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EXCLUSIVE

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Editor's Note

A warm welcome to the 4th quarter edition of the Africa Insurance Magazine (AIM).

We humbly appreciate the esteemed Guest Contributors who compiled educative and thoughtful insights. It's an honor to feature articles from thought leaders, whose work inform the practice of risk management and insurance; Alexandra Russel, Claudia Craia, Muzi Dladla, Elgin Chetsanga, Paul Machaka and Peter Kamoyo.

This editorial inspires you with profiling exclusives from leading executives and industry leaders across the African continent; Rose Wanda, Rahab Kariuki, Darryl Grater and Alfred Madondo. The journeys, stories of impact from these industry role models ignites hope and an urge to lead meaningful interventions to transform the industry.

Thank you to the Worldwide Broker Network (WBN) for being the AIM content partner. All interested content partners, kindly reach out to the editor.

Wishing you a blessed festive season!
Until next time.

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||Alexandra Russell

Innovate Your Leadership Style: Transforming Challenges into Opportunities

Effective leadership is integral to fostering an environment where innovation can thrive in risk management. Leaders must cultivate a risk-aware culture that empowers employees at all levels to identify and address risks proactively.

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As businesses prepare to navigate the uncertainties and opportunities of 2025, a landscape of risks emerges that demands astute leadership and innovative strategies. Recent insights from Control Risks (www.controlrisks.com) highlight a range of potential threats, including geopolitical tensions, cybersecurity vulnerabilities and climate change. In this context, the role of innovation and leadership becomes paramount in managing these risks, particularly those with the potential to disrupt operations and strategies.

The Imperative of Innovation in Risk Management

Innovation is not merely about adopting new technologies; it encompasses fostering a culture that embraces change and proactively addresses emerging threats. As organisations navigate the complexities of 2025, innovative approaches will be essential for identifying and mitigating risks before they escalate. One of the foremost trends shaping risk management is the integration of artificial intelligence (AI) into risk analytics. By leveraging AI, organisations can process vast amounts of data in real-time to identify emerging risks with greater accuracy.

This capability allows for predictive modeling that can foresee potential scenarios and their impacts on business operations. For instance, AI can analyse market trends and geopolitical developments to provide insights that inform strategic decision-making. As supply chains grow more complex, managing third-party risks becomes crucial. Real-time monitoring systems for third-party risk indicators, utilizing AI-powered tools for continuous assessment, is now possible. This dynamic approach enables businesses to respond swiftly to potential disruptions in their supply chains, ensuring agility in the face of uncertainty.

With cyber threats becoming increasingly sophisticated, organisations in parallel should be adopting integrated approaches to cybersecurity and operational risk management. Creating holistic risk assessments enhances resilience against attacks. This requires cross-functional collaboration among IT, compliance and operational teams to develop unified strategies that protect critical assets while ensuring operational continuity.

In addition to embracing cloud computing, Satya Nadella (2014 CEO of Microsoft) also recognized the growing importance of cybersecurity as a critical risk for businesses across all sectors. As more companies migrated their operations to the cloud, they became increasingly vulnerable to cyber threats. Understanding this risk, Nadella prioritized cybersecurity within Microsoft's product offerings – an example of proactive risk management and strategic leadership.

Leadership's Role in Navigating Risks

Effective leadership is integral to fostering an environment where innovation can thrive in risk management. Leaders must cultivate a risk-aware culture that empowers employees at all levels to identify and address risks proactively.

Nadella spearheaded the development and expansion of Microsoft Azure, the company's cloud computing platform. He shifted Microsoft's focus from traditional software sales—primarily through licenses—to a subscription-based model that emphasized cloud services. This strategic pivot not only allowed Microsoft to compete effectively with competitors such as Amazon Web Services but also opened up new revenue streams.

Leaders should prioritize creating a culture where risk management is embedded in everyday decision-making processes. This involves training employees on the importance of risk awareness and encouraging open communication about potential threats. Nadella understood that a culture of innovation was essential for navigating disruption. He encouraged a mindset shift within Microsoft, moving from a "know-it-all" culture to a "learn-it-all" culture. Nadella also promoted an environment where employees felt empowered to experiment and share ideas without fear of failure.

This approach not only fostered creativity but also allowed for rapid adaptation to new challenges. Breaking down silos within the organisation, Nadella encouraged collaboration across departments. This enabled diverse teams to work together on innovative solutions to emerging risks. Throughout his tenure, Nadella has demonstrated transparency in addressing challenges and setbacks: For instance, Nadella promotes open dialogue about challenges facing the company, fostering trust among employees and stakeholders.

Agile Governance Structures
The pace of change in today's business environment necessitates agile governance structures that can adapt quickly to new challenges. Leaders must establish frameworks that allow for rapid decision-making while maintaining oversight of risk management practices.

Microsoft implemented systematic risk assessments to identify potential vulnerabilities in its operations and product offerings. Coupled with the use of scenario planning, Microsoft was able to prepare for various potential futures, enabling it to respond quickly to changes in the market. Microsoft it also well known for investing heavily in developing robust security protocols, ensuring it could adapt to evolving cyber threats.

As a leader in AI, Microsoft recognises the importance of transparency in AI practices. The company has committed to publishing an annual Responsible AI Transparency Report. In this report, Microsoft shares insights into how it builds AI applications responsibly, manages risks associated with AI deployment and supports customers in developing their own AI solutions ethically. This commitment to transparency helps build public trust in Microsoft's AI technologies. There is still ongoing debate about the potential for bias in AI algorithms developed by Microsoft (and other tech companies).

Critics argue that without proper oversight and ethical guidelines, AI systems can perpetuate existing inequalities or lead to unintended consequences. While Microsoft has committed to responsible AI practices, there are calls for greater transparency regarding how AI technologies are developed and deployed, particular with regard to their social impacts.

Conclusion

As businesses look toward 2025, the landscape of risks they face will continue to evolve rapidly. The intersection of innovation and leadership will be critical in managing these risks effectively—especially those with disruptive potential. By embracing AI-driven analytics, integrating cybersecurity measures, fostering a risk-aware culture, and prioritizing responsible innovation practices, organizations can build resilience against uncertainty.

In this dynamic environment, leaders who empower their teams to proactively identify and address risks will position their organizations for sustainable growth amid challenges. The ability to adapt quickly while maintaining a commitment to ethical practices will define successful businesses in the years ahead as they navigate the complexities of an interconnected world filled with both opportunities and threats.

In summary, as we approach 2025, businesses must recognize that effective risk management is not merely a defensive strategy but a proactive approach that leverages innovation as a key driver for resilience. Those who embrace change while managing risk judiciously are more likely to thrive amidst the ongoing uncertainty.

About the Author

Alex serves as a Board Member for the Institute of Risk Management South Africa (IRMSA). Professionally, she is a Legal, Risk Management and Compliance Expert; Trustee, NED; Speaker and Transformational Leadership Coach.

Enterprise Risk Management (ERM) vs. Traditional Risk Management (TRM)

||Claudia Craia, *Enterprise Risk Management Mentor, STC Sycamore Consulting, UK*

When I was appointed to my first Enterprise Risk Management (ERM) role, the organisation was in the early stages of ERM framework maturity. At that time, the framework wasn't even called ERM.

It was required under the London Stock Exchange rules and the UK Corporate Governance Code to report significant risks to the board and disclose these in the Annual Report and Accounts, including how they were being addressed.

The organisation had many risk professionals, covering a wide array of risks—from compliance to safety and competition. Most were doing an excellent job in addressing key business risks.

It's no surprise that my appointment created some confusion and perhaps even anxiety. What exactly was my role? How was it different from theirs? Was anyone going to be made redundant? Why should they, as experts in their fields, need to align with the ERM framework?

The context was challenging, and I wasn't starting from a position of comfort. The first thing I did was clarify the differences between their roles and mine. I began educating everyone on the objectives of ERM and how we would achieve them.

So, what is the difference?
Let's begin by defining the key concepts.

Traditional Risk Management (TRM). This process aims to identify specific business risks and make decisions and take subsequent actions to address them. It requires expertise in addressing those specific risks and tends to involve a siloed approach, with stakeholders focused on particular areas of the business.

For example, managing regulatory risks is a TRM process. Risk managers in this context are typically legal experts, corporate affairs professionals, and compliance specialists. These risks are usually managed within designated areas of the business."

Enterprise Risk Management (ERM). Enterprise Risk Management is more of a framework that consolidates information from various areas of TRM to provide a comprehensive view of all risks within a business. The stakeholders are diverse, ranging from management to board members, investors, and authorities. The output of this process is typically reported in the Annual Report and Accounts.

For example, ERM will integrate information about credit risk, safety, regulatory, competition, and reputation risks, all of which are addressed through separate traditional risk management processes.

There are additional specific differences that I've summarised below.

Component	TRM	ERM
Definition	A process that aims at identifying **certain risks** to the business and take decisions and subsequent actions to address them.	A framework that consolidates the information from **all areas of Traditional Risk Management** with the purpose of having a consolidated view of all risks in the business.
Formalisation	Exists always but can be informal.	Recognition depends on formalisation.
Type	Process	Framework
Risks	One specific risk	All key risks to the business
Expertise	Expertise in the specific risk area	Expertise in creating common methodologies (e.g., assessment, KRIs etc...)
Stakeholders	Specific business areas, ERM, authorities	Board, investors, authorities

> *If the difference is not well understood and, equally important, communicated, the ERM objective is at risk.*

TRM is essential for addressing risks directly. ERM, on the other hand, doesn't address risks itself but provides a consolidated view of the outputs from separate TRM processes. More importantly, ERM helps an organisation take an integrated approach to addressing all key risks and implementing the overall risk appetite. We cannot discuss company-level risk appetite, and even more crucially, risk capacity, without ERM.

The two don't exclude each other; they complement each other. As an ERM expert, I must acknowledge that while a business can survive without ERM, it cannot survive without TRM processes for its key risks.

Is the difference important?

Yes. As in my case, not being able to explain it, can create frustrations. And these are still present even in mature and regulated businesses. I was talking to a Head of ERM function just last year and he was telling me that the ERM team still needs to explain their role to the actuaries (insurance company). Also, recently, in an organisation with more than 7 years of ERM programme, while discussing to implement a risk event monitoring process, the risk managers started to challenge this initiative.
Why creating a duplicated process as they already had incident management in place in their TRM approach? What will change for them? Is this replacing their incident management process?

If the difference is not well understood and, equally important, communicated, the ERM objective is at risk. There are significant benefits, as below, from implementing an ERM framework and the success of the programme depends also on explaining this difference.

Value of Adopting the Enterprise Risk Management Approach

Every business has some form of TRM processes in place because every business has a purpose, a goal, a strategy, and ultimately, a desire to make a profit. Linked to all that is risk, and the TRM process is the best way to address most risks.

So why do we need ERM? ERM usually exists in organisations with complex risk profiles. This complexity is driven by several factors, including business model, legal structure, funding structure, operating locations, and regulatory environment.
Simply addressing all key risks through TRM processes is not enough for these organisations. The better approach is to adopt the integrated approach that ERM offers.

There are at least five main advantages of adopting ERM practices:

- Risk Capacity: Through ERM, a business can identify its risk capacity (i.e., the maximum level of risk that an organisation can bear before failing).
- Risk Appetite: The main objective of ERM is to identify and protect the risk appetite of an organisation.
- Efficiencies: Because it is an integrated approach, ERM cuts through all the siloed TRM processes and improves efficiency in how risks are addressed.
- Structure: The process brings structure to strategy execution by forcing the organisation to operate in line with the basic requirements of the business model.
- Communication: ERM is a fantastic tool for communication across the organisation.

About the Author

Claudia Craia - is a seasoned risk management professional with expertise in Enterprise Risk Management. She collaborates closely with Executive Teams to identify and mitigate strategic risks, ensuring the achievement of their corporate objectives. STC Sycamore Consulting – Enterprise Risk Management Mentor.

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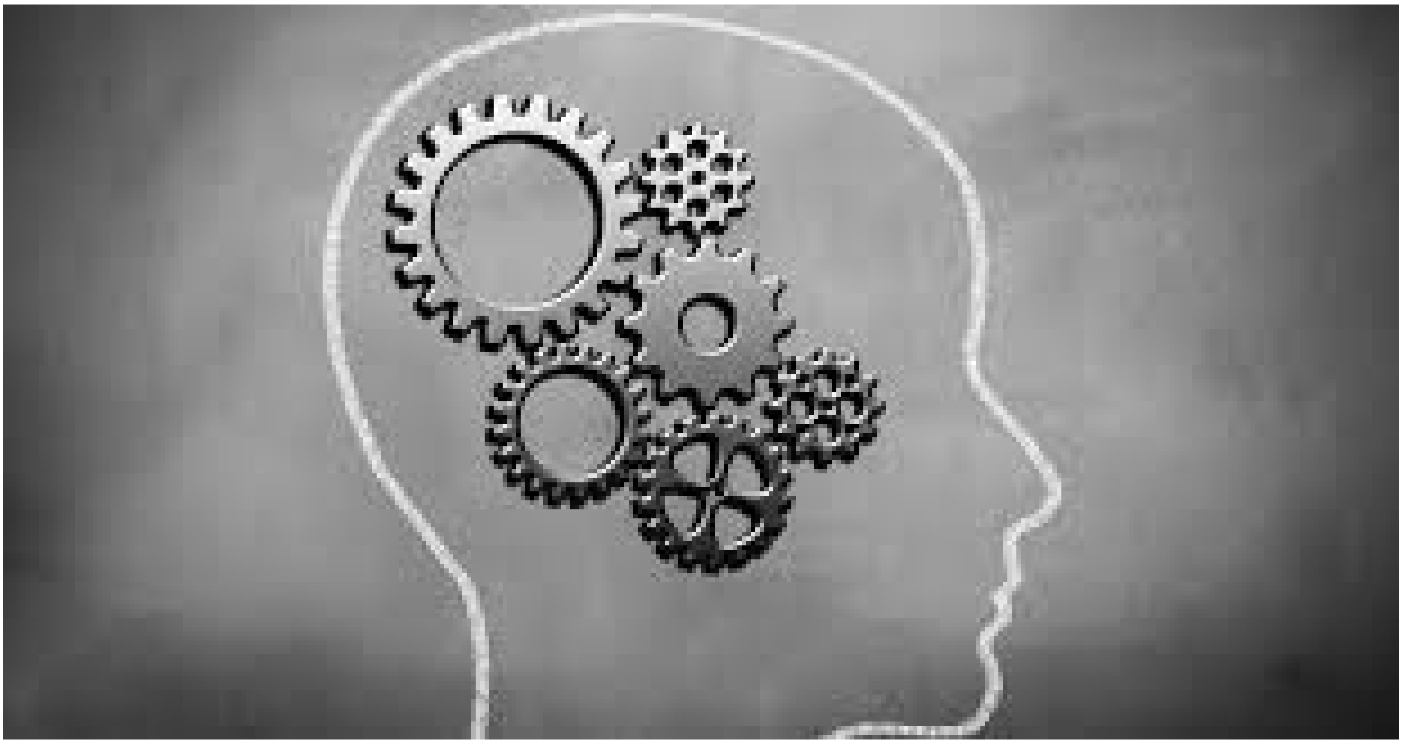
Understanding **How Psychology** Impacts Risk Management

||**Elgin Chetsanga**, Risk Management Expert, Zimbabwe

Risk management has evolved over the years to become a data-driven and structured discipline. The methodological underpinnings of risk management, which involve identifying, assessing, and mitigating potential threats, have become the template for modern-day risk practice. This systemic approach is trusted by most practitioners, and rightly so. However, an important aspect that has sometimes been overlooked is the impact of human behaviour and human psychology on risk management. Human psychology and biases influence decision-making in risk management and businesses need to be alive to the implications and mitigants.



Human psychology and biases influence decision-making in risk management and businesses need to be alive to the implications and mitigants.

Risk: Different Things to Different People

Different people undoubtedly have varying perceptions of risk. Risk perception refers to the way individuals and groups assess and react to potential dangers, both real and perceived. While risk management is mostly standardised and objective discipline, human perception of risk is often subjective and influenced by emotional, cognitive, and social factors.

It is this mismatch between objective risk and perceived risk that can lead to challenges in managing and mitigating risk effectively. For example, a risk manager might overreact to a minor risk, even when the risk is statistically small, or vice versa. Let's dive into a few biases in more detail.

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> *Businesses need to remain alert to the fact that risk management efficiency is inherently linked to human behaviour. By understanding the psychological factors that impact decision-making, businesses can make more informed, balanced risk management decisions. In today's world, where risk is constantly changing, psychological insights can be used to ensure that businesses are better prepared for the risks they face.*

Psychological Biases and Risk Management

Confirmation Bias
Confirmation bias, a well-researched psychological phenomenon, is defined as the tendency to search for, interpret, and recall information that confirms one's preexisting beliefs or hypotheses. In the risk management context, this bias can prevent a business from recognizing potential threats that contradict its existing assumptions.

Confirmation bias is particularly detrimental because it leads businesses into a false sense of control, which may eventually result in unexpected losses if the risk materializes. For instance, a business may be overly focused on a specific type of risk (such as credit risk) and ignore or downplay other risks (such as reputational risks) that could be just as impactful.

Anchoring Bias
Anchoring occurs when individuals rely too heavily on the first piece of information they encounter (the "anchor") when making decisions. In risk management, this can manifest when decision-makers fixate on an initial risk estimate or historical precedent and fail to adjust their expectations, even in the face of new, contradictory data.

