taxes on the uptake of insurance) and the UPF (on the enforcement of Motor Third Party Insurance) throughout the year.

We also continued to lobby for the incorporation of products offered by insurance companies in the Liberalization Bill, the establishment of an equitable and sustainable National Health Insurance Scheme and passing of Amendments to the Financial Institutions Act (FIA), including bancassurance, which would allow for the use of banks as a distribution channel for insurance products.

Success of our lobbying and advocacy strategies as at December, 2015

- A. There has been positive response from the government especially with respect to the development of agricultural insurance. We expect the results of our efforts to be reflected in the FY 2016/2017 budget as the government has approved UGX.5bn (as premium subsidy) to support the uptake of agriculture insurance in the approved National Budget Framework Paper 2016/17.
- B. The Secretariat has received confirmation that the position of the insurance companies has been incorporated in the Liberalization Bill. New additions include the definition of 'approved issuer' and a provision and definition of guaranteed funds as provided by insurance companies. Discussions are ongoing to ensure agreed positions are maintained.
- C. The Secretariat is also following up on having Guaranteed funds recognized as an investment vehicle in the Uganda Retirement Benefits Regulatory Authority (URBRA) Regulations.
- D. A stakeholders' meeting was arranged by Ministry of Finance in March to discuss the proposed amendments to the FIA. As at 31st December 2015 the Bill is expected to be passed by March 2016
- E. The Secretariat sits on the National Task Force discussing the National Health Insurance Scheme (NHIS) Bill. Together with partner Associations and organisations (Uganda Healthcare Federation, Federation of Uganda Employers, Private Sector Foundation Uganda and Save for Health Uganda) the Secretariat is addressing the NHIS, from the perspective of ensuring the establishment of a sustainable scheme.

3. Research and Market Development

- A. The Micro, Small and Medium Enterprises (MSME) study
The Secretariat undertook a scoping study to access the extent to which Micro, Small and Medium Enterprises (MSMEs) use insurance and other risk management practices as part of their business models. On the basis of this study, we entered into a partnership with the Uganda Investment Authority (UIA) to train SMEs in risk management throughout the year as well as secured funding from the Financial Sector Deepening Uganda (FSDU) to carry out a holistic insurance services assessment survey as a means to deepen insurance penetration and champion further financial inclusion in Uganda. The survey will be concluded in 2016.
- B. The Insurance Industry Database
In support of establishing the Association as a centre of industry information, the Secretariat is undertaking the development of the Insurance Industry Database (IID). The IID is expected to inform timely market, regulatory and policy decisions for industry players; key partners/ stakeholders, policy makers and the general public.
- C. Mortality study on Insured Lives
In 2014, Hannover Re offered to do an insured lives Mortality Study for the Ugandan Market. There were however, some challenges in terms of data format and completeness. The Study was therefore put on hold in mid-2014, to allow members effect the separation of lines of business as well as migrate to new systems. We have now provided all data required by Hannover Re, and await their guidance.
- The Insured Lives Mortality study is expected to be concluded by mid-2016.
- D. The Industry Market Growth Plan
The Association embarked on formulating a 10 year industry Market Growth plan to achieve a penetration rate of 3% by 2025 through concerted efforts. Among the key areas to drive growth is, the enforcement of local

marine insurance, Workers Compensation Insurance, ensuring that Government insures her assets and the promotion of agriculture insurance in Uganda.

So far, the Government has approved UGX.5bn to support agriculture insurance in the approved National Budget Frame Work Paper 2016/17.

- E. Research on the potential of the life market in Uganda
The Association will undertake research on the life insurance market in Uganda to, among others, determine the level of understanding of life insurance and the avenues the public would prefer to hear about life insurance from.
- The Terms of Reference have been drawn up and this project will commence in 2016. The Secretariat is working together with the Insurance Institute of Uganda (IIU) to undertake this research.
- F. The Oil and Gas Co-Insurance Syndicate
The Uganda Oil and Gas Co-Insurance Syndicate is in the final stages of operationalization. The Syndicate is restricted to oil and gas risks and has 17 members. Total Risks Solutions (TRS) has been appointed as consultant on this project and Uganda Re as the manager of the Syndicate.

It is expected that the Oil and Gas Co-Insurance Syndicate will be operational in the first half of 2016 thereby enabling the Ugandan market to underwrite oil and gas related risks locally.

4. Partner Cultivation

We strengthened our already existing relationships with our industry partners (the Insurance Regulatory Authority of Uganda (IRA), the Insurance Institute of Uganda (IIU) and the Uganda Association of Insurance Brokers (UAIB)) resulting in:-

- (i) Joint consumer awareness programs, taking the form of Insurance discussion panels, Open Days and the Committee for Liaison for Underwriters and Brokers (CLUB) networking events,
- (ii) Consideration of joint industry concerns as regards Amendments to the Insurance Act Cap 213 (as amended) and the Motor Vehicle Insurance (Third Party Risks), Act, 2000.

We also signed a Memorandum of Understanding with the Uganda Shippers Council (USC) and the Uganda Investment Authority (UIA) and worked with URA to reach Small Medium Enterprises (SME's) and the informal sector with information on insurance.

We will continue to focus on the core groups (SMEs) and the informal sector as a means to ensure increased awareness and understanding of insurance and in so doing, continue to leverage on our current relationships as well as explore other opportunities for growth in 2016.

Relatedly, through our relationship with the Financial Sector Deepening Uganda (FSDU), we will carry out an industry assessment survey in 2016 to determine our areas of strengths and weaknesses, identify opportunities and threats to the industry. It is expected that the results of this assessment will put the industry on the right footing to achieve 3% growth by 2025.

