



THE NAIROBI
DECLARATION ON
SUSTAINABLE
INSURANCE

CURRENT STATE REPORT 2025

ABOUT US

The Nairobi Declaration on Sustainable Insurance (NDSI), launched in April 2021, represents a bold commitment by Africa's insurance leaders to address pressing environmental, social, and governance (ESG) challenges. Through collaborative efforts, NDSI aims to align the insurance industry with the UNEP Principles for Sustainable Insurance (PSI) and the UN Sustainable Development Goals (SDGs) and foster sustainable growth across Africa. The NDSI is supported by FSD Africa and UK International Development.

Our mission is to integrate environmental, social, and governance (ESG) principles into the African insurance sector, fostering resilience and inclusivity while supporting the achievement of the UN Sustainable Development Goals (SDGs).

Our vision is to establish a sustainable and forward-looking African insurance industry that effectively manages risks and contributes to societal well-being and environmental stewardship.

Our mission and vision are supported by three overarching objectives: building awareness and support for sustainable insurance principles, integrating sustainable insurance into core business, and fostering collaborative networks.

Together, the NDSI and its signatories are working to build a resilient, inclusive, and sustainable insurance sector in Africa through collective leadership and practical action. By empowering insurers to embed sustainability across operations, the Declaration serves as a platform for advancing positive outcomes for businesses, communities, and ecosystems alike.

Recommended Citation

NDSI 2025. The Nairobi Declaration on Sustainable Insurance Current State Report 2025.
<https://sustainableinsurancedeclaration.org/>



THE NAIROBI
DECLARATION ON
SUSTAINABLE
INSURANCE



Authors

This report was prepared by Impact Actuarial and commissioned by Nairobi Declaration on Sustainable Insurance (NDSI), FSD Africa, and UK International Development

The report was authored by Winnie Nyakundi (Consultant and Actuary, Impact Actuarial), with technical peer review and expert guidance from Milanthe Sarukkali (Senior Consultant and Actuary, Impact Actuarial).



ACKNOWLEDGEMENTS

The authors would like to acknowledge and thank the Nairobi Declaration on Sustainable Insurance (NDSI), FSD Africa, and UK International Development for commissioning and guiding the development of this report.

We would like to thank our colleagues, Zillah Malia, Senior Manager at FSD Africa who provided strategic guidance to the report, particularly in aligning its content with NDSI's overarching objectives, Maria Karuru, Programme Manager at FSD Africa and Titus Kisenga, Assistant, Adaptation and Resilience at FSD Africa who led the member engagement process, coordinated input on case studies, and supported the review of data analysis and report drafts.

We are especially grateful to the NDSI members for their participation in the member survey, contributions to case study development, and thoughtful feedback during the review process. Their insights were instrumental in shaping the findings and recommendations presented in this report.

DISCLAIMER

This report is based on information believed to be reliable, but NDSI makes no guarantees as to its accuracy. NDSI cannot be held responsible for the consequences of relying on any content in this report.

© 2025 NDSI. All rights reserved





TABLE OF CONTENTS

ABOUT US	2
SECTION 1: EXECUTIVE SUMMARY	6
SECTION 2: PIONEERING SUSTAINABLE INSURANCE IN AFRICA.....	10
SECTION 3: CONTEXT AND OBJECTIVES	12
SECTION 4: APPROACH AND METHODOLOGY	14
4.1 Research Methods.....	15
4.2 Estimation and Benchmarking Methods.....	16
4.3 Limitations.....	17
SECTION 5: SUMMARY OF FINDINGS.....	18
5.1 Progress, Gaps, and Priorities Across NDSI's Three Pillars.....	18
5.2 Insights from the NDSI Member Engagement Survey.....	22
SECTION 6: EMBEDDING SUSTAINABILITY IN CORE INSURANCE BUSINESS	30
6.1 The Big Picture: Africa's Sustainable Insurance	31
6.2 Product Innovation and Climate Risk Solutions.....	32
6.3 Responsible Investment and ESG Capital Alignment	33
6.4 ESG Governance, Strategy, and Operations.....	33
6.5 Inclusion as a Sustainability Lever: Reaching the Underserved.....	35
6.6 Partnerships for Scale	35
SECTION 7: IN-DEPTH FOCUS:.....	46
STORIES OF SUSTAINABLE IMPACT.....	46
SECTION 8: NAVIGATING THE PATH FORWARD: OVERCOMING BARRIERS AND ACCELERATING ACTION.....	66
8.1 Strategic Priorities for Action.....	68
SECTION 9: CONCLUSION: INSURING A BRIGHTER TOMORROW FOR AFRICA.....	70
SECTION 10: APPENDICES.....	72

SECTION 1:

Executive Summary

CONTEXT AND OBJECTIVES

The Nairobi Declaration on Sustainable Insurance (NDSI) was launched in 2021 with a bold, pan-African vision: **A sustainable, prosperous, and resilient Africa supported by a strong and vibrant insurance industry.** Three years on, NDSI has evolved into a 260+ member strong platform spanning 37 countries, uniting insurers, reinsurers, and ecosystem players around three shared goals: **building awareness for sustainable insurance principles, integrating these principles into core business, and establishing an African voice for sustainable insurance.**

This report provides the first comprehensive assessment of how far the NDSI membership has come, gaps identified and what it will take to shift from momentum to transformation.



APPROACH AND METHODOLOGY

This report uses a mixed-methods approach, combining survey data from the 2024 NDSI Member Engagement Survey, analysis of sustainability reports, and curated case studies to map integration of sustainable insurance principles across Africa's insurance sector. Insights were validated through benchmarking, estimation models, and comparative analysis, offering a robust baseline of where the sector stands and where action is most needed. While data limitations remain, this is the most comprehensive view to date of how African insurers are embedding sustainability into core business.



Launched in
2021



260+
Member
strong



Spanning
37
Countries



3 Goals



→ Building awareness for
sustainable insurance
principles



→ Integrating these
principles into core
business



→ Establishing an African
voice for sustainable
insurance





FINDINGS

Pillar 1: Build awareness and support for sustainable insurance principles

Momentum is building



ESG awareness is rising across the continent, led by internal values and senior leadership commitment rather than regulatory mandates.

Over 260 signatories from 37 countries now form the NDSI membership, creating an unprecedented critical mass. Many insurers are initiating ESG training, embedding KPIs into performance frameworks, and aligning reporting with global standards such as GRI and the Task Force on Climate-related Financial Disclosures (TCFD).

Yet capacity gaps remain deep



Only 4% of boards have embedded ESG into decision-making, and 48% of members have trained less than 5% of their staff.

ESG knowledge is often siloed, with limited cross-functional integration. Most organisations are still early in their ESG journey, lacking structured roadmaps or sustainability targets. Positive models are emerging. Gender leadership programs, ESG champion roles, and internal culture-building efforts are helping shift mindsets. Companies like ICEA LION and Sanlam are leading sustainability and public ESG disclosure and awareness initiatives across their networks.

Pillar 2: Integrate Sustainable Insurance into Core Business

Over half of NDSI members begin integrating ESG considerations into product development, investments, and core operations



While integration remains uneven, early signs of change are visible across the sector.

% of members are starting to embed ESG into product development using benchmarks, risk assessments and involving cross-functional teams. Portfolio allocations remain low:

- ☞ 6.4% (USD 246 million) is allocated to for environmental risks
- ☞ 5.6% (USD 217 million) is allocated to low-income and vulnerable groups.
- ☞ Reinsurers are leading the way with allocations of 16.4% and 10.4% respectively.

These figures provide an early baseline against which to track progress toward NDSI's commitment to underwrite USD 14 billion in climate risk cover by 2030.

The opportunity is real. NDSI members collectively underwrite over USD 15 billion in insurance value and serve more than 22 million policyholders, yet only a small portion is aligned with sustainability goals. Redirecting this capital toward climate and social priorities could unlock outsized impact.



ESG integration in investments is gaining traction



- 53% of members now assess ESG risks, through internal policies, third-party tools, and ESG advisors. Still, 47% do not assess environmental risk at all leaving significant room for growth.
- Encouragingly, USD 52 billion, just over 15% of the total USD 342 billion in reported AUM, is already ESG-linked signalling strong momentum among early leaders like Old Mutual and Sanlam.

This highlights the need for stronger investment policies and disclosure practices and underscores a critical opportunity: to unlock the full power of insurance capital, ESG must become a core investment lens and not an exception.

Strong models are already in play



Flagship products like Britam's flood index insurance, ARC's sovereign climate pool, and ZEP-RE's livestock insurance through DRIVE demonstrate how climate-smart insurance can deliver real impact.

ESG-aligned investment screening, Sustainability Radars, and KPI-linked governance frameworks are emerging among leaders.

To scale impact, members must move from pilots to platforms. Toolkits on ESG underwriting, impact metrics, and investment strategy are critical. NDSI can catalyse harmonised disclosures, support regional ESG taxonomies, and promote digital delivery channels (e.g. mobile microinsurance, bancassurance) to extend reach.

Pillar 3: Establish an African Voice for Sustainable Insurance

Africa's voice is rising slowly but powerfully



Insurers are co-developing context-specific solutions from satellite-based livestock insurance to sand dams and bundled climate-health cover

Collaborations like Africa Risk Capacity (ARC) and ACRIFA are scaling regional resilience and unlocking new finance pathways.

But fragmentation persists



Few platforms exist to elevate African models in global ESG or insurance forums.

Regulatory environments are inconsistent, and Francophone and Lusophone markets remain underrepresented. Many efforts are still led by Anglophone incumbents.

Replicable, homegrown models are emerging



ACRE Africa, ARC Replica, the DRIVE project, and One Acre Fund Re show how public-private partnerships, regional risk pooling, and mission-driven reinsurers can reshape affordability, trust, and inclusion.

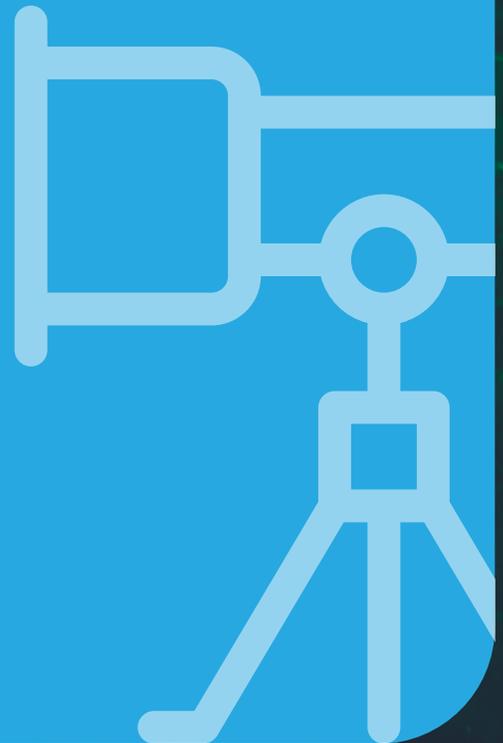
NDSI must position itself as Africa's unified voice on sustainable insurance. By convening coalitions, elevating flagship examples, and aligning with regional actors like the African Union (AU), the African Development Bank (AfDB) and United Nations Economic Commission for Africa (ECA), it can shape global standards and attract climate-aligned investment. Pan-African ESG benchmarks and cross-country learning platforms will further amplify Africa's leadership on the global stage.



The opportunity now is to move from intent to execution.

This requires bolder integration of ESG across underwriting, investment, strategy, operations and governance, supported by technical guidance, harmonized reporting, and structured learning. It also calls for a stronger African voice in shaping global standards and finance flows. Flagship models already exist in digital microinsurance, sovereign risk pools, inclusive product design, and blended finance but scaling them will require investment, policy alignment, and cross-sector coalitions.

With this report, NDSI offers a baseline for future progress updates: It sets a clear direction for the future. The foundation has been laid. The momentum is real. Now is the time to double down on implementation, unlock system enablers, and elevate African leadership in sustainable insurance. This report offers a candid view of sustainable insurance in Africa and a springboard for the NDSI membership to accelerate collective action toward a more resilient and inclusive insurance future.





02

SECTION 2:

Pioneering Sustainable Insurance in Africa

A Message from NDSI Chair



As we continue to grow and evolve, NDSI remains focused on addressing Africa's challenges while embracing its opportunities. The collaborative spirit of our members and leadership is the driving force behind our success, and I couldn't be happier and more honoured to serve as Chair.

Reflecting on the transformative gains and strides of the Nairobi Declaration on Sustainable Insurance (NDSI) not only brings an immense sense of pride but also sheer clarity of purpose.

Since its formal launch at the UNEP PSI's 4th Africa Summit in 2021, the NDSI has grown into a powerful platform uniting African insurance leaders who share a vision for sustainability. As a result of that, we currently and proudly stand as a 267-strong community of signatories from 37 African countries – a true embodiment of our commitment to the UN Sustainable Development Goals (SDGs).

The insurance sector does hold immense potential as a catalyst for meaningful change. NDSI is dedicated to raising awareness, advocating for sustainable insurance integration in core business models, and fostering a unified African perspective on sustainable insurance practices. Over the years, we've seen these principles take flight through key initiatives such as the ESG Technical Assistance Programme, Learning and Development Programmes, ESG Taxonomy development and the consortium for the Geothermal Underwriting Facility, which showcases the synergy between sustainable energy solutions and innovative insurance frameworks.

Our work is further strengthened by partnerships with UNEP PSI alongside the rollout of tailored learning programmes, tools, and ESG roadmaps. These initiatives empower members to mitigate climate risks, develop index-based insurance products, and incorporate ESG considerations into their strategies. Together, we are shaping an insurance sector that not only safeguards but also uplifts, providing resilience in a rapidly evolving world. In 2025, I had the honour of being invited to the Asia Pacific UNEP FI roundtable in Suzhou, China and enumerated some of the structure and benefits of NDSI that could be borrowed with pride by the insurance industry in other regions globally to drive the sustainability agenda

As we continue to grow and evolve, NDSI remains focused on addressing Africa's challenges while embracing its opportunities. The collaborative spirit of our members and leadership is the driving force behind our success, and I couldn't be happier and more honoured to serve as Chair.

