

# NATIONAL INSURANCE COMMISSION



**NAICOM**

**Corporate Strategic Plan**  
2016-2020

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**List of Abbreviations and Acronyms**

**AIO** – African Insurance Organisation

**CBN** – Central Bank of Nigeria

**CFI** – Commissioner for Insurance

**DCFI (F&A)** – Deputy Commissioner (Finance & Administration)

**DCFI (TECH)** – Deputy Commissioner (Technical)

**D-SIIs** – Domestic Systemically Important Insurers

**EFInA** - Enhancing Financial Innovation & Access

**FATF** – Financial Action Task Force

**FSAP**– Financial Sector Assessment Program

**FSS2020** – Financial System Strategy 2020

**FRC** – Financial Reporting Council

**FSRCC** – Financial Services Regulatory Coordinating Committee

**GIABA** – Inter-Governmental Agency against Money Laundering in West Africa

**GIZ** - Deutsche Gesellschaft für Internationale Zusammenarbeit

**IAIS** – International Association of Insurance Supervisors

**ICPs** – Insurance Core Principles

**ICT** – Information Communication Technology

**IFRS** – International Financial Reporting Standards

**IFSB** – Islamic Financial Services Board

**ILAN** – Institute of Loss Adjusters in Nigeria.

**IMF**- International Monetary Fund

**MDAs** – Ministries, Departments and Agencies

**NAIC** – National Association of Insurance Commissioners, USA

**NCRIB** – The Nigerian Council of Registered Insurance Brokers

**NFIU** – Nigerian Financial Intelligence Unit

**NHIS** – National Health Insurance Scheme

**NIA** – Nigerian Insurers Association

**RBS** – Risk Based Supervision

**SEC** – Securities and Exchange Commission

**SWOT** – Strengths, Weaknesses, Opportunities and Threats

**PenCom** – National Pensions Commission

**Perf. Indicators** – Performance Indicators

**TMC** – Top Management Committee

**The Commission** – National Insurance Commission

**WB** - World Bank

**W.e.f** - With Effect From

**Statement by the Chairman of Governing Board**

NAICOM is establishing this Strategic Plan with the objective of translating its Vision, Mission and Values into actionable and measurable goals, objectives, initiatives and activities.

The Strategic Plan will provide direction for both long- and short-term decision-making by the Board for implementation by Senior Management in order to fulfil the mission of the organization. Similarly, it will enable them to make strategic efforts in ensuring adequate protection of the policyholders, beneficiaries and third parties to insurance contracts and also deepen insurance market penetration.

The Board will ensure periodic review and performance monitoring of the Strategic Plan within its life span.

## Foreword from the Commissioner for Insurance

The constantly changing political and socio-economic environment in the global economy demands a robust review of our strategies and plans in the long, medium and short terms.

A review of the implementation of the 2011-2015 strategic plan and 2016-2018 part of the existing Plan of the Commission demonstrates an achievement of a number of milestones notwithstanding the challenges in the process. Building upon the past performances and considering the prevailing economic circumstances, the need to develop the next strategic plan 2016-2020 with focus on some new areas considered critical to propel the Commission to the next level became necessary.

It is my pleasure to present the 2016-2020 Strategic Plan of the Commission for the attention and information of our stakeholders and the general public. This plan aims to achieve six (6) modest strategic goals; namely:

1. Safety and Soundness of Insurance Institutions.
2. Stability of the Insurance Sector.
3. Optimal Insurance Market Development.
4. Adequate Protection of Policyholders and Public Interest.
5. Trust and Confidence in the Commission.
6. Regulatory Effectiveness.

Indeed, I am in no doubt that an aggressive implementation of this plan would considerably enhance the drive to achieve insurance market penetration, stability in the insurance industry and contribution to the Gross Domestic Product (GDP) as we progress to the target year 2020.

The Plan would also stimulate greater commitment from the management and staff in a combined drive to achieve 100 per cent implementation by the end of year 2020.

I invite our stakeholders to partner and support us as well as show understanding as we travel together on this new road.

**Mohammed Kari**  
**Commissioner for Insurance**

## Executive Summary

Following the achievements recorded in the Strategic Plan 2011-2015 and 2016-2018 of the existing Plan, the Commission recognised the need to redefine its Management Strategies in order to appropriately cope with emerging situations in the Insurance Industry. It has become important for us to review the current Strategic Plan and develop a new 2019-2020 Plan. This Plan aims at consolidating on the milestones achieved and to move the industry to greater heights. It consists of ten (10) parts.

In developing this plan, a participatory and inclusive approach was used which involved various internal and external stakeholders, referencing various documents and scanning of the operating environment using SWOT and PESTLE analytical tools.

This situational analysis culminated in identification of the Commission's strategic goals aimed at consolidating on the milestones achieved and to move the industry to greater heights. The goals identified are:

- i. Safety and Soundness of Insurance Institutions
- ii. Stability of the Insurance Sector
- iii. Optimal Insurance Market Development
- iv. Adequate Protection of Policyholders and Public Interest
- v. Trust and Confidence in the Commission
- vi. Regulatory Effectiveness

For each of the identified strategic goals, objectives were formulated and initiatives developed for implementation.

The Implementation plan identified activities for each initiative with desired results, performance measurements, timelines and responsibility owners. As part of monitoring and evaluating the progress of implementation of this plan, the strategic goals would be measured and updated periodically.

This Strategic Plan therefore offers a roadmap to the Commission's success in a new era. It capitalizes on our strengths and positions us to make a more significant impact on the critical issues of the insurance industry in particular and the economy in general.

## **PART 1: INTRODUCTION**

At the end of the 2011 – 2015 five-year Strategic Plan, which is in line with the FSS 2020 strategy, the Management of the Commission embarked on the process of developing a new one for the period 2016-2020 Strategy.

Work on the Strategic Plan started in 2016 but along the line there was need to improve the quality of the Plan and to align it with the Federal Government Initiatives. The process was not concluded until 2018, while the Plan was being prepared, the Commission continued with the execution of the items brought forward from the 2011- 2015 Plan and emergent initiatives that came up in the course of the period. The initiatives executed during this period are reflected on pages 18 to 19.

This plan was completed after several preliminary meetings, workshops and review of relevant reports and documents, such as:

- i. The FSS2020 strategic roadmap;
- ii. The 2012 IMF/WB ICP assessment report on the Commission;
- iii. Resolutions at the 2014 Insurance Summit and stakeholders' engagement with NIA, NCRIB, ILAN and Shareholders;
- iv. Workshops for Directorates, TMC strategy meetings, staff strategy retreat and 2016 – 2020 Strategic Plan Committee meetings; and
- v. Evaluation of past years' business performance against the strategic objectives.
- vi. Economic Recovery and Growth Plan

All through the process, members of the Top Management were involved. The final draft was jointly reviewed in a meeting of all staff from Assistant Directors and above in the Commission.

In addition to being used as a basis for managing the affairs of the Commission, the document will feed into an Industry Plan that is currently being finalized. This final plan has therefore integrated the Industry Plan and vice versa.

The structure of this document is as follows:

### Part 2:

- Mandate of the Commission
- Vision, Mission and Values
- Structure of the Commission
- Insurance Industry Overview
- Relationship with Government Agencies
- Relationship with International Organization



Part 3:

- Overview of the 2011-2015 Strategic Plan
- Achievements
- Key Achievements 2016-2018
- Challenges and Lesson Learnt

Part 4:

- External Environment
- Internal Environment
- Critical Success Factors

Part 5:

- SWOT Analysis

Part 6:

- Strategic Issues

Part 7:

- Vision
- Mission
- Values

Part 8:

- Strategic Goals
- Strategic Goals, objectives and Mgt. Initiatives

Part 9:

- Implementation Matrix
- Implementation Resources Requirements

Part 10:

- Monitoring and Evaluation Framework

**PART 2: BACKGROUND****2.1. Mandate of the Commission**

The National Insurance Commission was set up in 1997 with the responsibility of ensuring the effective administration, supervision, regulation and control of insurance business in Nigeria and protection of insurance policyholders, beneficiaries and third parties to insurance contracts.

The Commission's main functions, as stipulated in the Act are to:

1. Establish standards for the conduct of insurance business in Nigeria;
2. Approve rates of insurance premiums to be paid in respect of all classes of insurance business;
3. Approve rates of commissions to be paid in respect of all classes of insurance business;
4. Ensure adequate protection of strategic Government assets and other properties;
5. Regulate transactions between insurers and reinsurers in Nigeria and those outside Nigeria;
6. Act as adviser to the Federal Government on all insurance related matters;
7. Approve standards, conditions and warranties applicable to all insurance business;
8. Protect insurance policyholders, beneficiaries and third parties to insurance contracts;
9. Publish, for sale and distribution to the public, annual reports and statistics on the insurance industry;
10. Liaise with and advise Federal Ministries, extra ministerial departments, statutory bodies and other Government agencies on all matters relating to insurance contained in any technical agreements to which Nigeria is a signatory;
11. Contribute to the educational programmes of the Chartered Insurance Institute of Nigeria and the West African Insurance Institute, and
12. Carry out such other activities connected or incidental to its other functions under the 1997 Act.

## 2.2 Vision, Mission and Values

The vision, mission and values that guided the strategic plan in the past five years were enunciated as shown below:

- **VISION**

*To be a leading regulator of the insurance sector in the emerging market*

- **MISSION**

*Effective supervision of the Nigerian Insurance Industry for the attainment of high ethical standard needed to position the industry as a leading market in the global economy.*

- **VALUES**

*To expect integrity from the Commission and its staff*

*To demonstrate efficiency in the discharge of its functions*

*To be transparent in the Commission's dealings with its stakeholders*

## 2.3 Structure of the Commission

### **Governance Structure**

The Governing Board of the Commission oversees the operations of the organization through the various Committees of the Board. The powers of all the Committees of the Board are limited to making recommendations to the Board. In the event of the absence of a constituted Board, the Minister of Finance discharges the functions of the Board.

The Commission's Executive Committee consists of the CFI (Chair), and two Deputy Commissioners who are responsible for the Technical Division, and the Finance and Administration Division respectively. This Committee meets on a regular basis to address policies, regulatory, and management issues of the Commission, including the setting and approval of the annual strategic, operational and financial plans, the setting of priorities and high-priority projects, the allocation of resources, and the monitoring and reporting of financial results and performance.

The Commission is presided over by the CFI who is also the Chief Executive. The CFI and Deputy Commissioners oversee the functions of the three divisions made

up of Directorates and Units. The CFI's Division is organized into the following Units: Legal and Board Secretariat; Internal Audit; Corporate Affairs and Information Technology. The Technical Division is organized into Authorization and Policy Directorate; Supervision Directorate and Inspectorate Directorate as line directorates and the Enforcement and Compliance Unit, Complaints Bureau, four zonal offices and Head Office Annex (the Lagos Control Office). The Finance and Administration Division is organized into three Directorates; Finance and Accounts, Administration and Human Resources Directorates, Research, Statistics and Corporate Strategy Directorates as line directorates and the SERVICOM Unit.