5. Corporate Social Responsibility (CSR)

In order to ensure safer road usage as well as provide support to road accident victims, we participated in the National Road Safety Week which is organized by the National Road Safety Council, provided material support to Kawolo Hospital in Buikwe District for road accident victims who come to this hospital and worked with Uganda Blood Transfusion Services (UTBS) and the Nakasero Blood Bank to execute our annual blood donation and health camp activity.

We intend to continue to support Kawolo Hospital, participate in the National Road Safety Initiatives and carryout our annual blood donation drive and health camps as a means for us to encourage safer road usage and reduce on the impact that traffic accidents have on the community.

6. Member Engagement

A. The 47th Annual General Meeting

UIA held its 47th Annual General Meeting in April, 2015. Following the retirement of Executive Committee Members, Mr. John Karionji and Mr. Deepak Pandey by rotation, Mr. Joseph Almeida and Mr. Deepak Pandey (who offered himself for re-election) were elected to the Executive Committee.

B. Uganda Insurers Association (UIA) celebrates 50 years

UIA celebrated 50 years of contributing to the growth and development of the Insurance industry. 2015 accorded us the opportunity to look back at where the Association has been over the past 50 years and identify opportunities for growth over the next 50 years. The results of deliberations with member companies on the direction the Association are part of the 10 year Market Growth Plan

C. The Life Agent of the Year Awards

Now in their fifth year, the Awards are a key event on the calendar of the companies that underwrite Life insurance business, and form part of the strategy to build confidence in the Life insurance sector by ensuring the provision of quality service. The awards also act as a key motivator for many agents, ensuring that ultimately, our clients are getting a better service from our agents.

The Agent of the Year 2014 was Calorine Nagaba of Sanlam Life Assurance who had the highest number of new policies in the year 2014.

D. The Committee for Liaison for Underwriters and Brokers (CLUB)

CLUB was revived in 2015 to create a platform for the underwriters and brokers to discuss and resolve issues common to Underwriters and Brokers with the overall objective of streamlining market practices. This year, the forums focused on timely premium remittances, VAT compliance by Insurers and Brokers, adherence to minimum premium rates, payment of approved commission rates and actions to be taken in case of unethical practices, among others.

E. The CEOs Forums

In line with our overarching theme for the year, "Looking towards the Future: an era of change", the CEOs forums deliberated on Industry competitiveness at both national and regional level (in view of the East African regionalisation process; the proposed Motor Third Party Mobile Payment System; the Operationalisation of the Uganda Oil and Gas Pool; the FY2016/2017 National Budget and its implications on the insurance industry, among others.

F. The Best Informed Insurer

In 2013, the Association began the Best Informed Insurer program as a quiz intended to test both general and insurance specific knowledge. In its third year, the quiz enjoyed participation from APA, East African Underwriters, Goldstar General, ICEA General, ICEA Life, Jubilee General, Jubilee Life, Liberty Life, Pax, Sanlam Life and UAP General.

Sanlam Life won this year's Best Informed Insurer title.

Looking ahead

To ensure the equitable member satisfaction with the services received from the Association, the Association will continue to carry out member visits, surveys and member specific events to, among others, ensure that we accurately deal with the needs of members as and when they arise in 2016.

7. Financial Reporting (FiRe) Awards

Uganda Insurers Association placed 1st runner up in the Regulatory Bodies and Association category in the 2015 Financial Reporting (FiRe) Awards. The FiRe Awards is an annual event hosted by CPA (in full) Uganda in partnership with Uganda Securities Exchange (USE), Capital Markets Authority (CMA) and the New Vision, which promotes best practices in financial reporting in line with International

Financial Reporting Standards.

Lion Assurance was recognized as the Insurance Services Category winner with NIC Holdings placed 1st runner up and Britam 2nd at the same awards. AIG, Liberty Life, Phoenix, Jubilee Insurance, SWICO and UAP also participated in this category.

8. Enforcement and Management of Motor Third Party Insurance (MTPI)

Following the change in MTP stationery in 2014, the Association continues to closely work with members and the UPF to ensure the enforcement of MTPI in Uganda. Sensitization workshops were carried out throughout the year targeted specifically to Boda Boda riders and the Police force itself mainly within Kampala and surrounding areas; inspections and meetings were also held with Border Post Insurance Agencies and Police officers countrywide.

2015 ACTIVITY REPORT

Consumer awareness					
	Activity name	Focus of activity	Target Audience	Facilitator/Partner	Period
1	Motor Insurance Sensitization activity	Motor Insurance	Boda Boda riders, Vehicle owners	UIA	Q1,2,3
2	The Uganda Chamber of Commerce and Industry (UNCCI) breakfast meetings	Insurance in General	Business owners in Mbale	UIA/UNCCI	Q1
3	Banking, Finance and Insurance Expo	Insurance for businesses	SME's and up and coming entrepreneurs	Royal Way Media	Q1
4	The MUBS job and career guidance fair	Insurance in General	Students	MUBs career Centre/UIA/IIU	Q2
5	Private Sector Forum (Panel discussion)	Risk Management sensitization	Business Community	Konrad Adenauer Stiftung Foundation	Q2
6	The Insurance Panel- Focus on the industry's growth	Industry dialogue to spur growth	Underwriters, Brokers, Institutions and associations (IIU, IRA, UAIB, UAEVLA, UAIA)	UIA	Q2
7	The Insurance Panel-Focus on the Financial Literacy and Inclusion	Dialogue to spur sector growth	UIA, Financial Services Sector Partners (Banks, Retirement Benefits, Insurance, Capital Markets, Securities)	UIA	Q3
8	Transport and Insurance Expo	Insurance in General	Transporters, General Public	BDE Consults	Q3
9	The Talk Shows	Simba FM, Radio One, Bukedde TV, CBS Radio	Business Community, Individuals, General public	UIA, NIC Holdings, Sanlam Life ,SWICO, Lion	Q1, 2,3,4
10	The Uganda Revenue Authority Tax Identification (TIN) Bonanza	Insurance for the informal sector	Informal sector in Kampala, Mbale, Gulu, Arua	URA/UIA, Jubilee Insurance and UAP Life	Q3,4
11	The Insurance Open days	Insurance in General	General Public in Wandegaya, Mulago, Ntinda, Kamwokya, Nakawa, Banda, Kyali-wajala, Kireka, Bweyogerere, Kibuye, Ndeeba, Nalukolongo, Natete taxi park, Kanyanya, Mpererwe, Kasanagati and Gayaza	UIA	Q3