Anchoring is dangerous because it prevents risk managers from properly re-evaluating risks in light of new information. For example, if a business experiences a theft, future decisions about premise security might be overly influenced by that incident, even if the likelihood of another theft is minimal.

Availability Bias
Another bias that can affect the execution of a successful risk management system is the availability bias. This occurs when people estimate the likelihood of an event based on recent experiences rather than looking at all relevant data objectively. For example, if one company goes through a highly publicized negative social media story, managers for a different company might perceive reputational risk as more pressing, even if that company's actual threat level has not increased.

The main danger of availability bias is that it leads to an overemphasis on certain risks while neglecting others that are less visible but equally, or more, important. As a result, the business might become more reactive rather than taking a comprehensive, forward-looking approach to risk assessment.

Optimism Bias
The effective execution of risk management can also be hindered by optimism bias. Optimism bias causes individuals to overestimate the likelihood of positive outcomes while underestimating potential risks. In risk management, optimism can lead to behaviours such as investing in high-risk ventures without fully considering the downside. It's important to note that optimism bias is often misinterpreted as a prohibition against being hopeful, however, optimism only guard against excessive focus on positive outcomes, which can lead to poor decision-making as risks are downplayed or ignored.

Groupthink and Risk Oversight

Finally, one social psychology bias worth noting is groupthink. Groupthink occurs when the desire for harmony and conformity within a group leads to irrational or dysfunctional decision-making. In a risk management context, groupthink has the undesirable potential to cause businesses to underestimate or ignore risks because team members are reluctant to voice contrary but helpful views.

The impact of groupthink becomes more pronounced in high-stakes situations where challenging the common view is crucial for identifying potential risks. For example, a risk manager may be reluctant to raise potential issues with a new product that has already consumed a significant amount of budget.

Living with and Managing Psychological Biases

Psychological biases in risk management will continue to be a factor that businesses need to be aware of. Sometimes the biases are insidious and unavoidable because most biases are automatic and operate below the level of conscious awareness, making them difficult to counteract. However, there are some mitigants which businesses can put in place to manage biases.

One such mitigant is conducting regular training on cognitive biases, decision-making processes, and risk perception. This training can help individuals become more aware of their psychological tendencies and how they affect risk management.

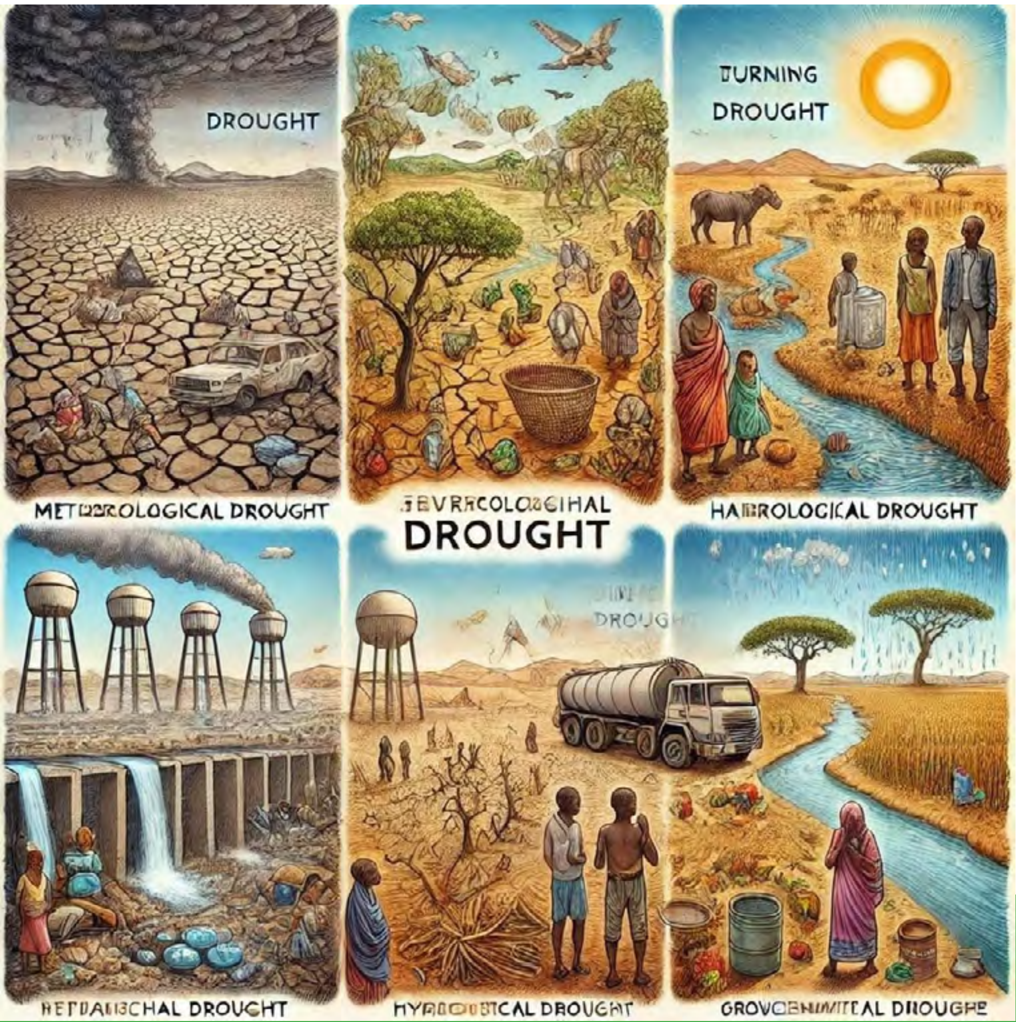
To counter the impact of biases such as groupthink, businesses can encourage diverse perspectives and allow for different viewpoints, challenging assumptions put forward by team members. The use of objective data and analytics to assess risks can also help overcome subjective biases and provide a more accurate view of potential threats.

Furthermore, businesses can implement structured decision-making frameworks, such as standardized processes, that help reduce emotional and cognitive biases in decision-making.

Conclusion

Businesses need to remain alert to the fact that risk management efficiency is inherently linked to human behaviour. By understanding the psychological factors that impact decision-making, businesses can make more informed, balanced risk management decisions. In today's world, where risk is constantly changing, psychological insights can be used to ensure that businesses are better prepared for the risks they face.

About the Author
Elgin Chetsanga is a Risk Management Expert. He can be contacted at +263 774 438 480 or via email at elginchetsanga@gmail.com.



The climate across Southern Africa is marked by its complexity, a mosaic of semi-arid, arid, and diverse ecosystems. Yet, this variety does not insulate the region from the mounting threats posed by climate variability.

Drought on the Horizon

||Muzi Dladla, Executive Manager, Sasria SOC Limited, South Africa

The climate across Southern Africa is marked by its complexity, a mosaic of semi-arid, arid, and diverse ecosystems. Yet, this variety does not insulate the region from the mounting threats posed by climate variability.

As the extremes of the El Niño-Southern Oscillation cycle persist longer with each recurrence, I spoke to Mr. Reinhard Kuschke, managing director of AgriSeker, a crop insurance underwriting manager, and a meteorologist who warns that this could soon result in extended cycles lasting several years. The region has already witnessed devastating droughts, like the 2015-2016 episode that drained rivers and ravaged crops, followed by floods in recent years that swept away communities and livelihoods. These climate events indicate a possible, harsher future if proactive measures are not taken.

In this editorial, we follow the unfolding stages of a probable drought crisis, a gradual yet unrelenting series of events that could potentially lead to a socio-economic disaster, also known as "Day Zero", if climate resilience is not prioritised in the region.

The Meteorological Drought Begins

It starts subtly, with a steady decline in rainfall. The clouds gather in hopeful clusters, yet they pass over the Southern African landscape without delivering rain. The seasonal rains that once painted the fields green and filled rivers like the Zambezi and Limpopo are noticeably absent. Across

Southern Africa, farmers who depend on the seasonal cycles watch helplessly as their crops start showing signs of dehydration, unable to blossom in the diminishing rains.
The drying earth grows harder each month, and river levels start to reduce, with many dipping below thriving levels. The land, while remaining fertile, starts whispering signs of scarcity, and the once gentle plea becomes a call for relief.

The Flash Drought Strikes

Suddenly, an intense flash drought sweeps through, compounding the crisis. Temperatures spike across the region, scorching the already weakened vegetation. Subsistence farmers in South Africa, Zimbabwe, Zambia, and parts of Botswana experience crop failures, and the drying, cracking earth signals the immediate effects of climate stress.

The air starts getting dusty, and livestock, crucial to livelihoods, start growing visibly lean. Southern Africa's subsistence and emerging farmers, long acquainted with hardship, find themselves facing an accelerated drought that leaves little room for recovery.
Agricultural Drought Tightens Its Grip

With the moisture depleted, the agricultural drought sets in firmly. Fields across the region lay unfruitful, and for countless farming communities, hunger looms as an unavoidable consequence. Farmers who had once fed their families and supplied local markets now struggle with dry fields, contributing to the surging prices of basic goods. The connection to the land, a generational bond of sustenance and survival, feels increasingly shaky.

The Drying of Waterways - Hydrological Drought

The waterways that Southern Africa relies on, rivers, reservoirs, and lakes—start to deplete, further deepening the crisis. The once-mighty Zambezi and Limpopo Rivers, lifelines for millions, reduce to trickles, while dams and reservoirs reveal their dusty, skeletal foundations.

Urban centers across the region begin to feel the strain as water restrictions become the norm, and the struggle for daily water needs becomes a harsh reality. In sprawling townships and villages, people queue for hours, holding containers in the hope of securing a few litres of water. The luxury of water, once readily available, becomes increasingly elusive.

The Decline of Groundwater

As surface water becomes scarce, communities turn to groundwater, tapping deeper into wells and aquifers. However, this temporary solution has its limits. Aquifers that have supported generations start to run dry, and boreholes yield diminishing returns. In rural villages, searching for water becomes a near-impossible, all-consuming task as livestock perish and crops fail.

The Socio-Economic Toll

By now, the socio-economic drought has revealed the full extent of the crisis. Hunger and water scarcity drive waves of people from rural areas toward already overcrowded cities across Southern Africa. Job losses in agriculture and related industries exacerbate poverty, pushing more families to the margins of survival.

Prices for basic goods skyrocket, and the struggle to meet daily needs grows fierce. Healthcare systems across the region are strained under the surge of waterborne diseases and malnutrition cases, while school attendance drops as children leave to help find water and food. The social contract between communities and their governments becomes strained under the weight of these prolonged hardships.

Turning the Tide

This scenario serves as a reminder of the urgent need for regional resilience and proactive preparation. Southern Africa, with its diverse environments and resilient communities, must act now. Sustainable water management, cooperative climate adaptation, and a commitment to conserving natural resources are essential.

With regional cooperation, innovation, and resolve, Southern Africa can face its climate challenges with resilience and hope. The lessons are clear; the actions required are urgent. The fate of the region and the lives of its people rests on the choices made today.

Bridging the Academia – Industry Gap

Trish Jasi, General Manager of Human Resources, Doves Holdings, Zimbabwe.

Trish Jasi boasts over 15 years of profound expertise as a Human Resources Practitioner, spanning across diverse sectors including Retail, Consultancy, and her current role in Funeral and Life Assurance as the General Manager of Human Resources at Doves Holdings.

Trish's educational background includes a Bachelor's degree in Human Resources Management from Zimbabwe Open University and a
Master's degree in Strategic Management and Corporate Governance from Midlands State University. Her qualifications extend further with certifications as a Mental Health First Aider accredited by the Allied Health Practitioners Council of Zimbabwe and the completion of an Executive Development Program from Winfield Strategy and
Innovation. Presently, working towards a Diploma in Human Resources Analytics
accredited by IPMZ.

As a dedicated member of the Institute of People Management of Zimbabwe (IPMZ), Trish has actively contributed in various capacities, notably as the Immediate Past Chairperson of the Women in HR, Vice President of Human Resources from 2019 to 2021, and her current role as an IPMZ Councilor within the Finance Committee from 2021 to 2023.

Trish's professional reach extends beyond HR, as she has held the esteemed appointment of Commissioner for the Judicial Service Commission in Zimbabwe from 2020 to 2026.

Her exceptional contributions have not gone unnoticed, as she has been honored with accolades such as the Megafest Business Awards' Outstanding Human Capital Development Leader of the Year in 2017, recognition as one of Megafest's Top 15 Women in Business in 2019, and acknowledgment as a speaker and thought leader at various industry conferences. Her most recent accolade includes being named the Outstanding Human Resources Executive by the Zimbabwe CEO Network in March 2021.

She is interested in Landscaping, Abstract Art, Mentoring and Mental Health (Spearheaded and led the first ever mental health awareness within the JSC and Doves Holdings) Both focusing on work place related mental health initiatives.

Speaking to Africa Insurance Magazine on the current skills landscape in the life assurance industry in Zimbabwe, Trish said;

"Zimbabwe's life assurance industry is poised for growth in an evolving economic landscape. However, it is hindered by significant skills challenges. Despite the nation's high literacy rate and the Insurance and Pensions Commission's (IPEC) regulatory framework, critical gaps persist in actuarial science, data analytics, and Science, Technology, Engineering, and Mathematics (STEM)-related fields. The 2018 National Skills Audit underscores the mismatch between academic output and industry needs, resulting in a sector that struggles to meet the demands of a technology-driven global market."

It is essential to note that, there is an academe-industry gap, limited actuarial expertise and retention challenges within the life assurance in Zimbabwe. In support of this notion, Trish highlighted the following key pointers;

- **Education-Industry Mismatch:** Graduates entering the job market often lack the technical and practical skills required by the life assurance industry. Despite completing industrial attachments, many struggles with applying theoretical knowledge to real-world scenarios. Curricula at tertiary institutions are often outdated, further limiting graduates' ability to contribute effectively.
- **Limited Actuarial Expertise**: Actuaries are the backbone of the life assurance sector, essential for accurate risk assessments and pricing. Zimbabwe, however, faces a severe shortage of qualified actuaries, forcing reliance on external expertise or professionals from unrelated sectors.
- **Retention Challenges:** Zimbabwe's "brain drain" continues to erode the industry's talent pool, as skilled professionals emigrate in search of better opportunities. This outflow creates a vacuum in experienced and qualified personnel, hindering sectoral growth

.

Opportunities for Growth

Trish strongly believes that to address these challenges, the industry should foster collaborations between education providers and the life assurance sector, invest in STEM education to prepare a workforce capable of navigating a data-driven insurance landscape and prioritize continuous professional development (CPD) to align skills with global standards.
“The life assurance industry in Zimbabwe and across Africa is undergoing a transformation driven by regulatory requirements, technological advancements, and changing consumer expectations. Developing future-oriented skills is critical to remain competitive, says Trish. She feels that the future skills that will be relevant are;

Regulatory Compliance and Governance Skills

It is crucial to develop expertise in local and international frameworks, such as IPEC’s guidelines, IFRS 17, and Solvency II. Ethical decision-making and risk governance practices to meet regulatory and stakeholder demands and Proficiency in Regulatory Technology (RegTech) to streamline compliance processes are critical future skills.

Digital and Technological Skills

As we prepare to navigate the future, it is essential to master Data Analytics and have the ability to analyse vast datasets for insights into customer behaviour, market trends, and risk management. An in-depth understanding of Artificial Intelligence (AI) and Machine Learning (ML) is fundamental and learn skills to deploy AI for underwriting, fraud detection, and personalized customer solutions. I believe life assurance practitioners should understand Blockchain Technology and its applications in policy management, claims processing, and data security. Cybersecurity Expertise is a must have as this is essential in protecting sensitive organizational and policyholder data.

Actuarial and Risk Management Skills

Advanced actuarial science for accurate pricing and risk forecasting and Enterprise Risk Management (ERM) capabilities to mitigate emerging risks such as climate change and geopolitical instability are crucial skills sets we should equip ourselves with as we navigate the evolving life assurance industry.

Customer-Centric Skills

A famous adage says; “a customer is a king!” As corporate shift to more customer centered models, practitioners should master Behavioural economics knowledge to design effective life assurance products and Proficiency in digital marketing and Customer Relationship Management (CRM) tools to enhance client engagement.

Financial and Investment Expertise

Knowledge of Environmental, Social, and Governance (ESG) principles to integrate sustainability into investment strategies and Innovative financial modelling to adapt to market volatility and evolving consumer needs.

Addressing the Current Skills Gap: Approaches & Strategies

“Addressing the skills gap requires a collaborative effort between industry players, educational institutions, and regulatory bodies. We should promote Continuous Professional Development (CPD) and the training sessions should be Industry-Led facilitated by leading corporates like Doves Life Assurance and OTHERS focusing on programs including AI and data analytics,” said Jasi.

This can be supported by Certification Sponsorship, where by organizations sponsor employees to pursue globally recognized certifications from institutions such as IIZ and the Chartered Insurance Institute (CII).

To ensure that we develop industry ready practitioners with relevant skills sets, Trish also proposes **“Internship and Mentorship Programs**. She belives that, we should advocate for **Structured Internships** and Partner with universities to offer comprehensive internship programs that provide hands-on experience in underwriting, claims management, and actuarial modelling. It is vital that internships are curated to ensure participants gain relevant training. Mentorship Initiatives facilitated by Senior professionals from companies like as Doves Life Assurance can mentor junior staff, fostering career development and knowledge transfer."

Organizational Support for Educational Initiatives is a critical approach we can adopt to address the skills gap. To support this, there is need for University Collaborations, which requires for partnerships with academic institutions to develop insurance-focused curricula that align with industry needs.

