

Britam treasures customers

By Benon Ojiambo

The desire to own a home lives in all of us; Kenny Guinn, a US politician and businessman said: "There is something permanent, and something extremely profound, in owning a home."

Likening an individual's ownership of a home as a sign of maturity, Allan Mafabi, the chief executive officer of Britam Insurance company, says, getting a home shows that they have grown in the market. He says they owe it all to Britam's clients (both current and previous), brokers, banks and all key partners that welcomed Britam to Uganda seven years ago.

Mafabi's statement comes after Britam acquired AIG Uganda's former head office in Nakasero, a prime location in upscale Kampala. This follows AIG's exit from the Ugandan market as they closed operations in various African countries.

"They put this building on the market and we emerged best bidders," Mafabi told *New Vision* in an interview.

"When growing up in your parents' home, the moment you realise that you are old,

you should have your own property. To do that, you must have been in position to grow the company to a level that can enable it acquire the property," he said.

He also says the Britam Group's investment in Uganda is a vote of confidence in the country's market Britam is currently operating in seven African countries and is still expanding. The countries include Kenya, Malawi, Mozambique, South Sudan, Rwanda and Uganda.

"We provide both insurance and investment services in a better environment having opened our asset management company in Uganda in July this year. Where we were, limited parking was one of the challenges our clients faced because they would waste a lot of time looking for space," he explained.

Insurance cover

The company offers all classes of general insurance that include travel group personal accident and engineering insurance, especially for infrastructure where it prides in insuring some of the biggest projects currently in construction such as the Entebbe Expressway, the Nile bridge and



Britam Insurance has acquired a new home that is convenient for its clients

expansion of the Entebbe International Airport.

"Such projects are only covered when a company is financially strong and with the best reinsurance support in the world because the money involved is huge," he said.

The insurance industry is composed of over 20 life and non-life companies. In 2016 alone, the company wrote premiums worth sh30b and settled claims of sh10b, according to Mafabi.

However, the insurance industry as a whole

continues to grapple with low penetration, standing at less than 1% of Gross domestic product (GDP) as compared to neighbouring countries such as Kenya with a penetration of about 3%.

He explained that as an industry, where he is the vice-chairman of the Uganda Insurers Association, they are lobbying the Government to ensure that laws connected to the industry are enforced such as marine insurance and workman's compensation.

"As an industry, we are looking at deepening

insurance penetration to about 3% in about 10 years, he added.

New Asset Management

Britam Holdings Plc, the parent company of Britam Insurance, recently launched an asset management company in Uganda as it seeks to extend its asset management in the region.

The new company, Britam Asset Managers (Uganda), is modelled along a similar successful company in Kenya. It offers investment management and advisory

services to pension funds, insurance companies, corporate firms, government owned entities and retail investors in Uganda.

"The launch of the asset management company in July this year, demonstrates Britam Group's confidence in the resilient Uganda economy and in particular, its financial services sector," Kenneth Kaniu, CEO of Britam Asset Managers (Kenya), said. He made the comment during the launch of the Ugandan operations recently.

Uganda was the first country in the region outside Kenya where the group had launched an asset management company and this marked an important step in the company's plan to widen its scope of investment in Uganda.

Uganda, Kaniu noted, had a fully liberalised economy, good market access, a strong natural resource base and a commitment to the private sector by the Government.

"Despite global economic challenges, Uganda's economy has demonstrated resilience and upside traction to growth lifted by investment in infrastructure, increased agriculture production and a growing real estate sector," Kaniu noted.