**2.4 Insurance Industry Overview**

There are three classes of insurance business, each of which is divided into categories, as shown below:

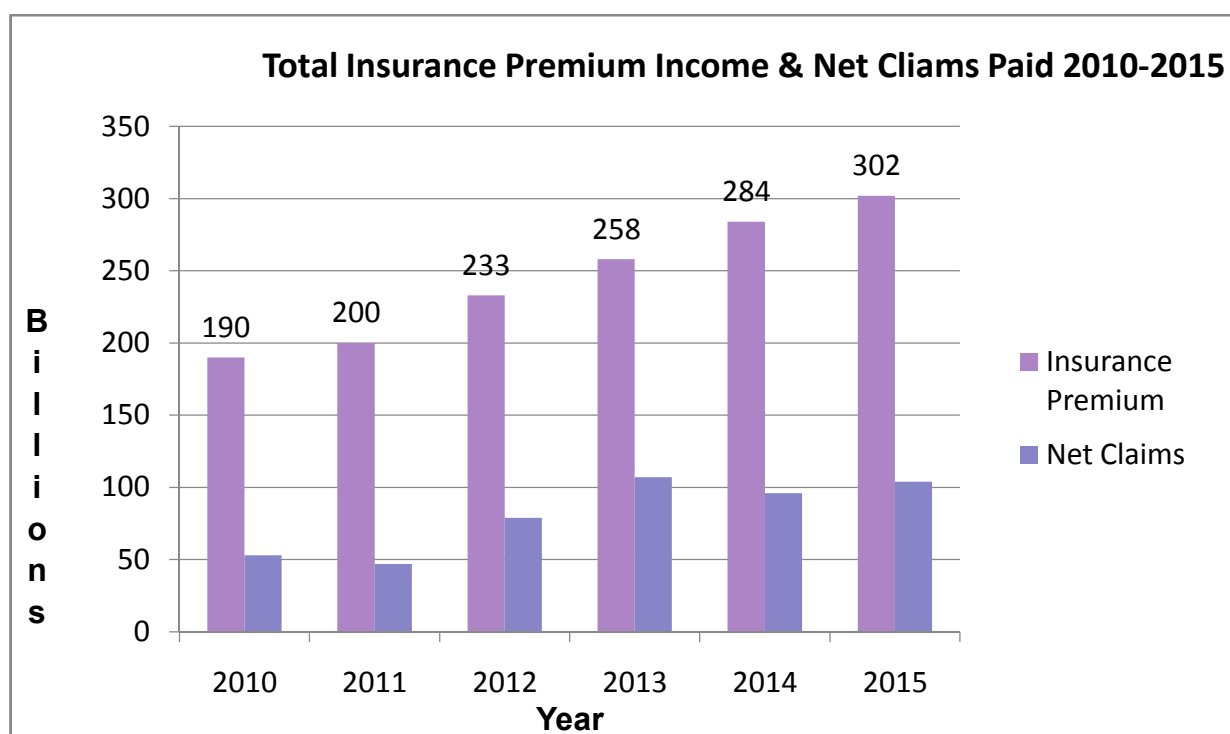
<b>S/N</b>	<b>Class of Insurance Business</b>	<b>Category of Insurance Products</b>
<b>1</b>	<b>Life</b>	a. Annuity b. Individual life c. Group life d. Health insurance business
<b>2</b>	<b>General</b>	a. Fire insurance b. General accident insurance c. Motor vehicle insurance d. Marine and Aviation insurance e. Oil and Gas insurance f. Engineering insurance g. Bonds, Credit Guarantee and surety ship insurance h. Miscellaneous insurance
<b>3</b>	<b>Special</b>	a. Takaful insurance b. Microinsurance

The operators of the insurance industry consisted of 57 insurance companies, 2 reinsurance companies, 520 brokers and 3,500 insurance agents, complemented by 48 loss adjusters. The industry's gross premium income was ₦302 billion as at December 2015 compared with ₦190 billion as at December 31, 2010 and net

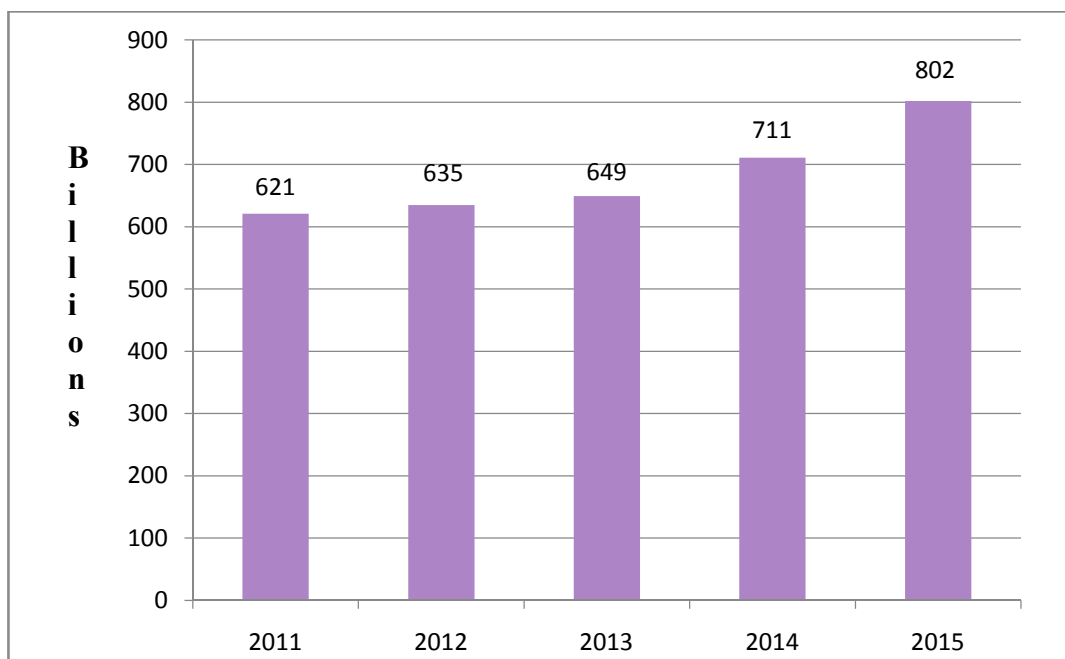
claims paid amounted to ₦104 billion for the year ended December 31, 2015 and total assets of ₦802 billion as at December 31, 2015. Although insurance premium contribution to GDP is still below 1%, premium income has been growing on average at 15% per annum. With the ongoing plan to re-launch the market development restructuring initiatives, this could quadruple over the next 5 years.

The charts below represent market statistics on gross premium income, net claims paid and total assets in the past few years.

**i. Gross Premium Income and Net Claims Paid 2010 - 2015**



**ii. Total Industry Assets 2011-2015**



**2.5 Relationship with Government Agencies**

The Commission maintained and expanded its collaborative efforts with some key Ministries, Department and Agencies (MDAs) such as the Office of the Secretary to the Government of the Federation, Head of Service, Federal Ministry of Finance, Budget Office of the Federation, Nigerian Customs Service, Nigeria Police Force, Fire Service, and Federal Road Safety Corps, with a view to achieving greater synergy and a seamless working relationship. The Commission also interacts closely and collaborate with the National Assembly and other financial services regulators such as CBN, PENCOM, SEC, NHIS, FRC, NFIU etc, in the performance of its supervisory duties under the auspices of the FSS2020 and FSRCC. These initiatives facilitates avenue for agencies to discuss cross-cutting issues, strengthening of relationship among financial services regulators and fight against money laundering and terrorism financing.

The good relationship with the MDAs assists the Commission in the enforcement of Compulsory Insurances.

**2.6 Relationship with International Organisations**

The Commission continues to participate in the activities of international bodies such as IAIS, AIO, NAIC, GIZ, EFINA, IFSB, FATF and GIABA. These organizations are

focused on identifying and responding to key issues arising from global financial events. They also anticipate changes to regulatory approaches and develop principles, standards and recommendations for more effective prudential regulation and anti-money laundering and terrorism financing issues. Through this participation, the Commission keeps abreast of international regulatory developments and has the opportunity to benchmark its regulatory structures and framework against best practice standards as codified by these bodies.

In May 2013, the Commission and the NAIC of the United States of America, signed a Memorandum of Understanding (MoU). The MoU is aimed at facilitating and establishing a formal basis for co-operation, information exchange and technical assistance.

The Commission also participates in the activities of regional African regulatory bodies, especially, in the West African region with the objective of promoting financial stability in the region, harmonize regulatory standards and establish cooperation among regional insurance regulators. The Commission facilitated the establishment of the West African Insurance Supervisors Association (WAISA) that culminated in the signing of multilateral MoUs in September 2015.

## **PART 3: REVIEW OF HISTORICAL PERFORMANCE**

### **3.1 Review of the 2011-2015 Strategic Plan**

The implementation status of the 2011-2015 strategic plan was reviewed in order to establish the level of performance and identify the factors that may have had positive

or negative impact on the Commission's ability to achieve the plan. The five strategic goals that Management had identified to drive the past planned period were:

- a) *Deepen insurance penetration in Nigeria.*
- b) *Optimize revenue collection and effective management of assets available to the Commission.*
- c) *Manage the expectation of all stakeholders in order to ensure transparency and public confidence.*
- d) *Strengthen insurance institutions by creating an effective regulatory framework.*
- e) *Enhance regulatory oversight by transforming the Commission's processes, people and systems.*

### **3.2 Achievements**

#### **a) Deepen insurance penetration in Nigeria**

The objectives identified under this goal were to enhance compliance with compulsory insurance; eradicate fake insurance agents and forged policies from the market; facilitate the development of other financial inclusion insurance products and channels for their distribution; and implement strategic market growth initiatives such as government assets insurance. The envisioned activities were substantially achieved during the plan period. Growth in insurance premium was achieved through enforcement activities driven on group life, compulsory motor insurance, application of local content policy, raids carried out on fake insurance agents and implementation of Annuity business under the PenCom Act 2004 (amended in 2014). The Nigeria Microinsurance Country Diagnostic Study and Survey on Takaful insurance were conducted. These led to the issuance of the guidelines on Microinsurance and Takaful insurance in 2013. However, insurance contribution to GDP remains low at 0.6%, there is still need to continue to promote measures that will deepen insurance penetration in Nigeria as well as increase insurance contribution to the economy in the subsequent plan.

#### **b) Optimize revenue collection and effective management of assets available to the Commission**

The objectives identified under this goal were to ensure receipts of statutory supervisory levy; proper and thorough assessment of operators' annual returns; expand the revenue base of the Commission; and install best practice internal



control system. Many of the activities identified to achieve the objectives were implemented. However, the expansion of the Commission's revenue base suffered a major setback in 2014 when the Federal Government ceased to grant statutory budgetary allocation to it, coupled with subsequent implementation of the Treasury Single Account (TSA) system with attendant loss of income from investment activities.

**c) Manage the expectation of all stakeholders in order to ensure transparency and public confidence**

The objectives identified under this goal includes:conduct interactions with stakeholders' panels to exchange views; conduct mass financial literacy campaign; conduct regular stakeholder surveys; and conduct reviews on claims payment and complaints handling.To achieve the set objectives, the Commission identified a number of strategies and activities. Most of the envisioned activities were implemented during the plan period. However, there is still need to continue to enhance the management of expectation of stakeholders to ensure transparency and public confidence.

**d) Strengthen insurance institutions by creating an effective regulatory framework**

The objectives identified under this goal were to work towards the passage of the new insurance bill into law; introduce risk management framework for insurance institutions; conclusion of the special inspection report; and follow up remedial action; and facilitate compliance with IFRS by insurance institutions. All the activities identified to operationalize the objectives on risk management framework, industry compliance with IFRS and conclusion of follow up action on special inspection report were achieved. The review of the new insurance bill was concluded but passage of the draft bill into law could not be achieved. Further activities achieved to strengthen insurers included enforcement of No Premium, No Cover (NPNC) provision of the law which, significantly improved insurers' liquidity, solvency, and ability to settle claims. The Commission also enforce regulatory ban on payment of unauthorized commission, rebates and refund premium (CRR).

**e) Enhance regulatory oversight by transforming the Commission's processes, people and systems.**

The objectives identified under this goal included the deployment of ICT into business processes; adoption of risk-based supervision approach; develop a

performance management competency framework; and ensure succession and manpower planning. Many of the activities identified to give effect to the objectives were implemented. However, the Management recognizes the need to continue to transform and enhance the Commission's processes, people and systems, and has thus come up with enhanced strategies that will pursue this objective further in the subsequent plan.

