



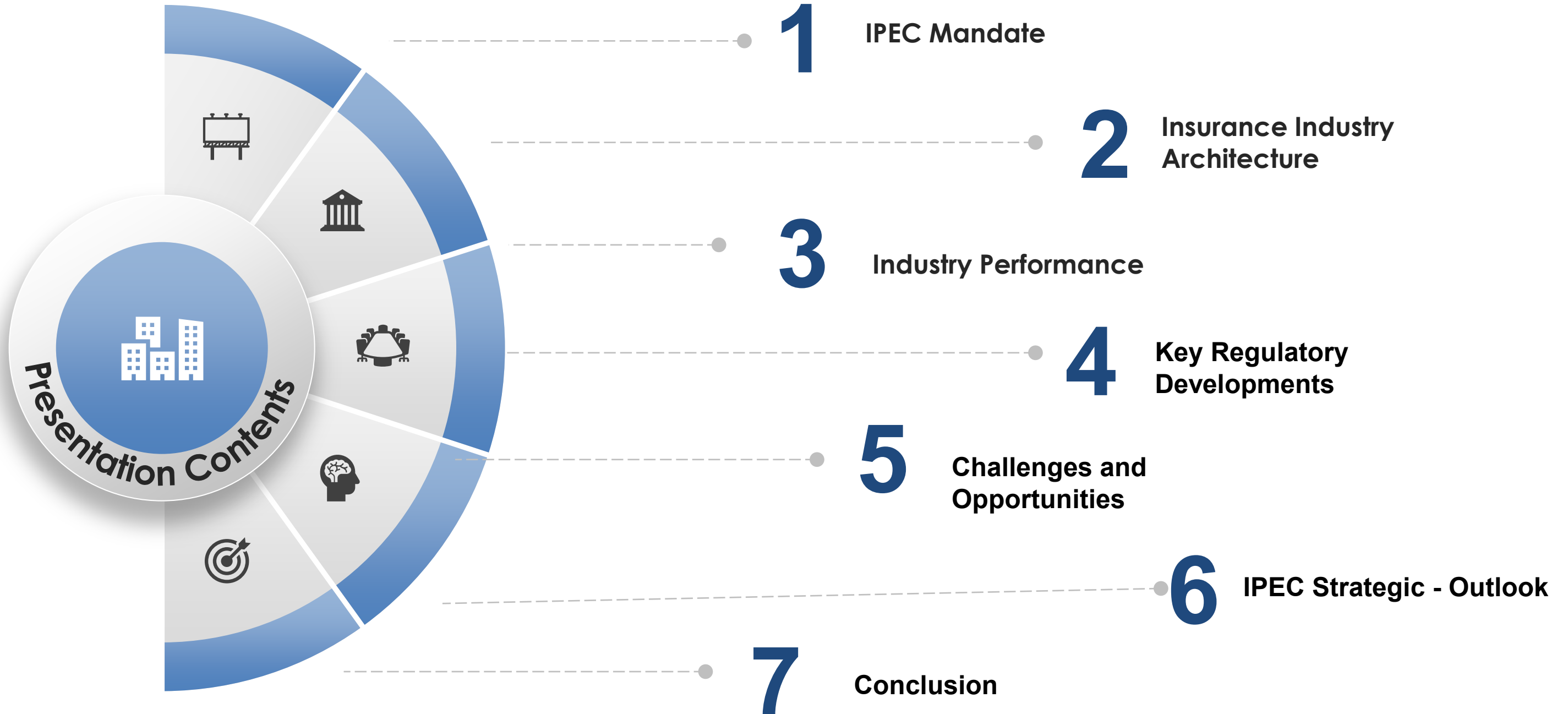
AFRICA INSURANCE INDABA 2025:

Reimagining Insurance: Unlocking Economic Potential and Building Resilience in Africa

PRESENTER

Sibongile Siwela – Director Insurance

Presentation Outline



IPEC Mandate



IPEC - Statutory body established in terms of the Insurance and Pensions Commission Act [Chapter 24:21]



To register, regulate, supervise, and develop the insurance and pensions industry – prudential, market conduct and AML/CFT/CPF



To inform the public on matters relating to insurance, pension and provident funds



To protect the rights and interests of policyholders and pension scheme members



To advise Government on insurance, pension and provident funds matters



INDUSTRY ARCHITECTURE

Type of Institution	Number of Registered Entities	
	30 Sept 2025	30 Sept 2024
Direct Short-term	21	20
Life Companies	12	12
Microinsurance Companies	16	15
Reinsurance Companies*	10	10
Direct Brokers	28	28
Reinsurance Brokers	8	8
Total*	95	93