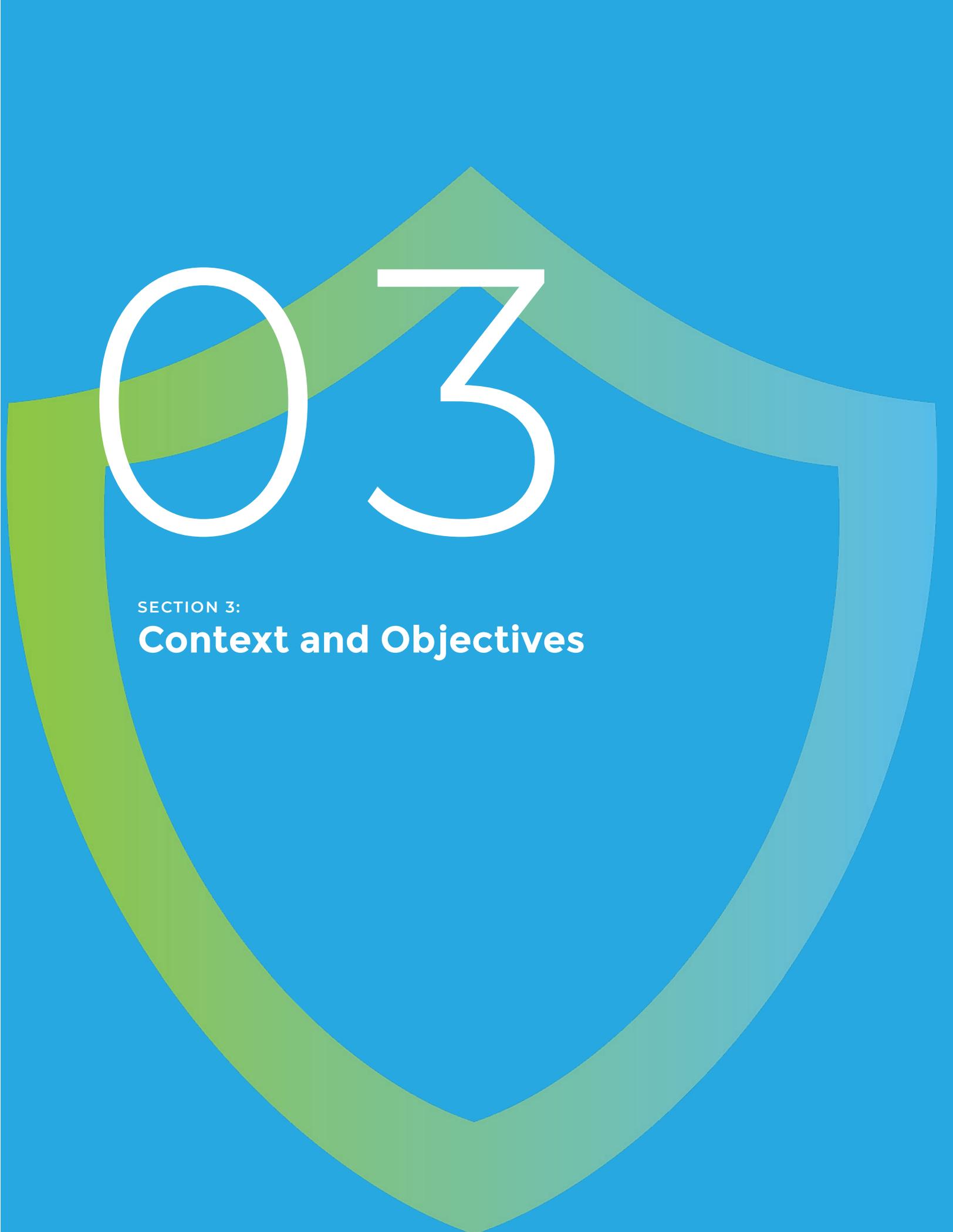
To our non-members, I extend a special invitation to join our coalition. NDSI membership is subscription-free and offers numerous benefits, including collaboration opportunities, policy development contributions, regional recognition, enhanced brand reputation, and access to technical assistance. Together, we can work towards a common goal, strengthening our industry's resilience against emerging environmental, social, and governance risks.

I call on you all to continue championing the cause of sustainability, creating a future that is equitable, prosperous, and resilient for all.

With gratitude,

Chair, Nairobi Declaration for Sustainable Insurance (NDSI)

MR. PHILIP LOPOKOIYIT



03

SECTION 3:

Context and Objectives



When the NDSI was launched in 2021, hosted by ICEA Lion and supported by Financial Sector Deepening Africa (FSD Africa), UNEP PSI, and industry champions, it committed to helping the African insurance sector shift from awareness to action. The declaration outlined a shared vision for a sustainable, prosperous, and resilient Africa supported by a strong and vibrant insurance industry, one that actively contributes to societal well-being and environmental stewardship. It also reaffirmed the sector's responsibility to align with the UN Sustainable Development Goals (SDGs) by embedding environmental, social, and governance (ESG) principles into insurance operations, strategy, and leadership. NDSI's mission is to integrate environmental, social, and governance (ESG) principles into the African insurance sector, fostering resilience and inclusivity while supporting the achievement of the UN Sustainable Development Goals (SDGs). Its vision is to establish a sustainable and forward-looking African insurance industry that effectively manages risks and contributes to societal well-being and environmental stewardship.

This mission and vision are supported by three strategic pillars that define NDSI's current objectives:

 <p>PILLAR 1</p> <p>Build awareness and support for sustainable insurance principles</p> 	 <p>PILLAR 2</p> <p>Integrate sustainable insurance into core business</p> 	 <p>PILLAR 3</p> <p>Establish an African voice for sustainable insurance</p> 
---	---	--

As the effects of climate change intensify, African economies, many of which are heavily exposed to natural disasters, agricultural risks, and systemic inequalities, face widening protection gaps. The region continues to experience increasingly frequent and severe climate shocks, coupled with growing socioeconomic vulnerabilities such as poverty, informality, gender inequality, and limited social safety nets. At the same time, governance challenges including weak regulatory frameworks, limited board-level oversight, and uneven accountability constrain progress. Meanwhile, global attention is shifting toward the role of finance and insurance in enabling climate adaptation, disaster risk reduction, and achievement of the Sustainable Development Goals (SDGs). In this context, there is an urgent need for a clearer understanding of how insurers are engaging with sustainable insurance priorities and where support is most needed to accelerate change.

This report responds to that need by offering evidence, insight, and direction at a moment when sustainability is becoming both an imperative and an opportunity for the continent's insurers. It offers a data-driven foundation for assessing progress, highlighting innovation, identifying gaps, guiding strategy, supporting benchmarking, and informing future technical assistance by FSD Africa and partners.

The report is structured to build a clear narrative from vision and progress to barriers and action.

It begins with a snapshot of current momentum followed by a synthesis of findings across core ESG areas like product innovation, investment, strategy, governance and operations. Subsequent sections dive into standout case studies, cross-cutting challenges, and strategic opportunities to scale impact. The report concludes with forward-looking recommendations for NDSI members, regulators, and partners.

ESG PRINCIPLES



ENVIRONMENTAL

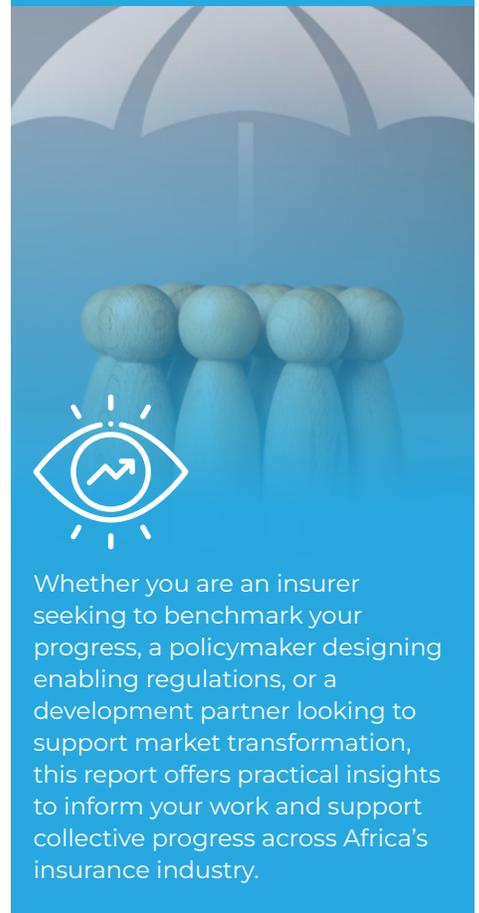


SOCIAL

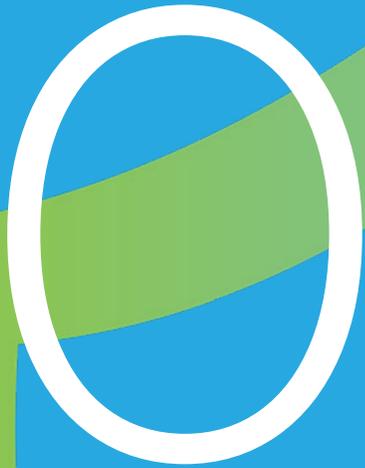


GOVERNANCE

The NDSI Current State Report assesses how far NDSI members have come in advancing that vision across the three pillars. It provides a comprehensive baseline of sustainable insurance efforts across Africa through the lens of the NDSI.



Whether you are an insurer seeking to benchmark your progress, a policymaker designing enabling regulations, or a development partner looking to support market transformation, this report offers practical insights to inform your work and support collective progress across Africa's insurance industry.



0



4

SECTION 4:

**Approach and
Methodology**



QUALITATIVE AND QUANTITATIVE SOURCES



This report adopts a mixed-methods approach to assess the current state of sustainable insurance practices among members of the Nairobi Declaration on Sustainable Insurance (NDSI).

It combines quantitative and qualitative data sources to provide a comprehensive view of ESG integration trends, gaps, and opportunities across the African insurance landscape.

4.1 Research Methods

Member Survey



The primary data source for this report was the NDSI Member Activity and Engagement Survey, administered in October 2024.

The survey gathered structured responses from 47 NDSI member organisations across multiple African countries. Respondents represented a diverse cross-section of the sector including insurers, reinsurers, brokers, Insurtechs, and consultants with strong participation from senior executives (e.g., CEOs, Heads of ESG, Strategy, Risk, and Compliance). The survey assessed members' ESG maturity, integration across business lines, governance structures, training coverage, and sustainability reporting practices.

Document Review



The research team conducted an in-depth review of a dozen publicly available sustainability or ESG reports published by NDSI members.

These reports were analysed to extract insights on ESG-linked product innovation, investment allocation, emissions reporting, and policy alignment with global standards such as TCFD, GRI, and IFRS S1/S2.

Case Study Development

In addition to survey and document analysis, the report includes structured case studies of selected insurers and reinsurers.

These highlight standout initiatives in climate resilience, inclusive insurance, ESG-aligned investments, and innovation. Companies were selected based on public disclosures, reported metrics, and regional relevance.



4.2 Estimation and Benchmarking Methods

ESG-Linked AUM Estimation

To estimate ESG-linked Assets Under Management (AUM), the team combined direct survey responses (where available) with secondary estimation methods.

For members who did not report ESG-linked AUM, values were approximated using a benchmarking approach based on publicly disclosed financial data. Specifically, the team estimated ESG-linked AUM as a percentage of total AUM by referencing comparable insurers within similar gross written premium (GWP) tiers and regional markets. These percentage estimates derived from known companies with publicly disclosed ESG-linked AUM were then applied to other members' AUM to approximate their ESG-linked assets.

This blended approach yielded a benchmark estimate of USD 52 billion in ESG-linked AUM out of a total USD 342 billion in total AUM across the NDSI membership, with the majority concentrated among larger insurers such as Prudential, Old Mutual and Sanlam.

Portfolio Allocation Estimation (Environmental Risks & Low-Income Populations)

To estimate the total value of insurance portfolios allocated to environmental risks and low-income or vulnerable populations, the team adopted a blended methodology combining survey data, financial statement analysis, and benchmarking. Where survey responses included the total value of the insurance portfolio, these figures were used directly. In cases where this information was missing, the team extracted Gross Written Premiums (GWP) from publicly available financial reports for the most recent reporting period. Respondents were grouped into peer tiers based on GWP to enable comparability. For each tier, the team reviewed survey responses on the percentage of portfolios allocated to environmental risks and inclusive insurance. As this information was largely unavailable in public disclosures, the reported percentages were applied to GWP estimates to approximate the monetary value of these allocations.

This process yielded an estimated USD 1.2 billion in portfolio coverage targeting environmental risks and USD 2.9 billion targeting low-income and vulnerable populations across NDSI.

Comparative Analysis

Survey results were benchmarked across member type (e.g., reinsurers vs. primary insurers), maturity stage, and organisational size where applicable. The analysis also triangulated findings with insights from the FSD Africa's Technical Assistance program and related industry publications to validate patterns and contextualise findings within the broader African ESG landscape.

4.3 Limitations

This report presents a robust first attempt at mapping ESG integration across the African insurance sector. However, several limitations should be noted:

- ⇒ **Survey Coverage and Response Bias:** While 47 NDSI members responded to the survey, the findings may not fully represent all 260+ signatories or the broader African insurance ecosystem. Importantly, the analysis is primarily benchmarked against insurers and reinsurers of which approximately 107 are current NDSI signatories at the time of the survey. This means the 47 responses reflect about 44% of the core underwriting base. It is also likely that participating organisations are more advanced or ESG-aligned than non-respondents, introducing a potential positive bias in reported practices.
- ⇒ **Data Quality and Gaps:** ESG data quality varied significantly. Many members lacked formal reporting mechanisms, and some metrics (e.g., portfolio allocation to environmental risks, board training coverage) were estimated or self-assessed without third-party validation.
- ⇒ **Extrapolation Risks:** Benchmarking methods used to estimate ESG-linked AUM figures introduce uncertainty, especially where public data was incomplete or outdated. The estimation of portfolio allocations toward environmental risks and low-income populations relied on applying estimated percentages to financial data from public sources. While this method provides useful insights, it is based on self-reported figures and assumes consistency across peer groups, which may not hold in all cases. Furthermore, lack of disaggregated reporting limits the precision of these estimates.
- ⇒ **Currency Conversion Uncertainty:** In estimating total portfolio values and allocations, broad approximations were used to convert figures into USD. In several cases, survey responses were provided in local currencies without clear denomination, which may have introduced minor errors or inconsistencies in the aggregated analysis.
- ⇒ **Inconsistent Terminology and Standards:** Members applied ESG terminology inconsistently, some conflating CSR with ESG, others adopting global standards selectively posing challenges for cross-member comparability.

Despite these limitations, this approach provides a solid baseline to inform future benchmarking, technical assistance, and progress tracking for NDSI members.

05

SECTION 5:

Summary of Findings

5.1 Progress, Gaps, and Priorities Across NDSI's Three Pillars

This section distills key insights from the NDSI Membership. It reflects where members currently stand in their sustainability journeys, what's driving progress, where the biggest gaps lie, and what actions are needed to align with the NDSI's broader strategic vision: **A sustainable, prosperous, and resilient Africa supported by a strong and vibrant insurance industry.**



WHERE WE STARTED: A VISION FOR SUSTAINABLE INSURANCE IN AFRICA

NDSI set out to drive sector-wide transformation through awareness, business integration, and leadership on sustainable insurance. Three years in, momentum is growing. The NDSI has catalysed a powerful movement but unlocking its full potential will require deeper integration, bolder action, and collective leadership across the continent. Progress remains uneven, and major system enablers still lag behind.



Pillar 1: Building Awareness and Support		
Progress	Challenges	Opportunities for NDSI and Members
<p>NDSI now spans 260+ signatories across 37 countries, creating critical mass for collective action.</p> <p>Internal motivation is driving momentum:</p> <ul style="list-style-type: none"> 70% of members cite internal values as their main driver of ESG action. Senior executives are showing strong buy-in, with board-level engagement increasing. <p>Training and ESG culture are starting to take root:</p> <ul style="list-style-type: none"> Several members have initiated ESG training programs and embedded KPIs in leadership reviews. Gender-focused leadership programs and staff sensitisation are spreading ESG culture internally <p>Reporting frameworks are gaining traction:</p> <ul style="list-style-type: none"> ESG disclosures aligned with GRI, TCFD, and King IV are being adopted, especially among leaders. Sustainability reports are becoming more common, with early alignment to global standards. 	<p>Capacity and literacy gaps are deep:</p> <ul style="list-style-type: none"> 48% of members report that less than 5% of their staff have received ESG training. Only 4% of boards have embedded ESG into decision-making; 11% have deep ESG expertise. <p>Awareness is uneven and lacks structure:</p> <ul style="list-style-type: none"> Many insurers remain in early or planning stages, with limited understanding of ESG frameworks or tools. ESG champions often operate in silos without cross-functional integration. <p>Limited external pressure to act:</p> <ul style="list-style-type: none"> Only 9% cite regulation, 2% cite investor pressure, and 2% cite customer demand as ESG motivators. Soft market signals reduce the urgency of industry-wide adoption. 	<p>Leverage strong internal values to scale action:</p> <ul style="list-style-type: none"> NDSI can amplify purpose-driven leadership by creating recognition platforms and learning pathways. <p>Build tailored capacity-building programs:</p> <ul style="list-style-type: none"> An NDSI Academy or credentialing system could provide structured ESG upskilling across roles. <p>Elevate awareness to influence regulation and markets:</p> <ul style="list-style-type: none"> Coordinated storytelling, peer benchmarking, and regional campaigns can build demand from customers, investors, and regulators.