12	The Life Insurance Forum	Life Insurance	SME's and the general public	Uganda Small Scale Industries Association (USSIA)	Q3
13	The United Nations Development Co-operation forum symposium exhibition	Insurance in General	United Nations community	MOFPED and the United Nations department of Economic and Social Affairs (UNDESA)	Q4

Training and skills development					
	Activity	Focus	Target Audience	Facilitator/Partner	Period
1	The Media Training	Encourage more press coverage of insurance events and ensure accurate reporting by media	Media	UIA	Q4
2	The Training of Trainers	Train industry representatives to speak on behalf of the industry to members of the public	Underwriters	Lap Marketing Consultants Limited	Q4
3	Social Media Workshop	Build interest and knowledge on social media	Marketing, communication officers	UGO Uganda	Q3
4	The Medical Insurance Workshop	Train medical insurance staff in customer service and the basics of medical insurance underwriting	Medical Insurance staff	UIA/IIU	Q2
5	The Life Insurance Training for Brokers	Provide basic training on Life Insurance to brokers	Brokers	UIA/IIU	Q1
6	Marine Insurance Workshop	Marine insurance and its application. COMESA yellow card training	Shippers	UIA/Uganda Shippers Council	Q4
7	Oil & Gas Insurance Training	Underwriting for Oil and Gas	Underwriters	Continental Re	Q4

Workshops and Meetings				
	Activity	Focus of activity	Facilitator/Partner	Period
1	The Needs Assessment Workshop on Operations of the Electronic Licensing Registry	To discuss the transformation of the registry from an informational to a transactional platform that is to be implemented under the Competitive and Enterprise Development Project of the World Bank.	Uganda Registration Services Bureau (URSB)/ Private Sector Foundation of Uganda (PSFU)	Q1
2	The Agricultural Insurance Consultative Workshop	Deliberate on the broader aspects of developing agriculture insurance in Uganda and create awareness about the Agri-Risk Analyzer tool; Portfolio/Meso insurance and the F4A operations.	UIA/ Finance for Agriculture (F4A)	Q1
3	Consultative Workshop on the Draft National Content Policy for the Oil & Gas Sector	Involve members in the development process of the National Content Policy for the Oil & Gas Sector.	UIA/ the Ministry of Energy- Petroleum, Exploration and Production Department (PEPD)	Q1
4	The National Workshop on Trade in Services (TIS) and the East Africa Community (EAC) Common Market Protocol- Trade in services Agenda	To train stakeholders on the rules governing trade in services; the importance of services trade to Uganda's economy; and their role towards enhancing services trade; as well as regional engagements in Trade in-services including the EAC Common Market Protocol (CMP) review process and the Annex on free movement of services.	The Ministry of Trade, Industry and Cooperative (MTIC)/ Trade Advocacy Fund (TAF)/the Inter institutional Trade Committee (IITC) Tis Subcommittee	Q1
5	Meeting to validate the mid-term review report on the National Response Strategy on Elimination of Non-Tariff Barriers (NRSE-NTBs) project.	To review the progress made to eliminate NTBs under the 3 year -long National Response Strategy on Elimination of Non-Tariff Barriers (NRSE-NTBs) project that is funded by Trade Mark East Africa.	Ministry of Trade, Industry and Cooperatives (MTIC)	Q1
6	Risk Based Approaches to Money Laundering	To, among others; prepare the country for the National Risk assessment on money laundering.	Financial Intelligence Authority	Q1
7	National Chapter, East African Community Secretary- Chief Executive Officers Forum	Provide an update on the status of implementation of the recommendations and resolution, information on areas of focus for 2015 and address concerns of EAC businesses within the framework of the EAC Integration process. The Association submitted a paper on industry specific priority issues amongst other business issues to the EAC, Secretary General at this Forum.	The East African Business Community (EABC)/East African Community (EAC) Uganda Private Sector Foundation	Q2
8	Validation workshop for the policy paper on Uganda's Options for making additional commitments for the EAC Common Market Protocol	Discuss the new commitments that the insurance industry needs to make under the Protocol.	Industry representatives/ The Ministry of East African Community Affairs Uganda (MEACA) consultant	Q2