INDUSTRY PERFORMANCE: REVENUE

Class of Business	Sept 2025 (ZWG Billion)	Sept 2025 (US\$ Million)	Sept 2024 (ZWG Billion)	Sept 2024 (US\$ Million)	Change (US\$)
Short-term	6.07	227.5	2.26	182.9	24.38%
Microinsurers	0.22	8.2	0.15	10.8	-24.07%
Life Insurers	4.59	172.05	1.07	123.77	39.01%
Total	10.88	407.75	3.48	317.47	28.44%



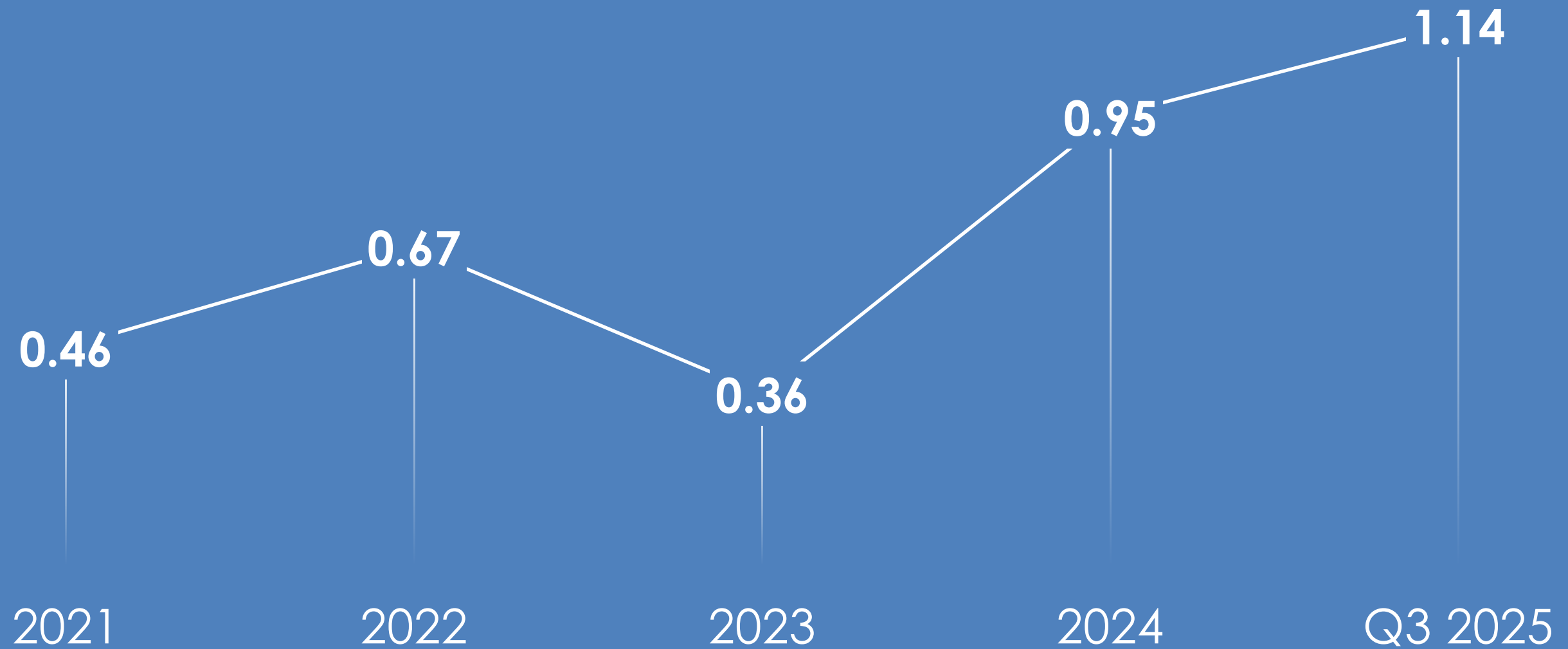
INDUSTRY PERFORMANCE: ASSETS

Class of Business	September 2025 (ZWG Billion)	September 2024 (ZWG Billion)	Change
Direct Insurers	7.68	4.67	64.45%
Microinsurers	0.26	0.18	44.44%
Life Insurers	17.17	11.28	52.22%
Short Term Re	5.27	4.22	24.88%
Life Reinsurers	0.44	0.26	69.23%
Total	30.82	20.61	49.54%



INDUSTRY PERFORMANCE: ASSETS TREND

ASSETS (US\$ BILLION)





