NATIONAL INSURANCE COMMISSION

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DATE: **29th June 2026**

TO: **Managing Director/CEOs of Insurance Institutions**

SUBJECT: **GUIDELINES ON INSURANCE PRODUCTS FOR INSURANCE INSTITUTIONS IN NIGERIA**

1. The National Insurance Commission, in exercise of its statutory mandate enshrined in the Nigeria Insurance Industry Reform Act (NIIRA) 2025 and other extant laws and regulations, hereby issues the **Guidelines on Insurance Products for Insurance Institutions in Nigeria**.

2. The Guidelines provide the regulatory framework governing the conception, development, approval, modification, marketing, distribution, monitoring and withdrawal of insurance products within the Nigerian insurance industry.

3. The Guidelines take effect from **1st July 2026** and shall apply to all product approval requests, product reviews and product-related activities undertaken by insurance institutions from the effective date.

4. All insurance institutions are required to ensure strict compliance.

5. A copy of the Guidelines can be accessed through the Commission's website: www.naicom.gov.ng

Yours faithfully,

Olugbenga Jaiyesimi
Deputy Director, Market Conduct & Complaints Bureau
For: Commissioner for Insurance

NATIONAL INSURANCE COMMISSION

GUIDELINES ON INSURANCE PRODUCT FOR INSURANCE INSTITUTIONS IN NIGERIA

1ST JULY 2026

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1.0. **INTRODUCTION**

1.1. In exercise of the powers conferred on the Commission by extant insurance laws and the Nigeria Insurance Industry Reform Act (NIIRA) 2025, the Commission hereby issues the following Guidelines for Insurance Product by Insurance institutions.

1.2. Insurance institutions for the purpose of this Guidelines refers to Insurance, Takaful, Microinsurance Companies, Standalone and Partnering Insurtech only

1.3. Insurance institutions are required to strictly comply with the provisions of this Guidelines

1.4. An Insurance institution that fails to comply strictly with any of these guidelines shall be liable to appropriate penalties. In determining the appropriate penalty, the Commission shall be guided by the principle of disgorgement in regulatory enforcement aimed at removal of financial benefits gained through non-compliance or breach of regulatory obligations under the Guidelines.

1.5. This Guidelines shall take effect from 1st July 2026

2.0 **DEFINITION OF TERMS & ABBREVIATIONS**

2.1 In this Guidelines, the following definitions shall subsist unless otherwise directed:

Word / Term	**Meaning**
Insurance Institution	Insurance, Takaful, Microinsurance Companies, Standalone and Partnering Insurtech
Commission/NAICOM	The National Insurance Commission
New Product	New product constitutes any insurance policy being introduced to the market for the first time
Product Modification	Product modification constitutes changes made to an approved Insurance Product
Material Change	A significant modification affecting risk, pricing, benefits, and coverage that requires regulatory approval.
Non-Material Change	Minor updates that has no impact on risk exposure, benefits and coverage such as changes in, interest rate, product layout, branding, contact and operational details, that do not require approval of the Commission.

Premium/Contribution	The payment made by the policyholder to obtain insurance /takaful cover.
Actuarial Report	A report by an actuary analysing pricing, risks, and financial sustainability of a product.
Technical Premium	The calculated risk premium based on expected claims, costs, and margins.
Microinsurance Product	Simple and affordable insurance product targeted at low-income or underserved groups.
Takaful Product	A form of insurance product that is compatible with the principle of Shariah (Islamic law)
Run Off Plan	Process of managing existing policies after a product is withdrawn until all obligations are fulfilled.
Disclosure	Making available clear and adequate information to customers
NIN	National Identity Number issued by Nigeria Identity Management Commission.
CAC	Corporate Affairs Commission
SLA	Service Level Agreement
KYC	Know Your Customer
NIIRA	Nigerian Insurance Industry Reform Act

3.0. OBJECTIVES

The objective of these guidelines are as follow:

3.1. Ensure Consumer Protection to guarantee that approved products are fair, transparent, and suitable for consumers in order to improve consumer experience and confidence in insurance offerings.