### **3.3 Key Achievements of 2016-2018**

#### **Highlights of 2016**

- i. The Federal Government of Nigeria constituted a ten-member committee to review the Insurance (Consolidated) Bill, a move that seeks to make the Bill conform to the ideals of contemporary Insurance practice.
- ii. Two (2) Takaful Insurance licenses were issued in 2016 to enhance Financial Inclusion and improve Insurance market penetration by reaching a hitherto un-served sector of the Nigerian population.
- iii. Setup an internal Unit to assist Ministries, Departments and Agencies (MDAs) to structure their insurances, and ensure all Government's assets are properly and adequately insured.
- iv. A total of 218 complaints were resolved by the Complaints Bureau Unit of the Commission for which N5.5 billion claims were settled by Insurance companies to aggrieved policyholders via its adjudication process.

#### **Highlights of 2017**

- i. The Commission signed a Memorandum of Understanding (MOU) with the Central Bank of Nigeria (CBN) on Bancassurance to drive more distribution channels for insurance.
- ii. Hosted the Annual Seminar for Insurance Correspondents in Kaduna State, to sensitize journalists on developments in the Insurance Sector.
- iii. The Commission signed an agreement with the Nigeria Insurers Association (NIA), and Federal Fire Services (FFS) to embark on full enforcement of insurance of public buildings nationwide, and to sanction defaulters.
- iv. The Commission organised two learning sessions in AML/CFT and Corporate Governance & Compliance for Insurance Brokers and Companies Board of Directors respectively.
- v. The Commission is soliciting partnership with Kaduna State government on implementation of Compulsory Insurances.

- vi. A total of 253 complaints were resolved by the Complaints Bureau Unit of the Commission for which ₦1.45 billion in claims was paid by insurance companies to aggrieved policyholders.

### **Highlights of 2018**

- i. Organization redesign was completed and approved by the governing board and implementation of new organizational structure is ongoing.
- ii. Charter of West African Supervisors Association on regional integration of West African Insurance Market under ECOWAS has been developed.
- iii. Training workshop on AML/CFT compliance drive was organized for insurers.
- iv. Update of NAICOM's Service Charter.
- v. Allocate responsibility for macro-prudential supervision
- vi. Conclude and expose guidelines on alternative distribution channels
- vii. Establish a Co-ordinated Framework for Public Education and Awareness (rebranding)

### **3.4 Challenges and Lessons Learnt**

Despite the remarkable achievements, a number of challenges remained. Some of these are:

- i. No model was adopted to provide focus and standard against which the Commission can measure its efforts. While consultants have suggested that indicators should be developed using the Kaplan Balance Score Card (BSC) framework, the strategic plan was not fully aligned to this model. It is the Management's intention that this new plan will follow the BSC framework.
- ii. The desired Synergy and coordination across Directorates and Units was not achieved.
- iii. Need for increased time allocation to strategic issues, meeting and workshops.
- iv. Need to improve public perception and awareness about Insurance and NAICOM.

## **PART 4: ENVIRONMENTAL ANALYSIS**

### **4.1 External Environment**

#### **4.1.1 Global**

##### **4.1.1a PESTEL Analysis**

Global financial events require that the Commission should be in a position to respond effectively to a continually evolving political, economic, social, technological

and regulatory environment which presents opportunities and incentives for innovation. Prevailing conditions continue to put pressure on the Commission's staff to provide interpretations or to reassess existing guidelines and framework to ensure its effectiveness under stressful and evolving conditions. Specific strategies have been put in place to address ongoing industry developments. Resources continue to be reassigned and priorities realigned as necessary.

## **International Factors**

The International factors consist of activities of international organizations and international developments that have impact on the realization of the mandates of the Commission within the context of Nigeria's relationship with these organizations and their direct relevance to its work. The organizations include the IAIS, AIO, IFSB, IMF, WB, FATF and GIABA.

### **4.1.1b Stakeholder Analysis**

The Commission has adopted the IAIS "Insurance core principles and methodology" as its resource for detailed supervisory standards and criteria. These methodologies specify international expectations for insurance supervision. Thus, the recommendations of the IMF/ WB on the FSAP were based on the assessment of compliance with the ICPs and have been considered in drawing up the new plan.

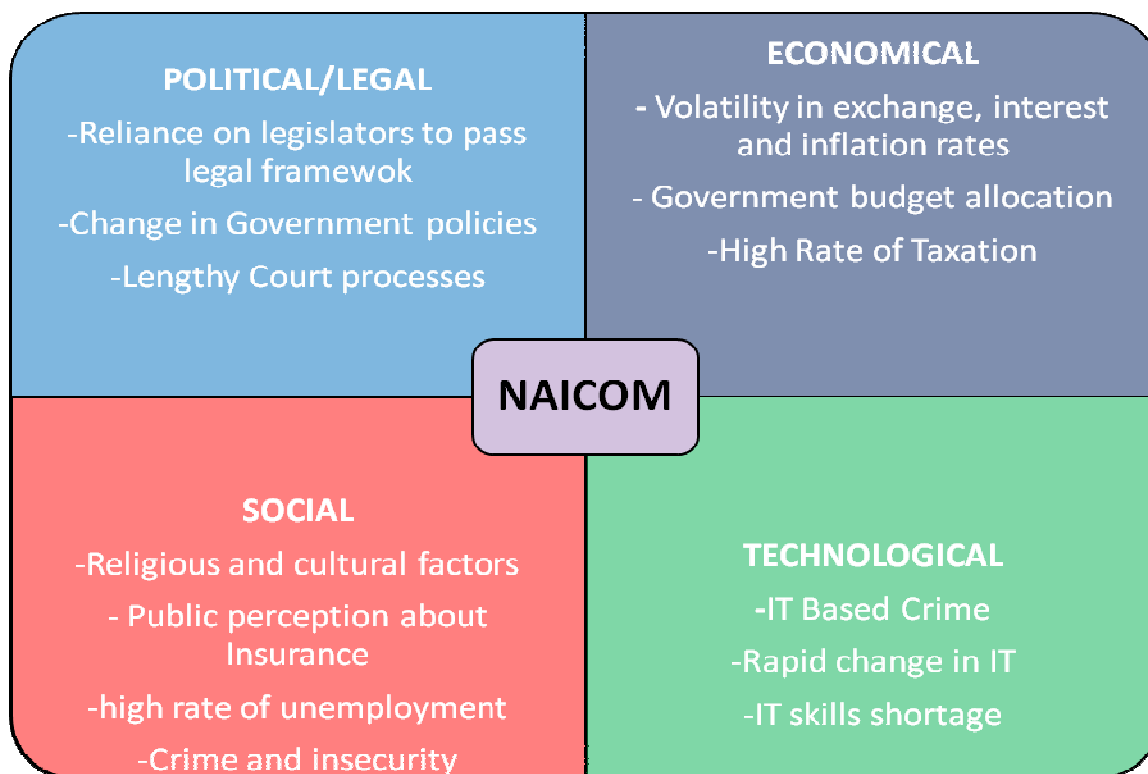
The FATF Recommendations specify international expectations for all agencies, including insurance supervisors that are involved in the fight against money laundering and terrorism financing. The Commission applies these recommendations and methodologies within the context of its mandate and the nature of the insurance industry in Nigeria.

### **4.1.1c Best Practice**

The standards, guidance notes and recommendations of the IAIS, AIO, IFSB, IMF/ WB FSAP, FATF and GIABA has continued to represent benchmark of best practices in insurance regulation and with due consideration to the local environment in which the industry operates.

## **4.1.2 Domestic Environment**

**4.1.2a PESTEL Analysis**



**i. Political**

The Commission’s exposure to political forces arises both as a result of it being a government agency and an organization in society where political process are a major driver of most organizations. From the perspective of government agencies, it report to the Federal Minister of Finance and is subject to the provisions of the public sector policies, regulations, public service rules and administration. The continued existence of any of these factors could work contrary to the interest of its mandate and inhibit its capacity to operate with the effectiveness expected of a regulatory agency under best practice situation. A change in government could invariably lead to changes in policies of the administration in power at any given point in time. Reliance on legislators to pass legal framework could determine how quickly regulatory reforms can be effected.

**ii. Economic**

Apart from the general significance of economic factors in running of any modern organization, economic forces play a major role in the realization of the mandate of the Commission, because of the wide scope of its mandate and the lack of funding from government. The country is heavily dependent on oil revenue, the level of foreign reserves is low, and interest rates are high. High rate of inflation reduces the

value and amount of disposable income which affects market development. Unpredictable exchange rates, escalating energy and food costs, high inflation rates; uncertain monetary and fiscal policies, creation of an enabling environment for investment, inequitable distribution of wealth, unemployment are all factors that affect market development.

iii. **Social**

The Nigerian society has a number of notable social characteristics that influence desired outcome and therefore affect the quality of initiatives achieved by the Commission. These include poor compliance culture, corruption, crisis in educational system, income disparities, ethnic challenges; changing consumption trends and patterns, low level of financial literacy at various levels, and a growing population with low purchasing power. Religious and cultural disposition also affect the public appreciation and perception of insurance. Increase in crime level may result to higher incidence of insurance claims. Nevertheless, the Commission will continue to secure protection for beneficiaries of insurance services.

iv. **Technological**

The current technological environment provides the Commission with wide range of opportunities not only for meeting its objectives in an efficient and cost effective manner but also for addressing some of the challenges and risks it faces from other environmental factors. There are a variety of opportunities for enhancement of productivity with the use of modern technology. These include such applications as risk-based financial analysis, electronic data management system and automating rendition of returns. On the down side is the prevailing information technology security challenges and rapid changes in software application.

v. **Legal Consideration**

The Nigerian society is becoming increasingly litigious. A culture of using the law process to sabotage the execution of the work of government agencies is common place. The Commission has had its share of this. Lengthy and expensive court action processes can make regulatory enforcement difficult. The lengthy process in making or amending the existing laws of the Commission means that required changes may take a long time to implement.

vi. **Actuarial Profession**

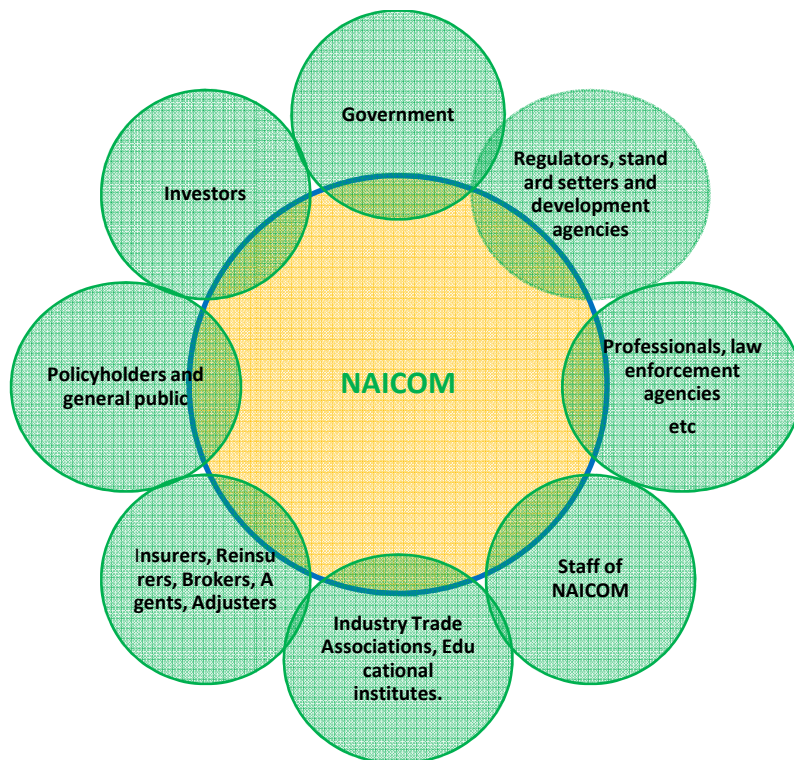
The Actuarial profession in Nigeria is not well established as there is no professional body and actuarial standards. The number of qualified actuaries is less than 10 and the cost of training them is high, while qualifying requirements are very challenging, the Commission has plans to invest in the training of actuaries. The state of the actuary profession is a national emergency that requires a well-articulated and coordinated plan that will involve all the stakeholders and covering the training of actuaries. Adoption of common standard or benchmark for the actuarial valuation work and setting up of a professional body of actuaries has become necessary. The Commission intends to provide leadership in this area.