9	The KPMG East Africa Insurance Fraud Risk Survey 2015	Present findings of this survey which mainly related to training, strategy, risk perception and risk attitudes, fraud (causes, extent of fraud, actors, and challenges faced) as well as ways to curb fraud. Insurance Companies, Brokers and Loss adjusters in Kenya, Uganda and Tanzania participated in the survey.	KPMG, Industry representatives	Q2
10	The national assessment on money laundering for the insurance sector	Discuss how the insurance sector is conforming to the Anti Money Laundering Act and find solutions to any challenges being faced in complying with the Act.	UIA/FIA	Q2
11	Budget review meeting	Analyse the budget proposals and the impact of these on our growth this year and in the future.	UIA/FSDU	Q2
12	Seminar on agricultural risk management	How to mainstream agricultural risk management in Uganda	Platform for Agricultural Risk Management (PARM)/ Ugandan Ministry of Agriculture (MAAIF)	Q3
13	National Consultation on the National Trade in Services policy	For key stakeholders in the services sector to input to the draft Trade in Services Policy specifically looking at its implementation plan; the budget required to implement this plan as well as it's monitoring and evaluation	Ministry of Trade/COMESA	Q3
14	Review of the Insurance law	Discuss the areas of reform in the proposed Amendment Bill.	Ministry of Finance, IRA, UIA	Q3
15	CEOs Breakfast Meeting at FUE Uganda	Discuss individual sector plus crosscutting issues in all sectors and how partnerships can be strengthened to find solutions to cross cutting issues.	PSFU	Q3
16	Motor Third Party Template Workshop	The IRA presented this template to the industry for their review and input. This template will assist the IRA in premium rating	IRA/ World Bank	Q4
17	The 5 th Uganda Chamber of Mines and Petroleum (UCMP) Annual General Meeting	Informed memberse of developments within the industry and the operations of the Chamber itself.	UCMP	Q4
18	Review of the MTPL Bill	Discuss the areas of reform in the proposed bill	IRA	Q4
19	URA Partner Breakfast	Deliberate on the formalization of the informal sector to grow revenue collection.	URA	Q4

Lobbying and Advocacy

	Activity	Focus	Result	Ministry/Agency	Period
1	UIA meets with the URA Commissioner General and Management	To resolve challenges faced by Insurance Companies in the implementation of WHT and VAT on insurance and remittance of premiums respectively	Following discussions with URA, a subcommittee comprising of industry and URA representatives was formed to deliberate and recommend a suitable administrative measure that will enable implementation of the VAT provisions.	Uganda Revenue Authority	Q2
2	Meeting with the Financial Services Department of Ministry of Finance, Planning & Economic Development	Further discuss how the Government can effectively generate revenue without adversely affecting the growth of the insurance industry. This would extend to the enforcement of the Marine Insurance as well as Workers Compensation Insurance and Government insuring her assets which would reduce on expenditure in replacing/reinstating assets.	Further lobbying to continue with MOFPED especially with the Tax policy department, KCCA, Workers Unions, the Ministry of Labour, the Accountant General in Charge of Government Assets as well as with the Parliamentary Committee on Finance on the respective matter	Ministry of Finance	Q4
3	Lobby initiatives on Government support of Agriculture insurance	For government to consider supporting agriculture insurance in the next FY 2016/17 as is the case with many other flourishing agro-based developing countries	Government has earmarked UGX 5bn as part of their commitment towards boosting agricultural insurance in Uganda in the next Financial year.	Ministry of Finance	Q4
4	The East African Business Council Position Paper	Harmonization of VAT Tax Regimes in the EAC	We provided recommendations to the Council on introducing a standardized percentage in the region to harmonize these business in this markets under consideration	East African Business Council	Q1
5	PKF Sector risk assessment report.	To lobby for relaxation of reporting requirements in relation to insurance companies reporting requirements on money laundering based on findings of the sector risk assessment report.	The sector risk assessment report was reviewed by FIA and UIA and is due to be completed by PKF in 2016 in alignment with FIA's risk assessment methodology for further discussion as between FIA and UIA.	Financial Intelligence Authority	Q3

Membership engagement				
	Activity	Focus of activity/topic of discussion	Participants	Period
1	Member Visits	Find out from the members areas of concern and resolve any outstanding issues	17 members	Q1
2	CEOs' Forum	East African Integration Insurance Sector Consultative Forum	21 participants	Q1
3	CEOs' Forum	MTP Mobile Payment System Forum	17 participants	Q1
4	Claims Management Forum	Ensuring the highest customer service and the efficient processing of claims	Claims Managers	Q1
5	The Best Informed Insurer 2015	Sanlam Life won this year's title. UAP General won Q1 and 2 titles	12 companies	Q1,2,3
6	CEOs' Forum	FY Uganda Budget Analysis: Implications for the Insurance Sector	24 participants	Q2
	CEOs' Forum	Operationalization of Uganda Oil & Gas Co- Insurance Syndicate	21 participants	Q3, Q4
7	The 47th Annual General Meeting	Following the retirement of Mr. John Karionji and Mr. Deepak Pandey by rotation, Mr. Joseph Almeida and Mr. Deepak Pandey (who offered himself for re-election) were appointed to the Executive Committee.	26 participants	Q2
8	Uganda Insurers Association celebrates 50 years!	Celebrated our milestones as well as highlighted areas of focus over the next 10 years which extend to aggressive consumer awareness, lobbying and advocacy, research and market development and active involvement in the East African Integration and other regional initiative processes.	All members and partners	Q3
9	5th Life Agent of the Year Awards	Ms. Calorine Nagaba of Sanlam Life Insurance emerged the Best New Life Insurance Agent 2014. Ms. Nazziwa Faridah of UAP Life Insurance Best Agent Highest Life Insurance Premium Written Mr. Edgar Ainebyona of Sanlam Life Insurance Best Life Agent 2014 in the Persistency category. The coveted title of Life Agent of the Year 2014 was won by Ms. Calorine Nagaba.	Life Insurance Companies	Q3
10	CLUB Networking Event	Changing the approach to market: making services relevant Facilitating Growth and Development for the Insurance Sector	Insurers/Brokers	Q1,3
11	Annual CEOs Retreat	Theme: "Looking towards the Future: Achieving Through Strategic and Collaboration Action"	20 participants	Q4