3.2. Establish Regulatory Standards to provide clear criteria and procedures for product approval and ensure products comply with pricing, disclosure, and operational standards.

3.3. Enhance Market Conduct and Fair Practices to prevent mis-selling and unethical practices and promote responsible marketing and distribution of insurance products.

3.4. Support Financial Inclusion to facilitate the development of inclusive products for underserved populations and expand access to affordable and relevant insurance services.

3.5. Strengthen Supervision and Compliance to enable NAICOM to monitor product performance and compliance and ensure alignment with market conduct and prudential guidelines

4.0. SCOPE AND APPLICABILITY

This Guidelines shall apply to all insurance product conception, development, approval and utilization of insurance products by the following insurance institutions:

i. Insurance companies

ii. Takaful operators

iii. Microinsurance companies

iv. Standalone Insurtech

v. Partnering Insurtech.

5.0. GENERAL REQUIREMENTS

1. An insurance institution shall not introduce or market a new insurance product without obtaining prior written approval from the Commission.

2. Applications must be one per product and shall state clearly the value additions/uniqueness or features it will introduce to the existing (conventional) products in the market

3. Request for new product or modification of an existing product must be endorsed by the Head of Technical and Managing Director/Chief Executive Office (MD/CEO) of the applying company. An Undertaking that the proposed product is packaged in compliance with sound principles of insurance duly signed by Executive Director (Technical) and the MD/CEO shall accompany the request accordingly.

4. Approval for new products or modification of an existing insurance products shall be completed within thirty (30) days from the date of receipt of such request in the Commission.

5. Request for modification of existing approved insurance product that affects coverage, pricing, distribution or any other adjustment shall be treated as request for new insurance product and the thirty (30) days' timelines will apply accordingly

6. Counting of the thirty (30) days' timelines shall commence only on submission of complete documentation required to obtain the Commission's approval. Incomplete

documentation shall be treated as no submission and application deemed declined abi initio.

7. All applications for product approval must be submitted in accordance with this Guidelines. Application for product approval shall be accompanied with relevant documents, evidence of payment of applicable fees and compliance with appropriate underwriting standards.

8. The Actuary's report (where applicable) shall include a disclosure of the assumptions used including commissions, expenses and mortality rates. If the product is relatively new with limited historical experience, the Actuarial report shall disclose the facts and indicate the assumptions made to cater for the lack of appropriate historical experience. The Actuarial review shall also comment on the adequacy of the reinsurance arrangements to be adopted on the product

9. An insurance institution shall be responsible for providing information on the product that is accurate, clear, fair and not misleading to customers and intermediaries that rely on the information in providing advice to customer.

10. Where an insurance product has exceptional or peculiar conditions, exclusions or exceptions, it shall be clearly indicated and brought to the knowledge of the customer.

11. An insurance institution shall take steps to ensure that advertising and promotional materials are comprehensive, clear and consistent with the terms and conditions of the product as approved by the Commission.

12. An insurance institution shall obtain the Commission's No Objection prior to the use of any promotional items including advertising jingles in respect of the product to ensure consistency.

13. Where an insurance product has been developed through collaboration between an Insurer and an Intermediary, and where the insurance product is branded and marked by the Intermediary, the name of the Insurance company shall appear prominently in the marketing materials.

14. All insurance product must include Customer's dispute resolution process which shall be conspicuously indicated in the policy document.

15. Phone number(s) to report any grievance against the product must be stated on the proposal form/product flyers. The product's policy document/claim forms must highlight the internal complaints handling procedure that any unsatisfied and aggrieved insured may contact for solution.

16. The proposal form, claims form and marketing brochure of a new or repackaged or existing insurance product shall conspicuously bear the name and contact details of the insurer.