## 4.1.2b Stakeholder Analysis

Stakeholders are those who have an interest in the Commission and whose interest can have a positive or negative impact. This plan is being communicated to all staff so that they understand their contributory role in realising the strategic goals.

The diagram below shows the Commission's direct external and internal stakeholders.

**Stakeholder analysis**



**4.1.2c Stakeholders' Expectations**

This strategic plan has been developed by taking into account, the expectations, needs and concerns of the Commission's direct external and internal stakeholders. To obtain this information, an exercise was conducted to identify the expectations of the various stakeholders and the outcome which formed a significant base is presented in the table below:



***Stakeholders'Expectation***

<b>Stakeholder</b>	<b>Expectations</b>
<b>Government</b>	Increased contribution to the GDP, efficient use of financial resources, and stability of the financial system.
<b>Staff</b>	A conducive working environment with adequate tools, skills and recognition for carrying on their duties.
<b>Policyholders and Insuring Public</b>	Prompt payment of claims, and protection of policyholders' interest.
<b>Trade Associations and Institutes</b>	Support for activities, consultation on rules, awareness and educational programmes
<b>Local and International Regulators</b>	Joint coordination of regulatory activities and adoption of best practice.
<b>Insurers, Reinsurers and Brokers, Agents, Adjusters</b>	Unbiased application of rules to facilitate the supply of products and services in a competitive market and supervision.
<b>Investors</b>	Transparency for efficient capital investment.
<b>Lawyers, Auditors, Actuaries, Police, Consultants</b>	Efficient regulatory process and collaboration

**4.2 Internal Environment**

**A. Organizational Structure**

- a) The Directorates at the Commission includes:
  - i. Administration & Human Resources;
  - ii. Commissioner's Office
  - iii. Finance & Accounts;
  - iv. Governance, Enforcement and Compliance
  - v. Head Office Branch, Lagos
  - vi. Inspectorate;
  - vii. Legal & Liquidation

- viii. Policy and Regulation
- ix. Research, Statistics and Corporate Strategy

b) Other Units are:

- i. Internal Audit;
- ii. Commission's Secretariat; and
- iii. Servicom

## **B. Human Resources**

The Commission is a knowledge driven organization; possession of the right caliber and number of staff is crucial. The Commission requires people with the right combination of knowledge, skill, attitudes and orientation to carry out regulatory duties. In a context of rapid changes, focusing on effective change management, learning and development and efficient staffing practices will facilitate continued success in meeting the Commission's business goals. Given the quality of staff required for actuarial services and other experts, the Commission will need to compete on remuneration to attract and retain qualified actuaries and other experts.

## **C. Information Technology**

Information technology is a major tool for operating any serious 21 Century enterprise both for purposes of efficiency and cost-effectiveness. The information technology requirement of the Commission with capacity for receiving and analyzing regulatory returns from insurance operators are enormous. The need for minimum IT standards for insurance operators to link up with regulatory portal as well as facilitates for data analysis has been proposed in the new plan.

## **D. Financial Resources**

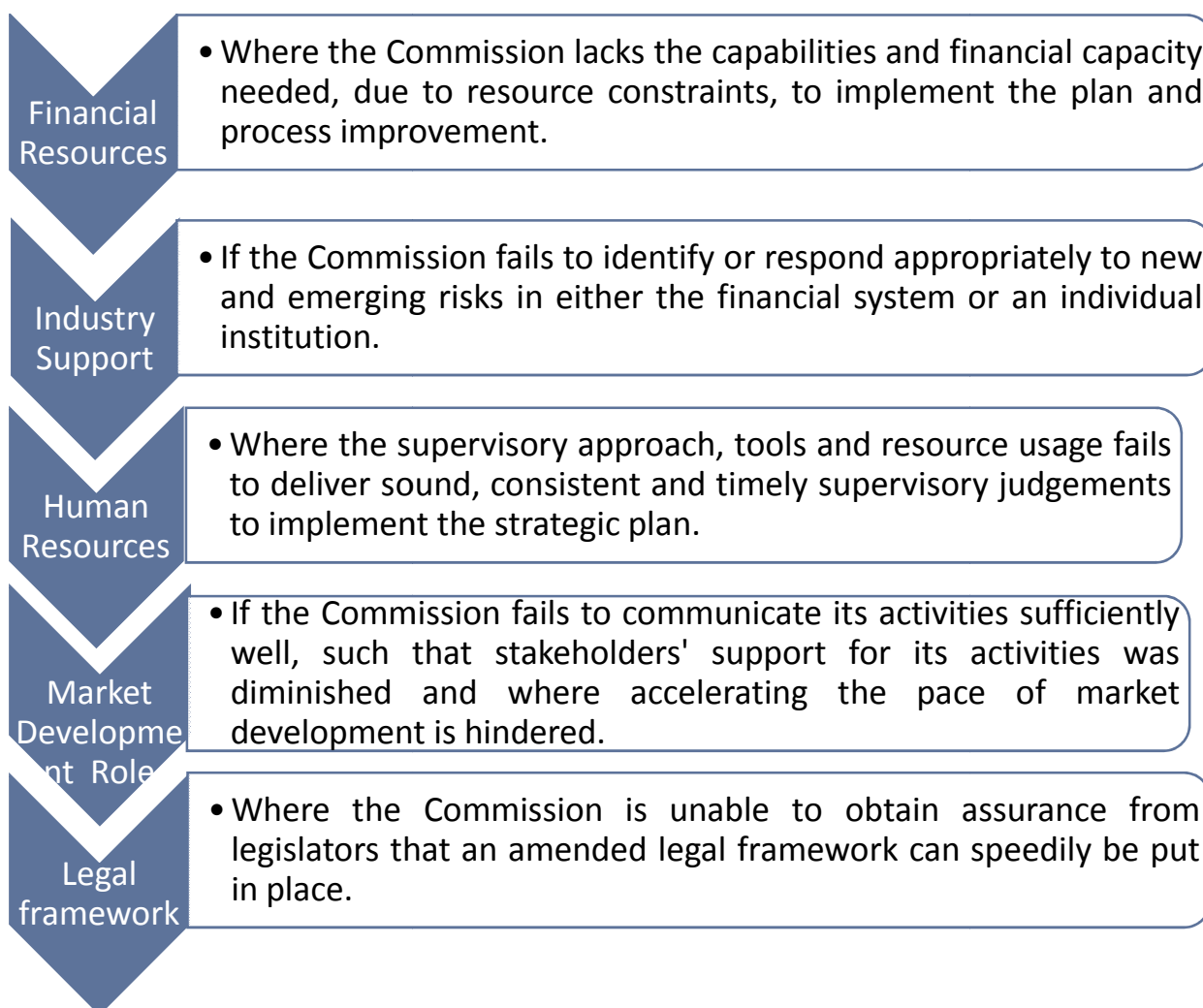
The Commission derives revenue from insurance levies and administrative penalties. In 2014 the Government decided to remove the Commission from annual budgetary allocation and thus ceased to receive subvention from the Federal Government from January 2015. Also, following government directives to all MDAs, all funds of the Commission were transferred to the Treasury Single Account with effect from September 2015. The Commission's resources may be significantly affected as it will no longer have the freedom to generate additional investment income. Given the scope of its mandates, finance may present a major challenge and will need to be addressed.

## **E. Risk Management**

The Commission does not have an internal risk management framework that is consistent with the high expectations it places on the regulated entities it supervises. This is a crucial function for the management of an organization that is operating in an increasingly uncertain environment. The Commission intends to entrench enterprise risk management in the course of implementing this plan.

**4.3 Critical Success Factors**

In the development of this Plan, an evaluation of the strategic risks which constituted the current internal and external factors impacting the Commission’s operating environment has been undertaken. The Commission’s ability to achieve its mission and strategic objectives would be impacted by the following circumstances:



## PART 5:SWOT ANALYSIS

### Strengths

- Qualified and Competent staff
- Active engagement with MDAs
- Enforcement of enabling laws and regulations

### Weaknesses

- Incomplete automation of processes.
- Inadequate Framework for enforcement of compliance with Compulsory Insurances.
- Insufficient skills in some functional areas such as Actuarial Services, Investment Management, and Investigation

### Opportunities

- Collaboration with government agencies and development partners.
- Relationship with insurance regulators in other jurisdictions.
- Appropriate Technological advancement to drive automation and innovation.
- Growing awareness of financial inclusion
- Membership of IAIS and other international insurance associations

### Threats

- Current law is prescriptive and requires improvement

- Rapid changes in technology
- Socio-economic instability
- Low public trust
- Inadequate funding
- Cyber risk

## PART 6: STRATEGIC ISSUES

Strategic issues represent key performance areas in which the Commission must excel in, and in order to realize its vision and mission to deliver value to stakeholders. They are therefore the pillars on which the Commission desire to excel on, for the entire plan period by focusing on them.

In the light of the SWOT analysis conducted, the management of the Commission are determined to attend to issues relating to:

### 6.1 Insuring Public/ Consumers

- i. Low Trust
- ii. Low Level Financial Literacy
- iii. Alternative Coping Mechanisms
- iv. Poverty
- v. Insurance Fraud
- vi. Public Apathy
- vii. Religious Orientation

### 6.2 Insurers

- i. Unhealthy Competition
- ii. Low Technical Skills
- iii. Limited Capacity
- iv. Unfair Taxation
- v. High Expense Ratio
- vi. Low Capitalization
- vii. Commoditization of Products
- viii. Limited Access to Services
- ix. Unprofessional Pricing

- x. Slow Adoption of Technology

## 6.3 Law

- i. Dated NAICOM Act 1997, and Insurance Act 2003
- ii. Insufficient Resources
- iii. Commitment of Law Enforcers
- iv. Judiciary's Perceptive on Insurance

## 6.4 Insurance Regulator

- i. Low Technical Skills
- ii. Restrictive Organization Structure
- iii. Manual Supervisory Processes
- iv. Poor work culture
- v. Supervision not risk based
- vi. Delays in regulatory approvals
- vii. Absence of key special functions
- viii. Absence of ERM in the Commission

## 6.5 Insurance Market

- i. Deepen the insurance market penetration
- ii. Achieve significant improvement in market conduct of operators
- iii. Continuing Protection of insurance policyholders and beneficiaries of insurance
- iv. Enforcement of Compulsory Insurance

## PART 7. REVISION OF STRATEGIC INTENT

### 7.1 Vision

*A safe and sound insurance industry competing globally and contributing optimally to the Nation's Economic Growth and Development*

### 7.2 Mission

*To effectively administer, regulate, supervise and develop the Nigerian Insurance Industry for the protection of insurance consumers and other stakeholders*

### 7.3 Values

#### ***Proportionality***

*Remedies should be appropriate to the risk posed, costs identified and minimised.*

#### ***Integrity***

*We are professionals, committed to objectivity, quality and service of the highest standards (Transparency, Accountability and Fairness).*