Pillar 2: Integrate Sustainable Insurance into Core Business

Progress

Early signs of ESG Integration in Product Development:

- ⊕ Encouragingly, 55% of NDSI members are beginning to integrate ESG into product development through applying external benchmarks, conducting risk assessments (17%), involving cross-functional teams (6%), and adding ESG criteria in pricing strategies (4%).
- ⊕ However, 45% still do not consider ESG factors, signaling a major opportunity to scale inclusive, climate-smart product lines.
- ⊕ ESG-linked underwriting represents just 6.4% of portfolios on average largely led by reinsurers.
- ⊕ Only 5.6% of portfolios target vulnerable groups like low-income households

Climate and inclusion innovation is growing:

- ⊕ Flood, drought, and livestock index insurance products are being deployed.
- ⊕ ESG-linked health and crop insurance are gaining traction, particularly for informal sectors

ESG Integration in Investments is Gaining Traction:

- ⊕ 53% of NDSI members have begun assessing ESG risks in their investment portfolios through integration into decision-making, consultation with external ESG advisors, environmental risk assessments, and use of third-party tools and frameworks (9%).
- ⊕ However, 47% still do not assess environmental risks at all, signalling the need for more consistent and structured approaches.
- ⊕ An estimated USD 52 billion in ESG-linked Assets Under Management (AUM) representing just over 15% of the total USD 342 billion in AUM across NDSI surveyed members and driven largely by leaders like Old Mutual and Sanlam
- ⊕ Governance and internal systems are evolving:
- ⊕ Several insurers are piloting sustainability scorecards, Sustainability Radars, and procurement policies with ESG clauses.
- ⊕ Insurers are experimenting with tracking Scope 1/2 emissions, gender KPIs, and social inclusion metrics.
- ⊕ ESG is increasingly being embedded into enterprise risk frameworks and Board oversight.

Challenges

Fragmented integration across the value chain:

- ⊕ ESG oversight is often siloed, driven by small “champion teams” with limited operational reach.
- ⊕ ISSB/TCFD alignment remains early-stage and uneven across the membership.

Technical gaps in underwriting and investment:

- ⊕ Technical teams lack the guidance, tools, and data to integrate ESG into product pricing or portfolio analysis.
- ⊕ Absence of African-aligned taxonomies and harmonized definitions limits progress.

Sustainability targets and performance tracking remain weak:

- ⊕ Very few insurers have measurable ESG goals, internal dashboards, or accountability systems.
- ⊕ Monitoring is often ad hoc or symbolic rather than decision-driving.

Opportunities for NDSI and Members

Scale flagship ESG product models:

- ⊕ Use successful pilots (e.g., Britam flood insurance, ARC sovereign risk pools) to showcase replicable models.

Develop NDSI Toolkits:

- ⊕ Practical guidance on ESG-linked underwriting, impact measurement, and investment frameworks can accelerate operationalisation.

Leverage digital channels for inclusive product delivery:

- ⊕ Mobile platforms, bancassurance, and digital microinsurance hold potential to expand access and ESG impact.

Harmonise disclosures and define an African ESG taxonomy:

- ⊕ Joint reporting templates and metrics would improve transparency, comparability, and investor confidence.



<ul style="list-style-type: none"> ⊕ An estimated USD 52 billion in ESG-linked Assets Under Management (AUM) representing just over 15% of the total USD 342 billion in AUM across NDSI surveyed members and driven largely by leaders like Old Mutual and Sanlam. <p>Governance and internal systems are evolving:</p> <ul style="list-style-type: none"> ⊕ Several insurers are piloting sustainability scorecards, Sustainability Radars, and procurement policies with ESG clauses. ⊕ Insurers are experimenting with tracking Scope 1/2 emissions, gender KPIs, and social inclusion metrics. ⊕ ESG is increasingly being embedded into enterprise risk frameworks and Board oversight. 		<p>Unlocking Capital for Sustainable Impact</p> <ul style="list-style-type: none"> ⊕ ESG-linked AUM stands at USD 52 billion, just over 15% of the sector's USD 342 billion total revealing massive headroom to align capital with sustainability goals and scale impact.
---	--	---

Pillar 3: Establish an African Voice for Sustainable Insurance		
Progress	Challenges	Opportunities for NDSI and Members
<p>Locally rooted models are gaining visibility:</p> <ul style="list-style-type: none"> ⊕ African insurers are creating unique sustainability responses from sand dams to satellite-based livestock insurance. ⊕ Solutions are context-specific, serving informal economies, climate-vulnerable farmers, and urban poor communities. <p>Pan-African collaborations are scaling reach:</p> <ul style="list-style-type: none"> ⊕ Initiatives like ARC, DRIVE, ACRIFA, and WFP's R4 demonstrate the power of pooled risk and regional cooperation. ⊕ Strategic partnerships with regional actors (e.g., COMESA,, AfDB, IFC) are enabling broader influence on policy, resilience, and market development. <p>African insurers are showing up on the global stage:</p> <ul style="list-style-type: none"> ⊕ Active participation in PSI, COP dialogues, and ESG coalitions like ANCA and GFANZ is rising. ⊕ Leaders like ICEA LION, ZEP-RE, and Sanlam are amplifying Africa's role in global forums (COP27/28, PSI, NZIA). 	<p>Voice is still fragmented and underleveraged:</p> <ul style="list-style-type: none"> ⊕ African priorities risk being sidelined without unified messaging or strong regional coalitions. ⊕ Few platforms exist to elevate African solutions in global ESG and insurance forums. ⊕ Many national markets lack regulatory clarity or incentive structures to support regionally coordinated ESG initiatives <p>Regional representation and language diversity are uneven:</p> <ul style="list-style-type: none"> ⊕ Francophone and Lusophone participation remains limited. ⊕ Most pan-African efforts are led by Anglophone countries and large incumbents. 	<p>Position NDSI as Africa's ESG voice in insurance:</p> <ul style="list-style-type: none"> ⊕ The NDSI provides a strong umbrella to shape global policy and attract blended finance. ⊕ Elevate NDSI signatories with compelling models (e.g., ACRE Africa, DRIVE, CHRF) as regional ambassadors for sustainable insurance. ⊕ Strengthen partnerships with regional and continental actors (AfDB, AU, ECA) to align sustainability with Africa's broader development goals <p>Promote regional risk pooling and pre-arranged finance models:</p> <ul style="list-style-type: none"> ⊕ Initiatives like ACRIFA, the Global Shield, and DRIVE show replicable models for multi-country pooling, pre-arranged finance, and public-private risk-sharing. ⊕ Scaling these models offer replicable blueprints for affordable, high-impact climate insurance <p>Build coalitions to influence global standards:</p> <ul style="list-style-type: none"> ⊕ Partner with regulators, DFIs, and international bodies to ensure African realities shape evolving ESG norms.



5.2 Insights from the NDSI Member Engagement Survey

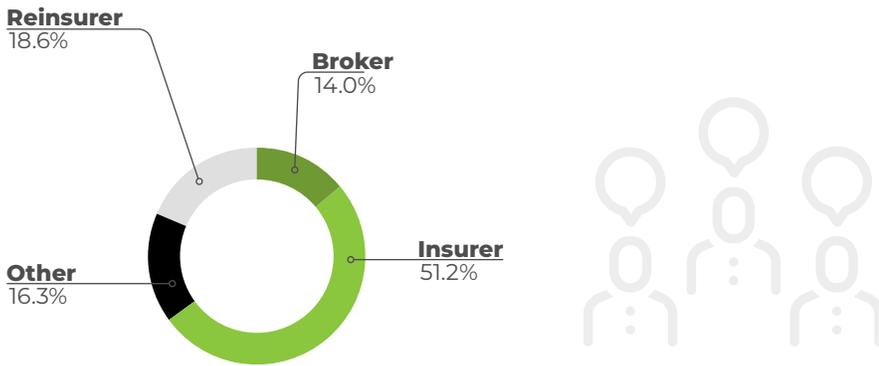
This section unpacks the data gathered from the NDSI Member Engagement Survey, offering a more detailed look into ESG integration across underwriting, investments, operations, and internal capacity. It draws on both quantitative and qualitative inputs and is structured around the key pillars of sustainable insurance.

SURVEY RESPONDENTS



This distribution highlights that the survey captures a predominantly insurer-centric perspective while still offering insights from key adjacent sectors.

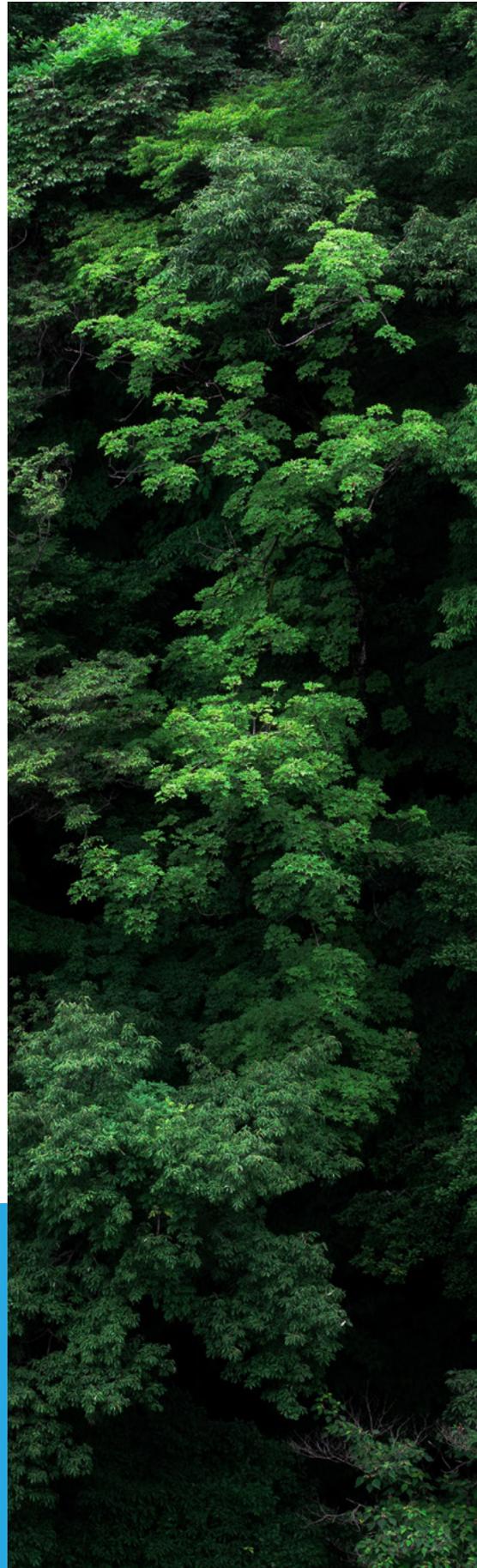
Respondent's Category



- ⇒ Reinsurers accounted for 21%, while brokers made up 14%. The remaining 15% categorized themselves as “Other,” indicating participation from a diverse set of ecosystem players, including Insurance agencies, Insurtechs and consultants.
- ⇒ The seniority level of respondents was high, with multiple CEOs, Managing Directors, and several Heads of ESG, Risk, Compliance, and Strategy participating.



This reflects a strong commitment from executive and senior management to ESG issues, suggesting that sustainability is increasingly seen as a board-level priority across the African insurance industry.





ESG INTEGRATION IN CORE BUSINESS

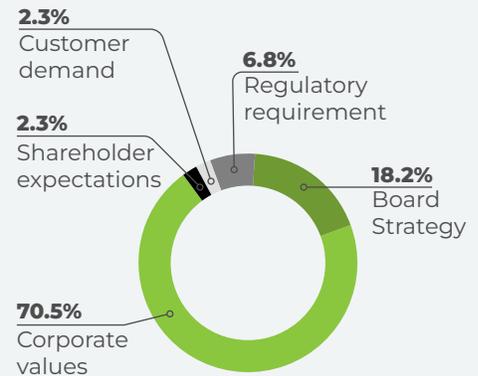


63% of members are in Early-to-Intermediate stages of ESG integration

How has your organisation advanced in its sustainability journey?



Key factors driving organizations' consideration of ESG practices



Assessment of ESG Maturity Levels

ESG maturity levels remain uneven across the membership. While momentum is building, the majority of NDSI members are still at the early or intermediate stages of ESG integration:

- ⇒ **63%** are developing an ESG strategy or beginning to report and design ESG-aligned products, 15% are at a more advanced stage, actively developing ESG-linked products.
- ⇒ **9%** have not yet begun any ESG initiatives.

Factors driving organisations' consideration of ESG Practices

ESG momentum across the NDSI network is largely driven from within.

A strong **70%** of members say corporate values and internal commitment to sustainability are the main reasons they're pursuing ESG. This signals genuine intent and purpose-led leadership.

But external pressures remain surprisingly weak.

- ⇒ Only **9%** pointed to regulatory requirements.
- ⇒ Just **2%** cited investor expectations.
- ⇒ Another **2%** mentioned customer demand.
- ⇒ **17%** were guided by board-level strategic direction.



This distribution highlights the need for sustained capacity-building support to help insurers transition from ESG awareness to business integration.



This gap underscores a critical challenge: market signals for ESG are still too soft. For sustainable insurance to scale, stronger regulatory frameworks, investor engagement, and customer demand are essential.



ESG INTEGRATION IN UNDERWRITING

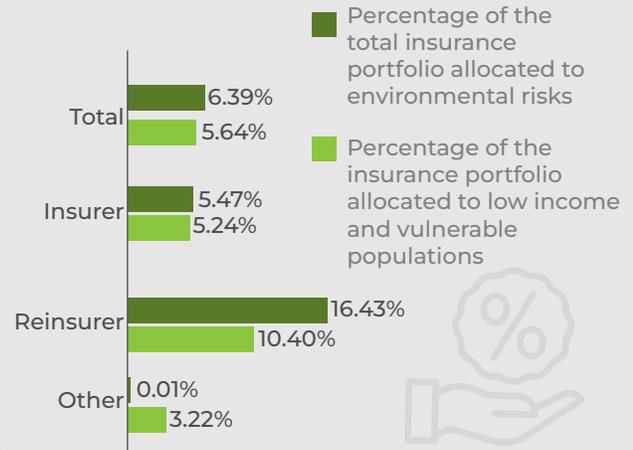


Early Signs of ESG Integration in Product Development. Reinsurers are leading in ESG-linked underwriting

How does your company incorporate ESG risks and opportunities into the design, development and pricing of new products?



Percentage of the portfolio allocated to environmental risks & low income and vulnerable populations?



ESG Integration into Product Development

ESG-aligned product innovation is gaining momentum, though still in its early stages.

- Over half (55%) of NDSI members are beginning to integrate ESG into product development, using external benchmarks (28%), ESG risk assessments (17%), and cross-functional design teams.
- However, 45% still do not consider ESG in product design, underscoring the need for more consistent integration across the market

Portfolio allocations to environmental risks and low-income and vulnerable groups

When it comes to actual portfolio allocations, progress is visible but uneven.

- Environmental risks** account for just **6.4%** of insurance portfolios on average. **Reinsurers** are well ahead, allocating **16.4%**, while primary insurers trail at **5.5%**.
- Inclusive underwriting** targeting low-income and vulnerable groups makes up **5.6%** of portfolios overall, with reinsurers again leading at **10.4%** versus **5.2%** among insurers.