17. Proposal forms designed for insurance product must conspicuously reflect the provisions of Section 64(3) of NIIRA 2025 on information provided to an Insurance Agent.

18. Proposal forms must also include compulsory fields for National Identity Number (NIN) for individual and Corporate Affairs Commission (CAC) document for corporate entity.

19. In addition to the conventional sections of an insurance policy, all policy documents must have a summary Policy Schedule which shall include the following broad headings:
    - i. The Insurer and principal place of business
    - ii. Policy number
    - ii. Period of Insurance.
    - iii. The Insured and his/her address
    - iv. NIN and BVN or CAC Documents of the Insured
    - v. Type of insurance
    - vi. Limit/Sum insured
    - vii. Deductible/excess
    - viii. Territorial limit
    - ix. Currency(ies) involved
    - x. Conditions
    - xi. Exclusion and exceptions (if any).
    - xi. Original premium and/or renewal premium respectively
    - xii. Tax payable including all local taxes/levies (if applicable)
    - xiii. Intermediary (ies) if any
    - xiv. Choice of Law and Jurisdiction
    - xv. Contact for claims notification.

20. Products with surrender value must unambiguously specify at what time a policy may be surrendered. An illustrative computation of surrender values shall be expressly stated in the policy document showing what would be payable on surrender of the policy

21. Cancellation conditions must be expressly stated in the policy document as well as the product flyers/MOU (if products belongs to/or is developed by another company)

6.0. PRODUCT SPECIFICATION

6.1. Product Definition – New/Modify

New product constitutes any insurance policy being introduced to the market for the first time introducing new coverage, structure, target market, risk profile, pricing approach or distribution method that have not been previously offered by the Insurer.

Product modification constitutes changes made to an approved Insurance Product already in the market where the original product continues to exist but one or more of its features are altered.

6.1.1. Changes considered not material to warrant request for modification

i. Minor wording clarifications with no impact on risk coverage or benefits
ii. Administration updates (e.g., document formatting or layout changes)
iii. Mandatory updates that do not affect risk exposure, pricing and coverage such as changes in CBN monetary policy on interest rates

6.2. Fair Treatment

All Insurance products must conform to the concept of fair treatment of potential customers. Sufficient information must be provided to guide potential customers' decision.

6.3. Product Design

The following must be taken into consideration while developing new products:

i. Cost/benefit analysis
ii. Risks management
iii. Implementation plan
iv. Post implementation plan.

6.4. Product Pricing

i. Analysis and review of the Actuary must be considered in the pricing process which must, amongst others, reflect the emerging experience in price adjustments, monitor deviations of technical underwriting pricing instrument and anti-competition.

ii. The pricing of an insurance product shall involve the estimation of claims and other business costs arising from the product and the investment income arising from the investment of the premium income attaching to the product.

iii. The pricing of an insurance product shall ensure that minimal pricing risks occurs where the actual experience on claims, costs or investment returns arising from the sale of a product are different from what was assumed.

iv. Insurance institutions shall incorporate ongoing actuarial review in the pricing process and where relevant, undertake specific independent reviews of pricing for large or complex risks.

v. No Insurance institutions shall offer product below risk/technical premium

6.5. Microinsurance Product

Microinsurance product must be simple, affordable and accessible. It must also target underserved population.

6.6. Takaful Product

Takaful product must comply with shariah principles.