Regional front

	Activity name	Focus of activity	Facilitators/Participants	Period
1	The East Africa Insurers Association (EAIA)	Draft constitution for consideration of partner associations	Uganda, Kenya, Burundi, Tanzania and Rwanda	Q1
2	The East Africa Monetary Union (EAMU) Protocol	Identify the national laws that need to be reviewed in order to make these compatible with the Protocol	Bank of Uganda Financial Services Sector representatives	Q1
3	Launch of the Regional Switch initiative	Facilitate cross border business operations with the launch of the Regional switch initiative between Umoja switch (Tanzania), Interswitch (Uganda), Kenswitch & Paynet (Kenya) and Rswitch (Rwanda)	Uganda, Kenya, Burundi, Tanzania and Rwanda	Q1
4	The EAC Meeting of the Technical Working Group (TWG)	Review and work on the critical issues that have not been resolved in the draft EAC Insurance Bill and draft EAC Insurance Policy framework.	Uganda, Kenya, Burundi, Tanzania and Rwanda	Q1
5	The East African Community Regional stakeholders Validation Workshop	Validate the draft report on the East Africa Insurance certification program extending to the proposed syllabus for Certificate of Proficiency, Certificate, Diploma and Advanced Diploma in Insurance.	Uganda, Kenya, Burundi, Tanzania and Rwanda	Q1
6	East African Integration Insurance Sector Consultative Workshop	Review the progress on the EA integration with specific regard to the insurance sector; and select a Technical Working Group (TWG) to make recommendations on liberalization of the Insurance and Reinsurance sector within the context of Article 23 of the EAC Common Market Protocol	UIA/Industry representatives	Q1
7	The East Africa Insurers Association (EAIA)	Sign the East African Insurers Association constitution	Uganda, Kenya, Burundi, Tanzania and Rwanda	Q3
8	The 42nd African Insurance Organization (AIO) conference in Tunisia	Theme, "African Insurance facing Mass Events" this event was attended by over 1,000 delegates (from Africa, Europe) in attendance. The conference discussed various issues related to trends in the industry across Africa & new opportunities for growth.	Continental representation	Q4
9	Comprehensive Africa Micro-Insurance Summit 2015	The Comprehensive Africa Micro-Insurance Summit 2015-Nairobi, Kenya Accelerating Micro-Insurance Reach for the Underserved Markets in Africa	Delight Conferences International, Regional representatives	Q2
	The 38th Annual OESAI Conference in Mauritius	Building strategic partnerships and advising on the Ugandan business environment	UIA, Regional Representatives	Q3

Research and Market Development

	Activity	Objective	Result	Period
1	The Micro Small and Medium Enterprises (MSMES) report	To understand the level of inclusiveness of MSMEs in the insurance sector and how best the industry can increasingly engage with the MSME sector to make it more viable for insurance consumption.	Information circulated resulted in the funding of an industry assessment survey by FSDU. The survey will ascertain the level of satisfaction of the consumer for insurance products whilst also examining the relationship among different market players and how these influence the level of insurance consumption.	Q2
2	The Insurance Industry Database	Develop an industry database to inform timely market, regulatory and policy decisions for industry players; key partners/stakeholders, policy makers and the general public.	A firm has been contracted to develop this database in 2016.	Q3,4
3	Mortality study on Insured Lives	Conclude the Mortality study for Ugandan lives.	The data has been submitted to Hannover Re and we await their guidance on how to proceed. This study is expected to be completed in mid-2016.	Q4
4	The Industry Market Growth Plan	Develop a conclusive strategy for the industry to achieve a penetration rate of 3% by 2025.	The framework for this plan was completed this year. Following feedback from related sectors, the plan will be implemented.	Q2,4
5	Research on the potential of the life market in Uganda	To determine the level of understanding of life insurance and the avenues the public would prefer to hear about/life insurance from.	The Terms of Reference have been drawn up and this project will commence in 2016.	Q3,4

Corporate Social Responsibility

	Activity	Partner	Period
1	Blood donation drive	Uganda Blood Transfusion Services Nakasero Blood Bank	Q3
2	National Road Safety Week	Uganda Road Safety Council	Q4
3	Donation to Kawolo Hospital	Kawolo Hospital	Q4

THE FINANCIALS

STATEMENT OF THE EXECUTIVE COMMITTEE'S RESPONSIBILITIES FOR THE YEAR ENDED 31 DECEMBER 2015

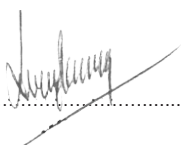
The Companies Act, 2012 requires the Executive Committee to prepare financial statements for each financial year, which give a true and fair view of the state of financial affairs of the Association as at the end of the financial year and of its operating results for that year. It also requires the Executive Committee to ensure the Association maintains proper accounting records, which disclose with reasonable accuracy at any time the financial position of the Association. They are also responsible for safeguarding the assets of the Association.

The Executive Committee is ultimately responsible for the internal control. The Executive Committee delegates responsibility for internal control to management. Standards and systems of internal control are designed and implemented by management to provide reasonable assurance as to the integrity and reliability of the financial statements and to adequately safeguard, verify and maintain accountability of the Association's assets. Appropriate accounting policies supported by reasonable and prudent judgments and estimates, are applied on a consistent and using the going concern basis. These systems and controls include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties.


The Executive Committee accepts responsibility for the year's financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgments and estimates, in conformity with International Financial Reporting Standards and in the manner required by the Companies Act, 2012. The Executive Committee is of the opinion that the financial statements give a true and fair view of the state of the financial affairs of the Association and of its operating results. The Executive Committee further accepts responsibility for the maintenance of accounting records which may be relied upon in the preparation of financial statements, as well as adequate systems of internal financial control.