#### ***Consistency***

*Rules and Standards are implemented fairly at all times.*

#### ***Effectiveness***

*We manage practices, processes and resources to deliver stakeholders' value.*

**PART 8:GOALS, OBJECTIVES AND INITIATIVES 2019–2020**

**8.1 Strategic Goals**

- 1. Safety and Soundness of Insurance Institutions**
- 2. Stability of the Insurance Sector**
- 3. Optimal Insurance Market Development**
- 4. Adequate Protection of Policyholders and Public Interest**
- 5. Trust and Confidence in the Commission**
- 6. Regulatory Effectiveness**

**8.2Goals, Objectives and Initiatives**

<b>Goals</b>	<b>Objectives</b>	<b>Initiatives</b>
<b>1. Safety and Soundness of Insurance Institutions</b>	Entrenchment of Risk Based Supervision Regime	<ul style="list-style-type: none"> <li>• Develop risk based solvency framework</li> <li>• Implementation of risk based solvency framework</li> </ul>
	Deploy group-wide supervision	<ul style="list-style-type: none"> <li>• Develop policy framework for group wide supervision</li> <li>• Implement group-wide supervision</li> </ul>
	Ensure that IFRS is embedded in all institutions	<ul style="list-style-type: none"> <li>• Issue guidelines on embedding IFRS</li> <li>• Conduct compliance examination on IFRS embedding</li> </ul>
	Improve regulatory returns framework	<ul style="list-style-type: none"> <li>• Harmonize and update regulatory returns</li> <li>• Institutionalize rendition and review of regulatory returns</li> </ul>



Goals	Objectives	Initiatives
	Enhance enforcement of prudential requirements	<ul style="list-style-type: none"> <li>• Integrate regulatory and supervisory surveillance system</li> <li>• Conduct Compliance inspections</li> </ul>
	Ensure adequacy of capital of insurance companies	<ul style="list-style-type: none"> <li>• Establish framework for capital adequacy</li> <li>• Conduct capital adequacy verification</li> </ul>
<b>2. Stability of the Insurance Sector</b>	Develop and institutionalize a framework for macro prudential surveillance	<ul style="list-style-type: none"> <li>• Develop framework for macro prudential surveillance</li> <li>• Institutionalize framework</li> <li>• Enhance crisis preparedness and contingency planning</li> </ul>
<b>3. Optimal Insurance Market Development</b>	Facilitate sustainable innovation and healthy competition	<ul style="list-style-type: none"> <li>• Establish a framework for sustainable innovation in the insurance industry</li> <li>• Conduct thematic review of competitive practices in the industry and improve rules governing competition</li> <li>• Institute supervisory programmes for effective monitoring of competitive practices</li> </ul>
	Achieve National Financial Inclusion target for Insurance	<ul style="list-style-type: none"> <li>• Focused Insurance awareness campaign on financially excluded</li> <li>• Promote the development of products and business models that meet the needs of financially excluded group</li> </ul>
	Implementation of planned alternative channels of distribution	<ul style="list-style-type: none"> <li>• Issue guidelines on alternative distribution channels</li> <li>• Undertake regulatory impact assessment on the alternative distribution channels</li> </ul>
	Set standards on key enablers for effectiveness and efficiency in Insurance Institutions	<ul style="list-style-type: none"> <li>• Agree Framework for risk based pricing of insurance products</li> <li>• Establish a competency framework for key roles in the Industry</li> <li>• Specify information technology standards for the Industry</li> <li>• Standardize collection &amp; availability of</li> </ul>

Goals	Objectives	Initiatives
		high data quality
	Facilitate regional integration of West African Insurance market under ECOWAS	<ul style="list-style-type: none"> <li>• Develop Plan for the Market integration initiative</li> <li>• Agree a plan with West African Insurance Supervisors Association</li> <li>• Implementation Plan for the Market Integration</li> </ul>
	Deployment of sustainability Principles in Insurance	<ul style="list-style-type: none"> <li>• Develop framework for sustainability principles for Insurance</li> <li>• Integrate sustainability principles into supervisory plan</li> </ul>
<b>4. Adequate Protection of Policyholders and Public Interest</b>	Promote Insurance Education & Awareness	<ul style="list-style-type: none"> <li>• Establish a coordinated framework for public education and awareness</li> <li>• Implement solutions agreed in the framework</li> <li>• Promote policy to facilitate public access to insurance services nationwide</li> </ul>
	Promote improvement in policyholders protection scheme	<ul style="list-style-type: none"> <li>• Commission a study on policyholders' protection scheme</li> <li>• Set up an advocacy committee to pursue improvement</li> </ul>
	Improve enforcement of market conduct rules	<ul style="list-style-type: none"> <li>• Conduct thematic review of Claims management practices</li> </ul>
	Monitor degree of customer satisfaction	<ul style="list-style-type: none"> <li>• Agree Industry framework for customer satisfaction measurement</li> <li>• Conduct customer satisfaction survey</li> </ul>
	Reduce incidence of Fake Insurance	<ul style="list-style-type: none"> <li>• Establish a Multi-stakeholder framework for eradication of fake Insurance</li> <li>• Focused execution of plan on eradication of fake Insurance service providers</li> </ul>
	Improve enforcement of Compulsory Insurances	<ul style="list-style-type: none"> <li>• Develop and Implement Framework for enforcement of compulsory Insurance</li> <li>• Promote policy to facilitate public access to Insurance services nationwide</li> </ul>

Goals	Objectives	Initiatives
<b>5. Trust and Confidence in the Commission</b>	Update and enforce service charter for all arms of the Industry	<ul style="list-style-type: none"> <li>• Implement service charter system</li> </ul>
	Improve relationships with key stakeholders	<ul style="list-style-type: none"> <li>• Undertake baseline study on stakeholders' confidence</li> <li>• Develop and Implement Strategies for improvement in stakeholders' confidence</li> <li>• Conduct annual stakeholders trust and confidence survey</li> </ul>
	Facilitate Combating Money Laundering and terrorism financing	<ul style="list-style-type: none"> <li>• Improve Industry compliance with AML/ CFT laws and regulations</li> </ul>
<b>6. Regulatory Effectiveness</b>	Enhance financial fitness of the Commission	<ul style="list-style-type: none"> <li>• Advocate reform for the financing of the Commission</li> <li>• Implementation of Zero-based cost management</li> <li>• Seek funding possibilities from development partners</li> <li>• Effective monitoring and evaluation of financial activities</li> </ul>
	Improve organizational infrastructure of the Commission	<ul style="list-style-type: none"> <li>• Redesign Organisational structure</li> <li>• Reform filing and documents management system</li> <li>• Introduce internal service level agreements</li> <li>• Develop and deploy framework for IT supervision</li> <li>• Improved Premises</li> </ul>
	Improve number, competence and motivation of employees	<ul style="list-style-type: none"> <li>• Establish a competence framework for key jobs</li> <li>• Update Career path</li> <li>• Engage specialists in critical areas</li> <li>• Improve learning and development</li> </ul>
	Enhance quality of processes with full	<ul style="list-style-type: none"> <li>• Conclude all pending Automation project</li> <li>• Develop and implement updated</li> </ul>

Goals	Objectives	Initiatives
	automation	information technology solutions
	Enhance cooperation with relevant Agencies, Regulators and Development Partners	<ul style="list-style-type: none"> <li>• Develop framework for mutually beneficial relationship with MDA and development partners</li> </ul>
	Improve scope and quality of Internal Audit processes	<ul style="list-style-type: none"> <li>• Introduce Audit of all key functions in the Commission</li> <li>• Introduce Risk Based Internal Audit</li> <li>• Commence Computer based Internal Audit</li> </ul>
	Adopt risk- based approach to Insurance Supervision	<ul style="list-style-type: none"> <li>• Develop a roadmap for transition to risk based supervisory process</li> <li>• Implement roadmap</li> </ul>

## PART 9: IMPLEMENTATION STRATEGIES AND STRUCTURE

### 9.1 Implementation Matrix

This section presents the implementation matrix, which covers the strategic goals, the strategic objectives, initiatives, action items, activities, output measures, time frame and responsibility owner.

## STRATEGIC GOAL 1 – SAFETY AND SOUNDNESS OF INSURANCE INSTITUTIONS

1.1 OBJECTIVE: Entrenchment of Risk Based Supervision Regime						
a	<b>Initiative: Develop Risk Based Solvency Framework</b>					
	Action items		Perf. indicators	Timelines		Accountable
				Start	End	
	i	Issue Road map for transition to Risk Based Solvency Regime(RBSR)	Approved Roadmap	Jan. 2019	Jan. 2019	Auth & Policy
	ii	Create Awareness in industry on RBSR	Informed operators	Jan. 2019	Sept. 2019	Corp. Affairs
	iii	Build internal capacity on RBSR	RBSR competence	Apr. 2019	Sept.2020	Admin & HR
	iv	Appoint Project Management Consultants for RBSR	Letter of Award	Apr. 2019	June 2019	Procurement Unit
	v	Appoint Technical Consultant on RBSR	Letter of Award	Apr. 2019	June 2019	Procurement Unit
	vi	Inaugurate Steering Committee on RBSR	Inauguration Report	Feb. 2019	Feb. 2019	DC (T)
	vii	Inaugurate Framework Sub-Committee on RBSR	Inauguration Report	Jan. 2019	Jan. 2019	DC (T)
	viii	Monitor and update roadmap to completion	Quarterly Progress Report	June. 2019	Oct. 2020	Project Mgrs/Corp. Strategy
	ix	Submit Recommended RBS Framework	Draft RBS Framework	N/A	Jan. 2020	Corp. Strategy
x	Consider and adopt recommended RBS Framework	Decision Statement	N/A	Feb. 2020	DC (T)	
xi	Approve RBS Framework	Decision Statement	Dec. 2019	Mar. 2020	CFI	
b	<b>Initiative: Implementation of Risk Based Solvency Framework</b>					
	Action items		Perf. indicators	Timelines		Accountable
				Start	End	
	i	Conduct NAICOM's readiness assessments	Readiness Report	July.2020	Sept.2020	Inspectorate
	ii	Conduct Industry readiness assessments	Readiness Report	July.2019	Sept.2019	Auth. & Policy
	iii	Establish implementation plan	Approved plan	Oct. 2019		DC (T)
iv	Update existing supervisory process framework	Updated Supervisory Framework	Nov.2019		Supervision	
v	Monitor implementation until regime fully embedded in NAICOM and insurance institutions	Adoption of computation model	Nov.2019	Sept.2020	RSCS	

1.2 OBJECTIVE: Deploy Group-Wide Supervision					
<b>a Initiative: Develop Policy Framework for Group Wide Supervision</b>					
Action items		Perf. indicator	Timelines		Accountable
			Start	End	
i	Create Awareness on group wide supervision	Report of events	Jan. 2019	Mar. 2019	Corp. Affairs
ii	Build capacity on group wide supervision	Competence Report	Mar. 2019	Aug. 2019	Admin & HR
iii	Set up Committee to draft Group-wide supervision framework	Inauguration Report	July. 2019		DC (T)
iv	Develop Group-wide supervision framework	Committee report	Aug. 2019	Oct. 2019	Committee
v	Approve framework for group wide supervision	Decision Statement	Dec. 2019		DC (T)
<b>b Initiative: Implement Group Wide Supervision</b>					
Action items		Perf. indicators	Timelines		Accountable
			Start	End	
i	Develop implementation plan for group wide supervision	Issued roadmap	Jan. 2019	Feb. 2019	DC (T)
ii	Do pilot run	Conduct Pilot	Mar. 2020	June 2020	Inspectorate
iii	Institutionalize group wide supervision	Final adoption report	Aug. 2019	July.2020	DC (T)
1.3 OBJECTIVE: Ensure that IFRS is embedded in all Institutions					
<b>a Initiative: Issue Guidelines on embedding IFRS</b>					
Action items		Perf. indicators	Timelines		Accountable
			Start	End	
I	Capacity building on updated and prospective IFRS	Competence Report	Jan. 2019	Ongoing	Admin & HR
li	Issue implementation guidelines on updated and prospective IFRS	IFRS update roadmap	Jan.2019	June.2019	Supervision
<b>b Initiative: Conduct Compliance Examination on IFRS embedding</b>					
Action items		Perf. indicator	Timelines		Accountable
			Start	End	
i	Incorporate IFRS embedding into Supervisory plan	Supervisory plan	Jun.2019	July.2019	DC (T)
ii	Carry out assessment of IFRS embedding	Report on compliance	Aug. 2019	Feb. 2020	DC (T)