Industry leaders can host Guest Lectures and Workshops to share real-world insights and technical expertise. We need to appreciate the transformative value of, Technology Integration and invest in AI-driven tools for predictive analytics, fraud detection, and customer engagement. It is also important to provide employee training to ensure effective use of advanced technologies.

Support for **Women in Insurance Initiatives** is crucial and this entails development of leadership training programs to empower insurance female professionals and promote inclusive hiring practices to ensure gender diversity.

In conversation with AIM, Trish urges learning institutions and the industry to partner towards bridging the gap between academia and the life assurance industry. This collective effort is essential to ensure graduates are industry ready.

"Bridging the gap between academia and the life assurance industry requires targeted interventions to ensure graduates are job-ready," says Jasi. To achieve this mandate, we should collectively focus on co-designing "Industry-Driven Curriculum and Training Sessions and ensure alignment between academic programs with industry needs by integrating practical skills in underwriting, compliance, and risk management. The learning materials should also emphasize emerging fields like AI and blockchain," she adds.

"I believe Structured Internship and Mentorship Programs are effective in addressing the academe-industry gap. This calls for development of internships and mentorship initiatives through partnerships with industry leaders and professional bodies like Insurance Institute of Zimbabwe.

These programs should provide exposure to real-world challenges and the application of technology in life assurance."

Adding on, she calls for establishment of Innovation Hubs and Technology Labs to foster collaboration between students, academics, and industry professionals. These platforms can focus on AI-driven underwriting, blockchain-based claims processing, and other InsurTech solutions.

Call to Action for Learning Institutions

Zimbabwe's learning institutions must actively engage with the life assurance industry to prepare a future-ready workforce. Trish deeply believes that learning institutions should, collaborate with industry stakeholders and partner with industry leaders like Doves Life Assurance, and regulatory bodies like IPEC to align curricula with market needs and facilitate internship programs. She further proposes, embracing of technology and integrate AI, blockchain, and data analytics into academic programs and establish innovation hubs to foster technology-driven solutions in life assurance.

"It is paramount for institutions of higher learning to promote professional growth and encourage students to participate in CPD programs, mentorship initiatives, and certifications to prepare graduates for leadership roles in the evolving insurance landscape," said Jasi.

In her concluding remarks, Trish said; "Zimbabwe's life assurance industry has immense potential, but its success hinges on addressing critical skills gaps. By fostering collaboration between academia and industry, investing in technology, and promoting professional development, the sector can build a skilled, dynamic, and globally competitive workforce.

Learning institutions, industry players, and regulatory bodies must take concerted action to transform the sector and unlock its full potential.

Unpacking Why Telling The Transformative African Insurance Stories Is Crucial In Changing The Perspective Towards Insurance

||Chima Nwachukwu

Generally, Africans communicate effectively through storytelling, fairytale and fictions. By tapping into the age-long tradition of storytelling, insurance operators and stakeholders can create more awareness about insurance, including its operations, benefits and the opportunities that are available for the young people in terms of career development, among others. Literature and storytelling is a powerful tool for sharing the belief system of any society.

For Africa to gain significant accomplishments in the insurance sector, she needs to see insurance as not just a business, but a cultural thing. So Africans must make insurance a culture and a lifestyle, and one of the ways to achieve this, is to embrace the concept that has worked for Africans from the beginning of time and which is storytelling. Storytelling can be a medium for the exploration of the abundant potentials of Africa in order to contribute to the socioeconomic transformation of the continent.

The trends of events in the social media space today clearly show that most people who are making waves are doing so with storytelling. For example, some copywriters make use of storytelling to capture the attention of their target audience. And today, irrespective of the industry in which you operate you can use storytelling to pass your message across.

Insurance holds so much for the future of socioeconomic transformation of Africa. It is an emerging industry and there are so many opportunities both for the operators, governments, delegates, and the society in general. Thus, we must adopt medium that will help to drive the message home and make it sink in the minds of the young people who are leaders of tomorrow.

Storytelling as a means of communication, can significantly aid in the growth and development of the African insurance industry over the next 20 to 30 years. By highlighting the vast potentials of insurance as a career path and investment, we can spark interest and enthusiasm among the younger generation, encouraging them to explore the opportunities within the sector.

Storytelling also has the power to shift the public perception of the industry, projecting it as a viable and profitable sector that is both resilient and rewarding. In this way, the industry can attract more investors and stakeholders to the sector, fueling growth and development.

The absence of extensive literary works on insurance indicates that storytelling remains a veritable tool for the reengineering of public perception of the industry. The wide public accolades to the recent publications of a 5-volumes fictional books, "When Life Happens" Fictional Series – the first Insurance based Literary Novels in the African Creative Space, which aims to deepen insurance penetration through storytelling for awareness and enlightenment, is a testament to the potency of storytelling to changing public perception of the industry.

Many developed countries around the world have engaged storytelling, fiction and the motion picture industry to package and showcase their cultures, products and opportunities and export to the rest of the world and have reaped bountifully from it. A good example is the Hollywood which continues to project America as the world's super power and the land of dreams and endless opportunities. Luckily today, the Nollywood which started barely 32 years ago from an initial investment of mere $12,000 in a VHS movie, has risen to over $6.4 billion dollars' industry with over a million employees.

Their movies which are stories creatively weaved around the day-to-day life around the African communities, are currently being watched almost in every home in Africa and in many parts of the world as well. The insurance industry can leverage on the opportunity and wider reach of this powerful medium to tell their stories and share the numerous opportunities available in the industry with the rest of the world.

Storytelling is a powerful tool for promoting insurance because it can help make complex concept more relatable and understandable. By sharing real-life stories, insurance agents can help clients make informed decisions about their coverage.

Storytelling can also help agents establish genuine connections with clients and transform insurance policies into meaningful solutions. Agents can use carefully crafted stories to help clients navigate the complex landscape of decision-making.

Storytelling is a gateway to truth telling. It's how we form opinions and make decisions. It is a fundamental piece of understanding ourselves, each other and the world around us. By leveraging this human connection, agents can help more clients to make decisions that put their minds at rest.

The future of the African insurance industry is going to require that insurance agents build meaningful relationship around trust. Storytelling will help agents build those relationships. Storytelling offers opportunities for insurance agents to weave a story that helps their clients understand how a given product works and how it will affect them and their families even When Life Happens.

As Africa gears up towards a production economy and industrialization, the insurance industry now more than ever before, has to embrace the art of storytelling as a branding tool to showcase their readiness and capacity to provide the needed security for investors and consumers.

While the various governments around Africa are wooing international investors to invest in the African economy, the insurance industry must leverage on the power of storytelling to attract potential investors towards investing in their companies in order to boost their capacity and attractiveness to local consumers as well.

About the Author
Chima Nwachukwu is the Author of the first Insurance-based Literary Fictions in the African Creative Space, 'WHEN LIFE HAPPENS' Fictional Series and founder, Africa Bancassurance Storytellers Award, ABSA.

Understanding the African Insurance Market for Both P&C and EB

||Worldwide Broker Network (WBN)

In October 2024, the Worldwide Broker Network (WBN) held its bi-annual conference in Marrakech, Morocco, where more than 350 leading insurance professionals from over 80 countries gathered to discuss the current state of the global insurance market.

A featured panel, including representatives from Olea Group, Ascoma, EPEGA Group, and Verlingue - all firms either based in Africa or with business and operations in the region - focused on the continent's expanding and evolving insurance landscape. Key topics included capacity constraints, the influence of foreign investment, anti-money laundering regulations, and advancements in environmental, social, and governance (ESG) initiatives.

Moderated by Jen Blair, WBN's Global Director of Property & Casualty and Product Development, the panel highlighted major challenges, emerging trends, and new opportunities shaping the future of insurance in Africa.

Africa: A Continent of Opportunities

The discussion centered on a shared optimism about the region's potential for economic growth. Despite regulatory challenges, all four speakers agreed that Africa is poised to become a key player in the global insurance market.

Rupert Weterings, Group Commercial Director at Olea Group, which operates in 38 African countries, described Africa as "the continent of the future." He highlighted two primary drivers of growth: the region's abundant oil, gas, and renewable resources, and its rapidly growing population of 1.4 billion. Michel Brabant, Account Director at Ascoma, which has served 23 African countries for over 70 years, emphasized this point, reminding delegates that by 2050, Africa is projected to house one-third of the world's population.

No such thing as an 'African Market'

Axel Zoma, Director International Employee Benefits at Verlingue, a France-based firm with a substantial client base in Africa, emphasized the importance of a localized approach and the growth of regional markets. "There is no such thing as an African market; the industry here is increasingly centered on individual local markets."

Weterings from Olea agreed, but also pointed out the logistical challenges presented by the continent's vast size. "Localization is a major focus across Africa, with 50% local retention in some places. This makes sourcing local capacity difficult when appetite or expertise is limited. With over 50 countries, each with its own regulations, frequent changes are inevitable."

Challenges on the Continent

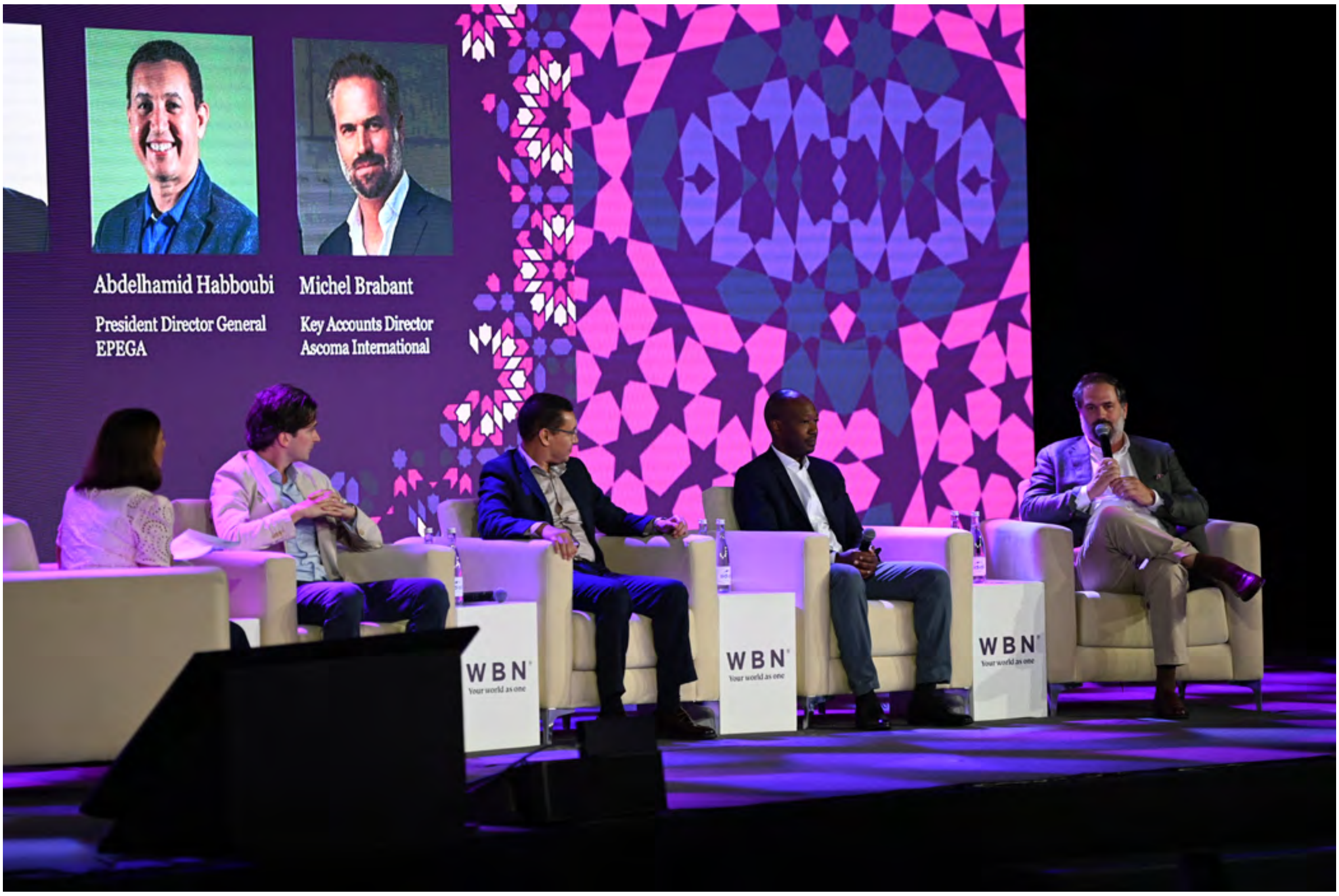
Abdelhamid HABBOUBI, CEO of Morocco-based Epega Group, expressed frustration with local insurers' lack of effort to enhance their capacities. He noted that this stagnation could impede the growth of the insurance sector and the broader economy. He urged the industry to take proactive measures to satisfy customers' needs.

He went on to emphasize the significant regulatory responsibilities firms face, particularly in Morocco where Epega is headquartered, given the country's stringent focus on anti-money laundering and counter-terrorism financing.

Brabant of Ascoma noted the ongoing challenge of securing highly rated reinsurance partners, a common difficulty for insurers in Africa as they seek reliable, high-quality reinsurers to support growth amid increasing risks and regulation. For example, with the exemptions for the oil sector, there is only one reinsurer with A rating in the CIMA area.

Habboubi (Epega) also addressed the Employee Benefits (EB) sector, which he believes remains underdeveloped and requires significant progress to close existing gaps. "There is a network of insurers across more than 40 countries, alongside support from global players like AXA and Allianz, for establishing Pan-African programs."

Weterings (Olea) raised the recent Sanlam/Allianz merger as a challenging development, noting that "we used to have two markets and some competition which served the continent better." He highlighted that Africa accounts for just 2% of global insurance spend, with 90% of this concentrated in South Africa, which boasts



the third-highest insurance market penetration globally.

Brabant (Ascoma) explained that the Sanlam/Allianz merger, now present in 27 African countries, also brings advantages, noting, "Having one insurer across multiple countries simplifies cross-border operations." He shared an experience in the Democratic Republic of Congo where they aimed to offer affordable death insurance for funeral expenses at $10 per year, providing a $5,000 benefit. However, he highlighted cultural challenges around insurance adoption, which may require tailored approaches to build trust and acceptance in local markets.

Zoma (Verlingue) addressed the Employee Benefits (EB) sector, noting that capacity limitations are compounded by the market's focus on price rather than innovation. He pointed out another challenge: in many African countries, an estimated 50-80% of local economies operate in the informal, unregulated sector, making it difficult to capture these segments through traditional insurance channels. Zoma suggested that insurers and brokers could tap into this sector by leveraging mobile technology, an effective distribution channel that could reach informal economies and increase insurance penetration across the continent.

Strategies to Differentiate from Competitors

Weterings outlined Olea's "three T" strategy—Territories, Technology, and Talent—as their approach to building a competitive advantage. "I believe you need to be as close to your clients as possible, geographically, hence our concentrated footprint in the region," he explained. "As a young company founded in 2017, technology forms our backbone, ensuring we stay connected and efficient. Finally, talent is essential; we invest heavily in attracting skilled professionals back to Africa and developing talent within the continent."

Zoma (Verlingue) emphasized the value of collaboration with WBN partners, a sentiment that Habboubi (Epega) echoed. "WBN serves as a kind of laboratory for our business, where we can share experiences with colleagues and trusted partners. This collaboration has allowed us to build a customized Employee Benefits platform tailored to Morocco's system, culture, and regulations, which has greatly enhanced customer retention."

Predictions & Positive Growth for 2025

Zoma (Verlingue) forecasted the emergence of regional leaders in African brokerage, along with increasing investment from China, India, and the Middle East, developments he believes "will reshape the African insurance market."

Discussing regional investment, Brabant (Ascoma) noted that China has pledged $50 billion in investment for Africa over the next three years, while India, the continent's second-largest investor, has already invested $13 billion in recent years.

Abdelhamid from Epega, currently number four in the Moroccan market, also made referenced to the 'big 3' firms and his belief that M&A is driving an exit from the African markets, which frees up more growth opportunities for WBN and its members. "There are 450 brokers in the Moroccan market, but only 30 who are genuinely in the market and looking to acquire to grow."

Panel moderator Jen Blair of WBN concluded, "The optimism and ambition evident in each of these leaders signal a promising future for the African insurance industry. While challenges remain, we are committed to working closely with our members in delivering quality services to multinational clients around the world."

WBN has an increasing footprint in Africa, with seven partners spanning 41 countries including Morocco, Nigeria, South Africa and Egypt, to name a few.

Background on WBN

WBN is a global network of over 150 top-tier independent insurance broking and employee benefits businesses, across 100+ countries, that work as one to provide unrivalled service to multinational clients across property and casualty (P&C) and employee benefits (EB). With a combined brokerage revenue of over $14 billion, WBN is the world's largest independent network and one of the top three global entities based on revenue.

Navigating Challenges in the African Insurance Market: A Strategic Path Forward

||Peter Kamoyo,
Account Manager,
Standard Bank
Insurance
Brokers

The African insurance market presents significant growth potential, given the continent's economic dynamism, growing middle class, and increasing awareness of financial protection.

However, it is also plagued with challenges, including regulatory inconsistencies, technological gaps, fragmented markets, and limited global integration. Overcoming these hurdles requires a strategic, multifaceted approach, combining regulatory reforms, digital adaptation, proactive risk management, and stronger collaboration with the global insurance ecosystem.