ESG-Linked Product Design Is Gaining Ground. Reinsurers are taking the lead on ESG-linked underwriting, but primary insurers need to step up. Scaling inclusive, climate-smart product lines will be key to closing protection gaps and fulfilling the promise of sustainable insurance in Africa.



Estimated portfolio allocation across NDSI members:



Environmental risks: USD 1.2 billion



Low-income and vulnerable groups: USD 2.9 billion

(Based on blended estimation from survey data and public financial reports)



ESG INTEGRATION IN INVESTMENTS



Investment portfolios are lagging behind underwriting when it comes to ESG integration

How does your company assess the ESG risks associated with its investment portfolio?



Estimated ESG-linked AUM among NDSI members:

USD 52 Billion

ESG Integration within the investments

ESG integration in investment is gaining traction:

- Over half (53%) of NDSI members have begun integrating ESG considerations into investment decision-making, consultation with ESG advisors, environmental risk assessments, and the use of third-party tools.
- However, 47% of members still do not assess environmental risks in their portfolios, highlighting a significant opportunity to embed ESG more systematically across the industry.

Yet the potential is clear.

- An estimated USD 52 billion in ESG-linked AUM, just over 15% of the total USD 342 billion AUM reported by NDSI surveyed members, is already aligned to sustainability goals, with momentum led by pioneers like Prudential, Old Mutual and Sanlam
- This signals a strong baseline of capital already aligned with sustainability goals, but also highlights a major gap in wider participation and reporting.



Key Insight Box:

The opportunity? With better disclosure, standardised tracking, and stronger technical capacity, more insurers can begin aligning capital with ESG principles turning isolated leadership into industry-wide momentum.

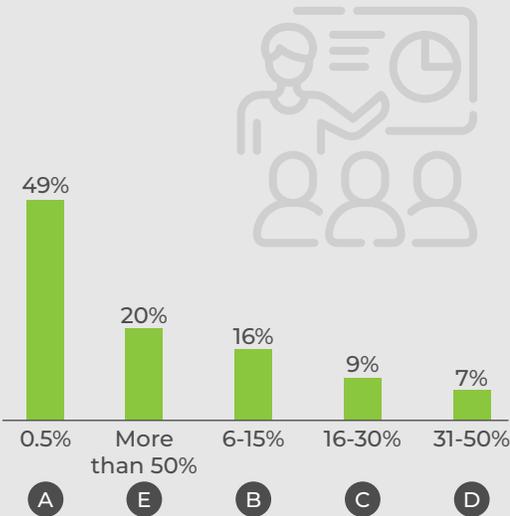


ESG CAPACITY AND REPORTING



ESG integration is still too dependent on a handful of internal champions. For real transformation, NDSI members must embed ESG into leadership, staff training, and reporting systems

Percentage of staff that have received ESG-related training



How would you describe the level of ESG expertise present within the company's board?



ESG Capacity

ESG integration remains heavily concentrated with a few champions with major capacity gaps holding back broader progress.

Across the NDSI membership, many organisations lack the foundational skills and leadership structures needed to embed sustainability in decision-making:

- ⇒ **48% of members** report that **fewer than 5% of staff** have received any ESG training.
- ⇒ Only **1 in 5 insurers** have trained more than half their workforce on ESG.

ESG Board-Level Expertise

At board level, the picture is similarly constrained:

- ⇒ **47%** of boards have only basic ESG awareness.
- ⇒ Just **11%** report any deep expertise.
- ⇒ A mere **4%** have embedded ESG into board-level decision-making.



Sustainably reporting

11%

of members currently publish ESG or sustainability reports. Some rely on minimal disclosures in their annual reports, while others produce standalone documents but overall, public reporting remains limited and inconsistent.



Member-Led ESG Action: From Intention to Implementation



Beyond core metrics, NDSI members are taking diverse, often locally tailored steps to embed sustainability across business operations.

Building Awareness and Support



Training, Capacity Building & ESG Culture

Several members are deepening ESG knowledge internally, creating momentum from the ground up:

- ⇨ ZEP-RE delivered three ESG training modules in 2024 (on ESG basics, underwriting, and reporting).
- ⇨ Others participated in external webinars and technical training via NGOs and DFIs.
- ⇨ One insurer embedded ESG KPIs in all people manager performance reviews.
- ⇨ Gender-focused programs—like women-in-leadership training—are helping shape inclusive leadership pipelines.



Early Awareness and Planning

Some members are still in early stages of ESG adoption, focusing efforts on:

- ⇨ Staff sensitisation and internal ESG dialogue.
- ⇨ Foundational planning and stakeholder engagement.
- ⇨ Navigating ESG roll-out amid fragile political and operational contexts (e.g. one member paused progress due to instability).



From Pioneers to Planners:

Capacity-building remains a critical entry point—highlighting the need for NDSI-aligned learning tracks and peer exchange.



Embedding Sustainable Insurance into Core Business

Environmental and Climate Innovation

Insurers are taking bold steps to link insurance with climate resilience and environmental stewardship:

- ⇨ APA Insurance has constructed over 40 sand dams in Kenya since 2006 blending employee ownership with long-term water resilience.
- ⇨ FBC Group is introducing insurance for solar energy systems, boreholes, and smallholder agriculture—directly linking coverage to infrastructure and livelihoods.
- ⇨ Multiple members are actively involved in regional climate risk initiatives like the DRIVE project, scaling index-based livestock cover in drought-prone regions.



Governance and Strategic Alignment

Stronger internal systems are beginning to emerge:

- ⇨ Some members are aligning with IFRS S1/S2, developing ESG policies, or formalising board-level oversight.
- ⇨ Others are piloting tools like Sustainability Radars to map ESG maturity and guide planning.
- ⇨ ESG is being woven into procurement policies, creating organisation-wide alignment



Monitoring and Metrics

Several members are experimenting with ESG tracking—even in the absence of mandatory requirements:

- ⇨ Environmental metrics include Scope 1 & 2 emissions, energy/paper use, and tree-planting targets (e.g. one company aims for 100K trees, with 40K already planted).
- ⇨ Social metrics span gender and disability tracking, financial inclusion outcomes, and client retention in inclusive product lines.
- ⇨ Governance metrics include ESG-linked procurement and sustainability disclosures aligned with international frameworks.



Establishing an African Voice for Sustainable Insurance

Locally Relevant Models and Partnerships

Members are creating uniquely African sustainability models rooted in local needs:

- ↻ Microinsurance for informal workers is being rolled out by multiple insurers.
- ↻ Partnerships with local mutual groups and youth/women-led enterprises reflect an intentional shift toward impact-focused coverage.

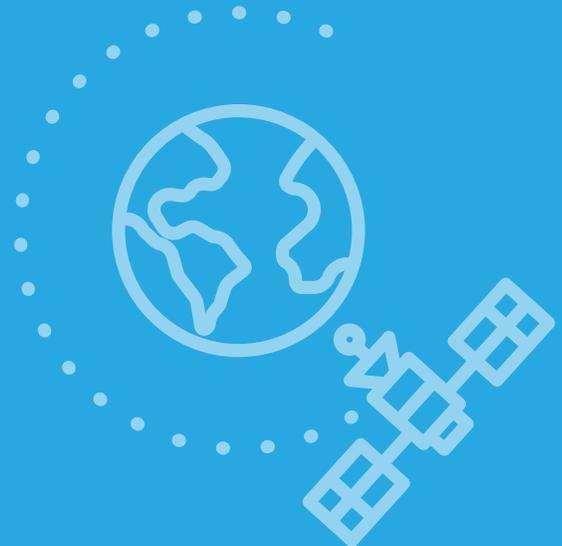
Context-Aware Implementation

Initiatives vary in scale and complexity, but their shared ambition positions African insurers as innovators in global ESG conversations:

- ↻ Locally grounded climate risk projects.
- ↻ Practical social inclusion pilots.
- ↻ Policy alignment without over-reliance on external mandates

Africa's ESG Approach:

From sand dams to satellite data, African insurers are showing that ESG isn't about copying global norms. It's about designing what works for our people, risks, and realities.



The feedback reveals a broadly positive experience, with room for deeper engagement and targeted improvements.

Our Takeaway

These insights affirm that while members value the current offerings, there is a strong appetite for:

- ↻ More structured capacity building (e.g., certification programs).
- ↻ Tailored tools to support ESG reporting.
- ↻ Ongoing forums to share progress, challenges, and success stories.

Going forward, we will continue to tailor our learning pathways, enhance onboarding tools, and create more platforms for peer recognition and knowledge exchange.





06

SECTION 6:

Embedding Sustainability in Core Insurance Business



HOW FAR HAS THE INDUSTRY COME, AND WHAT'S SHAPING PROGRESS?

6.1 The Big Picture: Africa's Sustainable Insurance

Africa's insurance industry is at a pivotal inflection point.

With climate shocks becoming more frequent and severe, the continent's deep vulnerability combined with low insurance penetration and significant investment gaps has underscored the urgency of risk-sharing mechanisms rooted in sustainability. The insurance protection gap remains vast, particularly in agriculture and climate-vulnerable communities. There is a growing protection gap in Africa, highlighting the disparity between the impact of climate disasters and the social protection offered by insurance. For instance, 97% of farmers in Sub-Saharan Africa remain uninsured despite mounting losses.

KEY INSIGHT BOX:

Economic losses from natural catastrophes in Africa reached

USD 14.65 Billion

in 2022



At the same time, regulatory pressure is rising, international frameworks like IFRS S1/S2 and TCFD are gaining traction, and investors are shifting expectations toward sustainability performance.

In response, African insurers are beginning to integrate ESG across governance, product development, investment strategy, and operations, supported by platforms like the NDSI, which now boasts over 260 signatories across 37 countries.



This section highlights tangible progress being made in sustainable insurance across five areas: product innovation, ESG-aligned capital allocation, governance and operations, inclusion and access, and partnerships for scale to illustrate how African insurers are embedding sustainability into core business models and shaping a more resilient financial ecosystem.



KEY INSIGHT BOX:

In 2019

only 7% of the USD \$2 Billion



in losses from Cyclone Idai were covered by insurance - highlighting the sector's untapped potential to support resilience through both risk transfer and responsible capital allocation.





6.2 Product Innovation and Climate Risk Solutions

African insurers are moving from awareness to action through the design of climate-smart, ESG-linked insurance products.

From flood and drought cover to index-based microinsurance, these solutions are helping close the protection gap.

- ⇒ **Britam** has pioneered Index-Based Flood Insurance for 300 households in Kenya’s Tana River County, paying out KSh 14 million in under 48 hours after El Niño-triggered floods. Their livestock and crop insurance products are also scaling across drought-prone counties.
- ⇒ **Old Mutual** has partnered with global players to offer parametric insurance to over 10,000 smallholder farmers across Zimbabwe, Mozambique, and Zambia, triggered by satellite rainfall data.
- ⇒ **ARC Ltd** has disbursed over USD 240M since 2014 to participating African governments through its sovereign climate risk pool including a \$32M payout to Zimbabwe during the 2023–24 El Niño drought.
- ⇒ **ZEP-RE** is delivering climate-smart livestock insurance through the DRIVE Project in the Horn of Africa, bundling reinsurance with financial services for pastoralists.



FLAGSHIP CLIMATE RISK PRODUCTS IN AFRICA:

Reach

Payout Speed

Replicability

WHY IT MATTERS

These innovations demonstrate that:



Fast payouts and low admin costs improve trust and uptake



Parametric products suit informal markets



Scalable solutions exist—but still rely on subsidy or pilot funding



KEY INSIGHT BOX:

ESG integration is advancing but unevenly. Products are the entry point, but scaling ESG impact will require

- Stronger investment strategies
- Governance reform
- Standardized metrics, and
- Capacity building across all staff levels.





6.3 Responsible Investment and ESG Capital Alignment

African insurers are beginning to align capital flows with sustainability goals.

While most ESG investing is still concentrated among large players, a directional shift is visible.

- ⇒ A benchmark estimate of USD 52 billion in ESG-linked AUM is held by NDSI members, led by Prudential, Sanlam and Old Mutual.
- ⇒ Sanlam reports that 85% of its third-party AUM qualifies as sustainable, with investments in solar, wind, and water infrastructure tracked quarterly.
- ⇒ ZEP-RE and WAICA Re are implementing ESG-linked investment frameworks and climate screening for portfolio allocation.

Despite progress, most African insurers lack publicly disclosed ESG investment strategies. Key gaps include harmonized definitions, regional taxonomies, and data availability.

6.4 ESG Governance, Strategy, and Operations

Sustainability is increasingly being embedded into boardrooms and enterprise risk management—though maturity levels vary.

- ⇒ **Old Mutual** has implemented a real-time governance monitoring platform across Africa Regions and embeds ESG KPIs across leadership teams.
- ⇒ **Sanlam** tracks ESG risks quarterly across its enterprise risk management framework and has trained its board and ESG champions to lead implementation.
- ⇒ **ICEA LION** is aligning operations with PSI principles and participating in the Africa Natural Capital Alliance and TNFD pilots.
- ⇒ **ZEP-RE** has rolled out board-level ESG training and integrated ESG into underwriting and procurement through its Environmental and Social Management System (ESMS).



KEY INSIGHT BOX:

Estimated ESG-Linked AUM
NDSI Members:

USD 52B



However, challenges remain:



ESG oversight is often siloed or dependent on **“champion teams.”**



ISSB/TCFD alignment is still emerging.



ESG-linked KPIs are inconsistently applied.



GOVERNANCE FEATURES BY LEADING INSURERS

COMPANY	KEY ESG GOVERNANCE FEATURES
APA Insurance	Board-level ESG oversight; ESG Risk Framework integrated across insurance and investments; Non-executive Chair; Board meets quarterly.
Britam	Board-approved ESG policies; ESG risk screening in underwriting/investments; KPIs linked to ESG; Supplier code of conduct; Transparent reporting; IRA audits.
CIC Insurance Group	GRI-aligned report; Detailed governance disclosures including board structure, ESG oversight, conflict of interest management, and policy commitments.
Continental Re	Board and CEO responsibilities defined; ESG integrated into underwriting/investments; ESG policy and PSI signatory; ESG Board training conducted.
East Africa Re	PSI and NDSI signatory; ESG integrated in strategy; Board commitment to ESG and stakeholder confidence.
FBC	Governance structure includes schematic for sustainability oversight; Board-led compliance with all regulatory ESG requirements.
ICEA LION	King IV and GRI aligned; ESG Champions appointed; ESG Board training; Formal ESG roles; PSI Principles embedded into governance.
Jubilee Insurance	Stakeholder engagement noted; Governance lightly disclosed; ESG reporting under development.
Old Mutual	Group Risk Framework (GRF); ESG integrated across investment, underwriting, supplier governance; ESG embedded in KPIs and Board-level strategy.
Prudential Africa	Dedicated ESG committees (GIC, GSFC, GESC); Board-level strategy oversight; ESG risk governance integrated with investment and supplier frameworks.
Sanlam Kenya	King IV, GRI, TNFD aligned; Group-wide ESG scorecard; ESG integrated into underwriting, governance, and investment strategy; Climate risk governance.
WAICA Re	Integrated ESG governance; Enhanced ESG structure within corporate governance framework; ESG strategy implemented top-down.
ZEP Re	ESG training for Board; ESG integrated into ERM; ESMS framework in place; ESG roles defined across senior leadership; Mandatory underwriting guidelines.



KEY INSIGHT BOX:

ESG integration is advancing but unevenly. Products are the entry point, but scaling ESG impact will require



Stronger investment strategies



Standardized metrics



Governance reform



Capacity building across all staff levels



6.5 Inclusion as a Sustainability Lever: Reaching the Underserved

Many insurers are designing products and partnerships to serve traditionally excluded populations—driving both financial resilience and social equity.