1.4 OBJECTIVE: Improve Regulatory Returns Framework					
<b>a Initiative: Harmonize and Update Regulatory Returns</b>					
Action items		Perf. indicator	Timelines		Accountable
			Start	End	
i	Develop Standardized Statistical codes for insurance business classification	Approved code	Jun. 2019	Nov. 2019	Auth. & Policy
ii	Harmonize chart for accounts of Insurance Company	Approved chart	Feb. 2019	July 2019	Supervision
iii	Harmonize regulatory returns requirement of all Directorates/ Units	Harmonised Returns	Aug. 2019	Sept. 2019	RSCS
iv	Issue updated reporting template with completion guidelines	Approved Template	N/A	Oct. 2019	Supervision
<b>b Initiative: Institutionalize Rendition and Review of Regulatory Returns</b>					
Action items		Perf. indicators	Timelines		Accountable
			Start	End	
i	Create awareness on updated return template	Report of events	Nov. 2019	Dec. 2018	Corp. Affairs
ii	Inspect insurers reporting infrastructure for rendition of regulatory return	Inspections conducted	Feb. 2021	July 2021	Inspectorate
1.5 OBJECTIVE: Enhance Enforcement of Prudential Requirements					
<b>a Initiative: Integrate Regulatory and Supervisory Surveillance System</b>					
Action Items		Perf. indicators	Timelines		Accountable
			Start	End	
i	Create Dashboard on regulatory compliance issues	Approved dash board	Feb. 2019	May 2019	Enforcement & Compliance
ii	Develop and introduce supervision intervention guide	Approved intervention Guide	May 2019	Sept. 2019	Enforcement & Compliance
iii	Introduce framework for recovery and resolution	Approved Framework	June. 2019	Dec 2019	Enforcement & Compliance
<b>b Initiative: Conduct Compliance and Supervisory Inspections</b>					
Action Items		Perf. indicators	Timelines		Accountable
			Start	End	
i	Develop annual supervisory plan	Approved Plan	Jan. 2019	Jan. 2019	DC (T)
ii	Execute plan	Inspection reports	Feb. 2019	Oct. 2019	DC (T)

1.6 OBJECTIVE: Ensure Adequacy of Capital of Insurance Companies						
a	<b>Initiative: Establish Framework for Capital Adequacy</b>					
	Action Items		Perf. indicators	Timelines		Accountable
				Start	End	
	i	Develop Framework	Draft Framework	Mar. 2019	May. 2019	Supervision
ii	Approve Framework	Final Approval of Framework	Apr. 2019	May. 2019	Supervision	
b	<b>Initiative: Conduct Capital Adequacy Verification</b>					
	i	Develop verification plan	Verification plan	Mar.2019	Mar.2019	Supervision
	ii	Carry out verification exercise	Verification report	Apr.2019	July.2019	Supervision
	iii	Quality assurance review of the verification report	Validated report	30 days after report submission		Supervision
	iv	Address identified issues	Resolution of all issues	Apr.2020	Ongoing	Supervision

## STRATEGIC GOAL 2 – STABILITY OF THE INSURANCE SECTOR

2.1 OBJECTIVE: Develop and Institutionalize a Framework for Macro Prudential Supervision						
a	<b>Initiative: Develop Framework for Macro Prudential Surveillance</b>					
	Action items		Perf. Indicators	Timelines		Accountable
				Start	End	
	i	Set up Committee to develop an insurance macro prudential framework	Inauguration Report	June.2019		DC (T)
ii	Develop framework for macro-prudential supervision	Recommended framework	July.2019	Aug.2019	Macro prudential Committee	
iii	Approve insurance macro prudential framework	Decision statement	Sept.2019		DC (T)	
b	<b>Initiative: Institutionalize Framework</b>					



	Action items	Perf. Indicators	Timelines		Accountable
			Start	End	
i	Allocate responsibility for macro-prudential supervision	Decision statement	Sept.2019		DC (T)
ii	Prepare training plan	Training Plan	Mar.2019		Admin & HR
iii	Train staff	Training Report	May 2019	June.2019	Admin & HR
iv	Undertake research and analysis on macro prudential issues	Research Reports	Quarterly w.e.f Q3, 2019		RSCS
v	Study trends and monitor the actual or potential impact on the financial stability of insurance markets in general and for insurers	Research Reports	Quarterly w.e.f Q4, 2019		RSCS
<b>c Initiative: Enhance Crisis Preparedness and Contingency Planning</b>					
	Action items	Perf. Indicators	Timelines		Accountable
			Start	End	
i	Set up Committee to develop framework on crisis preparedness & contingency planning	Inauguration Report	Feb. 2019		DC T
ii	Develop framework on crisis preparedness & contingency planning	Recommended framework	Feb. 2019		Committee on crisis preparedness
iii	Approve framework on crisis preparedness & contingency planning	Decision statement	Feb. 2019		DC T
iv	Prepare training plan	Training Plan	March.2019		Admin & HR
v	Build Capacity for crisis management	Training Report	March 2019	Ongoing	Admin & HR
vi	Implement framework	Resources allocation	w.e.f Apr. 2019		E&C

## STRATEGIC GOAL 3: OPTIMAL INSURANCE MARKET DEVELOPMENT

<b>3.1 OBJECTIVE:Facilitate Sustainable Innovation And Healthy Competition</b>					
a	<b>Initiative: Establish a Framework for Sustainable Innovation in the Insurance Industry</b>				
	Action items	Perf. indicators	Timelines		Accountable
Start			End		
i	Arrange a multi-stakeholder working group to advise on framework for innovation in the insurance industry	Inauguration Report	w.e.f Feb. 2019		A & P
ii	Consider working group report and issue guidelines on innovation in the industry	Guidelines	Oct. 2019		A & P
iii	Ensure necessary changes in insurance institutions and the Commission is made to enable effectiveness in	Readiness Report	Feb. 2019	Apr. 2019	A & P

	implementation				
iv	Implement framework	Activity report	Half yearly		RSCS
<b>b Initiative: Conduct Thematic Review of Competitive Practices in the Industry and Improve Rules Governing Competition</b>					
Action items		Perf. Indicators	Timelines		Accountable
			Start	End	
i	Development programme for thematic review of competitive practices	Approved programme	Mar.2019	May.2019	A & P
ii	Review competitive practices by insurance institutions in the insurance value chain	Review report	w.e.f Oct. 2019		A & P
iii	Amend market conduct guidelines to reflect necessary improvement	Update guidelines	w.e.f Feb. 2019		A & P
<b>c Initiative: Institute Supervisory Programme for Effective Monitoring of Competitive Practices</b>					
Action items		Perf. Indicators	Timelines		Accountable
			Start	End	
i	Develop integrated programme for monitoring of competitive practices	Approved Programme	July.2019	Oct. 2019	A & P
ii	Commence implementation of integrated programme for monitoring of competitive practices	Implementation Report	Quarterly	Jan. 2020	A & P
<b>3.2 OBJECTIVE: Achieve National Financial Inclusion target for Insurance</b>					
<b>a Initiative: Focused Insurance Awareness Campaign on Financially Excluded</b>					
Action items		Perf. indicators	Timelines		Accountable
			Start	End	
i	Determine financially excluded group for focused awareness campaign during plan period	Targeting Report	w.e.f Dec,2019		RSCS
ii	Integrate awareness and education needs of target group into relevant Commission's plan	Financial inclusion with campaign plan	Dec. 2019		RSCS
iii	Monitor implementation of plan as it relates to financially excluded targets	Progress	Quarterly		RSCS
<b>b Initiative: Promote the Development of Products and Business Models that meet the needs of Financially Excluded Groups</b>					
Action items		Perf. Indicators	Timelines		Accountable
			Start	End	
i	Encourage insurance institutions to incorporate the needs of financially excluded in the business module	Advisory on financial inclusion	Apr. 2019	Ongoing	A & P

	development				
ii	Provide regulatory sandbox for products targeted as financially excluded	Regulatory Policy	Apr.2019	Ongoing	A & P
<b>3.3 OBJECTIVE: Implementation of Planned Alternative Channels of Distribution</b>					
<b>a Initiative: Issue Guidelines on Alternative Distribution Channels</b>					
Action items		Perf. Indicators	Timelines		Accountable
			Start	End	
i	Conclude and expose guidelines on alternative distribution channels	Approved Guidelines	Feb.2019	Ongoing	A & P
ii	Issue guidelines on alternative distribution channels	Issuance of guidelines	Jan. 2019	Oct. 2018	A & P
<b>b Initiative: Undertake Regulatory Impact Assessment on the Alternative Distribution Channels</b>					
Action items		Perf. Indicators	Timelines		Accountable
			Start	End	
i	Develop plan for assessing impact of alternative distribution channel	Approved RIA Plan	Jun. 2020	Aug.2020	Research
ii	Carry out impact assessment survey and feedback outcome into decision making	RIA Report	Sep. 2020	Dec.2020	Research

<b>3.4 OBJECTIVE: Set Standards on Key Enablers for Effectiveness and Efficiency in Insurance Institutions</b>					
<b>a Initiative : Agree Framework for Risk Based pricing of Insurance Products</b>					
Action items		Perf. Indicators	Timelines		Accountable
			Start	End	
i	Set up working group on risk based pricing	Inauguration Report	June.2019		A & P
ii	Produce framework for risk based pricing	Recommended framework	July.2019		A&P
iii	Approve framework for risk based pricing	Decision Statement	Sept.2020		DC T
<b>b Initiative: Establish a Competency Framework for Key Roles in the Industry</b>					
Action items		Perf. Indicators	Timelines		Accountable
			Start	End	
i	Set up working group on competency framework	Inauguration Report	June 2019		A & P
ii	Produce competency framework	Recommended framework	July. 2019	Aug.2019	A&P

	iii	Approve competency framework	Decision Statement	Feb. 2020	Feb.2020	DC (T)
<b>c Initiative: Specify Information Technology Standards for the Industry</b>						
Action items		Perf. Indicators	Timelines		Accountable	
			Start	End		
i	Set up working group to develop information technology standards for the Industry		Inauguration Report	Feb.2019		DC T
ii	Produce information technology guidelines		Recommended framework	Feb. 2019	Mar.2019	IT
iii	Approve information technology standards for the Industry		Decision Statement	w.e.f Mar.2019		A&P
<b>d Initiative: Standardize collection and availability of high quality data</b>						
Action items		Perf. Indicators	Timelines		Accountable	
			Start	End		
i	Set up Committee to develop framework for collation of data		Inauguration Report	Oct 2019		DCFA
ii	Develop framework for collation of high quality data		Recommended framework	April. 2019	June. 2019	RSCS
iii	Approve framework		Decision Statement	w.e.f July..2019		Stat
<b>3.5 OBJECTIVE: Facilitate Regional Integration of West African Insurance Market Under ECOWAS</b>						
<b>a Initiative: Develop Plan for the Market Integration Initiative</b>						
Action items		Perf. Indicators	Timelines		Accountable	
			Start	End		
i	Prepare Plan for Market Integration.		Roadmap	Mar. 2019	Dec.2019	RSCS
ii	Approve plan for Market Integration		Approved Plan	Jan. 2020		RSCS
<b>b Initiative: Agree a plan with West African Insurance Supervisors Association</b>						
Action items		Perf. Indicators	Timelines		Accountable	
			Start	End		
i	Obtain Approval for the plan		Approved plan	Dec. 2019		RSCS
ii	Communicate the plan		Informed Regulators	Jan. 2020		RSCS
<b>c Initiative: Implementation plan for Market Integration</b>						
Action items		Perf. Indicators	Timelines		Accountable	
			Start	End		
i	Setting up of implementation Committee		Inauguration of committee	TBA		EXCO/WAISA

	ii	Monitor implementation of plan	Progress	TBA	WAISA Technical Committee
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3.6 OBJECTIVE: Deployment of Sustainability Principles in Insurance						
a	<b>Initiative: Develop Framework for Sustainability Principles for Insurance</b>					
	Action items		Perf. Indicators	Timelines		Accountable
				Start	End	
	i	Set-up Working Group on sustainability principles for Insurance	Inauguration report	Mar. 2019		DC (T)
	ii	Expose draft principles to Industry	Comments	July.2019		DC (T)
	iii	Prepare final sustainability principles for Insurance	Recommended Principles	Oct.2019		Committee
iv	Approve sustainability principles for Insurance	Decision Statement	Jan.2020		DC (T)	
b	<b>Initiative: Integrate Sustainability Principles into Supervisory Plan</b>					
	Action items		Perf. Indicators	Timelines		Accountable
				Start	End	
	i	Incorporate sustainability principles into annual supervisory plan	Recommended Plan	Jan. 2019		DC (T)
ii	Monitor Implementation of sustainability principles	Progress	Bi-annually		Committee	