This article explores key insights and practical strategies for navigating these challenges and driving sustainable growth in the African insurance market.

1 Reinventing the Legal Framework to Mirror Global Standards

One of the most pressing challenges facing African insurers is the inconsistency and inadequacy of legal frameworks across countries. Regulatory fragmentation complicates cross-border operations, reduces investor confidence, and inhibits growth.

The African insurance industry must align its regulatory framework with international standards, such as those set by the International Association of Insurance Supervisors (IAIS) and the Financial Action Task Force (FATF), to foster investor trust and improve market credibility.

Establishing think tanks will foster continuous innovation, while collaboration with international players will provide the technical expertise and resources needed to overcome market constraints.

Key areas to reform include:

- **Solvency Regulation:** Adopting risk-based capital (RBC) frameworks similar to Solvency II, ensuring insurers maintain adequate capital in proportion to the risks they underwrite.
- **Regulatory Harmonization:** Establishing regional regulatory frameworks through bodies like the African Continental Free Trade Area (AfCFTA) to en-

able smooth cross-border operations and reduce compliance costs.
- **Consumer Protection:** Enforcing stronger disclosure requirements, fair treatment of customers, and grievance redress mechanisms, ensuring policyholders' trust and participation in the market.
- **Anti-Money Laundering (AML) Compliance:** Ensuring local insurers implement global best practices for AML and counter-terrorism financing (CTF) measures to curb financial crimes.

By mirroring global insurance frameworks, African insurers can attract foreign capital, enhance operational efficiencies, and build resilience to global shocks.

2 Adapting to the Digital Space and Leveraging Insurtech Solutions

The digital transformation of insurance is not just an option but a necessity. African markets must adopt insurtech innovations to enhance efficiency, customer experience, and market penetration.

This includes integrating technology across the insurance value chain—underwriting, distribution, claims management, and customer service.

Key digital strategies include:

- **Telematics and Usage-Based Insurance (UBI)**: Leveraging telematics data to offer personalized motor insurance products based on driving behavior, encouraging safer driving while reducing claims frequency.
- **Digital Payment Platforms:** Integrating mobile money solutions into premium collection systems to facilitate seamless transactions, particularly in underserved rural areas.
- **Blockchain Technology:** Enhancing transparency and efficiency in claims processing through blockchain-based smart contracts that ensure quick and accurate settlements.
- **Artificial Intelligence (AI) and Data Analytics:** Using AI-driven algorithms for predictive underwriting, fraud detection, and customer segmentation to optimize risk management and improve profitability.

Adopting these digital solutions can expand market reach, especially among uninsured populations, while improving operational efficiencies and reducing costs.

3 Establishing Think Tanks for Strategic Innovation

The African insurance industry needs to move beyond reactive strategies and embrace forward-thinking approaches by setting up think-tank bodies.

These platforms can serve as hubs for research, innovation, and knowledge sharing, bringing together industry stakeholders, regulators, academics, and policymakers to develop sustainable insurance solutions.

Think tanks can play the following roles:

- **Policy Development:** Collaborating with governments to create policies that foster insurance penetration, such as mandatory insurance products for health and agriculture.
- **Risk Monitoring and Forecasting:** Identifying emerging risks—such as climate change, cyber threats, and pandemics—and designing pre-emptive solutions.
- **Market Data and Research:** Collecting and analyzing market data to provide insights into insurance trends, consumer behavior, and regulatory impacts.
- **Capacity Building:** Developing training programs to upskill professionals and bridge talent gaps in areas like underwriting, actuarial science, and risk management.

A strategic focus on innovation and collaboration through think tanks will equip African insurers to anticipate industry disruptions and craft agile responses.

4 Proactively Adapting to New Risk Management Methodologies

Traditional risk management approaches are no longer sufficient to address the complexity of emerging risks. African insurers must proactively adopt advanced risk management methodologies, shifting from reactive risk mitigation to strategic risk anticipation.

Key risk management strategies include:

- **Enterprise Risk Management (ERM):** Embedding ERM frameworks to align risk management with corporate objectives, allowing insurers to identify and exploit opportunities while mitigating risks.
- **Parametric Insurance:** Designing parametric policies for natural catastrophes, where pay-outs are triggered based on predetermined indices, such as rainfall levels, reducing the time lag between loss events and pay-outs.
- **Reinsurance Optimization:** Developing sophisticated reinsurance strategies to manage catastrophic risks, leveraging both traditional and non-traditional risk transfer mechanisms such as catastrophe bonds.
- **Climate Risk Management:** Integrating climate risk assessments into underwriting processes, given the increasing frequency of climate-induced disasters across Africa.

Being proactive in adopting new risk management methodologies will help African insurers manage volatility, reduce loss ratios, and remain competitive in an evolving market landscape.

5 Breaking Out of Isolation: Integrating with the Global Insurance Community

Historically, many African insurance markets have operated in isolation from the global community, missing out on opportunities for collaboration, knowledge transfer, and risk-sharing. To unlock the sector's full potential, African insurers must actively integrate with global insurance networks and participate in international discussions.

Key steps toward integration include:

- **Partnerships and Alliances:** Forming strategic partnerships with international insurers and reinsurers to access technical expertise, reinsurance capacity, and innovative products.
- **Membership in Global Bodies:** Actively participating in global insurance bodies, such as the IAIS and the Geneva Association, to stay abreast of industry developments and influence global insurance policies.
- **Knowledge Exchange Programs:** Implementing exchange programs to foster skills development and knowledge sharing between African and international insurance professionals.
- **Standardization of Reporting:** Aligning with International Financial Reporting Standards (IFRS) 17, which enhances transparency and comparability across global markets.

Increased collaboration with the global insurance community will position African insurers to leverage international best practices, develop innovative products, and better manage global risks.

Conclusion

The African insurance market stands at a critical juncture, with both challenges and opportunities ahead. To unlock its potential, the industry must embrace a comprehensive strategy focused on regulatory reforms, digital transformation, proactive risk management, and greater integration with the global insurance ecosystem.

Establishing think tanks will foster continuous innovation, while collaboration with international players will provide the technical expertise and resources needed to overcome market constraints.

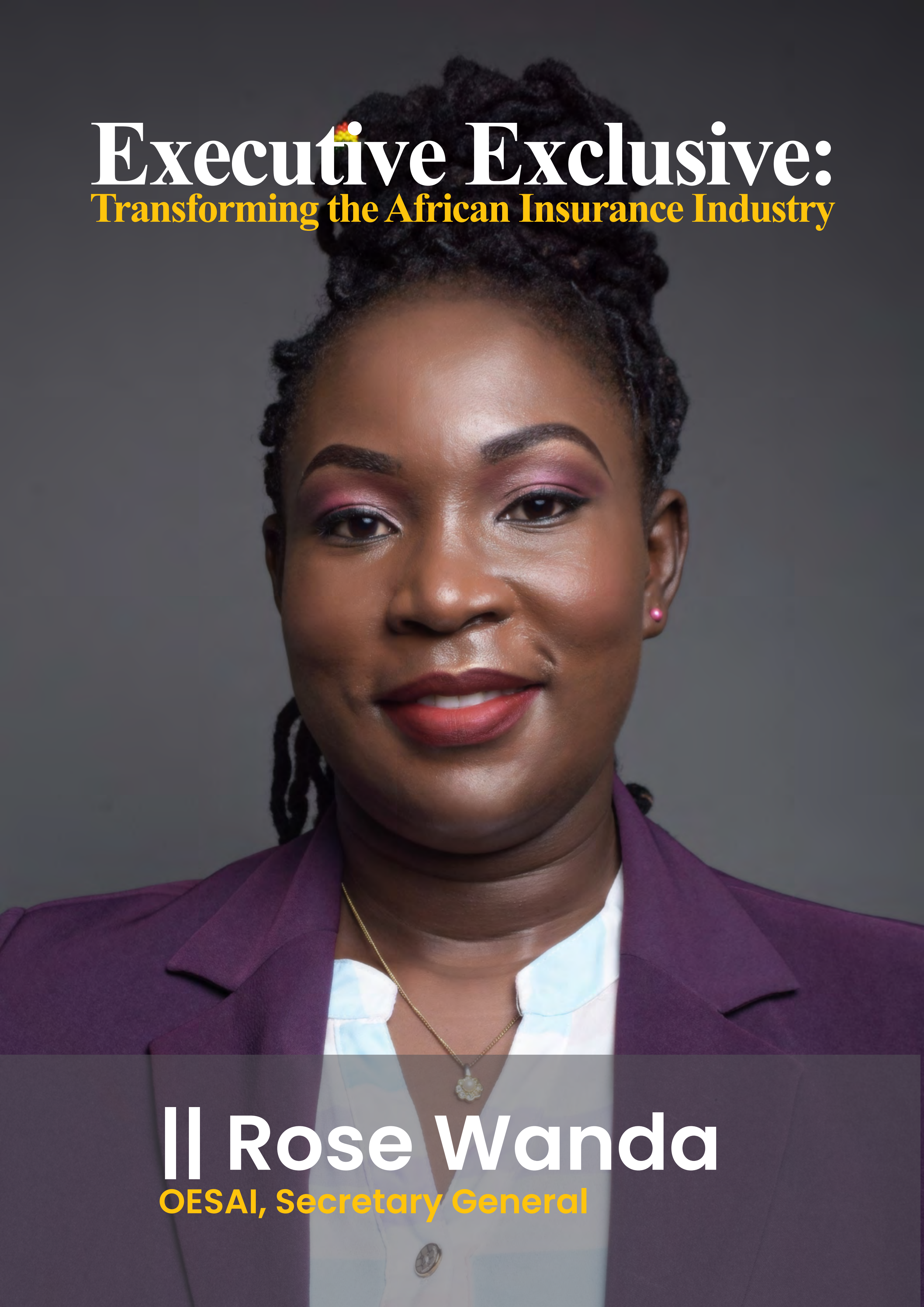
By aligning with global standards, leveraging technology, and adopting forward-thinking strategies, the African insurance industry can transform challenges into opportunities, fostering sustainable growth and financial resilience across the continent.

The time to act is now—African insurers must stop working in isolation and take bold steps toward becoming integral players in the global insurance landscape.

About the Author

Peter Kamoyo Account Manager Standard Bank Insurance Brokers MSc, BCom Risk Management & Insurance, AIISA, CII, IRM(SA) Associate, IRM(UK) Affiliate.

Executive Exclusive:
Transforming the African Insurance Industry



|| Rose Wanda
OESAI, Secretary General

The Africa Insurance Magazine (AIM) had an exclusive with Rose Wanda, the Secretary General at the Organization of Eastern and Southern Africa Insurers (OESAI). The conversation unpacks Rose's journey as an insurance practitioner and leader, the role of OESAI in growing, developing and contribution to the sustainability of the re/insurance industry across Africa and a look into the transformative impact of the OESAI events.

Looking back at the journey to becoming the Secretary General of the OESAI; a journey shaped by resiliency, continuous learning and a commitment to personal development, growth and transformation coupled with a determined can do anything mindset, Rose says;

"My journey started many years ago in 1990 in the small town of Murang'a, Kenya where I started my studies. I had just been shipped straight from the village in Migori, Kenya and spoke no Swahili. You can image the culture shock where the children came to see these batch of kids (my sister and I) that could not converse in the national language.

Eight years later, my sister and I aced the national exams and gained admission to prestigious National schools. I landed at my dream school Moi Girls High School Eldoret, a school that molded me into the person I am, a person of Honor, Courage and Industry, virtues that I carry to date."

"After four years I joined Egerton University and specialized in Insurance and Risk Management graduating at the top of my class with First Class Honours, I turned down an offer to start my masters under a scholarship program because I had a burning desire to work in Nairobi. My first employer was Pan Africa Life (now Sanlam Kenya), I later joined ICEA (Now ICEA Lion) where I started and completed my MBA at UON, thereafter

I joined Jubilee Life and completed my professional exams from Chartered Insurance Institute and sat for my professional exams in Pensions Management. As a young woman and a mom, I had free time and energy which I directed by volunteering my services at the Insurance Institute in Kenya as Convenor PR and also a member of the Association of Kenya Insurers AAYA Awards Taskforce where I served the PR committee. In 2021, an opportunity arose at OESAI, I applied and the rest is history."

Speaking to AIM on the role

that OESAI play in growing, developing and contribution to the sustainability of the re/insurance industry Rose said;

"OESAI provides technical training through online training, and face to face workshops for our members and non-members. To deliver the training, OESAI invites leading experts in pertinent topics on Insurance and Reinsurance across Africa and beyond. Companies that also want their staff to be attached to member companies for hands on training may also liaise with OESAI to facilitate these practical attachments. In 2024, over 2000 Insurance professionals benefited by the various Online and Face to face skills development events that OESAI hosted."

As a signatory to the Nairobi Declaration on Sustainable Insurance (NDSI) and in efforts to ensure the African Insurance Industry is not left behind on matters sustainability, OESAI is participating in developing the ESG Taxonomy for the African Financial Sector under AFAC. OESAI, through its SG sits on the steering committee of NDSI and co-chairs the Learning and Development sub-committee responsible for capacity building.

To empower and support women in the African Insurance Industry, the OESAI launched a G.I.R.L.S Forum which is mandated to create learning and mentorship spaces for emerging female insurance practitioners. Wanda strongly believe that, the forum is critical in connecting and increasing the transformation of women in insurance and reinsurance profession;

"G.I.R.L.s forum was launched to connect and increase the success of women in Insurance and Reinsurance. Members have access to extensive global network of professional senior women in Insurance and Reinsurance. The forum hosts events focused on industry topics and networking opportunities with International Chapters and Organizations such as Women in Insurance Organisations across the region. The SG of OESAI is a founding member of Kenya Women in Insurance and OESAI continues to work with other member countries such as Ethiopia, Botswana towards launching similar associations."

"The OESAI Quiz Challenge powered by Ghana Re is an engaging virtual event especially for the young upcoming insurance professionals in the Insurance industry. It avails opportunity for insurance professionals to interact and network and to compete and receive awards both personal and on behalf of their institutions thereby showcasing their organizations in a positive way. The Quiz attracts over 100 teams from the region," says Rose.

T*he OESAI hosted its 46th Annual Conference and AGM in Victoria Falls, Zimbabwe under the theme; The Business of Insurance in Economic, Digital and Geopolitical Uncertainty. Reflecting on the impact of the August 2024 conference Wanda reinforces the mandate of the convening, highlights the insights and trends likely to shape the re/insurance industry;*

Innovation and Technology in the Insurance Industry

The emerging technologies such as AI, machine learning, and blockchain being used to enhance transparency, reduce fraud, and create more personalized offerings were discussed. Discussions were also held on Digital platforms allowing insurers to reach underserved populations in rural or remote areas, bridging the access gap.

The Role of Sustainability in the Insurance Industry

Climate change is directly affecting the underwriting process, particularly in areas with frequent droughts, floods, and extreme weather events. There is need for green insurance products—such as coverage for renewable energy projects or sustainable infrastructure—was a major topic of conversation.

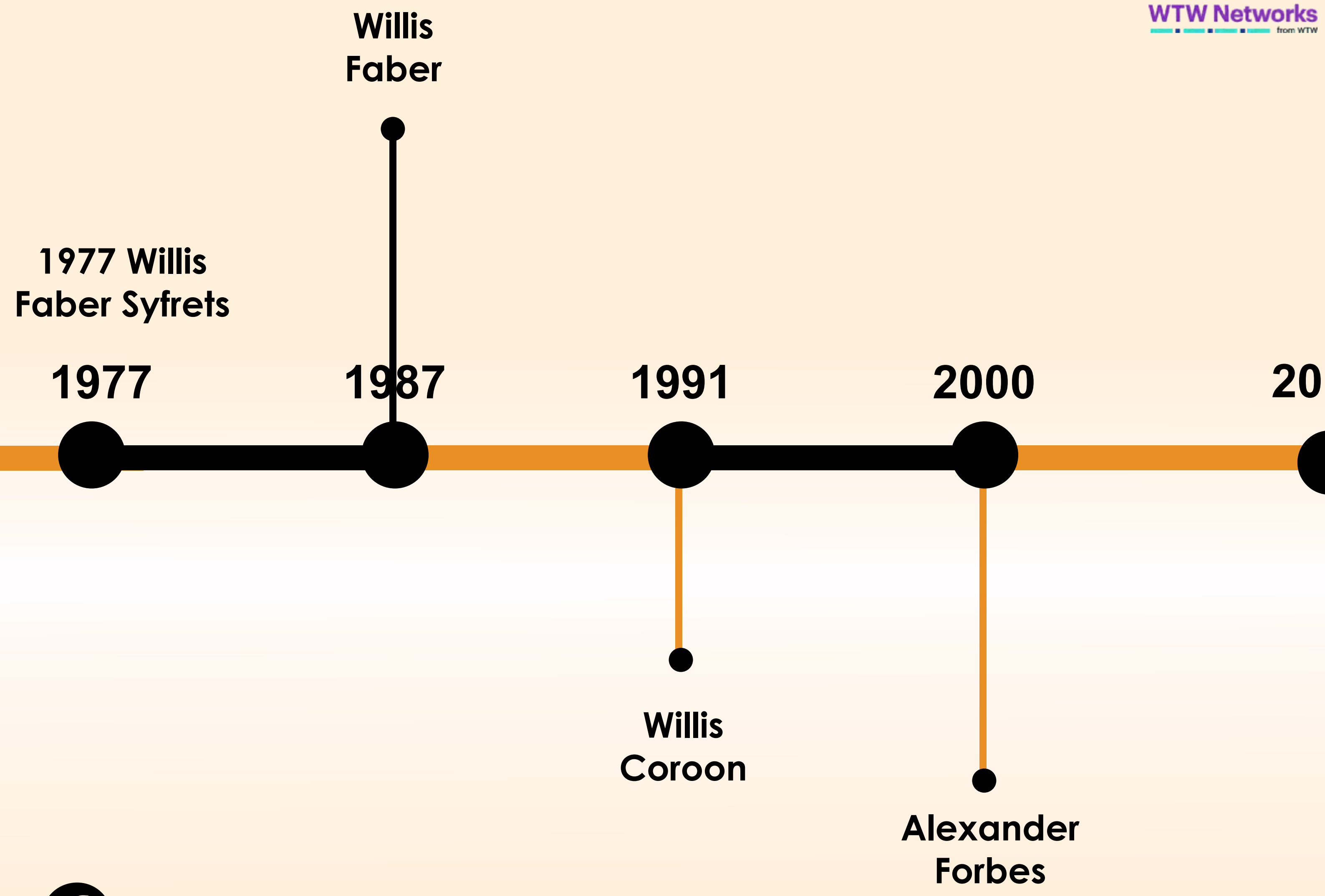
Dealing with Geopolitical Risks

Geopolitical instability is becoming an increasing concern for African insurers, particularly in regions affected by political uncertainty, conflict, and economic volatility. Insurers are recalibrating their risk models to account for political risk and expropriation concerns, which can affect foreign investments and local operations.