- ⇒ **APA, CIC, and Britam** are leaders in microinsurance, offering bundled crop, funeral, and health products for low-income households.
- ⇒ **Sanlam Kenya** has partnered with Safaricom and NCBA to roll out digital life and credit insurance via mobile platforms.
- ⇒ **ZEP-RE** is scaling coverage to over 2 million pastoralists through satellite-driven drought insurance in the Horn of Africa.
- ⇒ **Prudential** is developing a Group-wide Inclusive Insurance Framework to ensure product due diligence balances financial and social outcomes.

Inclusion strategies are closely tied to sustainability and ESG performance. Yet, affordability, literacy, and distribution remain key barriers to scale.

KEY INSIGHT BOX:

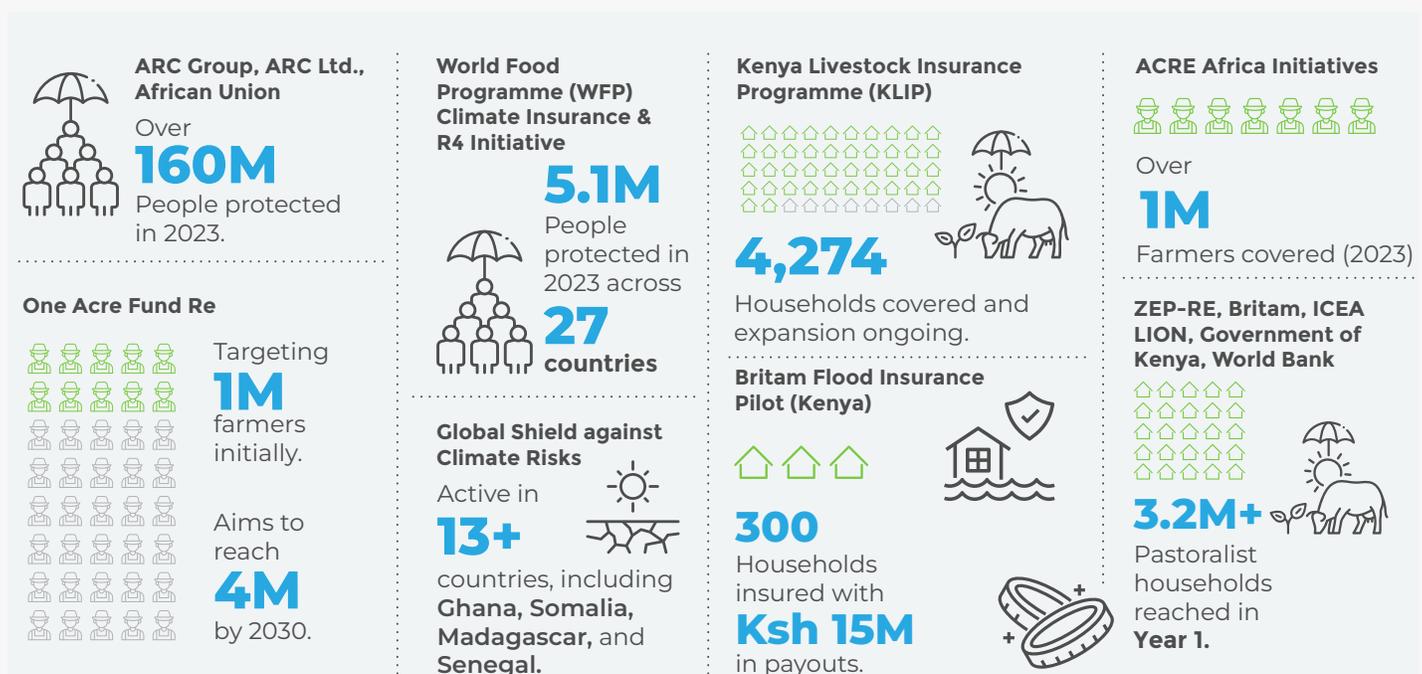
Inclusion is not an add-on. It's a core pillar of sustainable insurance. But achieving scale requires new business models, not just new products.



6.6 Partnerships for Scale

6.6.1 Regional and Ecosystem-Level Partnerships

Africa's most ambitious insurance collaborations are scaling protection through pooled risk, public-private partnerships, and ecosystem-wide models. These initiatives demonstrate how regional platforms and technical innovation can unlock climate resilience at scale.





AFRICAN RISK CAPACITY (ARC) AND ARC REPLICA

Lead Institutions:

African Union through ARC Group (ARC Agency and ARC Ltd)

ARC is a specialised agency of the African Union that helps member states better prepare for, manage, and recover from climate-induced disasters.

ARC Ltd, the financial arm of the ARC Group, offers a suite of parametric insurance products and financial tools to provide timely and predictable funding, saving lives and livelihoods before crises escalate.

Today, ARC Ltd. counts 39 member states, 23 of which have already accessed ARC’s solutions to protect their populations and economies from climate shocks. It offers a tiered ecosystem of protection (macro, meso, and micro) tailored to meet the needs of governments, humanitarian actors, and vulnerable communities. The protection it provides encompasses critical development sectors such as food security, health, education, and livelihoods, contributing to broader sustainable development goals

Impact

Coverage

- ⇒ Over 160 million people covered since 2014; Goal: 700 million
- ⇒ Over \$240 million in payouts since 2014
- ⇒ \$84.4 million paid in 2024, reducing reliance on delayed humanitarian aid

Products

- ⇒ Sovereign Solutions: At the core of ARC Ltd.’s model are sovereign insurance policies designed for African governments. These provide rapid payouts to enable early action and response to droughts, tropical cyclones, outbreak and epidemic, as well as floods. In 2024, Zimbabwe received ARC’s largest-ever payout, demonstrating how sovereign risk transfer can meaningfully cushion national disaster response.
- ⇒ Humanitarian Insurance (ARC Replica): In partnership with organisations like the World Food Programme (WFP) and Start Network, ARC Ltd. extends coverage through the Replica mechanism. This innovative model allows humanitarian actors to mirror country insurance policies and respond in synchrony with national systems.
- ⇒ Inclusive Insurance Solutions: ARC Ltd. is pioneering meso- and micro-level insurance initiatives to expand protection to local institutions, cooperatives, and individual farmers. These include initiatives like the Index-Based Agricultural Insurance Development Programme in Côte d’Ivoire (DAAI-CI), the Rural Integrated Climate Adaptation and Resilience Building (RICAR) Project and the Adapted Loans for Natural Disasters Programme (PACAN).

Advocacy

- ⇒ ARC Ltd. champions Africa-led climate resilience by actively engaging in global forums such as COP, the Principles for Sustainable Insurance (PSI), and humanitarian platforms, using its leadership and partnerships to influence policy, advance climate finance solutions, and strengthen disaster risk management systems across the continent



↻ Climate Preparedness Financing: Beyond insurance, ARC Ltd. mobilises grants and donor funding to improve country readiness. Through partnerships with institutions such as NORAD and the Global Shield against Climate Risks, ARC Ltd. strengthens early warning systems, contingency planning, and local capacity-building

Delivery Model:

Multi-level parametric insurance with donor-backed premium support.

Enablers of Scale:

ARC Ltd.'s scale is enabled by its African Union mandate, cost-sharing through pooled risk, country-tailored solutions, and strong partnerships with insurers and donors.

What Makes it Work:

A hybrid public–humanitarian–private approach that ensures coordination, fast disbursement, and early action.

Lessons for Replication

ARC Ltd.'s experience demonstrates that pre-arranged financing can meaningfully strengthen national disaster response, as shown by the record payouts in 2024. The successful rollout of inclusive insurance initiatives across different countries highlights the importance of adapting solutions to local contexts and needs. Above all, ARC's progress confirms that strong, cross-sector partnerships are essential to scale impact, ensure sustainability, and foster ownership across governments, humanitarian actors, and donors.



WORLD FOOD PROGRAMME (WFP) CLIMATE INSURANCE & R4 INITIATIVE

<p>Lead Institution:</p> <p>WFP</p>	<p>WFP integrates climate risk insurance into its social protection and humanitarian programmes, notably through the R4 model combining insurance, savings, credit, and risk reduction.</p> <p>Working across 27 countries, WFP acts as both facilitator and policyholder, enabling payouts via ARC, local insurers, and VSLAs.</p>
<p>Impact</p>	<p>Coverage</p> <ul style="list-style-type: none"> ⊖ 5.1 million people protected in 2023 across 27 countries ⊖ As of 2023, R4 had benefited nearly 550,000 vulnerable households. ⊖ \$17.8 million payouts in 2022/23; enhanced food security, resilience, and inclusion
<p>Enablers of Scale:</p> <ul style="list-style-type: none"> ⊖ Strong strategic partnerships with governments, regional pools, international organizations, and the private sector. ⊖ Integrating insurance with existing government programmes (social safety nets, input voucher schemes) provides a platform for reach. ⊖ Combining insurance with other risk management components like savings and credit enhances effectiveness and sustainability (R4 approach). ⊖ Premium support and subsidies make insurance accessible. 	
<p>Delivery Model:</p> <p>Macro (ARC), meso, and micro insurance; index-based and parametric</p>	<p>What makes it work:</p> <p>Hybrid sovereign + humanitarian model; strong alignment with early action systems</p>
<p>Lessons for Replication</p>	<p>The need for close collaboration with governments is vital. Partnering with consortia of insurers can facilitate rapid design and increase risk capacity. Embedding insurance into social safety nets and linking it with savings and credit builds sustained resilience and is a promising strategy. Timely payout distribution is critical and may require innovative digital solutions. Continuous education and clear communication are needed for beneficiaries</p>



KLIP – KENYA LIVESTOCK INSURANCE PROGRAMME

<p>Lead Institution:</p> <p>Government of Kenya, World Bank, ILRI</p>	<p>KLIP provides drought insurance to pastoralists in Kenya’s arid counties using the Index-Based Livestock Insurance (IBLI) model.</p> <p>Premiums are fully subsidised for vulnerable households, with support from WFP and the DRIVE initiative.</p>				
<p>Impact</p>	<p>Coverage</p> <p>☞ 4,274 households covered and expansion ongoing</p>				
	<table border="0"> <tr> <td data-bbox="402 930 812 1270"> <p>Delivery Model:</p> <ul style="list-style-type: none"> ☞ Government-subsidised microinsurance; parametric drought coverage </td> <td data-bbox="812 930 1523 1270"> <p>Enablers of Scale:</p> <ul style="list-style-type: none"> ☞ Index-based design, technical support, integration with savings and credit ☞ The Public Private Partnership structure. ☞ Implementation involves government entities. ☞ Technical support from international bodies like the World Bank and ILRI </td> </tr> <tr> <td colspan="2" data-bbox="402 1270 1523 1528"> <p>What makes it work:</p> <ul style="list-style-type: none"> ☞ Government commitment, index-based model simplicity, linkage to resilience-building tools </td> </tr> </table>	<p>Delivery Model:</p> <ul style="list-style-type: none"> ☞ Government-subsidised microinsurance; parametric drought coverage 	<p>Enablers of Scale:</p> <ul style="list-style-type: none"> ☞ Index-based design, technical support, integration with savings and credit ☞ The Public Private Partnership structure. ☞ Implementation involves government entities. ☞ Technical support from international bodies like the World Bank and ILRI 	<p>What makes it work:</p> <ul style="list-style-type: none"> ☞ Government commitment, index-based model simplicity, linkage to resilience-building tools 	
<p>Delivery Model:</p> <ul style="list-style-type: none"> ☞ Government-subsidised microinsurance; parametric drought coverage 	<p>Enablers of Scale:</p> <ul style="list-style-type: none"> ☞ Index-based design, technical support, integration with savings and credit ☞ The Public Private Partnership structure. ☞ Implementation involves government entities. ☞ Technical support from international bodies like the World Bank and ILRI 				
<p>What makes it work:</p> <ul style="list-style-type: none"> ☞ Government commitment, index-based model simplicity, linkage to resilience-building tools 					
<p>Lessons for Replication</p>	<ul style="list-style-type: none"> ☞ Uses the IBLI concept, which has been evaluated for scalability in Sub-Saharan Africa 				



GLOBAL SHIELD AGAINST CLIMATE RISKS

<p>Lead Institution:</p> <p>V20 Group, G7, World Bank, UNDRR</p>	<p>Global Shield provides pre-arranged financing including insurance for climate-related loss and damage.</p> <p>It focuses on tailoring solutions to national needs and coordinates efforts via dedicated financing vehicles (e.g., GSSP, GSFF).</p>	
<p>Impact</p>	<p>Coverage</p> <p>Active in 13+ countries, including Ghana, Somalia, Madagascar, and Senegal</p>	<p>Implemented its first risk transfer solution in Ghana in 2024. This provides financial relief in the event of a drought, enabling the government to respond quickly and efficiently to support affected farmers and communities.</p>
	<p>Delivery Model:</p> <ul style="list-style-type: none"> Facilitates pre-arranged financing solutions 	<p>Enablers of Scale:</p> <ul style="list-style-type: none"> The multi-stakeholder structure involving both vulnerable countries (V20) and supporting countries (G7), along with various implementing partners and financing mechanisms.
	<p>What makes it work:</p> <ul style="list-style-type: none"> The focus on country needs through a tailored approach. The presence of multiple financing vehicles. Collaboration with existing regional pools like ARC 	

Lessons or Replication potential The approach of tailoring solutions to country needs is a key lesson. Focusing on pre-arranged finance is highlighted as an important strategy for the global loss and damage landscape. Collaboration with regional risk pools strengthens the approach



KEY INSIGHT BOX:

Pre-arranged finance is emerging as a vital tool for sovereign risk management in the climate crisis.





AFRICA CLIMATE RISK INSURANCE FACILITY FOR ADAPTATION (ACRIFA)

<p>Lead Institution:</p> <p>AfDB, NDSI, primary insurers, technical partners</p>	<p>The Africa Climate Risk Insurance Facility for Adaptation (ACRIFA) is harnessing the collective capacity of the African insurance industry.</p> <p>It operates under the auspices of the NDSI and brings together insurers, reinsurers, regulators, and development banks to co-develop multi-country insurance portfolios for agriculture and infrastructure. It aims to underwrite USD 14B worth of risk by 2030 and protect 1.4 billion people.</p>	
<p>Impact</p>	<p>Coverage</p> <p>Pan-African; early-stage rollout underway.</p>	<p>Products</p> <p>Expected to provides a basket of insurance products including producer risk coverage, value chain risk coverage, and loan portfolio coverage.</p>
	<p>Delivery Model:</p> <ul style="list-style-type: none"> ☞ Facilitates pre-arranged financing solutions 	<p>Enablers of Scale:</p> <ul style="list-style-type: none"> ☞ Harnessing the collective capacity of the African insurance industry. ☞ The regional risk sharing model is designed to overcome limitations of homogenous single-country exposures. ☞ Operating under the auspices of the NDSI provides alignment and a platform
	<p>What makes it scalable:</p> <ul style="list-style-type: none"> ☞ Overcomes country-specific fragmentation by building a diversified regional risk pool 	
<p>Lessons or Replication potential</p>	<ul style="list-style-type: none"> ☞ The regional risk sharing model is highlighted as a means to address the need for varied risk pools. Success requires not just technical tools but also operational infrastructure and supportive policy/institutional frameworks. Collaboration and alignment with broader sustainability initiatives like NDSI can amplify impact. 	