**STRATEGIC GOAL 4 – ADEQUATE PROTECTION OF POLICYHOLDERS AND PUBLIC INTEREST**

<b>4.1 OBJECTIVE: Promote Insurance Education &amp; Awareness</b>						
a	<b>Initiative: Establish a Co-ordinated Framework for Public Education and Awareness</b>					
	Action items		Perf. Indicators	Timelines		Accountable
				Start	End	
	i	Get the Publicity Sub Committee of the Insurers' Committee to suggest a coordinated education and awareness plan for the industry	Recommended Framework	June 2019		Corp. Affairs
ii	Obtain approval for framework	Decision Statement	July 2019		Corp. Affairs	
b	<b>Initiative/Implement Solutions agreed in the Framework</b>					
	Action items		Perf. Indicators	Timelines		Accountable
				Start	End	
	i	Allocate resources to programme	Approved Allocation plan	Jan. 2019		Insurers' Committee
	ii	Implement the Commission's share of the plan	Decision Statement	Jan. 2019		DC (T)
iii	Assess efficacy of the insurance awareness and education programmes	Progress	Quarterly		Publicity Committee	
c	<b>Initiative: Promote Policy to Facilitate Public Access to Insurance Services Nationwide</b>					
	Action items		Perf. Indicators	Timelines		Accountable
			Start	End		

	i	Develop elements of a government policy that will increase access to insurance nation-wide	Date policy drafted	Dec 2019		A&P
	ii	Recommend policy to government	Date Policy Recommended	Dec 2019		CFI
<b>4.2 OBJECTIVE: Promote Improvement in Policyholders Protection Scheme</b>						
<b>a Initiative: Commission a study on policyholders' protection scheme</b>						
		Action items	Perf. Indicators	Timelines		Accountable
				Start	End	
	i	Draw up terms of reference for policyholders protection scheme working group	Recommended terms of reference	May.2019		A&P
	li	Set-up working group on policyholders' protection scheme	Inauguration report	Mar. 2019		DCT
	iii	Consider and approve report of working group	Approved Report	Aug. 2019		DCT
<b>b Initiative: Set up an Advocacy Committee to pursue Improvement</b>						
		Action items	Perf. indicators	Timelines		Accountable
				Start	End	
	i	Draw up terms of reference for Advocacy Committee	Approved Terms	Jan. 2019		CA
	ii	Constitute the Advocacy Committee	Committee Inaugurated	Feb. 2019		DCT
	iii	Regular review of Committee activities up till accomplishment of its purpose	Defined progress	Quarterly		Advocacy Committee

<b>4.3 OBJECTIVE:Improve Enforcement of Market Conduct Rules - Inspectorate</b>						
<b>a Initiative: Conduct Thematic Review of Claims Management Practices</b>						
		Action items	Perf. Indicators	Timelines		Accountable
				Start	End	
	i	Develop integrated plan for thematic review of claims management practices across insurance value chain	Review Plan	Mar. 2020	Ongoing	Inspectorate
	ii	Conduct thematic on-site inspection on claims management by insurance institutions	Inspection Report	July. 2020	Ongoing	Inspectorate

<b>4.4 OBJECTIVE:Monitor Degree of Customer Satisfaction</b>						
<b>a Initiative: Agree Industry Framework for Customer Satisfaction Measurement</b>						
		Action items	Perf. Indicators	Timelines		Accountable
				Start	End	
	i	Set up industry working group on framework for measuring customer satisfaction	Inauguration Report	Feb. 2019		RSCS
	ii	Review and approve agreed framework	Approved	June 2019		RSCS

		Framework			
<b>b Initiative: Conduct Customer Satisfaction Survey</b>					
Action items		Perf. Indicators	Timelines		Accountable
			Start	End	
i	Draw up plan for customers satisfaction survey	Approved Plan	Oct. 2019		RSCS
ii	Acquire instruments for conducting cost-effective surveys	Acquired Instruments	May 2019	July,2019	RSCS
iii	Conduct, collate and act on results of customers satisfaction survey	Decision Statement	July 2019	July,2019	RSCS
<b>4.5 OBJECTIVE:Reduce Incidence of Fake Insurance</b>					
<b>a Initiative: Establish a Multi-stakeholder Framework for Eradication of Fake Insurance</b>					
Action items		Perf. Indicators	Timelines		Accountable
			Start	End	
i	Identify and engage all key stakeholders on frameworks for eradication of fake insurance	Engagement Conducted	Mar. 2019	Oct. 2019	A&P
ii	Publish list of Agents, Brokers and insurers	List Published	April 2019	Ongoing	Corp. Affairs
iii	Create awareness on the need to take and confirm genuine insurance	Awareness Created	June 2019	Ongoing	Corp. Affairs
<b>b Initiative: Focused Execution of Plan on Eradication of Fake Insurance Service Providers</b>					
Action items		Perf. Indicators	Timelines		Accountable
			Start	End	
i	Carry out the Commission's agreed plan for eradication of fake insurance	Implemented Recommendation	Aug 2019	March 2020	A&P
ii	Monitor implementation of plan agreed with stakeholders	Progress	Quarterly	Ongoing	A&P
iii	Assess the efficacy of the plan	Progress	Quarterly	Ongoing	RSCS
<b>4.6 OBJECTIVE:Improve Enforcement of Compulsory Insurances</b>					
<b>a Initiative: Develop and Implement Framework for enforcement of compulsory Insurances</b>					
Action items		Perf. Indicators	Timelines		Accountable
			Start	End	
i	Agree framework for coordinated enforcement of compulsory insurances	Approved Framework	Oct. 2019	Ongoing	DC (T)
ii	Implement agreed framework	Progress	Aug. 2019		A&P
iii	Monitor enforcement efforts	Progress	Quarterly	Ongoing	E&C
<b>b Initiative: Promote Policy to Facilitate Public Access to Insurance Services Nationwide</b>					
Action items		Perf. Indicators	Timelines		Accountable
			Start	End	
i	Develop elements of a government policy that will increase access to insurance nation-	Approved Policies	Sept. 2019	April 2020	A & P



	wide				
ii	Recommend policy to government	Date Policy Recommended	Oct. 2019		CFI

## STRATEGIC GOAL 5 – TRUST AND CONFIDENCE IN THE COMMISSION

<b>5.1 OBJECTIVE: Update and Administer Service Charter for all arms of the industry</b>					
a	<b>Initiative: Implement Service Charter System</b>				
	Action items	Perf. Indicators	Timelines		Accountable
			Start	End	
i	Update NAICOM's Service Charter	Date updated	Dec 2019		SERVICOM
ii	Implement Service Charter	Date Review concluded	Mar.2019		A & P
iii	Review and agree minimum standard of service charter of all areas of the industry	Recommended Standards	Jan 2019		SERVICOM
iv	Approved Standards	Decision Statement	Mar 2019		SERVICOM
v	Agree enforcement system with all stakeholders	Decision Statement	May 2019		SERVICOM

<b>5.2 OBJECTIVE: Improve Relationships with Key Stakeholders</b>					
a	<b>Initiative: Undertake Baseline Study on Stakeholders' Confidence</b>				
	Action items	Perf. Indicators	Timelines		Accountable
			Start	End	
i	Commission a baseline study of stakeholders' confidence in the Commission	Date study Commission	June.2019		RSCS
ii	Conduct a baseline study	Submitted Report	July, 2019	Nov. 2019	RSCS
iii	Review and approve acceptance of study	Date study accepted	Dec. 2019		RSCS
b	<b>Initiative: Develop and Implement Strategies for Improvement in Stakeholders Confidence</b>				
	Action items	Perf. Indicators	Timelines		Accountable
			Start	End	

	i	Develop stakeholders management plan	Date Plan Submitted	Feb.2019	Corporate Affairs
	ii	Approve stakeholders management plan	Date Plan Approved	Feb .2019	Corporate Affairs
	iii	Implement programmes for stakeholder management	Actions within Deadline	w.e.f Mar. 2019	Corporate Affairs
<b>c Initiative: Conduct Annual Stakeholders Trust and Confidence Survey</b>					
		Action items	Perf. Indicators	Timelines Start   End	Accountable
	i	Plan the survey	Survey Plan	Apr.2019	RSCS
	ii	Conduct the survey	Date report submitted	May.2019   July. 2019	RSCS
<b>5.3 OBJECTIVE: Facilitate Fight against Money Laundering and Terrorism Financing</b>					
<b>a Initiative: Improve Compliance with AML/CFT Laws and Regulation</b>					
		Action items	Perf. Indicators	Timelines Start   End	Accountable
	i	Training workshop on AML/CFT compliance drive for the industry	In progress	Before Nov 2 Yearly	Inspectorate