As at 31 December 2015 and to the date of this report, the Executive Committee confirms that the Association has adequate resources to continue in operational existence for the foreseeable future. Thus, the financial statements have been prepared on a going concern basis.

The financial statements were approved by the Board of Directors on 14th April 2016 and signed on its behalf by:



Deepak Pandey
Chairman



Sam Phiri
Honorary Treasurer

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF UGANDA INSURERS ASSOCIATION REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of Uganda Insurers Association, which comprise the statement of financial position as at 31 December 2015, and the statement of comprehensive income, statement of changes in reserves and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information as set out on pages 7 to 30.

Executive Committee's responsibility for the financial statements

The Association's Executive Committee is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards and in the manner required by the Ugandan Companies Act, 2012, and for such internal control as the Executive Committee determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Uganda Insurers Association as at 31 December, 2015, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards and the requirements of the Companies Act, 2012.

14th April 2016
ERNST & YOUNG

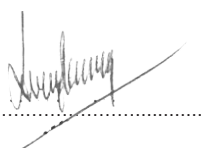
UGANDA INSURERS ASSOCIATION (A COMPANY LIMITED BY GUARANTEE)
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2015

	Note	2015 Ushs'000	2014 Ushs'000
Income			
Operating income	3	2,835,000	3,104,090
Interest income	4	590,467	473,296
Other income	5	12,373	18,197
		<u>3,437,840</u>	<u>3,595,583</u>
Expenditure			
Cost of motor third party sales	6	(577,577)	(643,800)
Core Activities	7	(655,040)	(620,619)
Staff costs	8	(719,063)	(656,410)
Administrative expenses	9	(140,960)	(142,951)
Operating expenses	10	(137,066)	(168,364)
		<u>(2,229,706)</u>	<u>(2,232,144)</u>
Surplus for the year	11	1,208,134	1,363,439
Other comprehensive income, net of tax		-	-
Total comprehensive income for the year		<u>1,208,134</u>	<u>1,363,439</u>

UGANDA INSURERS ASSOCIATION
(A COMPANY LIMITED BY GUARANTEE)
STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2015

	Note	2015 Ushs'000	2014 Ushs'000
ASSETS			
Non-current assets			
Property and equipment	12	528,351	516,399
Prepaid operating lease rentals	13	602,921	624,454
Non-current financial assets	14(a)	1,045,800	701,500
		<u>2,177,072</u>	<u>1,842,353</u>
Current assets			
Other current financial assets	14(b)	5,152,039	4,104,269
Inventories	15	270,465	294,795
Accounts receivable	16	105,553	42,382
Cash and bank balances	17	342,655	199,223
		<u>5,870,712</u>	<u>4,640,669</u>
TOTAL ASSETS		<u>8,047,784</u>	<u>6,483,022</u>
EQUITY AND LIABILITIES			
Reserves			
Accumulated funds		<u>7,379,001</u>	<u>6,170,867</u>
Current liabilities			
Accounts payable and accruals	18	451,783	95,155
Members' prepaid subscriptions	19	217,000	217,000
		<u>668,783</u>	<u>312,155</u>
TOTAL EQUITY AND LIABILITIES		<u>8,047,784</u>	<u>6,483,022</u>

The financial statements were approved by the Executive Committee on 14th April 2016 and were signed on its behalf by:



Deepak Pandey
Chairman



Sam Phiri
Honorary Treasurer

GOVERNANCE REPORT

The affairs of UIA are overseen by an Executive Committee (EC) which is elected into office in accordance with Article 10 of UIA's Memorandum and Articles of Association. The EC comprises a Chairperson, Vice Chairperson, Secretary, Deputy Secretary, Treasurer and five other members. There are also several other Committees in place to support the governance of UIA that is; Legal Affairs; Non-Life; Life and Pensions; Finance & Investment; Committee for Liaison for Underwriters and Brokers (CLUB); Disciplinary; Medical Insurers; Publicity, Education and Training; Market Growth and Development, Performance Evaluation; Oil & Energy and Lobbying.

The day-to-day running of UIA is overseen by a full time Secretariat that is led by a Chief Executive Officer (CEO), who reports to the EC. The CEO is supported by a Public Relations and Advocacy Officer, Technical Officers in charge of Non-Life and Life and Pensions and an Accountant. The total number of UIA Secretariat staff is currently eleven (11).

Our Background

Uganda Insurers Association was founded in 1965 by insurance companies to promote the development and expansion of sound insurance and reinsurance activities in Uganda. We work to advance the interests of insurance and reinsurance companies by adopting a common strategy that encourages and promotes close cooperation, the exchange of business among members, builds on knowledge through research, influences the enactment of favourable legislation and represents the views of the membership to Government, quasi-government and private bodies.

Our Vision

To be the most respected and effective trade association in East Africa.

Our Mission

To promote best practices and the highest standards within the Ugandan insurance sector safeguarding the consumers' best interests.

Our values

Integrity;
Respect;
Cooperation; and
Innovation.

Our members:

All Insurance and Reinsurance companies in Uganda.