ONE ACRE FUND RE

<p>Lead Institution:</p> <p>One Acre Fund, with support from IFC, U.S. DFC, and African Risk Capacity (ARC)</p>	<p>One Acre Re is a non-profit reinsurance facility launched in 2023 to improve rural climate resilience.</p> <p>It pools climate risk across regions with lower profit expectations than commercial reinsurers. Surpluses are reinvested to lower premiums or increase payouts, enhancing affordability and value for smallholder farmers. It supports farmer-facing insurers with risk diversification, product design, and climate data.</p>	
<p>Impact</p>	<p>Coverage</p> <p>Targeting 1 million, farmers initially; aims to reach 4 million by 2030</p>	<p>Products</p> <p>Index-based cover for smallholder schemes.</p>
	<p>Delivery Model:</p> <ul style="list-style-type: none"> ⌄ Non-profit reinsurance; regional risk pool; 	<p>Enablers of Scale:</p> <ul style="list-style-type: none"> ⌄ Lower cost structure, surplus redistribution, strong development finance backing
	<p>What makes it scalable:</p> <ul style="list-style-type: none"> ⌄ A mission-driven structure, backing from major development finance institutions ⌄ Integration with an existing farmer service network (One Acre Fund). ⌄ Emphasis on affordability, localized design, and reinvestment of surpluses 	
<p>Lessons or Replication potential</p>	<ul style="list-style-type: none"> ⌄ Demonstrates how non-profit reinsurance models can unlock market access for vulnerable populations. 	



6.6.2 INSURER-LED STRATEGIC PARTNERSHIPS

DRIVE: DE-RISKING, INCLUSION AND VALUE ENHANCEMENT OF PASTORAL ECONOMIES IN THE HORN OF AFRICA

<p>Lead Institution:</p> <p>ZEP-RE, Britam, ICEA LION, Government of Kenya, World Bank</p>	<p>Under Component 1 of the World Bank-supported DRIVE project, ZEP-RE is implementing financial services for climate resilience on behalf of the participating countries in the Horn of Africa including Djibouti, Kenya, Somalia and Ethiopia.</p> <p>This includes the provision of index-based livestock insurance (IBLI) to pastoralist communities in the Horn of Africa, financial inclusion and enhancing savings among pastoralists. ZEP-RE facilitates regional risk pooling, engages local insurers and re-insurers to spread risk, and partners with aggregators (e.g., microfinance institutions, banks, cooperatives) to deliver bundled financial products including insurance and savings.</p>	
<p>Impact</p>	<p>Coverage</p> <ul style="list-style-type: none"> ☞ 3.2M+ pastoralist households reached to date across Kenya, Somalia and Ethiopia. 55% of the pastoralists are women. 	<p>Products</p> <ul style="list-style-type: none"> ☞ Index-based asset protection cover tailored to pastoralists' needs. ☞ Currently piloting Life and Health product for income protection insurance.
	<p>Delivery Model:</p> <ul style="list-style-type: none"> ☞ Regional risk pool led by ZEP-RE ☞ Engagement of local insurers, supported by re-insurers to diversify risk ☞ Non-profit-driven reinsurance structure for inclusive service delivery ☞ Use of aggregators, bank and insurance agents, and community mobilizers from pastoral groups. 	<p>Enablers of Scale:</p> <ul style="list-style-type: none"> ☞ Regional risk pooling ☞ Digital platforms enabling product distribution and premium/payment tracking ☞ World Bank financing and technical assistance ☞ Public-private partnerships enabling outreach and affordability
	<p>What makes it scalable:</p> <p>DRIVE combines subsidy support, regional risk pooling, and tech-enabled delivery platforms. This lowers operational costs and enhances accessibility for traditionally excluded pastoralist communities.</p>	
<p>Lessons for Replication</p>	<ul style="list-style-type: none"> ☞ Regional risk pooling effectively reduces premiums and enhances financial sustainability ☞ Partnering with aggregators extends reach into remote pastoralist areas ☞ Technology facilitates timely premium collection and payouts ☞ Public support, including subsidies and policy alignment, is critical for inclusive insurance delivery. 	



BRITAM FLOOD INSURANCE PILOT (KENYA)

<p>Lead Institution:</p> <p>Britam, Oxfam, Swiss Re</p>	<p>Britam piloted an index-based flood cover in Tana River County, delivering 48-hour payouts post-El Niño-triggered rains.</p> <p>With NGO and reinsurer support, the product was tailored to vulnerable farming families and is now scaling.</p>	
<p>Impact</p>	<p>Coverage</p> <p>300 households insured; Ksh 15M in payouts; product now expanding</p>	<p>Products</p> <p>Parametric microinsurance</p>
	<p>Delivery Model:</p> <p>↳ NGO-led enrolment; reinsurer-backed risk transfer</p>	<p>Enablers of Scale:</p> <p>↳ Simplified trigger, rapid payout, community trust through NGO partner</p>
	<p>What makes it scalable:</p> <p>Trusted NGO delivery, clear parametric triggers, and instant payouts prove insurance value for low-income households.</p>	
<p>Lessons for Replication</p>	<p>Pilot models enable learning and stakeholder confidence. Reinsurer collaboration ensures risk appetite and pricing precision.</p>	



ZEP-RE & IFC: SME CLIMATE INSURANCE

<p>Lead Institution:</p> <p>ZEP-RE, International Finance Corporation (IFC)</p>	<p>Designs insurance for SMEs to offset climate-related economic shocks, especially in vulnerable regions.</p>	
<p>Impact</p>	<p>Coverage</p> <ul style="list-style-type: none"> ☞ Pan-African, SME focus 	<p>Products</p> <ul style="list-style-type: none"> ☞ Parametric microinsurance
	<p>Delivery Model:</p> <ul style="list-style-type: none"> ☞ Inclusive product design, private risk transfer 	<p>Enablers of Scale:</p> <ul style="list-style-type: none"> ☞ IFC expertise, SME market reach, reinsurance capacity
	<p>What makes it scalable:</p> <p>Insurance that protects the economic engine of Africa</p>	
<p>Replication Potential</p>	<p>Partnering with IFIs like IFC boosts credibility and innovation.</p>	



ACRE AFRICA INITIATIVES

<p>Lead Institution:</p> <p>ACRE Africa (ZEP-RE subsidiary) + multiple partners</p>	<p>ACRE is a risk management solutions designer linking stakeholders to localized solutions such as insurance and climate change adaptation strategies to reduce agricultural and climate risks.</p> <p>Provides smallholder farmers with bundled insurance and advisory services using tech like Picture-Based Monitoring (PBM) and mobile tools.</p>		
<p>Impact</p>	<p>Coverage</p> <p>Over 1,000,000 farmers covered (2024)</p>		
	<table border="0"> <tr> <td data-bbox="402 835 812 1155"> <p>Delivery Model:</p> <ul style="list-style-type: none"> ⌄ Bundled products, village agent network, PBM tools for advisories and claims verification, Local partnerships for trust and uptake </td> <td data-bbox="812 835 1523 1155"> <p>Enablers of Scale:</p> <ul style="list-style-type: none"> ⌄ Tech-driven platforms like DigiBima; offering seamless end-to-end insurance administration, Mobile-first approaches, grassroots agents (Village Champions), international funders. </td> </tr> </table>	<p>Delivery Model:</p> <ul style="list-style-type: none"> ⌄ Bundled products, village agent network, PBM tools for advisories and claims verification, Local partnerships for trust and uptake 	<p>Enablers of Scale:</p> <ul style="list-style-type: none"> ⌄ Tech-driven platforms like DigiBima; offering seamless end-to-end insurance administration, Mobile-first approaches, grassroots agents (Village Champions), international funders.
<p>Delivery Model:</p> <ul style="list-style-type: none"> ⌄ Bundled products, village agent network, PBM tools for advisories and claims verification, Local partnerships for trust and uptake 	<p>Enablers of Scale:</p> <ul style="list-style-type: none"> ⌄ Tech-driven platforms like DigiBima; offering seamless end-to-end insurance administration, Mobile-first approaches, grassroots agents (Village Champions), international funders. 		
	<p>What makes it scalable:</p> <p>Simple delivery channels through agents + smart bundling boosts uptake and trust, Insurance awareness through an online Learning Management System.</p>		
<p>Lessons for Replication</p>	<p>Combine insurance with advisory tools and local delivery channels like village champions, Invest in tech platforms for efficiency and transparency.</p>		



07

SECTION 7:

In-Depth Focus: Stories Of Sustainable Impact

NDSI Signatories: Leading by Example

This section provides a company-by-company snapshot of how African insurers are advancing sustainable insurance, as defined by the three pillars of the NDSI.



High-level details are captured in this section, while more comprehensive information can be found in Appendix A.

APA¹³

APA Apollo Group integrates sustainability into its core operations, emphasizing environmental responsibility, social impact, and strong governance practices across East Africa.

This strategic approach aligns with global ESG standards and supports regional socio-economic resilience.



Pillar 1: Build awareness and support for sustainable insurance principles

- ⇌ **Public Sector Partnerships:** Supported the Government of Kenya's Agricultural and Livestock Insurance Program, reinforcing insurance as a climate resilience tool.
- ⇌ **ESG Risk Framework:** Adopted a group-wide ESG framework that integrates environmental, human rights, and governance safeguards into insurance and investment decisions.
- ⇌ **Global Compact Participation:** Signatory to the UN Global Compact since 2015, aligning with international ESG and sustainability standards.
- ⇌ **Inclusive Innovation Promotion:** Partnered with the IRA's BimaLab to promote innovation and inclusive insurance solutions across the industry.



Pillar 2: Integrate sustainable insurance into core business

- ⇌ **Climate-Resilient Insurance:**
 - Paid KSh 728M in crop claims since inception; over KSh 64M in 2023 alone.
 - Disbursed KSh 1.7M to 3,000+ livestock farmers in 2023.
- ⇌ **Affordable Health Solutions:** Provides accessible medical plans, contributing to SDG 3 and promoting inclusive health protection.
- ⇌ **Water Security Projects:** Invested Shs 76M in 39 sand dams across 4 arid counties, enhancing water access, climate adaptation, and livelihood resilience.
- ⇌ **Paperless Operations:** Transitioned to paperless work environments to reduce environmental footprint and promote responsible resource use.



Pillar 3: Establish an African voice for sustainable insurance

- ⇌ **Microinsurance Expansion:** Launching APA Micro Insurance Ltd to deepen reach to informal and low-income markets, aligned with regional realities.
- ⇌ **Africa-Focused Design:** Tailors insurance products for climate and income risks unique to Africa, reinforcing the value of localized innovation.
- ⇌ **Strategic Collaborations:** Works with SDG-focused partners (e.g., Care Package, Stand With Kenya) to deliver impact beyond traditional insurance.



BRITAM¹⁴

Britam has emerged as a leader in climate resilience with the launch of East Africa's first flood insurance product in Tana River County, Kenya.

This pioneering initiative has provided crucial financial relief to communities frequently affected by flooding, demonstrating the tangible impact of climate-smart insurance. Britam has also demonstrated a strong commitment to ESG principles through its inaugural sustainability report, outlining its achievements in environmental stewardship, social responsibility, and ethical business practices.



Pillar 1: Build awareness and support for sustainable insurance principles

- ⊞ **UN Global Compact Signatory:**
Demonstrates commitment to global sustainability principles, integrating responsible business values into operations
- ⊞ Adheres to **GRI 2021 Standards**
- ⊞ Sustainability priorities aligned with **SDGs 1, 3, 4, 10, 13 and 17**
- ⊞ Materiality Mapping aligned with GRI principles, stakeholder interviews and global benchmarking.
- ⊞ Engage internal and external stakeholders through sustainability reporting
- ⊞ ESG training and awareness for over 600 staff members.
- ⊞ Thought Leadership: Launched Britam ESG Roundtable series to engage regional stakeholders



Pillar 2: Integrate sustainable insurance into core business

- ⊞ **Climate-Resilient Insurance:**
 - Index-Based Flood Insurance: Payout of KSh 15M to 300 households.
 - Index-Based Livestock Insurance: Protected 2,800 pastoralists in drought-prone areas.
 - Index-Based Crop Insurance: Covered 7,500 smallholder farmers using weather-triggered data.
- ⊞ **Inclusive Insurance Solutions:**
 - **Microinsurance:** Health, funeral, and property insurance for 2.5M underserved individuals.
 - **Msingi Poa Product:** Education support through insurance.
 - **Pharmacy First and e-consultation services** expand access to healthcare for informal populations
- ⊞ **Sustainable Operations**
 - E-waste Recycling: 1,356 kg processed in 2023.
 - Carbon Tracking: Monitors Scope 1 and 2 emissions and reported a 15% decrease.
 - Water Conservation: 24,533L recycled via reverse osmosis system at Britam Tower.
 - Plastic Elimination & Paperless Transition: Company-wide digital shift.
- ⊞ **Green Infrastructure & Procurement:**
 - Britam Tower: EDGE-certified, fitted with motion sensors and efficient utilities.
 - Sustainable Procurement: Long-life equipment, cloud-based IT for energy efficiency.
- ⊞ **ESG-Aligned Investments:**
 - Green Bond Investment: TZS 365M allocated to Tanzanian water project.
 - Green Real Estate: Somerset Westview incorporates energy-efficient, clean-energy infrastructure.
 - ESG Risk Framework: Applied across underwriting and investments. ESG risks now screened across 75% of investment portfolio



Pillar 3:
**Establish an
African voice
for sustainable
insurance**

- ↪ **Inclusive Insurance as Policy Tool:** Expands insurance access across underserved African communities, supporting social protection and economic resilience.
- ↪ **Cited in UNEP PSI's 2024 casebook** for its community-based approach to flood and health microinsurance
- ↪ **Strategic Partnerships** with ILO, Swiss Re, FSD Africa, Habitat for Humanity, and Oxfam for innovation in micro and index-based insurance. Joint research with Kenya Red Cross on climate-vulnerable communities.
- ↪ **Collaborates with Insurtechs** (M-Tek) and mobile operators (Safaricom, Telkom) to scale access
- ↪ **Advocacy:** Participated in the 2024 African Insurance Organisation (AIO) Summit to present regional lessons on inclusive and climate-aligned insurance.



CIC INSURANCE¹⁵

CIC Insurance Group PLC is a cooperative insurer operating across Kenya, Uganda, South Sudan, and Malawi, committed to embedding ESG principles at the core of its business model.

With a vision to act as a catalyst for sustainable insurance and investments across Africa, CIC's strategy is anchored in four sustainability pillars: Economic Resilience, Environmental Stewardship, Social Responsibility, and Responsible Governance. The Group leverages its cooperative values and inclusive insurance approach to promote financial resilience and community empowerment.



Pillar 1: Build awareness and support for sustainable insurance principles

- ⇌ Operationalized a Sustainability Workstream with representatives across the Group to drive sustainability integration and cross-functional awareness..
- ⇌ Participates in global networks like the International Cooperative and Mutual Insurance Federation (ICMIF) and local bodies like the Association of Kenya Insurers (AKI) to promote shared learning on ESG.



Pillar 2: Integrate sustainable insurance into core business

- ⇌ Developed inclusive and climate-smart insurance products
 - **Microinsurance** for informal sector and low-income populations.
 - **Specialized cooperative insurance** for SMEs (liability, property, cyber, business interruption).
 - **Agricultural cover** (multi-peril, livestock, poultry, aquaculture) tailored to local climate risks.
 - **Health solutions** such as Coop Care (Kenya), Abwenzi (Malawi), and Seniors Mediplan.
 - **Kameeza Policy in Uganda:** low-cost funeral insurance.
 - Insured **182,100 farmers** as of December 2023 in Malawi through agricultural coverage, reducing vulnerability to weather-related losses.
- ⇌ Committed to operational sustainability
 - Measured and reported **Scope 1 and 2 GHG emissions** using the GHG Protocol.
 - Implemented **energy-saving measures** (solar power, LED bulbs, efficient laptops, motion sensors).
 - Promoted **sustainable water use** via time-delay taps and discharge efficiency systems.
- ⇌ Invested in green infrastructure and low-carbon technology adoption (e.g., solar pumps, eco-efficient buildings).
- ⇌ Supporting local entrepreneurship and economic resilience via community-linked insurance solutions.