Discussions around regional integration and cooperation were highlighted as essential for mitigating cross-border risks, especially in a continent with diverse political systems.

Integrating ESGs into Insurance

(ESG) factors are becoming a crucial part of the insurance industry's risk assessment and



Towards **HALF A CENTURY** of **TAMING RISK**

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Our purpose is to protect your investments using simple insurance solutions.

decision-making processes. Insurers were urged to disclose ESG risks and adopt responsible investment practices, reflecting a broader global trend toward corporate accountability. The conference highlighted the role of social equity in insurance, such as improving access to coverage for marginalized groups and supporting communities impacted by climate change.

Major Insurance Regulatory Changes in Africa

Regulatory changes were also discussed as a critical factor shaping the future of the industry. Regulatory frameworks across various African nations are being modernized to accommodate the rise of digital insurance products and InsurTech.

The African Union's push for a unified continental regulatory framework could lead to more consistency in insurance laws across the region, promoting cross-border trade and investment. The Solvency II framework for capital adequacy and risk-based supervision are gaining traction in African markets, aligning the region more closely with international best practices.

These changes will likely increase market confidence and investment in the region, although it also presents challenges for insurers to stay compliant with evolving regulations.

In her remarks Rose, shares her 3 key takeaways from the 2024 OESAI Annual Conference;

"A deep understanding and strategically responding to the geopolitical environment is crucial for reinsurers operating in Africa. By incorporating geopolitical analysis into their strategic planning, companies can better anticipate and navigate the complexities of international relations and economic dependencies."

"The importance of innovative employment benefits, which includes attracting and retaining top-tier talent, setting companies apart and enhancing employee engagement and satisfaction. The positive impact of innovative initiatives such as remote working options, wellness programmes, professional development, enhanced parental leave and family support to an organization were highlighted supported with successful case studies."

"The future of insurance lies in embracing sustainability, social responsibility, and robust governance. In the rapidly evolving African market, integrating ESG factors is not just... says Wanda.

The journey to transforming the insurance industry continues for OESAI as they prepare for the 2025 Annual Conference and AGM in Kampala, Uganda. Rose assures that the conference will create a dynamic platform for sharing knowledge, building partnerships, and exploring the future of insurance across the continent;

"The 2024 OESAI Annual Conference was a critical step forward for the African insurance industry, but all eyes are now on the 2025 conference in Kampala, Uganda, where over 600 delegates are expected. With a growing focus on innovation, sustainability, ESG, and regional collaboration, the 2025 conference promises to be an even more dynamic platform for sharing knowledge, building partnerships, and exploring the future of insurance across the continent," said Wanda.

"Kampala as a hub for change: Uganda, with its rapidly growing economy and strategic location in East Africa, offers a unique backdrop for the next phase of the industry's transformation. As a hub for InsurTech innovation and climate resilience initiatives, Kampala will serve as an ideal meeting point for insurers, regulators, and thought leaders."

"As we look toward the 2025 conference in Kampala, the momentum continues, promising an exciting future for the African insurance landscape. For those in the industry, the 2025 OESAI conference in Kampala will be a NOT TO BE MISSED event. Whether you are an insurer, regulator, or industry stakeholder, it's the perfect opportunity to engage with thought leaders, explore new opportunities, and be a part of the transformation of the African insurance industry," assures Rose.

The Future of Insurance:
Embracing Telematics Technology

|| John Nhauranwa, Business Development Executive, Cartrack Zimbabwe

In the ever-evolving landscape of the insurance industry, telematics technology has emerged as a game-changer, revolutionizing the way insurers assess risk and calculate premiums. Insurance telematics refers to the use of GPS and accelerometer technology to monitor driving behavior in real-time.

This data allows insurance companies to tailor their offerings based on an individual's actual driving habits, rather than relying on generalizations and statistical data.

How Does Insurance Telematics Work?

Insurance telematics involves the installation of a small device in the insured vehicle that collects and transmits data on various aspects of the driver's behavior. This can include information on speed, braking patterns, acceleration, and even the time of day the vehicle is in use. By analyzing this data, insurers can gain a more accurate understanding of the individual's risk profile.

Benefits of Insurance Telematics

One of the key advantages of insurance telematics is its potential to promote safer driving habits. When drivers know that their behavior is being monitored, they are more likely to drive cautiously and adhere to traffic laws. This can lead to a reduction in accidents and ultimately lower insurance premiums for responsible drivers.

Additionally, insurance telematics allows for more personalized pricing, as premiums are based on actual driving behavior rather than general demographic information. This can result in cost savings for low-risk drivers who may be paying higher premiums under traditional insurance models.

Challenges and Opportunities

While insurance telematics holds great promise for the industry, it is not without its challenges. Privacy concerns have been raised regarding the collection and use of personal driving data. Insurers must be transparent about how this data is being used and ensure that it is protected from unauthorized access.

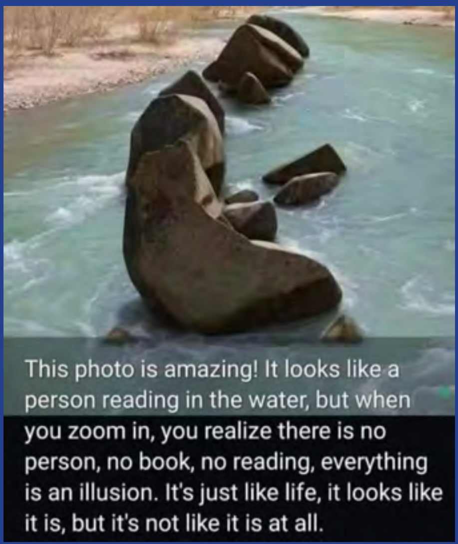
On the other hand, insurance telematics also presents opportunities for insurers to innovate and differentiate themselves in a competitive market. By leveraging advanced analytics and artificial intelligence, insurers can gain deeper insights into driver behavior and offer more personalized services to their customers.

The Road Ahead

As technology continues to advance, insurance telematics is poised to become an integral part of the insurance industry. By embracing this technology and harnessing the power of data analytics, insurers can better assess risk, improve customer satisfaction, and drive innovation in the industry.

In conclusion, insurance telematics represents a paradigm shift in the way insurance is underwritten and priced. By focusing on individual behavior rather than broad demographics, insurers can create a more equitable and efficient insurance market.

As we look to the future, it is clear that the adoption of telematics technology will continue to reshape the insurance landscape for years to come. Service providers like Cartrack have experience with insurance telematics and are best positioned to right offering to the insurance industry.



Ensuring Effective Quality & Risk Management to Drive Performance

||Christopher Bird, Chair, Riskwell Ltd

Introduction

Quality management oversees all activities and tasks that must be accomplished to maintain excellence. It is not just about process, audit, compliance and checking things. Quality management must be holistic, system-based and proactive, to ensure the desired outcomes are met. To achieve this, quality management must integrate effectively with other systems.

Navigating the Challenge of Energy Transition & Resource Allocation

Let's take the challenge of renewable energy transition. Carbon dioxide levels are at a 500,000-year high, now breaking through 420 ppm in the atmosphere. To address the energy transition, the global budget over the next 30 years could exceed $25 trillion of capital expenditure. However, project performance is getting worse leading to a doubling of unit costs on new assets over the past 25 years, and the average project overruns stretching from just 10% in 1997 to over 35% today. A third of all projects exceed their budgets by 50% with several exceeding by 100%. How can this be acceptable? This is not the right level of excellence for success.

When we compare project success to the critical global risks, economies in the strongest positions are those with access to finance and resources in terms of materials and people are the most critical risks. This poses a challenge in achieving the level of excellence required to deliver capital projects in the timeframe and with the right investment.

These projects are essential to decarbonise the world over the next 30 years to maintain sustainability, supply security and affordability. Crucially, we need to adapt in response to the world's constant, unpredictable change, often referred to as VUCA (volatile, uncertain, complex and ambiguous).

Pull quote

"This requires us to think not just about protecting value today, but to change our mindset in how things might change in the future which will adversely affect our delivery and quest for excellence."

Driving Excellence Through Integrated Skills and Systems

When we look at capital development, we must integrate project management, quality management and risk management so they work as one. Not just considering quality or risk as additional disciplines, or at worse a tick box exercise, but skills that integrate to ensure excellence today but more importantly, excellence tomorrow.

When I consider past projects, quality management has always ensured:

- Organisations' compliance with process.
- Equipment and materials compliance to standards.
- Continuous improvement.

In the future that we face, these three strands alone are not sufficient. We need to start looking at the risks and challenges ahead, in some cases five years or even 10 years ahead, and create today's strategies to deliver the excellence required for tomorrow. Quality management must have a clear vision of what future excellence looks like. It is critical to understand the challenges that could impact excellence, have sufficient clarity on what future initiatives need to be implemented, and maintain a degree of agility to navigate the threats and opportunities ahead.

Futureproofing Excellence

Quality management and risk management must work effectively together to deliver project management excellence. While quality management still requires protecting value and improving excellence today through statistical control, audit and compliance, it needs to become more proactive to meet tomorrow's expectations. After all, decisions made today, affect subsequent years' performance.

Pull quote

"The question for quality manager, is not what affects excellence today, but what will affect excellence in one year, five years and even 10 years', and then develop transformational initiatives to maintain excellence, and ensure a sustainable future for the generations to come."

When risk management is robust, it focuses activities to review controls ensuring value protection aligns with the project's objectives and expectations. But more importantly, it supports the development of strategies and improvement initiatives – beyond the non-compliances from audits – to mitigate risks, secure opportunities and drive future performance.

With respect to energy transition, we must get better at project delivery excellence. Just imagine, a 20% improvement could release $5 trillion for additional energy transition projects, so net zero, sustainability and affordability become a reality. Quality management is not a nice to have or an extra service but an essential part of future success.

Executive Exclusive: Engage with Impact

Alfred Zvitonge Madondo
General Manager, Lidwala Insurance Company, Eswatini

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Regardless of the path they choose insurers that anchor their strategy around social purpose, transform their business model to meet emerging customer needs, and develop an agile, tech-powered organisation will create distinct competitive advantages.

Alfred Zvitonge Madondo – joined Lidwala Insurance in November 2013 having spent a large part of his career in various management roles at the largest insurance company in Zimbabwe. Alfred is an experienced executive with a strong background in Financial Services and proven experience in leading and developing high performing, solid teams to achieve demanding financial targets, possessing superior networking abilities and stellar interpersonal skills with a prowess in making prompt and quality decisions.

They say, "A journey of a thousand miles begins

"

"First and foremost, recognizing that transformation is now a constant for all organizations because market disruptions have become more frequent and impactful is key i.e., accepting that the need to successfully transform — and to do so continuously in the face of disruption — is now critical for organizations to survive. Emerging practitioners need to understand People and Culture, by paying more attention to the human factors - so often identified as one of the root causes of transformation failure. Secondly, as with all assets, 'data quality' needs to be managed, since the transformation journey involves Data Management by putting data upfront and central to business. Thirdly, Networking is an essential skill for business developers to establish and maintain relationships that lead to opportunities as it provides access to new resources, advice, and opportunities."

with a single step." Speaking to AIM on his journey to assuming his current role, Alfred says;

"This epic journey started at the National University of Science and Technology (NUST) Bulawayo, in the late 90s where I enrolled as a freshman in the Department of Actuarial Science and Insurance and studied an Honours Degree in Insurance & Risk Management. This took me to Heritage Insurance as an intern before joining Zimnat Lion Insurance after graduation. These early stages of my career defined and set the stage of an exciting sojourn through nurturing, developing and retaining important networks of my life!

As a natural, eager and inquisitive student, I quickly learnt that it was key to interact with industry colleagues, leaders and mentors while also researching deep in the field of insurance and business to sufficiently grow in knowledge. As a result, those early connections, acquaintances and networks provided a solid base of growing my career and has enabled me to develop a rich network across Africa and beyond. This was how I expanded my interest, influence and reach.

I have learnt and absorbed as much as I could about the insurance business in a short period of time through hard work and within a year of graduation, bagged my first junior management role leading an operational team, a position that paved the way into more senior roles as a Branch Manager, Operations Manager, and Executive Regional Manager – decently fast enough. I kept relentlessly at it, building on my regional experience by joining Lidwala Insurance as General Manager in in 2013, a position I still hold."

The insurance landscape is constantly evolving and to navigate and achieve the corporate strategic intents, an effective leadership approach is paramount. Describing his approach to leadership, Alfred said;

"I often incorporate different elements of several styles based on their suitability and abilities to deliver in a given situation, the needs of the team members, and the organization's goals, gravitating more on setting clear standards and making decisions based on logic and facts, to a hands-off style that gives team members autonomy and freedom to make decisions thereby promoting creativity mixed – and with a collaborative, fair, and trustworthy style that takes into account many different points of view."

Reflecting on major transformative interventions, he co-created with team members for different corporates he served within the insurance industry, Madondo says;

"Transformative management is the process of transforming a stagnant to declining organization into a profitable firm by reorganizing its leadership, products, processes, and finances. At the entities that I served/serve, I focused on the following:

- Product Design Focus: Placing a strong emphasis on user experience, designing, and creating products that consumers desire. I came to realize that Insurers will only be able to reduce the frustrations that dissuade too many consumers from applying for coverage or abandoning a purchase mid-journey by working from a "customer-in" rather than a "company-out" approach. Therefore we developed a superior, Customer Journey (CX) mapping that compares favorably with those obtaining in the market/competition to harness the promising and untapped market resulting in increased sales and retention.

- Refocus on Core Products: Putting a spotlight on and refocusing on core building block products of our business and scaling down on unprofitable product lines by utilizing the 80:20 principle. We realized that making a meaningful dent in the uninsured coverage deficit and removing financial risk from millions of businesses and households require Insurers to become more customer centric. We cultivated and employed a deep understanding of evolving customer expectations, a clear vision and strategy for how to meet those needs and were therefore able to streamline processes and harnessed technology to create more meaningful customer engagement by trend and predictive analysis.
- Customer Engagement: We reached out to our anchor clients, involving them in product remapping and customer experience. By prioritizing delivering great consumer experience, we recognized that meeting consumers' rising expectations required accessing and leveraging the vast amounts of data siloed in our enterprise systems and re-working the traditional processes that underlie sales, service, processes and claims efforts."

Key Strategies Behind Successful Turnarounds:

- **Leadership and Vision:** Strong leadership is crucial. Visionary leaders who understand the company's core values and strengths are essential.
- **Customer Focus:** Understanding and catering to your core customer base is crucial.
- **Financial Discipline:** Cutting unnecessary costs and focusing on profitable areas are common strategies for stabilizing finances.

Based on his wealth of experience, Madondo shares insights on how emerging practitioners can transform their journey;

"First and foremost, recognizing that transformation is now a constant for all organizations because market disruptions have become more frequent and impactful is key i.e., accepting that the need to successfully transform — and to do so continuously in the face of disruption — is now critical for organizations to survive. Emerging practitioners need to understand People and Culture, by paying more attention to the human factors - so often identified as one of the root causes of transformation failure. Secondly, as with all assets, 'data quality' needs to be managed, since the transformation journey involves Data Management by putting data upfront and central to business. Thirdly, Networking is an essential skill for business developers to establish and maintain relationships that lead to opportunities as it provides access to new resources, advice, and opportunities."

"Most Importantly knowledge building is a crucial element to transformation. It's a 'process' which involves continuously improving ideas and values by sharing, research, collaboration and synthesis of ideas. In what is coming to be called the "knowledge age," the health and wealth of societies/businesses depends increasingly on their capacity to innovate, therefore without knowledge one risks obsolesce. Equally essential is Customer Centricity which is an integral business strategy that focuses on the customer, to enhance user experience (UX) is a way that optimizes how users interact with a product or service.

Lastly it's about being deliberate on deciding which business processes to re-design and or automate for the business to get maximum benefits. Be pragmatic and focus your attention on those processes that consume the most resource or that create the most pain," says Madondo.

In his concluding remarks, Madondo shares his insights & perspectives in relation to the future of insurance in Eswatini; a future characterized by digital revolution, customer centricity and regulatory

changes.