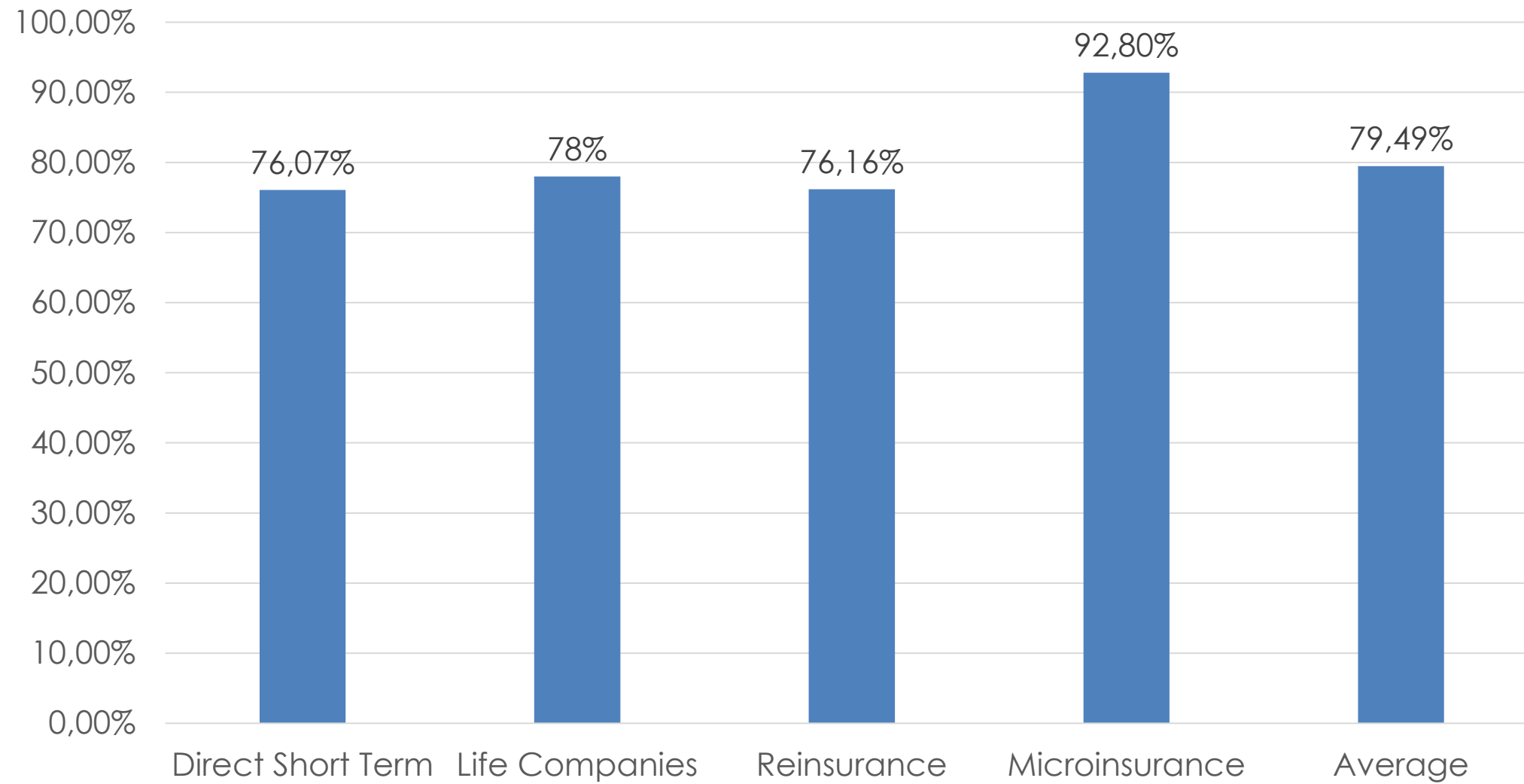
INDUSTRY PERFORMANCE: CLAIMS AND COMBINED RATIOS

Class of Business	Q3 2025: Claims Ratio	Q3 2025: Combined Ratios
Short Term Insurers	56%	98%
Life Companies	31.89%	59.53%
Reinsurers	34.28%	83.17%
Microinsurers	21.62%	45.51%