Pillar 3: Establish an African voice for sustainable insurance

- ⇌ Positioned as **Africa's leading cooperative insurer**, amplifying the voice of mutual and inclusive insurance models.
- ⇌ Supports forest restoration and biodiversity through **collaborative initiatives with Kenya Forest Service** and other national bodies.
- ⇌ Leverages partnerships with government bodies, regulators, and local organizations to **extend influence beyond commercial mandates**.



EAST AFRICA RE¹⁵

East Africa Reinsurance Company Limited (EARE) integrates ESG considerations across its operations, strategy, and investment practices, demonstrating a commitment to responsible underwriting, community development, and environmental stewardship.

EARE positions sustainability as a core driver of long-term value and inclusive growth in Africa.



Pillar 1: Build awareness and support for sustainable insurance principles

- ⇌ Signatory to the UNEP FI Principles for Sustainable Insurance (PSI) committing to global sustainability leadership.
- ⇌ Publicly aligned with key UN Sustainable Development Goals (SDGs), including SDG 4 (Quality Education), SDG 7 (Affordable Clean Energy), SDG 13 (Climate Action), and SDG 15 (Life on Land).
- ⇌ Participates in industry and regulatory forums to promote good governance, risk management, and ESG awareness across the region.
- ⇌ Regularly communicates environmental and social initiative updates through its annual report, enhancing stakeholder transparency and ESG literacy.



Pillar 2: Integrate sustainable insurance into core business

- ⇌ Sustainable underwriting: Offers reinsurance for clean energy infrastructure projects, including solar and geothermal across African markets aligning core products with climate priorities.
- ⇌ Invested in Acorn Green Bond, Kenya's first green bond, directly supporting student housing aligned with sustainability benchmarks.
- ⇌ Applies ESG screening in real estate investments, ensuring long-term alignment between capital allocation and environmental goals.
- ⇌ Internal sustainability practices include:
 - ✦ Installation of solar power at the Acorn House investment property.
 - ✦ Adoption of paperless systems and LED lighting in operations.
 - ✦ Promotion of staff awareness campaigns to encourage responsible environmental behavior.
- ⇌ Contributed to a 10,000-tree indigenous seedling nursery, linking environmental protection to community development.



Pillar 3: Establish an African voice for sustainable insurance

- ⇌ Through partnerships with KEFRI, EAWLS, KENVO, and Kenya Forest Service, EARE supports regional ecological resilience anchoring ESG in African environmental realities.



FBC

FBC Holdings and its subsidiaries, constituting the FBC Group, established an Environmental, Social and Governance (ESG) Policy in 2013.

This policy ensures the Group’s practices align with international best practice on environmental, social, and governance matters and aims to integrate ESG considerations into its strategy implementation and decision-making processes. The Group’s ESG efforts center on aligning with Zimbabwe’s regulatory frameworks, emphasizing compliance, responsible finance, and governance.



Pillar 1: Build awareness and support for sustainable insurance principles

- ⇒ Strategy explicitly aligned with the Paris Agreement, SDGs, and Zimbabwe’s Vision 2030.
- ⇒ Internal policies are aligned with the national laws that govern environmental and social issues (which include but are not limited to the Environmental Management Act (Chapter 20:27), Public Health Act (20:24), National Social Security Act (17:04) and international best practice
- ⇒ FBC Reinsurance is a signatory to the Nairobi Declaration on Sustainable Insurance (NDSI)
- ⇒ Promotes awareness of ESG compliance across lending and investment decisions through internal capacity-building and policy updates



Pillar 2: Integrate sustainable insurance into core business

- ⇒ ESG Integration in Finance and Underwriting
 - Actively integrates environmental and social safeguards into financing and investment processes.
 - Lending units apply environmental exclusion criteria and are revising credit policies to include protection clauses in line with the Group’s risk appetite
 - Maintains a formal exclusion list limiting investments in harmful sectors in line with national priorities
- ⇒ **Inclusive Insurance Solutions**
 - Developing new reinsurance products in agriculture, health, and funeral lines to expand portfolio resilience.
 - Provides affordable and reliable medical insurance, aligned with public health goals.
 - Exploring partnerships with learning institutions to support child health initiatives in line with WHO targets.
- ⇒ Sustainable Investment Strategy
 - Applies environmental screening to all lending and investment decisions.
 - Commits to a gradual divestment from tobacco-related businesses,



Pillar 3:
Establish an African
voice for sustainable
insurance

- ⇒ Signatory to the NDSI reinforcing its role in collective industry efforts to define Africa's ESG insurance agenda.



ICEA LION

ICEA LION General Insurance, part of the ICEA LION Group operating across Kenya, Uganda, and Tanzania, has deeply embedded Environmental, Social, and Governance (ESG) principles into its corporate strategy.

With leadership roles in key sustainability alliances and participation in international disclosure frameworks, ICEA LION is positioning itself as a pioneer in integrating ESG across underwriting, investments, and operations particularly in areas relevant to Africa such as climate adaptation and inclusive insurance.



Pillar 1: Build awareness and support for sustainable insurance principles

- ⇨ Joined major frameworks including UNEP FI PSI (CEO is the former Vice-Chair), UN Global Compact, TCFD, TNFD, and the Africa Natural Capital Alliance.
- ⇨ Leads targeted ESG awareness initiatives for clients, agents, and suppliers from 2025 onwards.
- ⇨ Co-developed and launched the Nairobi Declaration on Sustainable Insurance (NDSI); CEO serves as First Chair.
- ⇨ Publicly discloses PSI implementation progress and ESG reports aligned with GRI, IIRC, and King IV standards.
- ⇨ Co-curated the first PSI Africa Market event; participated in COP27 and COP28 sustainability dialogues.



Pillar 2: Integrate sustainable insurance into core business

- ⇨ Climate-Resilient Insurance Solutions
 - Lead underwriter for the DRIVE Project, providing index-based livestock insurance for pastoralists in drought-prone regions of Kenya
 - Developed pioneering products for Geothermal Well Output.
- ⇨ Operational ESG Integration
 - Embedded Environmental and Social Management System (ESMS) into business processes.
 - Ongoing initiatives to integrate ESG into underwriting, investment decisions, and supplier evaluation.
 - Adopted sustainable resource practices through the Mulika Garama Initiative (tracking and reducing energy, paper, and water use).
 - Offered subsidized solar loans to staff, supporting employee-led green transitions.
- ⇨ ESG-Aligned Investments
 - Invested KES 302 million in the Acorn Student Accommodation REIT, identified as an ESG-aligned asset.



Pillar 3: **Establish an African voice for sustainable insurance**

- ↻ Pan-African ESG Advocacy
 - ✦ Active presence in Kenya, Uganda, and Tanzania, with a clear regional focus on ESG leadership.
 - ✦ Co-hosted high-level ESG dialogues at COP27 and COP28, representing African insurers on the global stage.
 - ✦ Instrumental in building NDSI membership to 260+ institutions across 37+ countries, driving continent-wide alignment on sustainable insurance priorities.
- ↻ Coalition and Industry Engagement
 - ✦ Member of multiple African-led ESG alliances, including ANCA, AFAC, and TNFD Africa Pilot Group.
 - ✦ Works with regulators, governments, and development finance institutions (e.g., AfDB) to co-design insurance solutions for climate adaptation and resilience.



JUBILEE INSURANCE

Jubilee Holdings Limited (JHL), operating across Kenya, Uganda, Tanzania and Burundi, formally began its ESG journey in 2023, marking a strategic pivot toward integrated sustainability and governance.

With Board-level oversight and dedicated resources, JHL’s inaugural integrated report outlines foundational steps toward embedding ESG principles across operations, aligning performance, governance, and stakeholder impact in a transparent and accountable manner.



Pillar 1: Build awareness and support for sustainable insurance principles

- ⇨ Published inaugural sustainability report in 2023, aligned with GRI.
- ⇨ Joined the UN Global Compact, reinforcing alignment with SDGs and principles of responsible business.



Pillar 2: Integrate sustainable insurance into core business

- ⇨ Inclusive Insurance & Health Innovation
 - Launched MaishaFiTi, East Africa’s first health telematics product, linking wellness behavior to insurance benefits.
 - Expanded healthcare outreach through Afya Mashinani, in partnership with Aga Khan University Hospital.
- ⇨ Operational Sustainability & Impact
 - Invested in an EDGE-certified green HQ with solar panels, rainwater harvesting, and energy-efficient systems.
 - Cut Scope 2 emissions by 48%; total GHG emissions (Scope 1–3) reached 339,486 tCO₂e in 2023.
 - Introduced Intelli-Health automation, saving KES 400M in claims processing and eliminating 40 manual roles.
- ⇨ Community Investment
 - Supported 30 children with prosthetics and 30 with high school scholarships through Jubilee Children’s Fund.
 - Invested KES 20M in the Jubilee Live Free Race promoting wellness and environmental awareness.



Pillar 3:
Establish an African
voice for sustainable
insurance

- ⇌ Operates across five countries with shares listed on NSE, USE, and DSE, reflecting strong regional leadership.
- ⇌ Board composition and reporting reflect a pan-African perspective on governance and ESG.
- ⇌ Affiliated with the Aga Khan Development Network, leveraging influence across infrastructure, health, and education in the region.



OLD MUTUAL

Old Mutual has demonstrated its commitment to sustainable insurance by joining the NDSI, aligning its business with ESG principles across its operations in 13 African countries.

Creating shared value and driving sustainable transformation are central to their business strategy. Old Mutual has a strong focus on climate action, evidenced by their comprehensive climate reporting aligned with TCFD guidelines. They have also made significant commitments to net-zero initiatives, joining the Net Zero Asset Managers Initiative and the Net Zero Asset Owners Alliance. In the realm of financial inclusion, Old Mutual has implemented strategic partnerships to expand access to financial products for underserved communities and has developed innovative digital solutions like mobile savings wallets to reach a wider population. Their investments in renewable energy projects across Africa further highlight their dedication to fostering a sustainable future.



Pillar 1: Build awareness and support for sustainable insurance principles

- ⇌ Signed the Nairobi Declaration on Sustainable Insurance (NDSI) in 2023, affirming support for SDGs and sustainable insurance advocacy.
- ⇌ ESG disclosures guided by TCFD, GRI, King IV, and UN PRI, reflecting alignment with global frameworks.
- ⇌ Launched the Learn.Think.Do project in Kenya, reaching 9,000+ students with financial literacy and access to services.
- ⇌ Participates in global forums like the Sustainable Finance Coalition and engages climate data providers to strengthen emissions reporting.



Pillar 2: Integrate sustainable insurance into core business

- ⇌ Climate & ESG Integration
 - Embedded ESG into investment, underwriting, and operations through a unified ESG and Impact Management Framework and Environmental and Social Management System (ESMS).
 - Aligned investment strategy with Net Zero Asset Managers Initiative, targeting net zero by 2050, with interim 26% emissions reduction by 2026.
- ⇌ Inclusive Insurance & Innovation
 - Drives financial inclusion via Old Mutual Health Solutions and NEXT176 Ventures, offering tools like QuickWill, Oystar, and Wizzit to reach underserved markets.
 - Supporting green SMMs through integrated funding and investment readiness support.
 - Climate Risk Financing
- ⇌ Climate Risk Financing
 - Invests in green bonds, renewable energy projects, and decarbonization-aligned funds like the Global ESG Active Fund and African Frontiers SFDR Article 8 Fund.



Pillar 3:
**Establish an African
voice for sustainable
insurance**

- ⇒ Champions the Just Transition agenda in South Africa, advocating for climate action that supports jobs and equity.
 - ⇒ Participates in shaping Africa's sustainable finance narrative through policy, data, and green investment partnerships
-



PRUDENTIAL PLC AFRICA

Prudential plc views sustainability as an enabler for creating and protecting long-term value in Africa and Asia.

With a purpose to be the most trusted partner and protector ‘for every life, for every future’, the Group’s sustainability strategy focuses on inclusive products, community investment, responsible investments, sustainable operations and corporate governance. The below uses the NDSI pillars, which differs from the pillars used in Prudential’s sustainability strategy.



Pillar 1: Build awareness and support for sustainable insurance principles

- ⇌ Developed a Group-wide Inclusive Insurance Framework.
- ⇌ Developed an internal sustainability curriculum and embedded ESG into employee training and day-to-day decision-making.



Pillar 2: Integrate sustainable insurance into core business

- ⇌ Inclusive Insurance & Health Innovation
 - Provided various insurance innovations to overcome accessibility and affordability barriers for life and health insurance.
- ⇌ Climate Risk & Resilience
 - Launched a Climate and Health Resilience Fund in 2024 to support community resilience against climate-health risks.
- ⇌ Responsible Investment Strategy
 - Integrated ESG across all investment processes, with 54% reduction by end of 2024 in the investment portfolio’s weighted average carbon intensity since 2019
 - Implemented a proprietary Financing the Transition Framework to support decarbonization in emerging markets whilst supporting growth
 - Remains committed to net-zero by 2050, targeting 55% WACI reduction by 2030.
 - Engaged with regulators and financial institutions (e.g., IAIS, IIF) to mainstream responsible investments in emerging markets



Pillar 3: Establish an African voice for sustainable insurance

- ⇌ Champions a just and inclusive transition across Africa and Asia through blended finance, inclusive growth, and climate investments.
- ⇌ Aligns disclosure and investment practices with emerging standards (IFRS Sustainability Standards, IPBES biodiversity drivers).



SANLAM

Sanlam Group, a leading pan-African financial services provider operating across 31 countries, integrates sustainability at the heart of its purpose to empower generations to be financially confident and prosperous.

Recognising ESG as a lever for long-term value and resilience, especially across the African continent, the Group continues to embed ESG into business strategy, risk management, investments, and stakeholder engagement.



Pillar 1: Build awareness and support for sustainable insurance principles

- ⇨ Framework Leadership: Reports aligned with GRI, TCFD, ISSB, TNFD, NSE ESG Guidelines, and UNGC principles.
- ⇨ Sustainability Governance: ESG Champions and a Head of Sustainability lead performance tracking and cross-cluster integration.
- ⇨ Market Benchmarking: Expanded the ESG Barometer to Kenya's NSE to elevate ESG standards across African financial markets.
- ⇨ Stakeholder Engagement: Conducts regular financial literacy programs; signatory to the Africa Private Sector Statement on climate.
- ⇨ Employee Engagement: Promotes voluntarism and internal ESG awareness.



Pillar 2: Integrate sustainable insurance into core business

- ⇨ Inclusive Insurance & Financial Access
 - Partnered with Safaricom and NCBA on mobile-based phone insurance and credit life products in Kenya.
 - Rolled out Flexi Hela, combining life insurance and savings for underserved families.
 - The SanlamAllianz joint venture scales inclusive solutions via digital innovation and bancassurance in 27 African countries.
- ⇨ Climate Action & Risk Integration
 - Embedded climate risk into ERM and launched a Climate Risk Governance Framework through MCIS Life.
 - Participates in Climate Fund Managers JV to mobilize capital for renewable energy and water resilience in emerging markets.
 - Offers climate-resilient insurance and sustainable finance to support community adaptation.
- ⇨ Sustainable Investment & Operations
 - Manages R803 billion in sustainable AUM, with ESG integrated into investment mandates.
 - Tracks Scope 1-3 emissions; installed solar PV at HQ and reduced diesel use in Kenya.
 - Implements a group-wide sustainability scorecard to monitor progress and performance.