"The Eswatini insurance industry, just like the world is undergoing transformation and now is the time to assess what long-term changes are needed to address the macroeconomic fallout from COVID-19; environmental, social and governance (ESG) issues; and workforce-related challenges."

"In an industry that is traditionally risk-averse and slow to change, it is an interesting time to see how the industry will respond to the winds of change. In my opinion, the change agenda must start with an understanding of the factors that are influencing insurers' environment and growth trajectory going into the future such as the following:"

Digital Revolution

The Industry is likely to adopt the digital mindset by employing Big Data analytics, machine learning, AI, predictive analysis, and engage in digital ecosystems to build unique customer intelligence and build products and services to meet the demands of a digital world and disrupt the traditional distribution channels - in the process re-engineering the value chain, albeit at a slower pace because of costly and slow uptake in essential core IT architectural infrastructure on a nationwide scale.

Customer Centricity

The Customer will remain key and will force insurers to embrace customer centric ecosystems to create value. Differentiation in service delivery will likely to be anchored in speed of execution by putting a premium on execution buoyed by strong customer experience journey mapping.

Competition

Eswatini insurance market is oversubscribed in a country with a low population. competition is therefore rife. The situation is likely to remain unchanged if more licenses are issued. This has had many effects and will continue going into the future in the following aspects:

- Innovation and Efficiency: Competition continues to improve efficiency and influences product innovation.
- Economic Growth: Competition has enhanced the prospects of economic growth more job opportunities.
- Customer Service: Competition has led to better customer service through simpler, faster, and more personalized services.
- Underwriting: Competition can help insurance companies make effective underwriting and pricing decisions.
- Growth Opportunities: Competition can help insurance companies identify new growth opportunities.
- Rate Wars: Competition introduced strong rate wars that may appear beneficial to the customer but detrimental to the profitability and sustainability of the business model.

Health Insurance

There is likely to be increased demand for health insurance as rising healthcare costs and greater awareness of the importance of medical coverage are driving demand for health insurance, therefore this may also see a convergence with financial risk management instruments to provide sustainable solutions.

Other Areas

Other key areas that will tighten will be Regulatory changes, predict that the conduct of financial institutions will meet with reforms increasing accountability and fairness in insurance practices.

Parametric solutions and the convergence of Insurance Linked Securities may start to emerge as tools for risk management as customers demand more responsive solutions to cover wider eventualities. Demographic shifts are affecting the insurance industry as more flexible insurance products come to the fore as customers are enquiring on Per-item policy purchases and insurers will respond by allowing customers to buy policies on a per-item basis.

Conclusion

As expectations evolve and the industry transforms, insurers will need to choose their own path as they contribute to a bold new vision for the industry. Regardless of the path they choose insurers that anchor their strategy around social purpose, transform their business model to meet emerging customer needs, and develop an agile, tech-powered organisation will create distinct competitive advantages.

Reimagining Insurance with At-Risk Communities

Rahab Kariuki
Engagement Director,
Busara Center for
Behavioral Economics,
Kenya

My role at Busara, focus on applying behavioral science to enhance the resilience of rural communities and women through innovative insurance solutions."

AIM: Becoming the Engagement Director at Busara...

RK: My journey into the insurance industry began with an aspiration to pursue Actuarial Science, inspired by my father's brief stint as an insurance sales agent. Over the past 17 years, I have developed a deep passion for insurance, engaging in various roles including teaching, sales, and product development, particularly in agricultural insurance.

Before joining Busara, I managed one of the leading agriculture insurance product developers in East Africa. As the Engagement Director at Busara, I focus on applying behavioral science to enhance the resilience of rural communities and women through innovative insurance solutions.

AIM: How is your work contributing to the growth and development of the insurance industry in Africa?

RK: My work at Busara addresses critical gaps in the insurance sector, particularly regarding accessibility and affordability for underserved communities. Insurers often create products based on assumptions about how people should act rather than how they actually behave. Recognising that consumers make financial decisions more on emotion than rational thought is crucial. Technology is also reshaping consumer behaviour, necessitating seamless digital-first experiences from insurers. To become trusted advisors, insurers must understand consumer decision-making processes and how these intersect with product development, pricing, and marketing.

Busara's Risk Management portfolio is exploring innovative approaches to redesign traditional insurance models to better meet customer needs and challenges. Our research focuses on improving product accessibility, enhancing customer understanding, and optimising agent performance.

By leveraging research and experimentation, we aim to create effective solutions that address evolving risks while promoting resilience and inclusivity in the insurance space. Our goal is to transform how insurance operates, making it more adaptable, customer-focused, and impactful.

AIM: The transformative role of insurance towards protecting the lives of African communities?

RK: Insurance is really important for many African communities because it offers protection against unexpected events like natural disasters, health issues, and economic challenges. Imagine two farmers: one has insurance, while the other doesn't. The insured farmer can recover quickly from problems like crop failure, keeping their business afloat and even growing it. On the other hand, the uninsured farmer might struggle financially and could even go out of business, trapping them in a cycle of poverty. Insurance helps people bounce back and supports sustainable development.

We can make insurance even better by using behavioral science, like gamification. This approach makes getting insurance more fun and engaging. For example, insurance companies could reward people with points or discounts for completing safety training or achieving health goals. This encourages safer habits and raises awareness about why insurance matters, which can also lower claims.

Using tech and mobile apps can make understanding and buying insurance easier. Interactive tools can show people how insurance can help them during tough times in a way that feels real and relatable. Using data helps insurers tailor their products to specific community needs. By understanding local customs and preferences, companies can build trust and loyalty, which ultimately leads to better coverage rates.

By making insurance more engaging and accessible, we can help build a more resilient future for communities in Africa. It empowers individuals to manage their finances better, reducing their vulnerability to unexpected shocks and promoting sustainable growth.
AIM: How best can insurers leverage indigenous knowledge systems and traditional practices to design relevant value based products for marginalized communities?
RK: Many Africans view insurance as something only the wealthy can afford, making it feel out of reach in their social context. How can we make insurance more social? I am working on a project to understand the opportunity for mutuality and insurance in East Africa.

In underserved communities there, women often join savings groups that provide important social safety nets. By learning how these groups manage risks and support each other, insurance companies can develop products that really fit the needs of the community.

Engaging directly with these groups is key. Insurers can use participatory research methods to understand their coping strategies and community dynamics.

With these insights, they can create micro-insurance options that align with the savings cycles of these groups, making insurance feel familiar rather than foreign. This collaborative approach can boost community resilience and expand the reach of insurance, benefiting both insurers and local communities.

AIM: Insights and perspectives – the Future of Insurance?

RK: The future of insurance in Africa is promising yet challenging. As we witness rapid technological advancements and increasing demand for personalised services, insurers must adapt by embracing innovation and leveraging data analytics to understand consumer behaviour better. Additionally, nurturing partnerships with local organisations will be essential to reach underserved markets effectively. The focus should shift towards creating value propositions rather than merely tailored products, ensuring that solutions align with the diverse financial realities of African communities.

AIM: Call to action – Insurers.

RK: Most insurance products look similar; what sets companies apart is how they communicate and manage their processes both internally and externally. Ultimately, effective insurance provision is essentially a communication campaign that hinges on understanding behavioural dynamics within target populations. There are tools to test messages and design communications for greater impact.

Insurers must take proactive steps to enhance their engagement with underserved communities by prioritising inclusivity in their offerings. I would like to see insurance companies in Africa utilise their data to gain deeper insights into customer behaviour and preferences. This includes designing processes and communications that are more engaging and tailored to customer needs.

Profiling Exclusive

Driving Innovation & Expansion in a Highly Competitive & Evolving Industry

Darryl Andrew Grater, Chief Growth Officer, Discovery Insure & Vitality Drive International, South Africa

The Africa Insurance Magazine caught up with the Chief Growth Officer at Discovery Insure and Vitality Drive International, Darryl Grater to gain wisdom from his professional journey, appreciate the role of a Chief Growth Officer and unpack future skills and his perspectives in relation to the future of insurance in Africa.

AIM: Can you please tell us about yourself and your path to your current role?
DG: I'm a father first and foremost, and an insurance professional second, having worked for only two insurers over my 18-year career in the industry. I started working in the insurance sector at age 18 straight out of school. Unable to fund tertiary education at that stage my first role was in an insurance call centre registering windscreen and radio claims. Fortunately,

I was promoted after a month to the accidents claims team and then again to the theft / hijack claims division which was considered a senior claims administration role due to the value of such claims. As a top performer on the claims floor I was fortunate to be promoted into the forensics environment in the auto-investigations division; after working on 4 differing forensic mandate levels, I was bumped up into a leadership role after 2 years where I lead various forensics teams for a 3-year period.
In 2012 I was approached to join my current employer, Discovery Insure, as an operations manager and supervisory-lead on the outsourced claims and procurement area of the business. After 4 months with a strategy shift in the business I was promoted into Head of Claims & Procurement and led efforts to in house all claims operations and back office divisions. After 2 years in the role I migrated into a Head of Strategic Projects role which focused on creating the business case for new markets, with specific focus on the commercial lines segment. After the business secured board approval to launch this new segment, I evolved into the distribution space.

Initially I enjoyed roles as Head of Intermediary Services which focused on key account management for the retail market, and then I took a new role as Head of New Business focusing on retail and alternative distribution for Discovery Insure. The role eventually evolved into Executive Head: Distribution nationally for the personal and commercial business segments. In my following and still current role as Chief Growth Officer I remain responsible for the non-life distribution mandate in South Africa and additionally lead growth efforts globally for the Vitality Drive International business.

AIM: What does your role entail?
DG: My current role includes oversight and leadership of all intermediated distribution elements for Discovery Insure, nationally, in South Africa and I am responsible for international expansion of Vitality Drive International. Some of these solutions involve differing structures such as joint ventures, risk-sharing models and subscription-based programmes. I am accountable for the growth strategy of the business including volume business, propensity modelling, book transfer facilitation, and due diligence on alternative distribution structures. Besides the revenue focus, my teams also include an operations area with intermediary support, back-office operations for sales field force, compliance and regulatory governance (i.e. for binder and outsource business, and the associated audit functions). I am also fortunate to add to the overall Insure board strategy as an Executive Committee member.

AIM: As Chief Growth Officer at Discovery Insure – what excites you most about the work you do?
DG: A Chief Growth Officer (CGO) in the non-life insurance sector has a dynamic and pivotal role, driving innovation and expansion in a highly competitive and evolving industry. Points I find most exciting include:

- **Revenue growth and shareholder value:** ultimately, the CGO's key responsibility is to grow revenue. This involves managing the balance between profitable underwriting, claims management, and pricing strategies while maximizing shareholder value. It's a high-impact role with significant influence on the overall success and sustainability of the organization.
- **Collaboration with cross-functional teams:** a CGO works closely with marketing, product development, technology, and data teams, ensuring alignment across the organization to execute on the company's growth strategy. This role allows for a broad strategic view and hands-on impact

across multiple facets of the business.

Data-driven decision-making: non-life insurance involves significant data—from claims to customer behaviour and risk assessment. A CGO has the exciting challenge of harnessing this big data to drive predictive analytics and optimize growth strategies. They can create more accurate pricing models and offer hyper-personalized offerings that better align with individual risk profiles.

Navigating regulatory shifts: the regulatory landscape in insurance is complex, and it's constantly changing. The CGO's role involves navigating these shifts while finding opportunities to innovate within compliance boundaries.

AIM: Reflection – 3 leadership lessons for emerging practitioners in the insurance industry.

DG: Three core leadership lessons I believe are critical in the industry currently are:

Embrace innovation and adaptability: the non-life insurance industry is undergoing significant digital transformation, driven by technological advancements, Insurtech, and changing customer expectations. Emerging leaders must be open to embracing innovation and staying adaptable in the face of shifting market dynamics. This includes:

- Encouraging the use of data analytics, AI, and automation to improve underwriting, claims processing, and customer engagement.
- Being willing to pivot (and sometimes quickly) in strategy as new trends, technologies, and regulatory changes arise.
- Fostering a culture of continuous learning within teams, encouraging experimentation and staying ahead of industry disruptions.

Focus on customer-centric leadership: as insurance moves towards a more customer-centric model, current and future leaders must prioritize customer needs and experiences in their decision-making. This is essential in an industry where trust, service, relationships, and responsiveness are critical:

- Engage with customers' evolving preferences, such as the demand for personalised policies / offerings, transparency, and faster claims processes.
- Leverage customer feedback and data to improve product offerings and tailor solutions that address specific risk profiles.
- Lead by example in fostering a service-first culture, ensuring that teams are aligned with delivering value to customers and intermediaries, and not just selling policies.

Develop strategic risk management skills: in the non-life insurance industry, understanding and managing risk is paramount. Emerging leaders must be adept at not only identifying risks but also converting these insights into actionable strategies that create value. This includes:

- Mastering the balance between risk and profitability, ensuring that growth initiatives do not come at the expense of underwriting discipline.
- Keeping an eye on emerging risks like climate change, cyber threats, insurance-specific inflationary costs, reinsurance market movements, and regulatory changes, and proactively developing strategies to mitigate these risks.
- Cultivating a mindset of resilience and foresight, leading teams to stay ahead of potential disruptions in both internal operations and the external risk landscape.

AIM: What are the 3 major future skills that you can recommend to emerging practitioners?

DG: Beyond leadership and adaptability, three major future skills I believe will significantly enhance impact and effectiveness are:

Data analytics and digital literacy: the rise of big data, AI, and machine learning in the insurance industry is transforming how companies assess risks, develop products, and engage with customers. Practitioners need to become proficient in data-driven decision-making and understand how to leverage advanced technologies to optimize performance.

- Data analytics: being able to analyse vast amounts of data from claims, underwriting, customer behaviour, and external sources to improve risk assessment, pricing, and product development.

- Digital tools: familiarity with digital tools and platforms, including cloud computing, automation, and AI-driven models, is essential for optimizing processes such as claims automation or fraud detection.
- Insurtech collaboration: understanding how to collaborate with Insurtech platforms to integrate innovative technologies that improve efficiency, customer experience, and service delivery.

Cybersecurity & risk management: as digitalization increases, so do cyber risks. With the rise in cyberattacks, ransomware, and data breaches, cybersecurity is becoming a critical area for non-life insurers, both in terms of their operations and the products they offer.

- Cyber risk assessment: practitioners should learn to assess and price cyber risks, which are fast becoming one of the most significant threats to businesses globally.
- Cyber insurance knowledge: understanding the intricacies of cyber liability insurance and developing policies that address the evolving needs of companies, especially as remote work and cloud services expand.
- Internal cybersecurity practices: Being knowledgeable about the best practices for securing company and client data, ensuring compliance with data protection regulations, and mitigating internal cyber threats.

Agile project management & collaboration skills: as the industry continues to innovate, insurance companies are adopting more agile approaches to project management. Traditional hierarchical structures are giving way to cross-functional teams that work in short, iterative cycles to rapidly develop and launch new products or services.

- Agile methodologies: understanding frameworks such as Scrum or Kanban, and being able to lead teams through fast-paced projects while ensuring clear communication and collaboration across departments.
- Cross-disciplinary collaboration: The ability to work effectively with various teams—such as technology, data, marketing, and legal—to ensure that new initiatives meet business goals and regulatory requirements.
- Adaptability in leadership: As companies face rapidly changing external environments, practitioners need to lead with flexibility and resilience, ensuring projects remain on track while adjusting to new information or challenges.

AIM: Insights & Perspectives – the future of insurance in South Africa.

DG: The future of insurance in South Africa in my view will be shaped by 5 key insights and perspectives; Digital transformation & Insurtech. The South African insurance industry is embracing digitalization and Insurtech innovations to streamline processes, improve customer experience, and reduce costs. Technologies like AI, blockchain, and big data analytics are enhancing risk assessments, claims management, and personalized products. South Africa's regulatory environment is evolving tightening, with frameworks emphasizing greater accountability, transparency, and consumer protection. Future regulations are expected to further address data protection and cybersecurity.

Increasing focus on financial inclusion as there is growing emphasis on offering microinsurance and affordable products to underserved, low-income populations, driven by both government initiatives and market opportunities. This will expand access to insurance in rural areas and address specific local risks. Risk landscape is changing with emerging risks such as climate change, cyber threats, pandemics and insurance-hyperinflation are reshaping the types of insurance structures needed.

The industry is Shifting to customer-centric models because consumer expectations in South Africa are changing, with demand for more personalized, flexible, and digitally-enabled insurance solutions. Insurers, underwriting managers and intermediaries must focus on improving customer experience through seamless omnichannel services, faster claims processes, and real-time policy adjustments.

Machinery Breakdown Insurance

||Firstlink Insurance Brokers, Zimbabwe

Machinery breakdown is a significant risk that manufacturing entities face. The time and expense required to repair substantial pieces of machinery which often requires specialist attention, overseas parts or is custom made can have a significant impact on the business.

If the company is uninsured then repair costs combined with the potential loss of income, temporary replacement machinery hiring costs and other costs add up to a substantial amount. This is why Machinery Breakdown insurance is important.

What does Machinery Breakdown Insurance Cover?

The Machinery Breakdown policy caters for sudden and unforeseen physical damage to installed machinery while working, at rest, being dismantled, moved, re-erected or re-commissioned. Machinery covered ranges from small compressors or motors to boilers and larger types of machinery used in heavy manufacturing, material handling and processing. The major areas of cover include:

- Cover against internal machinery damage such as: electrical damage, centrifugal forces, foreign bodies, failures in safety devices, overheating, impact, shock, pressure or lubrication defects.
- Damage suffered by the machinery due to errors in design, calculation, manufacture or assembly.
- External damages produced by, Fire, explosion or lightning strike, blows, collisions, falls and atmo-

spheric phenomena.