INDUSTRY COMPLIANCE INDEX

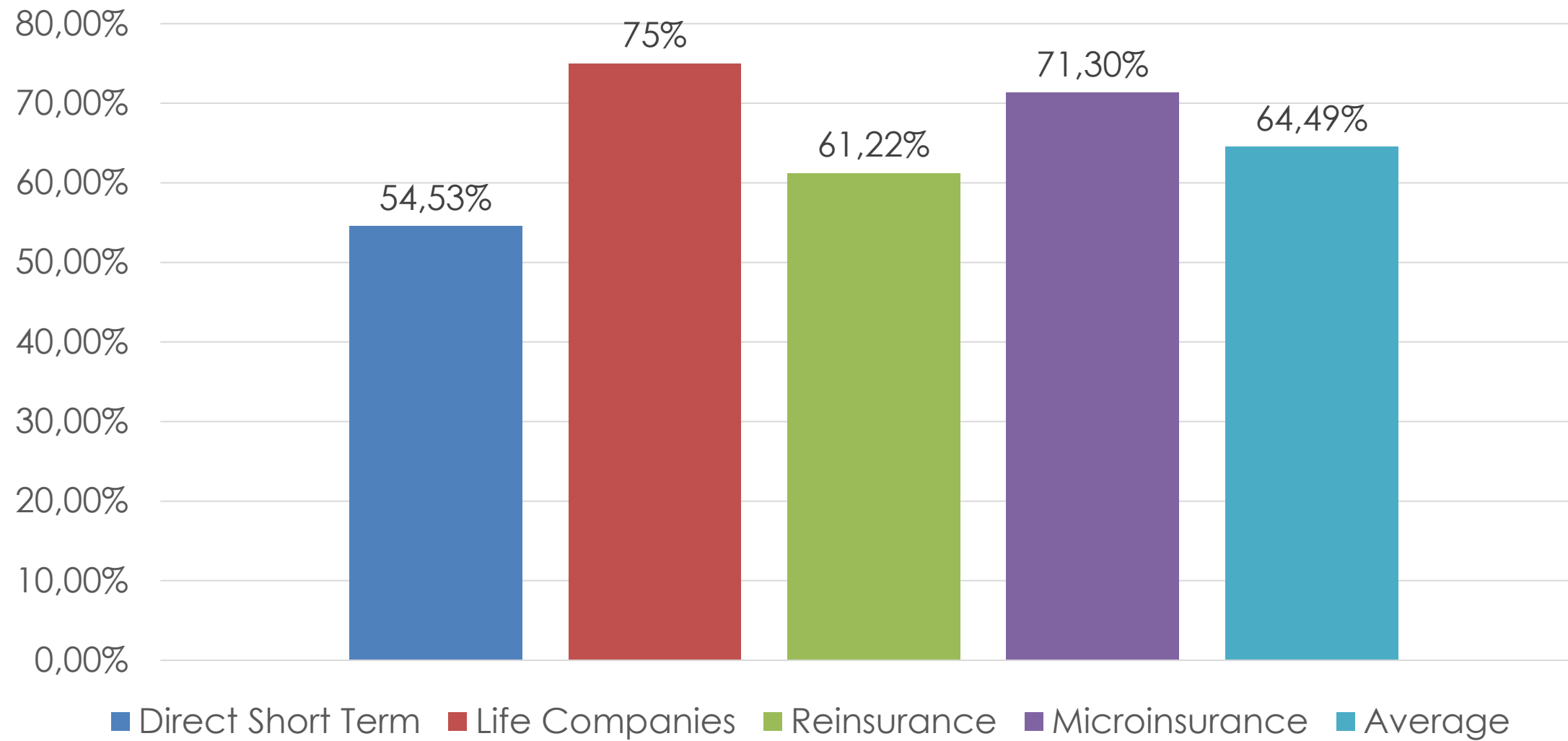
Compliance Index Q3 2025 Compliance Rating





INDUSTRY PERFORMANCE: SOUNDNESS INDEX

Industry Soundness Index Q3 2025





Key Regulatory Developments

Minimum Capital Requirements (SI 67 of 2025)

Class of Business	MCR US\$	Compliance Level as at 30 June 2025
Direct Short Term	1.5 million	75%
Life Companies	2 million	83%
Reinsurers	2 million	90%
Microinsurers	100,000	78%
Brokers	100,000	86%



Key Regulatory Developments

Introduction of the Road Accident Fund

ZICARP Regulations – Submitted to the Attorney General's Office, pending gazetting.

IPEC Amendment Bill - awaiting Second Reading

Insurance Amendment Bill – Bill revised to incorporate marine insurance and index insurance. The Bill is now awaiting approval by the Minister and the Attorney General.



Key Regulatory Developments Cont'

The Regulatory Sandbox, First Cohort Application window from 1 November to 31 December 2025.