**STRATEGIC GOAL 6 – REGULATORY EFFECTIVENESS**

6.1 OBJECTIVE: Enhance Financial Fitness of the Commission							
a	<b>Initiative: Advocate Reform for the Financing of the Commission</b>						
	Action items		Perf. Indicators	Timelines		Accountable	
				Start	End		
i	Use all interactions/communication with relevant organs of government to advocate reform in financing of the Commission		Action advocacy	Feb. 2019	Ongoing	DC (F&A)	
b	<b>Initiative: Implementation of Zero-based Cost Management</b>						
	Action items		Perf. Indicators	Timelines		Accountable	
				Start	End		
	i	Conduct training session on zero- based cost management		Date training concluded	Jun. 2019	Nov. 2019	Admin & HR
	ii	Preparation of guidelines on zero based budgeting		Date Guidelines issued	Dec. 2019		Finance & Accts
	iii	Full implementation of zero based cost management		Date rolled out	Jan. 2020		Finance & Accts
iv	Review effectiveness of zero based cost management		Date reviewed	Jun. 2020		DC (F&A)	
c	<b>Initiative: Seek Funding Possibilities from Development Partners</b>						
	Action items		Perf. Indicators	Timelines		Accountable	
				Start	End		
	i	Identify sources of grants/aids from Development Partners for various NAICOM initiatives		Date sources identified	Aug. 2017 - Ongoing		RSCS
	ii	Reach out to identified potential donors		Requests for fund support	Concluded		RSCS
iii	Follow through until outcome determined		Monthly Status Report	Ongoing		RSCS	
d	<b>Initiative: Effective Monitoring and Evaluation of Financial Activities</b>						
	Action items		Perf. Indicators	Timelines		Accountable	
				Start	End		
	i	Develop audit program for revenue and expenditure review		Annual Audit Plan	Feb, 2019		Internal audit
ii	Conduct Internal revenue and expenditure		Audit Report	Ongoing		Internal audit	

	audit				
III	Capacity building on IT Audit	Completion of training	Mar. 2019		Admin & HR
iv	IT Audit	Deployment of IT Audit	June 2019		Internal Audit
V	Review of audit reports	Management Statement on audit report	14 days after report		DC (F&A)
vi	Implement Audit Recommendations	Implementation Report	Immediate		DC (F&A)
<b>6.2 OBJECTIVE: Improve Organizational Infrastructure of the Commission</b>					
<b>a Initiative: Redesign Organizational Structure</b>					
Action items		Perf. Indicators	Timelines		Accountable
			Start	End	
i	Undertake organization redesign	Approved organization structure	Oct. 2018	Jan 2019	Admin & HR
ii	Implement the new organizational structure	Completion report	Mar. 2019		Admin & HR
<b>b Initiative: Reform Filing and Documents Management System</b>					
Action items		Perf. Indicators	Timelines		Accountable
			Start	End	
i	Set up working group to assess filing and Electronic Document Management System (EDMS)	Inauguration report	Feb. 2019		Admin & HR
ii	Production of requirement specification for new (EDMS)	Requirement Spec. EDMS	Mar. 2019		Working group
iii	Consider and approve acceptable EDMS	Approved EDMS	April. 2019		Admin & HR
iv	Budget for EDMS	Budget for EDMS	Apr. 2019		Admin & HR
v	Implement new EDMS	Completion Report	May. 2019		Admin & HR
<b>c Initiative: Introduce Internal Service Level Agreements</b>					
Action items		Perf. Indicators	Timelines		Accountable
			Start	End	
i	Collate service interdepartmental service expectations	Collated Expectations	Feb. 2019		SERVICOM
ii	Reconcile and harmonise interdepartmental service	Harmonized	Mar. 2019		SERVICOM

	expectations	Expectations			
iii	Prepare internal service level agreements	NAICOM internal SLAs	Apr. 2019	SERVICOM	
iv	Launch internal service level agreements	Launching of SLA	May. 2019	SERVICOM	
<b>d Initiative: Develop and Deploy Framework for IT Supervision</b>					
Action items		Perf. Indicators	Timelines		Accountable
			Start	End	
i	Set up working group to development framework for IT Supervision (FIS)	Inauguration report	Apr. 2020		Inspectorate
ii	Production of requirement specification for FIS	Required Specification For FIS	May. 2020		Inspectorate
iii	Approve framework for IT Supervision	Approved FIS	June. 2019		DC (T)
	Budget for IT supervision requirements	Budget for FIS	Sept. 2019		Finance & Accts
iv	Implement framework for IT supervision	Completion report	Sept. 2020		DC (T)
<b>e Initiative: Improve Premises</b>					
Actions Items		Perf. indicators	Timelines		Accountable
			Start	End	
i	Conduct review of premises	Report on premises	April 2019		Admin & HR
ii	Standardize requirements on premises	Approved Requirements	June 2019		Admin & HR
iii	Overhaul premises	Overhauled Conducted	Oct 2019		Admin & HR

<b>6.3 OBJECTIVE: Improve Number, Competence and Motivation of Employees</b>					
<b>a Initiative: Establish a Competence Framework for Key Jobs</b>					
Action items		Perf. Indicators	Timelines		Accountable
			Start	End	
i	Appoint a Consultant to develop competence framework for the Commission	Consultant Appointed	April 2019		DC (T)
ii	Approve and implement agreed framework	Progress	Quarterly		DC (T)
<b>b Initiative: Update Career Path</b>					

	Action items	Perf. Indicators	Timelines		Accountable
			Start	End	
i	Review of existing career paths in the Commission	Career path updated	Mar. 2019		Admin & HR
ii	Approval of recommended changes to career paths in the Commission	Approved Recommendations	June 2019		EXCO
<b>c Initiative: Engage Specialists in Critical Areas</b>					
	Action items	Perf. Indicators	Timelines		Accountable
			Start	End	
i	Determine Specialist position required in the Commission	Identified Positions	April 2019		Admin & HR
ii	Obtain approval to fill them either in permanent or consulting capacity	Approval	Sept 2019		Admin & HR
iii	Implement the decision	Decision Statement	Feb. 2020		Admin & HR
<b>d Initiative: Improve Learning and Development- HR</b>					
	Action items	Perf. Indicators	Timelines		Accountable
			Start	End	
i	Undertake a comprehensive review of short learning needs of the staff	Review Conducted	Jan 2019		Admin & HR
ii	Prepare a three-year employee development plan	Approved Plan	May 2019		Admin & HR
ii	Implement plan	Commencement	Aug. 2019		Admin & HR

<b>6.4 OBJECTIVE: Enhance Quality of Processes with Full Automation</b>					
<b>a Initiative: Conclude all pending Automation Project</b>					
	Action items	Perf. Indicators	Timelines		Accountable
			Start	End	
i	Undertake a stock taking of automation projects	Produced Report	Jan 2019	Feb.2019	IT
li	Determine projects that will require completion	Review of Report	Mar 2019		EXCO
iii	Implement decision	Commencement	June 2019	Oct.2019	IT
<b>b Initiative: Develop and Implement updated Information Technology Solutions</b>					
	Action items	Perf. Indicators	Timelines		Accountable
			Start	End	
i	Appoint Consultant to do an independent review of Commission's long term information technology requirements	Review conducted	Mar. 2019		DC (T)
ii	Approve New Information technology plan	Approve updated plan	June 2019		DC (T)

iii	Allocate or obtain funding for IT Plan	Funding Allocated	Aug. 2019		Finance. & Accts
iv	Appoint a Consultant to project Manage implementation of IT plan	Consultant Appointed	Sept. 2019		EXCO
v	Deploy IT Solutions	Progress	w.e.f Oct.2019		IT

## 6.5 OBJECTIVE: Enhance Co-operation with Relevant Agencies, Regulators and Development Partners

<b>a Initiative: Develop Framework for Mutually Beneficial Relationship with MDA and Development Partners</b>					
Action items		Perf. Indicators	Timelines		Accountable
			Start	End	
i	Facilitate engagement between NAICOM and MDAs/Developmental partners.	Commenced Engagement	Sept. 2019	Ongoing	RSCS
ii	Draw up MoUs for enhancement of relationship between NAICOM and MDAs/ Developmental partners	Developed MoUs	Mar. 2019		Legal

## 6.6 OBJECTIVE: Improve Scope and Quality of Internal Audit Processes

<b>a Initiative: Introduce Audit of all key functions in the Commission</b>					
Action items		Perf. Indicators	Timelines		Accountable
			Start	End	
i	Develop Audit Plan	Recommended Plan	Jan 2019	Feb 2019	Internal Audit
ii	Approved Plan	Decision Statement	Mar 2019	Mar 2019	Internal Audit
lii	Commence Computer Based internal audit	Decision Statement	June 2019		Internal Audit
<b>b Initiative: Introduce Risk Based Internal Audit</b>					
Action items		Perf. Indicators	Timelines		Accountable
			Start	End	
i	Design Programme for Risk Based Audit	Designed Programme	Jan 2020	Feb 2020	Internal Audit
ii	Establish Priority Areas	Recommended Areas	Mar 2020	April 2020	Internal Audit
iii	Approved Plan	Decision Statement	April 2020		Internal Audit
<b>c Initiative: Commence Computer based Internal Audit</b>					
Action items		Perf. Indicators	Timelines		Accountable
			Start	End	
i	Acquire Audit Software	Software acquired	Mar 2019	May 2019	Internal Audit/Procurement
ii	Training on Acquired Audit Software	Training Conducted	June 2019	July 2019	Internal Audit

<b>6.7 OBJECTIVE: Adopt risk-based approach to insurance supervision</b>						
a	<b>Initiative: Develop a roadmap for transition to risk based supervisory process</b>					
	Action items		Perf. Indicators	Timelines		Accountable
				Start	End	
	i	Set up Committee to develop roadmap	Inauguration report	Sept 2019		Supervision
ii	Approved roadmap	Decision Statement	Oct 2019		Supervision	
b	<b>Initiative: Implement Roadmap</b>					
	i	Awareness Creation on Roadmap	Stakeholder Engagement	Nov. 2019		Supervision
	ii	Roadmap Implementation	Decision Statement	Jan 2020		Supervision



## **9.2 Implementation Resource Requirements**

### **9.2.1 Staffing**

The Commission presently has 247 staff. Given the knowledge, skills, attitudes and orientation required in carrying out regulatory duties; the Commission will embark on job analysis/evaluation and determine learning needs in order to improve technical capacity of staff during the plan period.

### **9.2.2 Financial Resource Requirements**

It is anticipated that the implementation of this strategic plan will be funded from three mainsources; viz:

- i. One percent levy on the premium income of every insurance and reinsurance companies as well as commission and fees of every insurance broker and loss adjusters respectively.
- ii. Fees and Penalties payable by insurance institutions and other persons; and
- iii. Assistance and contributions from development partners and others.
- iv. The summary of cost of implementating this strategic plan is attached as appendix 1.

## PART 10: MONITORING AND REVIEW

### 10.1 Monitoring and Evaluation Framework

During the course of the plan period, the Commission will monitor and evaluate the inputs, activities, outputs and outcomes to ensure that the targets defined are achieved in a timely and efficient manner.

This will be achieved through the use of performance appraisals as well as the maintenance of a strategy performance monitoring system. Ownership of the strategy monitoring process shall reside with the Corporate Strategy Unit and will work with all other Directorates and Units to provide any required guidance towards the implementation of this plan. There shall be rational and equitable allocation of required resources during the plan period to ensure seamless implementation of the plan.

In addition, the Commission will also incorporate a progress report against the Strategic Plan in its Annual Report which is published every year.

<b>APPENDIX 1</b>						
<b>SUMMARY OF IMPLEMENTATION COST OF STRATEGIC PLAN</b>						
#	Description	Financial Requirement				
		2017	2018	2019	2020	TOTAL COST
<b>FINANCIAL REQUIREMENTS</b>						
<b>Goals</b>						
1	Safety and financial soundness of insurance institutions and Sector	15,147,500	301,227,834	125,871,167	127,748,917	569,995,418
2	Satisfactory Consumer protection	52,300,000	54,915,000	60,406,500	66,447,150	234,068,650
3	Facilitation of Insurance Market Development"	173,253,500	308,820,750	330,893,813	348,966,223	1,161,934,286
4	High stakeholders' Trust and confidence in the commission	39,290,000	43,219,000	47,540,900	52,294,990	182,344,890
5	Mutually Beneficial External Relations	-	-	-	-	-
6	Continued efficiency and effectiveness of the Commission	226,712,000	126,743,800	235,630,370	366,574,926	955,661,096
Total Financial Requirements		506,703,000	834,926,384	800,342,750	962,032,206	3,104,004,339
<b>FUNDING</b>						
<b>Sources of funds</b>						
1	Operations	179,212,000	104,243,800	114,630,370	126,574,926	524,661,096
2	Education	10,000,000	130,114,000	143,125,400	157,437,940	440,677,340
3	Security and Industry Development	317,491,000	600,568,584	421,586,980	678,019,340	2,017,665,903
4	Grants	-	-	121,000,000	-	121,000,000
Total Funding		506,703,000	834,926,384	800,342,750	962,032,206	3,104,004,339