- Damage resulting from the mismanagement or negligence of an employee due to lack of experience or expertise in handling the machinery.
- Expenses for urgent repair. Repairing complex equipment quickly can be expensive. Most policies cover any expenses needed to speed up the repair or replacement of damaged machinery, including the cost of temporary repairs.
- The policy can also be extended to cover Loss of Profits during the downtime of the machinery and related expenses of quantifying these losses.

Conditions of Cover

The following are the usual conditions that are looked at when cover is being arranged:

- Replacement-value (sum insured) of selected machinery.
- Type and use of machinery.
- Service and maintenance records are critical as the policy will not respond where there is neglect of service intervals.
- Voltage protection mechanisms in place for machinery sensitive to variations in voltage.
- Regular safety and reliability tests records.
- Age of the machine including performance and output records.
- Availability of spares on site and ease of access to spares from machinery manufacturers.

Risk Management

An effective risk management program assists in identifying and mitigating the risk of machinery breakdowns. It also compliments your insurance cover. Various risk management strategies which range from visual inspection programs to more dynamic pre-emptive analysis such as using ultrasonic/X-ray inspections or thermographic testing can be used. Such programs help mines to reduce the risks associated with gradually developing mechanical failures.

Talk to us today about Machinery Breakdown solutions for your operations.

Firstlink Insurance Brokers (0242) 744048/79, +263 77 239 2075, +263 77 243 4103.

||Dennis Musa, Asset Financing & Financial Inclusion Lead, World Bicycle Relief, Malawi

Growing Economies Through Women's Economic Empowerment in Africa:

My Experiential Learning on Women Financial Inclusion & MSME Insurance

When we talk about financial inclusion in Southern and Eastern Africa, it's not just a buzzword, it's a real driver of change. It's empowering women and pushing sustainable development forward.

Taking Malawi and Ethiopia as prime examples, these countries are seeing a major rise in informal MSMEs, especially women-led. Access to financial services and business insurance is the game changer for these entrepreneurs, helping them level up their businesses and lives.

In Malawi, programs like village savings and loan associations (VSLAs) have made a real difference. In fact, between 2015 and 2022, the number of women participating in VSLAs increased by over 60%, driving significant growth in women-led MSMEs.

By 2023, over 80% of women involved in VSLAs reported improvements in their business operations due to access to microloans and savings groups. Organizations such as FINCA and CARE International are playing key roles, offering savings groups and microloans to empower women to start or grow their businesses, which in turn boosts local economies. MicroEnsure, through its microinsurance products, has also protected over 100,000 women entrepreneurs from business risks.

Over in Ethiopia, digital financial services are changing the game. Since the launch of platforms like M-Birr in 2010, over 2.5 million women have gained access to mobile banking, with 45% of users now accessing credit or insurance products. With the support of UN Women, the number of women using mobile banking services has grown by 35% between 2018 and 2023, significantly improving financial literacy and business resilience.

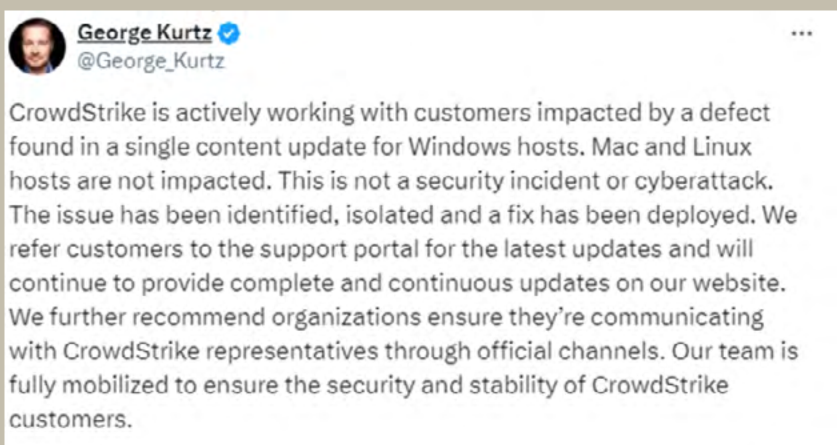
Africa Re and Acre Africa have also provided tailored insurance solutions for women-led small businesses, covering over 500,000 women entrepreneurs against risks like drought and crop failure, which could otherwise devastate their operations.

What stands out to me in both cases is how important business insurance is. By partnering with companies like MicroEnsure and Acre Africa, women are gaining the tools they need to protect their businesses and build long-term resilience. With these solutions, more than 85% of insured women entrepreneurs have reported an ability to recover from business setbacks in under six months, which is crucial for long-term sustainability.

Empowering women financially is about so much more than just closing the gender gap. It's about unlocking potential that benefits entire communities. Women in Malawi, Ethiopia, and across Africa are leading the charge toward growth and inclusion.

With the right support from organizations like FINCA, CARE, MicroEnsure, and Africa Re, their impact will be transformational.

Exploring the Impact of IT Outages On Insurance Coverage



George Kurtz
@George_Kurtz

CrowdStrike is actively working with customers impacted by a defect found in a single content update for Windows hosts. Mac and Linux hosts are not impacted. This is not a security incident or cyberattack. The issue has been identified, isolated and a fix has been deployed. We refer customers to the support portal for the latest updates and will continue to provide complete and continuous updates on our website. We further recommend organizations ensure they're communicating with CrowdStrike representatives through official channels. Our team is fully mobilized to ensure the security and stability of CrowdStrike customers.

Credit: X

|| Paul Machaka, Regional Manager, AFC Insurance, Zimbabwe

In my last article, Did Travel Insurance Respond to the Recent Outage? Let's Reflect, I discussed how travel insurance responded to the CrowdStrike IT outage. Now, let's discuss the other cover/s.

Background

CrowdStrike's recent IT upgrade involved a faulty software update that inadvertently affected the performance of Microsoft Azure and Office 365. This issue led to widespread operational disruptions across multiple industries. According to Microsoft, approximately 8.5 million Windows devices globally were affected, which is less than 1% of all Windows machines.

How did it happen?

The IT outage was not caused by a cyber-attack or a malicious system failure, nor was it directly Microsoft's or the end users' fault. Instead, a non-malicious, faulty update and misconfiguration in the system by CrowdStrike led to significant downtime, service disruptions and productivity losses, underscoring the critical reliance on reliable IT infrastructure for seamless business operations.

While the outage lasted for about +/-75 minutes, the recovery time for many end users needed much longer than one day due to the complexities involved in deploying a fix. This led to massive losses across multiple industries.
This raised the question: will the IT outage trigger cyber insurance claims for end user customers, MSPs, or MSSPs?

Key Players in the IT Outage?

- End User – Airports companies, banks and other businesses that rely heavily on IT infrastructure for their operations.
- MSPs (Managed Service Providers) and MSSPs (Managed Security Service Providers) – Providers such as Office 365 and Azure, which were directly impacted by the outage.
- CrowdStrike – A company that accepted responsibility for the faulty update, opening itself up to potential litigation.

Cyber Insurance

According to FBC Holdings Limited , Cyber Risk Insurance provides coverage for liabilities arising from unauthorized use of or access to, electronic data or software within your network or business.

For some insurers, coverage includes but not limited to: Insured own losses/ First Party Loss Primary losses to include Business interruption losses and Dependent business, Electronic Financial crime and fraud, Crisis Management expenses and notification expenses, Claims and investigations against Insured, Property Damage and Other Third Party Liability.

Understanding the Types of Interruption Coverage

Before we discuss further, it is important to clarify the difference between Business Interruption Losses and Dependent Business Interruption. These are distinct types of coverage in my opinion and below is how I define them:

- Business Interruption Losses: Covers business income loss and extra expenses incurred due to a computer network outage affecting systems internally managed by the IT department.
- Dependent/Contingent Business Interruption: Refers to coverage for insured losses resulting from a business interruption caused by a disruption or degradation of service from a third-party service provider.

Examining the Activation of Cyber Insurance

According to Reuters, insured losses from the July 19 event may cost between $400 million and $1.5 billion to the standalone cyber insurance market. This raises the question of which types of coverage will be activated.

Many companies may be surprised to find that they are not covered, as cyber insurance policies are typically designed to address cyber-attacks/ security Attack specifically. Without an actual cyber-attack, coverage may not be applicable.

Primary Cyber Insurance Loss

Cyber insurance for the SSP and end users

End users, SSP and MSSP's may try to activate covers for; Non-damage hardware — replacement (bricking), Property Damage, Contingent/Dependent business interruption – Service interruption due to the third-party insurance, Liability Insurance – Lawsuits for instance an airline for flight cancellation and Business interruption. In summary, cyber insurance is in three parts: First-party cover, Silent cyber cover and Third-party cover.

Dependent business interruption	If **you** suffer an interruption to **your business**, which commences during the **period of insurance** and lasts longer than the **time excess**, and which is caused by a **dependent business** suffering a **security failure** or **cyber attack**, **we** will indemnify **you** against any: 1. loss of **income**; 2. **increased costs of working**; 3. **additional increased costs of working**, where shown on the schedule; 4. **data recovery costs**; and 5. **public relations costs**; resulting solely and directly from such **security failure** or **cyber attack**. For the purposes of this cover, the **dependent business** shall be treated as 'you' for the purposes of the definition of **security failure**.

Credit: Hiscox

D. Property damage

If during the **period of insurance** and in the course of **your business**, any **insured equipment** is rendered unusable as a direct result of a **security failure**, **cyber attack** against **you**, **hacker** or transmission of a **virus**, **we** will cover the costs of repairing or replacing the unusable part.

Credit: Hiscox

Property Damage and Non-damage hardware replacement (Bricking)

Property damage and Bricking is a form of "Silent Cyber" emanating from a German steel mill in which a furnace was destroyed after hackers took control of the furnace system and the company operators at the plant were unable to shut down a blast furnace in the proper modus (Just Imagine a cyber-attach on the new Hwange Power station). Physical damage to IT hardware can be experienced because of continues shutdowns of the machines in trying to reboot leading to overheating or making the equipment unusable.

Currently there is a no to little physical damage because of the IT outage recorded. However, if your Cyber insurance does not cover property damage, the insured can claim such a loss from the property insurance provided that the policy is not affected by the Lloyds of London Cyber Incident Exclusion.

Interruption Insurance

As to date, I think we can all agree that the IT outage was due to a non-cyber-attack, the service interruption had no attended property damage (non-damage business interruption) and both the end user and the middle users had no control to the system failure. This will cause a lot of problems as most companies will not be covered as the trigger event is non malicious instead of a cyber-Attack as some insurers exclude non malicious or specifically exclude software design flaws.

However, some insurance policies cover non-malicious risk hence claims will be filed under the "systems failure". The contingent business interruption under Cyber insurance will be the correct cover on this policy; Business Interruption Losses coverage typically applies when the insured's own systems are directly affected by a covered peril. In this case, the direct cause of the interruption was CrowdStrike's faulty update not an internal issue within Microsoft's own systems or the end user.

It is also important to note that the CBI/DBI is not a standard cyber insurance policy, it is rare and in the event that it is offered, it is very much limited cover. The application of coverage will be dependent on the waiting period within clients' cyber policies as well as the coverage trigger negotiated within the wording. The language in the policy wording has to be correct for instance:

3.4 CONTINGENT BI LOSS

(a) **Cyber Events** are extended to include **Outsourced Systems Disruptions**, and

(b) **Loss** is extended to include **BI Loss** arising directly and exclusively from an **Outsourced Systems Disruption**.

BI Loss resulting from an **Outsourced Systems Disruption** caused or contributed to by any negligent act, error or omission of a **Cloud Provider** or any employee or service provider of such **Cloud Provider** is subject to the sub-limit stated in ITEM 4 of the Schedule, except to the extent of any **Data Breach** resulting from such **Outsourced Systems Disruption**.

Credit: IFFCO-TOKIO

However, determining the final losses for the industry will likely be a lengthy process because cyber insurance policy language is not standardized. Insurers will need time to ascertain which customers experienced losses from the outage and whether those losses are covered. This global outage highlighted the broad risks posed by a single point of failure and the extent of interconnectivity and interdependence across many economic segments, drawing comparisons to supply chain cyber-attacks.

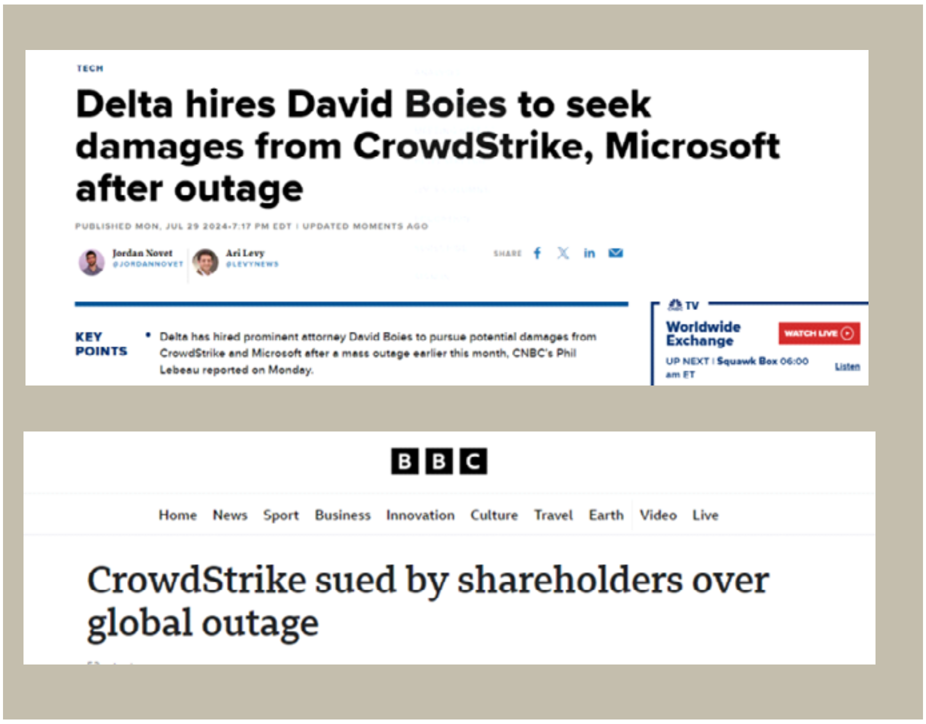
Secondary Cyber Insurance Losses

Because of the ongoing mass global outage, cyber criminals have taken advantage of the situation and are now Sending phishing emails as if they are CrowdStrike employees, distributing a malicious ZIP archive loaded with HijackLoader which has a malware and phishing phone calls.
The above losses now have a cyber-attack trigger and they follow the normal conventional cyber insurance.

Technological Errors and Omissions/professional liability cover.

This insurance covers claims arising from errors or omissions in the provision of technology services. It includes issues such as coding errors, software bugs, project delays, data breaches, breaches of contract and other professional failures. Given that the mistake originated from CrowdStrike, all affected entities through Microsoft may pursue indirect claims against CrowdStrike for monetary relief, potentially through a class-action lawsuit.

Coverage For Crowdstrike



TECH

Delta hires David Boies to seek damages from CrowdStrike, Microsoft after outage

PUBLISHED MON, JUL 29 2024·7:17 PM EDT | UPDATED MOMENTS AGO

Jordan Novet @JORDANNOVET | Ari Levy @LEVYNEWS

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KEY POINTS

- Delta has hired prominent attorney David Boies to pursue potential damages from CrowdStrike and Microsoft after a mass outage earlier this month, CNBC's Phil Lebeau reported on Monday.

TV Worldwide Exchange WATCH LIVE

UP NEXT | Squawk Box 06:00 am ET Listen

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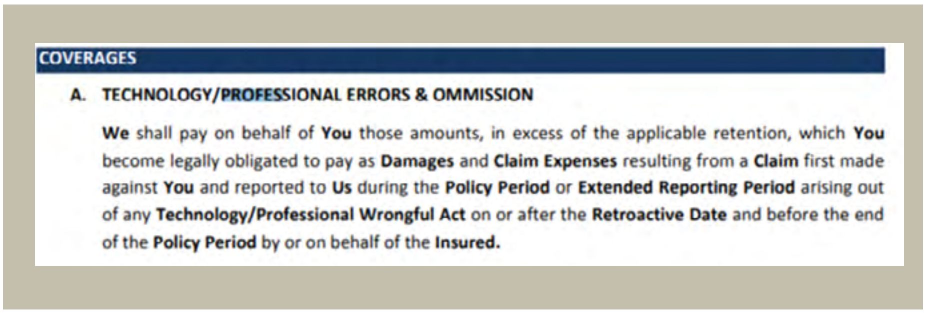
CrowdStrike sued by shareholders over global outage

To proceed, some of the following facts must be established and steps taken:

- Negligence - Determine if CrowdStrike was negligent in their actions.
- Breach of Duty -Establish whether there was a breach of duty by CrowdStrike.
- Contractual Obligations - Assess if the contract between the parties involved was violated.
- Indirect Claims - Consider if end users, SSPs, and MSSPs can sue CrowdStrike indirectly.