Development of Agriculture Index Insurance Regulations

Minimum Reinsurance Standards

Mandatory marine insurance, mandatory insurance for artisanal miners, insurance of public assets



CHALLENGES



Transition to IFRS 17



Low Insurance penetration currently at 1.06% against the regional average of 3%



Low retention and capacity, leading to high levels of externalisation.



Climate change risks



Economic volatilities



Low confidence



OPPORTUNITIES

Massive Untapped Market:

- ❖ Low insurance penetration. With a penetration rate of 1.06% - there are opportunities to tap into the informal economy which, according to Zimstat, 76% of the economy is now informal.
- ❖ Development of fit for purpose products:
 - Underserved segments of the population
 - MSMEs
- ❖ Establishment of Pan Africa Rating Agencies



IPEC 2026-2030 - Guiding Theme



“Beyond Compliance: Regulation for sustainability”



IPEC 2026-2030 - Guiding Theme

Where We've Been

- **Compliance Police:** Catching violations after they happen
- **Rules-Based:** Ticking boxes, following rigid processes
- **Reactive:** Responding to problems, not preventing them
- **Us vs. Them:** Adversarial relationship with industry
- **Short-Term Focus:** Meeting today's requirements only

We are moving forward

- **Partnership:** Work together to protect members and building resilience
- **Risk-Based:** Focusing on what matters most
- **Proactive:** Early warning systems, anticipate challenges, & come up enabling solutions
- **Medium to long term focus:** No more fire fighting, last minute execution

Collaborative:

- **Sustainability Focus:** Protecting future generations
- **Restore:** Need to restore pensions legacy as **MUDYA NDIGERE**
- **Working with industry for shared success**



IPEC Roadmap for next five years

Consumer Protection

- Rebuilding confidence through effective protection, transparency, and redress
- Enhance Service Delivery
- Upscale Consumer Education

Regulatory Modernisation

Legal framework transformation

Digital Transformation - Technology-enabled supervision

ISO Certifications

Market Development

Expanding access,

Deepening insurance penetration

Closing the protection gap

Support Innovation

Enhance pension benefit portability

Climate & Sustainability

Integrating ESG principles

Building climate-resilient insurance sector



Strategic Issues



PAIN POINTS



Product Diversification
Life – mainly funeral product



Concentration in Third-party Motor Insurance and Establishment of the RAF



Informalization: 76% of the economy now informal



Unregistered companies



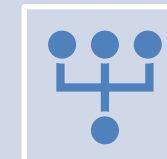
SOLUTIONS



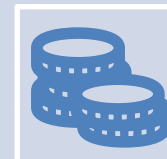
Innovation and Product Diversification: Regulatory Sandbox



Engagement & dialogue with all stakeholders



Promote Micro Insurance products and relevant products



Blitz with ZRP Publishing registered entities



Outlook: Overview of the Zimbabwean Economy

	2020	2021	2022	2023	2024	2025
GDP Growth	-7.8%	8.5%	4%	5.3%	2%	6%
Insurance Penetration Rate	1.25%	1.3%	1.5%	1.8%	0.97%	1.06%
Finance & Insurance Activities Growth	12%	3%	4%	2.4%	10.8%	
GPW Growth	-10%	44%	21%	-10%	18%	22%

- The economy is projected to grow by 5% in 2026 from the 6% growth projection for 2025.
- Insurance sector is expected to grow by the same magnitude of 5% given that the sector follows the fortunes of the economy.
- Low insurance penetration points to untapped markets

- Real GDP growth in 2025 high on account of strong international commodity prices
- The stable macroeconomic environment to foster economic growth and support recovery of the financial sector including the insurance sector.
- Spread between Official and Alternative exchange rate has remained very low bolstering the stability of the local currency
- Declining inflation: stable macroeconomic environment to boost the uptake of insurance



OUTLOOK CONT'

■ **Regulatory Environment:**

- Enactment of the IPEC Bill and the Insurance Bill.
- If the two bills are finalised, its provisions will significantly impact the industry players; Accreditation of service providers, removal of composite licence, agriculture index insurance, establishment of Policyholder Protection Fund among others.

■ **Digital Transformation:**

- Increased digital transformation to transform financial service delivery could enhance product delivery, product efficiency and product diversity in the insurance sector;
- Attract more Insurtech firm for the provision of accessible low cost insurance products.



CONCLUSION

Need for cross border cooperation and regulatory convergence.



Let us grow our insurance market to ensure we can compete on the global market.



Ladies and Gentlemen, let us collaborate to build a resilient African Insurance industry going forward

Thank You

**Protecting The Interests
of Insurance and Pension Consumers**

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