OUR MEMBERS

	Company Name		Company Name
1	AIG Uganda Ltd.	16	NIC Ltd.
2	Alliance Insurance Ltd.	17	NIC Life Assurance Company Ltd.
3	APA Insurance Uganda Ltd.	18	NOVA Insurance Company Ltd.
4	Britam Insurance Company (U) Ltd.	19	PAX Insurance Company Ltd.
5	CIC Africa Life Assurance Ltd.	20	Phoenix of Uganda Assurance Co. Ltd.
6	CIC General Insurance Uganda Ltd.	21	Prudential Uganda Ltd.
7	East African Underwriters Ltd.	22	Rio Insurance Company Ltd.
8	Excel Insurance Company Ltd.	23	Sanlam General Insurance Company Ltd.
9	First Insurance Company Ltd.	24	Sanlam Life Insurance (Uganda) Ltd.
10	Goldstar Insurance Company Ltd.	25	Statewide Insurance Company Ltd.
11	ICEA General Insurance Company Ltd.	26	The Jubilee Insurance Co. of Uganda Ltd.
12	ICEA Life Assurance Company Ltd.	27	TransAfrica Assurance Company Ltd.
13	Jubilee Life Insurance Company of (U) Ltd.	28	UAP Insurance Uganda Ltd.
14	Liberty Life Assurance Uganda Ltd.	29	UAP Life Assurance Uganda Ltd.
15	Lion Assurance Company Ltd.	30	Uganda Reinsurance Company Ltd.

APPENDIX

APPENDIX I: EXECUTIVE COMMITTEE MEETINGS FOR THE PERIOD JANUARY – DECEMBER 2015 ATTENDANCE RECORD

	Name	Title	January-December 2015 (14 Sittings)
1	Mr. Deepak Pandey	Chairman	10
2	Mr. Allan Mafabi	Vice Chairman (W.e.f 10.4.2015)	13
3	Mr. Azim Tharani	Committee Member (W.e.f 10.4.2015)	10
4	Mr. Sam Phiri	Hon. Treasurer	12
5	Mrs. Solome Luwaga	Hon. Secretary	9
6	Mr. Newton Jazire	Deputy Secretary (W.e.f 10.4.2015)	14
7	Mr. Joseph W. Kiwanuka	Committee Member	9
8	Mr. Naik Suryakiran	Committee Member	12
9	Mr. Joseph Almeida	Committee Member (W.e.f 10.4.2015)	6
10	Mr. Brian Kapito	Committee Member (Till 18.6.2015)	2
11	Ms. Miriam Magala	CEO	14

APPENDIX II: ATTENDANCE RECORD AT CEO FORUMS

In the course of the Year, seven (07) UIA CEOs' fora were held as indicated in the table below:

	Company Name	Name of Chief Executive Officer	7 Sittings
1	The Jubilee Insurance Co. Of Uganda Ltd	Mr. Deepak Pandey	5
2	Statewide Insurance Company Ltd	Mr. Joseph William Kiwanuka	5
3	APA Insurance Uganda Ltd	Mr. Suryakiran Naik	5
4	TransAfrica Assurance Company Ltd	Mr. Madhav Kumar	5
5	Alliance Insurance Ltd	Mr. Ashok Mishra	5
6	Nova Insurance Co. Ltd	Mr. Moses Kiryantende (In Charge till June 2015)	3
		Mr. R. Srinivasan (w.e.f July 2015)	2
7	Goldstar Insurance Company Ltd	Mr. Azim Tharani	4
8	ICEA General Insurance Company	Mr. John Karionji	4

9	UAP Insurance Company Ltd	Ms. Zipporah Mungai	4
10	NIC Ltd	Mr. Bayo Folayan	4
11	Phoenix of Uganda Assurance Co. Ltd	Mr. V. Parthasarathi (CEO till October 2015)	2
		Mr. C.K. Srinivasan (w.e.f December 2015)	2
12	Pax Insurance Co. Ltd	Mr. Alinaffe Kalule	4
13	Britam Insurance Company (U) Ltd	Mr. Allan Mafabi	3
14	Lion Assurance Company Ltd	Mr. Newton Jazire	3
15	First Insurance Company Ltd	Mr. Stephen Chikovore (CEO till April 2015)	3
		Mr. Vyasa Krishna (w.e.f May 2015)	-
16	Jubilee Life Insurance Company of Uganda	Mr. Ajit Kumar	3
17	NIC Life Assurance Company Ltd	Mr. Anthony Ngugi	3
18	Rio Insurance Company Ltd	Mr. John Mutumba (till March 2015)	1
		Ms. Eleanor Ddungu (till November,2015)	2
		Mr. Stephen Karoki(w.e.f. November,2015)	
19	Uganda Reinsurance Company Ltd	Mr. Haroon Motara	2
20	East African Underwriters Ltd	Mr. Ross Field	2
21	Excel Insurance Company Ltd	Mr. David Walakira Mukasa	2
22	AIG Uganda Ltd	Ms. Anna Othieno	2
23	Leads Insurance Ltd	Mr. Sam Phiri	2
24	Liberty Life Assurance Uganda Ltd	Mr. Joseph Almeida	2
25	ICEA Life Assurance Company Ltd	Mr. Jackson Muli	2
26	Sanlam General Insurance Company Ltd	Mr. Brian Kapito (till June,2015)	1
		Mr. Gary Corbit (w.e.f September,2015)	-
27	Sanlam Life Insurance (U) Ltd	Mr. John Lintari	1
28	UAP Life Assurance Ltd	Mr. Anthony Githuka	1
29	Prudential Assurance Uganda Ltd	Mr. Zephania Dube (till September, 2015)	1
		Mr. Arjun Mallik (September 2015)	-
30	CIC Africa Life Assurance Ltd	Ms. Rosamystica Nyamombi	1
31	CIC General Insurance Uganda Ltd	Mr. John Macharia	1