Some cyber insurance combines the Tech E and O cover as per below:



COVERAGES

A. TECHNOLOGY/PROFESSIONAL ERRORS & OMMISSION

We shall pay on behalf of **You** those amounts, in excess of the applicable retention, which **You** become legally obligated to pay as **Damages** and **Claim Expenses** resulting from a **Claim** first made against **You** and reported to **Us** during the **Policy Period** or **Extended Reporting Period** arising out of any **Technology/Professional Wrongful Act** on or after the **Retroactive Date** and before the end of the **Policy Period** by or on behalf of the **Insured.**

Factors that will limit the number and size of claims: Insurance Policy Limits/Sum Insured, Deductible, Policy Waiting periods in hours, Insurance Policy Exclusions, Contractual Limitations and Liability Caps – For instance contractual Mitigation Obligations OR Consequential Damages Liability Exclusion, Language used in the insurance policy wording, Timing of the outage - off-peak hours or on weekends.

Important Note:

Insured

This article highlights the crucial need for proper insurance to support your tech business as you navigate emerging risks, innovate with your business models, and disrupt industries. Don't let unexpected digital disruptions affect your financial health.

Businesses without adequate safeguards can suffer significant revenue losses while trying to keep operations running smoothly. Remember, cheap insurance products often offer limited coverage. Contact your insurance broker for a thorough analysis of your insurance requirements.

Insurers

As more equipment are controlled by computers and connected to networks, the risk of property damage from a cyber-event increases. Property policies are increasingly excluding or limiting coverage for this risk, affecting both direct damage and business income/extra expense losses. Solutions may be offered by property insurers, equipment breakdown insurers, and cyber insurers.

When developing a solution for a specific business, it is crucial to thoroughly review all policy language to minimize gaps and overlaps. Where overlaps exist, it is important to ensure that the other insurance clauses clearly indicate the intended priority of coverage.

Questions to Ask Yourself as an Insurer:

- Why did Berkshire Hathaway take a cautious approach to cyber insurance? They stated they are very careful when taking on cybersecurity insurance liabilities.
- Are you underwriting cyber insurance simply because it's currently fashionable? This risk has limited historical data, lacks standardized frameworks and operates in a dynamic environment.
- When underwriting property insurance, companies conduct surveys similar to those in agricultural business. This is feasible because they employ specialists with the necessary skills to perform extensive risk assessments. However, for cyber insurance, most insurers rely primarily on the proposal form and do not conduct in-depth technical surveys to thoroughly examine the insured's systems and processes. Do you really want to take liability on a policy that is underwritten based on self-assessment questionnaires?

I will discuss cyber insurance in more detail in one of my upcoming writings.

Disclaimer:
Any advice provided in this article is of a general nature and does not consider your needs and objectives.

Businesses without adequate safeguards can suffer significant revenue losses while trying to keep operations running smoothly. Remember, cheap insurance products often offer limited coverage. Contact your insurance broker for a thorough analysis of your insurance requirements.

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Bridging the Gap:

A Guide for Emerging Practitioners to Thrive in the Evolving Insurance Landscape

||Audrey Hawadi, Reinsurance Intern, WAICA Re, Zimbabwe

As an intern in the reinsurance industry, I have come across an interesting gap between what our generation expects and what the industry really offers.

This article unpacks insights that help bridge the academe and industry gap and share pearls of wisdom for other students and young professionals who are, like me, new to the field. While insurance may have a reputation for being a traditional, even conservative industry, it is going through some significant changes. Technology, shifting customer expectations, and the need for sustainable practices are pushing insurance into a new era.

One of the most exciting developments I have seen is the rise of Insurtech—essentially, technology-driven solutions that make insurance products more efficient and accessible. Innovations like artificial intelligence (AI) are transforming how insurers assess risk, process claims, and engage with customers.

For example, AI can analyse vast amounts of data to identify patterns and predict risks more accurately than traditional methods allowing insurers to streamline the claims process, reducing the time it takes for clients to receive payouts. For anyone just starting out, staying up to date with these technologies is essential to ensure effectiveness as an industry practitioner. Learning about modern tools like AI for underwriting or data analytics for risk assessment not only builds valuable skills but also positions emerging professionals as assets in a digital-forward industry.

Of course, there is more to transitioning from school to work than mastering new technology. Many of us start with big expectations: that we will dive right into dynamic projects or find opportunities for fast growth. Those aspirations are great, but the reality is that insurance is a complex, highly regulated industry, and newcomers usually face a learning curve. It is not uncommon for emerging professionals to be surprised by how long it takes to master and appreciate the practical fundamental industry concepts.

Researching on the industry fundamentals is essential in making the work related learning transitioning effective. Recognizing common misconceptions—like the idea that insurance is just about selling policies—helps set more realistic expectations. In reality, working in insurance requires problem-solving, critical thinking, and a solid understanding of risk management.

Reading up on industry literature, attending seminars, and finding a mentor helps in understanding 'what it means to be an insurance practitioner?' Consumer expectations are fast changing.

Today's customers prefer efficient, transparent, and personalized service, hence insurers are rethinking operational models. Nurturing great communication and people skills is foundational to meet such new demands. At the end of the day, it is not just about the numbers; it is about connecting with people. As Maya Angelou said,

"People will forget what you said, people will forget what you did, but people will never forget how you made them feel." This advice rings true in our industry, reminding us of the importance of empathy in professional relationships.

The industry's focus on sustainability is also growing. With climate change and other environmental challenges on the rise, insurers are reassessing climate risks and integrating sustainable practices. Getting involved in these efforts within our own organizations can be both rewarding and career-boosting. It is a way to contribute meaningfully and demonstrate a commitment to responsible sustainable practices.

There is another big opportunity on the horizon for young professionals to learn fresh ideas and new perspectives that align with an evolving industry while tapping into the expertise of experienced professionals who have walked the journey before us. Our viewpoints matter—taking the initiative to share ideas or insights can spark solutions for some of the challenges the industry is facing today.

Networking is crucial in any field, but especially in insurance, where connections can make all the difference. Building relationships with mentors, colleagues, and other professionals is a great way to gain guidance and open doors. Who knows where a simple connection or conversation could lead you? Attend networking events, join online discussions, and reach out to people in the industry on LinkedIn. Building a strong network will boost your knowledge and create new opportunities in the future.

The future of insurance is full of possibilities, and it is an exciting time to be joining the industry. Embracing technology, championing sustainable practices, and cultivating strong networks are steps that will help us thrive in this changing landscape. Remember, the fresh perspective that you bring has value. Stay curious, adaptable, and proactive. Connect with your peers, share ideas, and collaborate on projects. The social side of our work is as important as the technical skills we develop. By building relationships and working together, we can shape the future of insurance in meaningful ways.

This journey might have its challenges, but with an open mind and a commitment to learning, possibilities are limitless, opportunities are countless and we can play our part in transforming the insurance landscape. Embrace the opportunities ahead and enjoy the process, because the experiences you gain and the connections you make will be as valuable as the technical skills you acquire along the way.

About the Author

Audrey Hawadi is a third-year Risk Management and Insurance student at the National University of Science and Technology (NUST) and a Reinsurance Intern at WAICA Re Zimbabwe. Passionate about empowering young professionals and students, Audrey believes in the power of mentorship and collaboration to drive meaningful change in the insurance industry.

Revolutionizing Wellness: A New Era for Health Insurance

||HAZEL ZINDOGA, Actuarial Science Intern, Ultra Med Healthcare, Zimbabwe

Imagine a healthcare system where access meets affordability, innovation meets efficiency, and resilience meets results. Welcome to the dawn of a revolutionary era in healthcare! With emerging trends such as soaring costs, aging populations, and technological transformations reshaping the health insurance landscape, the industry is poised for transformative change and growth.

Medical aid societies, once siloed, are now merging with healthcare to create powerful synergies that addresses the emerging customer needs and expectations. These synergies are crucial in driving affordability and accessibility of healthcare in the country. In Zimbabwe, medical aid societies such as Ultra Med Healthcare, Cimas, PSMAS, and First Mutual Health are driving innovation, providing Zimbabweans with accessible, and affordable healthcare solutions.

As healthcare continues to evolve, the insurance sector must adapt. Rising costs, shifting demographics, affordability, chronic disease management, limited access to quality care, cyber threats to health data and emerging technologies demand innovative solutions and a collaborative effort. This is an opportune time for industry players to foster cross-sector collaboration and provide tailored customer centered solutions. Across the Africa continent, insurers players are pioneering health insurance initiatives to cater for the marginalized and previously excluded communities.

For instance, Ghana's National Health Insurance Scheme (NHIS) has increased access to healthcare for millions through its tailored inclusive market offerings. Similarly, Kenya's National Hospital Insurance Fund (NHIF) provides affordable coverage to its citizens. South Africa's Discovery Health has revolutionized health insurance with its comprehensive coverage and wellness programs.

"The future of health insurance lies in harnessing technology to drive personalized preventive care" says Dr. Amit Thakker, Africa Healthcare Federation President. Digital transformations are reshaping the practice of health insurance and it is fundamental to highlight that Artificial Intelligence (AI) is transforming health insurance with personalized risk assessment.

Block-chain technology ensures secure health data storage. Internet of Medical Things (IoMT) devices enable remote monitoring, while gene editing technologies promise precision medicine.

In Africa, innovative health insurance solutions are emerging. For example, Morocco's Assurance Maladie Obligatoire (AMO) provides universal health coverage for different individuals, catering for differences in affordability. As an Actuarial Science student, I recognize actuaries' critical role in developing predictive models for disease risk and healthcare costs, designing optimized healthcare funding strategies, analyzing data to inform healthcare policy decisions, and creating innovative insurance products.

Based on the highlighted insights, the author proposes a "Healthy Future" initiative, leveraging predictive analytics for health risk management. This innovative solution improves health outcomes, reduces costs, and enhances member engagement through data-driven risk management. By gathering medical claims, demographic, and lifestyle data, predictive models identify high-risk individuals and forecast health outcomes. Members are then segmented into risk categories, receiving targeted health programs and care management.

Continuous monitoring refines predictive models and interventions. Benefits include improved health outcomes, reduced healthcare costs, enhanced member engagement, better resource allocation, and data-driven decision-making. Implemented through a phased roadmap, "Healthy Future" initiative demonstrates the value of actuarial expertise in driving healthcare costs, enhanced member engagement, better resource allocation and data driven decision-making.

The intersection of insurance and healthcare promises transformative change! By investing in innovation and expertise, we can build resilient, equitable healthcare systems. Stakeholders must prioritize insurance innovation for resilience and prosperity. Harnessing technology, expertise, and actuarial insights ensures sustainable healthcare for generations.

Here's to a brighter future! Africa's health insurance landscape is poised for explosive growth, driven by collaboration, innovation, and a commitment to excellence. Together, let's shape a healthier, more resilient continent - where access meets affordability, and wellness meets wealth.

Embracing this vision, Ultra Med Healthcare's motto: "Caring for You, Always," resonates deeply with my submissions. May this guiding principle inspire our collective pursuit of healthcare excellence, as we strive to deliver compassionate, comprehensive care to all Africans.

About the Author
Hazel Zindoga is a 3rd year Actuarial Science Student at the National University of Science & Technology in Zimbabwe. She is currently on work related learning at Ultra Med Healthcare.

News & Events

||Insurance & Pensions Commission of Zimbabwe

Goromonzi Farmers Receive Insurance Cash Payouts

About 1, 800 Goromonzi (Zimbabwe) smallholder farmers who participated in the agricultural index insurance pilot project received their insurance payout on Wednesday last week at the back of an El Nino-induced drought during the 2023/2024 farming season.

Government ministers present at the payout ceremony called for scaling up of the project to cushion smallholder farmers throughout the country against climate-related risks. As part of the pilot project, the smallholder farmers paid a premium of US$15 each and received a payout of US$65 per farmer under a Farmer's Basket Insurance Product developed under a bundled weather index and area yield index insurance.

Key stakeholders who participated in the development of the product included, the Ministry of Finance, Economic Development and Investment Promotion, the Ministry of Lands, Agriculture, Fisheries, Water and Rural Development, the Insurance and Pensions Commission (IPEC), Insurance Council of Zimbabwe (ICZ), Access to Insurance Initiative(a2ii), International Finance Corporation (IFC), Insurance Brokers Association of Zimbabwe (IBAZ), Women Farmers' Land and Agricultural Trust (WFLA), Zimbabwe

Farmers' Union (ZFU), and World Food Programme (WFP).

Finance, Economic Development, and Investment Promotion Minister, Professor Mthuli Ncube officiated the payout ceremony in Goromonzi. The Minister of Lands, Agriculture, Fisheries, Water, and Rural Development, Dr. Anxious Masuka, and the Minister of State for Provincial Affairs and Devolution, Honourable Aplonia Munzverengwi also participated at the event.

In his remarks, Prof Ncube praised the collaboration among key stakeholders in developing the Farmer's Basket Insurance Product saying the innovative insurance product would help build smallholder farmers' resilience. "Today's payout to Goromonzi farmers is more than just a financial transaction, it is a symbol of progress, resilience, and the tangible impact that innovative financial solutions can have on our agricultural communities. This momentous occasion marks the first fruits of a pilot study that I believe will have far-reaching benefits for farmers across Zimbabwe," said Prof Ncube.

He said Government is committed to see agricultural insurance for smallholder farmers scaled up across the country. "The success of this pilot project demonstrates the potential for scaling up agricultural insurance and enhancing the economic stability of rural communities across the country. We recognise the importance of easing the financial burden on our smallholder farmers, and as such, the Government is ready to subsidise insurance premiums for smallholder farmers. This subsidy will help make agricultural insurance more accessible, ensuring that more farmers can benefit from these innovative risk mitigation products," said Prof Mthuli.

Dr. Masuka supported the submissions of Prof Mthuli and said the adoption of agricultural index insurance is expected to enhance farmers' productivity. "The hard work begins now. Replicability is the basis for sustainability. It is absolutely critical, that we replicate this model so that it becomes sustainable and builds the resilience of these farmers as we move forward," said Dr Masuka.

Hon. Munzverengwi said the 2023/2024 agricultural season presented ample evidence about the threat that climate change poses to farmers throughout the country. "The introduction of agricultural index insurance is a game changer for us. It provides our farmers with much-needed financial protection against unpredictable weather patterns, allowing them to invest confidently in their crops, knowing that they have a safety net," she said.

There are already engagements among key stakeholders to replicate the Farmer's Basket in the other provinces, which will go a long way in not only increasing insurance penetration but also mitigating climate-related risks that smallholder farmers face.

Clementine Chinyuku Elected IIZ 2025 President

Insurance Institute of Zimbabwe (IIZ) elected Clementine Chinyuku as the 2025 president, taking over from Tatenda Katoma, the Managing Director at Grand Reinsurance Zimbabwe. Clementine is the Life & Health Manager at WAICA Reinsurance Zimbabwe and has over two decades of experience in life re/assurance.

Clementine was announced as the 2025 president at the November 2024 IIZ Annual Conference held in Victoria Falls under the theme; Innovation an Impetus for Insurance Growth and Sustainability. The theme underscored the significance of innovativeness in driving sustainable growth in the Zimbabwean and African insurance industry.

In her acceptance speech, Clementine said she will prioritize learning programmes that equips members with the necessary skills to navigate the evolving insurance landscape.
"We live in a time of rapid change, driven by technological advancements and shifting consumer expectations. The insurance landscape is evolving and we must adapt to stay relevant. As your president, I am committed to fostering a culture of innovation within our institute," she said.

ARC Ltd. CEO Lesley Ndlovu on the 2024 TIME100 Climate List

Johannesburg, 15 November 2024 – TIME named African Risk Capacity Limited (ARC Ltd.) CEO Lesley Ndlovu on its 2024 TIME100 Climate List, recognising him as one of the 100 most influential climate leaders in business.

Lesley was selected for his leadership of the innovative hybrid mutual insurer and financial affiliate of the ARC Group, which has been pioneering parametric insurance in Africa to build climate resilience.

Over the past decade, amid escalating climate-driven disasters across Africa, ARC Ltd. has disbursed $230 million in claims payouts to member states and provided coverage to 50 million people.

Under Ndlovu's leadership, ARC Ltd. has expanded its network of members, donors and partners, increasing access to affordable insurance across the continent and extending protection to marginalised communities, such as refugees, for the first time.

According to TIME, the selection process was influenced by the prominent 2024 theme of climate finance and a focus on candidates demonstrating measurable, scalable achievements and recent action. Ndlovu was recognised in the 'Defenders' category, highlighting his leadership in protecting vulnerable African communities from climate risks.

His membership on the Board of Directors of the UN Principles for Sustainable Insurance and his involvement with the Glasgow Financial Alliance for Net Zero further reflects his commitment to sustainable practices and addressing climate change.

"It is an honour to be included in the prestigious TIME100 Climate list of change makers. This recognition underscores the critical role of innovative financial solutions, like parametric insurance, in protecting lives and livelihoods from the escalating impacts of climate change. We remain committed to building climate resilience, and our goal is to expand coverage to all 55 African Union States by 2034," says Ndlovu.

About ARC Ltd.

The African Risk Capacity Limited (ARC Ltd.) is a financial affiliate of the African Risk Capacity (ARC) Group, a specialised agency of the African Union (AU), an initiative designed to improve current responses to climate-related food security emergencies. ARC Ltd. is a mutual insurance facility comprised of its members, which have included Kenya, Mauritania, Niger, Senegal, Mali, Malawi, the Gambia, Burkina Faso, Chad, Zimbabwe, Togo, Madagascar, and Zambia. The membership also includes its capital contributors who have provided premium subsidies, including USAID, FCDO, SDC, KFW/BMZ, IFAD, AFDB, WFP and STARTNETWORK.

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