6.7. Product Withdrawal and/or Recall

6.7.1. Insurance institutions shall ensure that insurance product withdrawal is conducted in a prudent, transparent, orderly, and policyholder-focused manner, consistent with market stability and consumer protection

6.7.2. An Insurance institution who intends to withdraw or recall an insurance product from the market shall:

i. Obtain the commission's approval prior to withdrawal or recall of the product providing the following;
   - Application for No Objection to withdraw/recall stating reason(s)
   - Board resolution on the withdrawal/recall of the product
   - Effective date of withdrawal/recall
   - Assessment of impact on existing policyholders
   - Run-off management plan on the withdrawal/recall

ii. Specify in the application letter that measures have been put in place to ensure adequate protection of policyholder. Such measures to include;
   - Conduct a formal internal assessment on the product prior to withdrawal/recall
   - Notification to existing policyholders on the decision to withdraw/recall
   - Existing policies shall be honoured until expiry and shall not be forcefully cancelled
   - There shall be no deterioration in benefits, cover, or claims handling standards.
   - Withdraw/recall shall not lead to unfair lapses or prejudice to policyholders.
   - Where practicable, provide alternative products or transition support to affected policyholders.
   - Records of product withdraw/recall to be retained for at least 10years
   - Publication in at least 2 national Newspapers notifying the public on discontinuation of sale of the withdraw/recall product

6.8. **Product Disclosures**

Disclosure involves provision of appropriate and adequate information. Insurance institution or its representatives shall take reasonable steps to ensure that a customer is given appropriate information about the product in good time and in a comprehensible form so that the customer can make an informed decision about the cover proposed.

6.9. Regulatory Compliance

Information on insurance product must comply with extant laws and regulations such as data protection and anti-money laundering, combating financing of terrorism and countering proliferation financing (AML/CFT/CPF).

7.0. DOCUMENTATION FOR APPROVAL OF INSURANCE PRODUCT

7.1. Products application.

All application for product approval made to the Commission shall, at a minimum, contain the following documents:

i. Formal application letter.
ii. Name of the product.
iii. Objective of the proposed new/repackaged product(s).
iv. Evidence of payment of the product approval fee, as specified by the Commission.
v. Policy wordings (specimen)

vi. Proposal form

vii. Claims form

viii. Marketing brochure/flyer.

ix. Premium computation sheet explicitly showing expenses and commissions (to both reinsurers and intermediaries)

x. Actuary's reports/premium justification.

xi. Letter of comfort from a reinsurer in respect of each proposed product

xii. Financial strength rating of the reinsurer (if applicable).

xiii. Product business plan, feasibility report and success strategy of the product proposed

xiv. Email address/phone number of Company (Contact person)

xv. Commission payable to intermediaries

xvi. KYC forms with request for submission of BVN and NIN or CAC documents (whichever is applicable).

xvii. Internal underwriting report/ valuation.

xviii. Specimen certificate (where applicable)

xix. Service Level Agreement (SLA) or Memorandum of Understanding (MoU) where third party is involved

xx. Distribution channel(s)

xxi. Any other relevant information

7.2. Incomplete Documentation

i. All incomplete submission shall henceforth be treated as non-submission and fresh application shall be resubmitted. Applicants are therefore advised to strictly comply with the procedure and documentary requirements for filing product approval requests.

ii. Failure to provide further clarification or document required by the Commission within a specified timeline shall result in disapproval of the request and subsequent closure of the process.

iii. An application adjudged to be materially non-compliant with this guidelines and other extant insurance regulations shall be disapproved and, if already approved, products shall be recalled.

8.1. PRODUCT RETURNS

i. Insurers shall submit bi-annually returns to the Commission on the performance of new or modified insurance products continuously for the first three (3) years after approval and the returns must, at a minimum, include premium generated, claims reported and settled on the product

ii. The report must reach the Commission not later than 15 days into the succeeding month following the deadline.

8.2. NON-COMPLIANCE

Failure to comply with this Guidelines shall lead to appropriate regulatory sanctions, including suspension from issuing new product, and other penalties as may be determined by the Commission.

8.3. ENQUIRIES

Further information on any aspect of this Guidelines should be referred to the National Insurance Commission, Plot 1239, Ladoke Akintola Boulevard, Garki II, Abuja or email: mailroom@naicom.gov.ng or visit the Commission's website: www.naicom.gov.ng