APPENDIX III: UIA CHIEF EXECUTIVE OFFICERS' FORUM TOPICS AND SPEAKERS

Date	Topic	Speaker
19 th February 2015	East African Integration Insurance Sector Consultative Forum	Mr. George Walusimbi Mpanga, Program Consultant, Ministry for EAC Affairs
13 th March 2015	MTP Mobile Payment System Forum	CEO-IRA
9 th April 2015	47 th Annual General Meeting at Serena Hotel Kampala	Chairman-UIA Hon. Secretary-UIA Hon. Treasurer-UIA
19 th June 2015	"FY Uganda Budget Analysis: Implications for the Insurance Sector"	Dr. Fred Muhumuza, KPMG.
6 th August 2015	"Uganda Oil & Gas Co- Insurance Syndicate "	Mr. Azim Tharani, Chairperson – Oil & Energy Committee
5 th November 2015	"Operationalisation of Uganda Oil & Gas Co- Insurance Syndicate "	Mr. Simon Cartwright of Total Risk Solutions
4 th – 5 th December 2015	Annual CEOs Retreat at Speke Resort Munyonyo Theme: "Looking towards the Future: Achieving Through Strategic and Collaboration Action"	
	"Essential Leadership in an Evolving Insurance Market"	Ms. Phillipa Forsyth, director & Senior Consultant-Leadership Team
	"Insurance Fraud: Implications for the Insurance Sector & Required measures"	Mr. William Oelofse of Deloitte & Touche
	"Claims Profiling Database"	Mr. Douglas Howard (Indemnity Innovation Group International-IIIGI)
	"Impact of Insurance Regulation on Businesses and Necessary Strategies"	Mr. Thomas Njeru, Actuarial & Insurance Consultant, Deloitte & Touche Alhaji Ibarahim Lubega Kaddunabbi CEO-IRA
	"Life Strategy Session with URBRA?"	Mr. David Nyakundi, CEO-URBRA. Alhaji Ibarahim Lubega Kaddunabbi CEO-IRA
	"Government Budget Strategy for FY 2016/7 & Implications for the Insurance Sector"	Dr. Fred Muhumuza (Economist/Head Research Financial Sector Deepening Uganda)
	Operationalization of Oil & Gas Insurance Co-insurance Syndicate (final modalities)	Mr. Azim Tharani- (Chairperson of Oil & energy Committee)

APPENDIX IV: IRA CEO FORUMS

UIA participated in the following forums that the IRA organized.

Date	Topic	Speaker
26 th March 2015	“Industry Oil and Gas Co- Insurance Syndicate ” (27 th CEOs meeting)	Mr. Azim Tharani, Chairperson, Oil & Energy Committee Uganda Insurers Association
30 th July 2015	“Key features of the proposed New Insurance Bill 20 15” (28 th CEOs meeting)	Mrs. Evelyn Nkalubo, Director Legal and compliance, IRA
26 th November 2015	“Industry achievements registered and challenges faced in 2015 as well as prospects for 2016” (29 th CEOs meeting)	Alhaji Kaddunabbi Ibrahim Lubega, CEO-IRA

APPENDIX V: COMMITTEE MEMBERS AND MEETING ATTENDANCES JANUARY - DECEMBER 2015

Non-Life Committee		
	Name	6 Sittings
1	Mr. Naik Suryakiran	6
2	Mr. C. K. Srinivasan	6
3	Mr. Anthony Ngalika	2
4	Mr. John Ssempeera	4
5	Mrs. Florence Obore	4
6	Mr. Andrew Kawuzi	5
7	Mr. Tadeo Nsubuga	5
8	Mr. Stephen Chikovore w.e.f 27.10.2015)	-
9	Ms. Miriam Magala	Secretary
Market Growth Plan Development		
	Name	2 Sittings
1	Mr. Newton Jazire	1
2	Mr. Edward Nambafu	1
3	Mr. Paul Kavuma	1
4	Mr. Puneet Chawla	1
5	Mr. Madhav Kumar	1
6	Ms. Miriam Magala	CEO
7	Mr. Allan Katwere	Secretary

Life and Pensions		
	Name	3 Sittings
1	Mr. Joseph Almeida	3
2	Mr. Kennedy Gichuhi	3
3	Mr. Patrick Kimathi	1
4	Mr. Anthony Githuka	1
5	Mr. Zephania Dube	1
6	Mr. Omar Nadduli	2
7	Ms. Ndozireho Miriam	2
8	Mr. John Lintari	2
9	Ms. Martha Aheebwa	Secretary
Legal Affairs		
	Name	4 Sittings
1	Mrs. Solome Luwaga	4
2	Ms. Tiba Sanyu	4
3	Mr. James Gidudu	4
4	Mr. Newton Jazire	2
5	Ms. Miriam Magala	Secretary
6	Mrs. Ruth Munyirwa	Secretary

Medical Insurers

	Name	6 Sittings
1	Mr. Joseph Almeida	5
2	Liberty Life Insurance	5
3	Sanlam Life Insurance	6
4	UAP Insurance	5
5	Jubilee Insurance	5
6	ICEA	3
7	Ms. Martha Aheebwa	Secretary

"Performance Evaluation & Compensation"

	Name	1 Sitting
1	Mr. Sam Phiri	1
2	Mrs. Solome Luwaga	1
3	Mr. Joseph Almeida	1
4	Mr. Naik Suryakiran	1
5	Ms. Miriam Magala	Secretary

Oil & Energy

	Name	10 Sitting
1	Mr. Azim Tharani	10
2	Mr. Bayo Folayan	7
3	Mr. Naik Suryakiran	10
4	Ms. Anna Othieno (w.e.f 17.6)	4
5	Mr. Newton Jazire (w.e.f 17.6)	5
6	Mr. Haroon Motara(w.e.f 20.4)	4
7	Ms. Miriam Magala	Secretary

Finance & Investment

	Name	6 Sittings
1	Mr. Sam Phiri	6
2	Ms. Jessica Kweyamba	6
3	Mr. Solomon Ikopit	4
4	Mr. Srikant Swaminathan	4
5	Mr. Joan Musiime	5
6	Ms. Miriam Magala	CEO
7	Mr. Abbey Luwano	Secretary

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