Pillar 3:
Establish an African voice for sustainable insurance

- ⇒ Signatory to the Nairobi Declaration on Sustainable Insurance and founding member of UNEP PSI via Santam.
 - ⇒ Uses the ESG Barometer as a thought leadership tool to benchmark and shape African ESG discourse.
 - ⇒ Leverages the SanlamAllianz footprint across 27 African countries to promote regional financial inclusion.
 - ⇒ Advances the Blue Economy Strategy focused on African coastal resilience and ocean sustainability.
 - ⇒ Drives cross-continental climate action via Climate Fund Managers and the Partnership for Risk and Resilience (P4RR) in South Africa.
-



WAICA Re

WAICA Re is proactively embedding Environmental, Social, and Governance (ESG) principles across its business operations, investments, and underwriting practices.

Guided by international best practices and regulatory frameworks, WAICA Re's strategic ESG journey began in 2023, leading to significant steps in climate risk management, emissions reduction, and sustainable investment in 2024. The insurer is committed to responsible reinsurance and sustainable business practices, integrating its sustainability strategy into its core corporate governance and decision-making. By 2025, WAICA Re had advanced to Quadrant 4 of the ESG risk-reward matrix, demonstrating its ability to leverage ESG for growth and brand differentiation.



Pillar 1: Build awareness and support for sustainable insurance principles

- ↔ Materiality and Benchmarking: Conducted an ESG materiality assessment aligned with GRI and SASB; benchmarked ESG performance against peers to identify improvement areas.
- ↔ Transparency and Disclosure: Committed to enhanced climate disclosures and periodic ESG reviews in line with global standards (UNGC, IFC, TCFD).



Pillar 2: Integrate sustainable insurance into core business

- ↔ Climate Risk and Emissions Management
 - Committed to net-zero for Scope 1 & 2 emissions by 2050, with a linear 5.5% annual reduction target through 2033.
 - Conducts scenario-based climate risk and carbon footprint assessments across corporate and sovereign portfolios.
 - Integrates climate risk into underwriting decisions and operational strategy.
- ↔ Sustainable Investments and Underwriting
 - Applies ESG and carbon screening to investment decisions; reallocating capital toward low-carbon companies, green bonds, and climate-positive infrastructure.
 - Developed a science-based Scope 3 strategy, engaging investees and vendors on decarbonization.
- ↔ Governance
 - Strengthened ESG governance structures to support decision-making across risk, investment, and underwriting functions.



Pillar 3: Establish an African voice for sustainable insurance

- ↔ Regional Framing: Through its 2025 ESG update and sovereign engagement strategy, WAICA Re is aligning ESG efforts to African development priorities
- ↔ Policy Advocacy: Engages with sovereign issuers to advocate for transparency and alignment with global climate targets.



ZEP Re

ZEP-RE (PTA Reinsurance Company) is a premier reinsurer in Africa, embedding Environmental, Social, and Governance (ESG) principles across its operations, investments, and underwriting.

While sustainability has long been part of ZEP-RE's culture, 2023 marked the publication of its first standalone sustainability report, articulating commitments and achievements in ESG. As a responsible corporate citizen and COMESA institution, ZEP-RE integrates sustainability into its core strategy and aims to create a financially robust, sustainable business model that generates value for all stakeholders and contributes to regional economic development.



Pillar 1: **Build awareness and support for sustainable insurance principles**

- ⇨ Stakeholder Training & ESG Literacy: Delivered ESG board training in 2023 and integrated E&S training in projects like DRIVE.
- ⇨ Emphasizes stakeholder engagement across COMESA. Conducts ESG and Climate Risk training via the ZEP-RE Academy, with several webinars held last year and in the 1st half of 2025
- ⇨ First Sustainability Report: Published inaugural report in 2024.
- ⇨ Governance Integration: Established ESG leadership roles and communication structures, including Board oversight and a dedicated Public Sector & Inclusive Solutions function.



Pillar 2: **Integrate sustainable insurance into core business**

- ⇨ Climate-Resilient & Inclusive Insurance.
 - ✦ Scales microinsurance and climate-smart products via ACRE Africa and projects like DRIVE and Picture-Based Insurance (PBI).
 - ✦ Delivered drought-index insurance to over 2M pastoralist households; targets 1M farmers with agricultural insurance.
- ⇨ Sustainable Investments.
 - ✦ Applies ESG risk screening and reallocates capital toward renewable energy (100+ projects backed), green bonds, and sustainable infrastructure.
 - ✦ Participated in Acorn Green Bond and Tanzania's Standard Gauge Railway loan.
- ⇨ Governance & Systems
 - ✦ Implementing ESMS and integrating ESG into ERM. Governance roles embedded across risk, investment, and tech functions.
 - ✦ ESG-aligned underwriting guidelines and sector exclusion list in progress.



Pillar 3:
**Establish an African
voice for sustainable
insurance**

- ⇒ Regional Influence: Operates in over 50 countries with local reinvestment of over 90% of premiums; engages with COMESA Ministers and leads continental collaborations.
 - ⇒ ZEP-RE also has membership in the steering committee of the Insurance Development Forum (IDF), championing resilience and sustainable insurance on a global stage.
 - ⇒ Partnership-Driven Approach:
 - ⇒ Co-leads DRIVE project in Horn of Africa.
 - ⇒ Partners with IFC, AFD, and regulators to boost SME resilience and deepen insurance markets across Malawi, Zambia, Zimbabwe, Nigeria, and Sierra Leone.
 - ⇒ Expanding ESG Barometer and supporting urban green initiatives like Nairobi's Upper Hill Green Park.
-

A large, white, hollow outline of the number 8 is centered in the upper half of the page. The background is a solid blue color with a large, light green shield-like shape behind the text.

SECTION 8:

**Navigating the Path
Forward: Overcoming
Barriers and Accelerating
action**



Despite meaningful progress, NDSI members continue to face systemic and structural challenges that limit the full integration of sustainable insurance principles. These cross-cutting barriers point to both internal constraints and external market conditions that must be addressed to unlock the next phase of action.

1. Strategic Alignment and Leadership

- ⊖ Sustainability is not yet fully embedded across all core business functions, with gaps in aligning Board-level ambition with operational execution.
- ⊖ Internal buy-in varies significantly, leading to inconsistent integration of ESG across underwriting, investment, and product teams.
- ⊖ Climate expertise is often siloed and not embedded in long-term planning or decision-making processes.
- ⊖ Many insurers acknowledge ESG but have yet to set concrete sustainability targets or implementation roadmaps beyond reporting.

2. Technical and Operational Capacity

- ⊖ Capacity constraints limit the ability to translate high-level ESG goals into actionable product strategies.
- ⊖ Risk and underwriting teams often lack technical guidance or tools to assess ESG-linked risks and develop green or inclusive products.
- ⊖ Strategic KPIs are underdeveloped, and sustainability performance is not consistently tracked across subsidiaries or regions.
- ⊖ Skills gaps exist across mid-level management and operational teams, slowing adoption of sustainability-linked metrics and tools.

3. Policy, Regulation, and Data Limitations

- ⊖ Access to reliable climate, carbon intensity, and impact data—especially for African markets and asset classes—is a persistent issue.
- ⊖ Inconsistent ESG disclosure expectations and reporting frameworks create confusion and duplication.
- ⊖ Most members are still navigating the shift from TCFD to ISSB-aligned standards, with limited regional guidance.
- ⊖ Pricing and modelling climate risk remains a challenge due to lack of standardised datasets, impacting product development.

4. Market Demand and Product Innovation Gaps

- ⊖ While awareness is rising, most ESG campaigns are not matched by product-level innovation or uptake.
- ⊖ Inclusive insurance offerings remain limited in scale, with few examples of commercially viable products reaching low-income or informal segments.
- ⊖ Affordability and accessibility barriers persist, especially in rural and underserved areas.
- ⊖ There is limited experimentation with new risk-sharing mechanisms, blended finance tools, or regionally relevant product design.



8.1 Strategic Priorities for Action

To drive meaningful change and position African insurers as leaders in sustainable finance, NDSI must go beyond awareness and reporting. The next phase must focus on enabling real business transformation—anchored in African realities but aligned with global best practice.

1. Align Leadership and Operational Action	☞ Strengthen accountability by linking Board-level commitments to measurable operational KPIs.	☞ Encourage insurers to adopt sustainability scorecards and introduce ESG-linked performance metrics for executives and business units.	☞ Support internal change management through training and cross-functional integration of ESG priorities.
2. Develop Technical Guidance and Product Toolkits	☞ Create NDSI-endorsed guidance on ESG-aligned underwriting, inclusive product development, and responsible investment.	☞ Facilitate member collaboration on climate risk pricing, impact metrics, and ESG-integrated actuarial tools.	☞ Showcase case studies on successful pilots such as microinsurance, health protection, or climate risk covers to enable peer learning.
3. Harmonise ESG Reporting and Build African-Aligned Standards	☞ Support convergence around ISSB-aligned frameworks while advocating for African context in disclosure standards.	☞ Accelerate development of a shared African ESG Taxonomy and impact measurement framework.	☞ Build data partnerships to improve access to climate risk, GHG, and social inclusion datasets across regions.
4. Scale Innovation Through Partnerships and Blended Finance	☞ Partner with governments, DFIs, and investors to co-create financing instruments that unlock sustainable product development.	☞ Expand inclusive insurance through mobile platforms, bancassurance, and digital distribution channels.	☞ Leverage existing success stories (e.g. SanlamAllianz, Prudential CHRF, ZEP-RE DRIVE) to attract regional replication and funding.
5. Deepen Engagement with Policymakers and Regulators	☞ Coordinate engagement to align regulatory expectations with NDSI objectives and reduce compliance fragmentation.	☞ Advocate for incentive structures that reward ESG integration (e.g. solvency benefits for climate-aligned portfolios or inclusive products).	☞ Support regulatory innovation hubs (e.g. BimaLab) that accelerate ESG-focused Insurtech and product pilots.



6. Build Sector Capacity and Shared Learning

- ⇒ Launch a sustainability curriculum and leadership training for Boards, C-suites, and technical teams.
- ⇒ Use this Academy and partner networks to strengthen local capacity in actuarial modelling, climate risk, disclosure, and impact measurement.
- ⇒ Create a cross-country knowledge-sharing platform for learning across Anglophone, Francophone, and Lusophone markets.

The gap is no longer in intent, but in execution. NDSI members need focused tools, stronger collaboration, and leadership clarity to turn ESG ambition into impact. With its pan-African reach and trusted voice, NDSI is uniquely positioned to drive this next wave of transformation ensuring African insurers not only keep pace with global expectations but shape a future that reflects Africa’s needs, realities, and opportunities



09

SECTION 9:

Conclusion: Insuring A Brighter Tomorrow For Africa



The African insurance sector is demonstrably on a path towards greater sustainability, with significant progress being made by NDSI members and other key players across the continent.

The NDSI has emerged as a bold, unifying force—galvanizing the industry around a shared commitment to resilience, inclusion, and long-term value creation. Across the continent, insurers are beginning to redefine their role—not just as risk carriers, but as enablers of development and guardians of Africa’s future. While the path ahead will require continued innovation, strategic investments, unwavering commitment from industry leaders, and supportive policy environments, the foundation has been laid. The momentum is real. This is the moment to deepen the resolve, accelerate collective action, and ensure that African voices and solutions shape the global sustainability agenda. The NDSI remains the continent’s compass, charting a course to ensure that the “Green Shield of Africa” effectively safeguards the continent’s progress towards the Sustainable Development Goals and a brighter tomorrow for all its people.

10

SECTION 10:

Appendices



Section 1 of 5

NDSI Member Activity & Engagement Survey

Welcome to the NDSI Member Activity & Engagement Survey!

This survey aims to assess the current state of activities, initiatives, and engagement among NDSI members. Your valuable feedback will help us better understand the membership's progress in integrating ESG, providing a baseline and guide for ESG related learning and potential areas of additional technical assistance.

The individual survey responses will remain confidential and will not be shared publicly. However, they will be utilized to inform the development of the NDSI Current State Report, which will be made available to members and NDSI website.

We appreciate your participation and honesty in completing this survey.

After section 1 Continue to next section

Section 2 of 5

Company Information

To help us understand our members better, please provide your details in this section.

Question 1

What is your Name?

Question 2

Which company do you represent?

Question 3

Please select the relevant category for your company

- A. Academia
- B. Association
- C. Broker
- D. Consultant
- E. Development Organisation
- F. Industry Association
- G. Insurance Agency
- H. Insurance Magazine
- I. Insurer
- J. Insurtech
- K. Regulator
- L. Reinsurer
- M. Retailer
- N. Other

Question 4

What is your role in the company?

Question 5

How long have you been an NDSI member?

- A. < 6 Months
- B. 6-18 Months
- C. >18 Months



Section 3 of 5

Assessing Your Organization's ESG Integration

This section aims to explore your organization's current practices, progress, and expertise in environmental, social, and governance (ESG) integration. Your responses will help us understand how NDSI members are incorporating ESG considerations into their strategies, product development, investment portfolios, and overall decision-making processes.

Please select the options that best represent your organization's current state and approach to ESG initiatives.

Question 1

How has your organisation advanced in its sustainability journey?

- A. We are trying to better understand ESG
- B. We are developing an ESG strategy
- C. We are designing and developing ESG related projects (eg. new products and services)
- D. We are implementing and reporting against an ESG strategy
- E. We are yet to get started

Question 2

How does your company incorporate ESG risks and opportunities into the design, development, and pricing of new products?

- A. By conducting a comprehensive ESG risk assessment during the product development...
- B. By integrating ESG criteria into the product pricing strategy (eg. adjusting premiums ba..
- C. By involving cross-functional teams, including ESG specialists, in the product design, dev..
- D. By using external ESG benchmarks and guidelines to inform product design and pricing
- E. We do not currently consider ESG risks and opportunities in the design and pricing of ne..

Question 3

How does your company assess the ESG risks associated with its investment portfolio?

- A. By conducting periodic environmental risk assessments of the investment portfolio.
- B. By integrating environmental risk considerations into the investment decision-making p...
- C. By utilizing third-party environmental risk assessment tools and frameworks.
- D. By consulting with external ESG advisors for portfolio evaluation
- E. We do not currently assess environmental risks in our investment portfolio.

Question 4

How would you describe the level of ESG expertise present within the company's Board?

- A. None - There is no specific ESG expertise on the Board, Board members have minimal kn...
- B. Limited-Some Board members have basic awareness of ESG topics, but there is no spec...
- C. Moderate. The Board includes members with a moderate understanding of ESG issues... D. Significant - The Board has members with significant ESG expertise, including experience..
- D. Extensive - The Board is composed of multiple members with deep ESG expertise, and ...

Question 5

What are the key factors driving your organization's consideration of ESG practices?

- A. Strategic direction and push from the board
- B. Regulatory and compliance requirements
- C. Investor or shareholder expectations
- D. Customer demand for sustainable products and services
- E. E. Corporate values and commitment to sustainability



Question 6

Are there any additional aspects of your organization's approach to sustainability and ESG that were not covered in the previous questions?

If yes, please share any other practices, strategies, or initiatives related to ESG Integration that you would like us to know about.

- A. 1-50
- B. 51-100
- C. 101-500
- D. 501-1,000
- E. More than 1,000

Section 5 of 5

ESG Metrics and Performance Assessment

In this section, we ask for specific, metrics-driven information to evaluate your organization's integration of ESG principles in assets, investments, staff training, and insurance coverage. To ensure accuracy and meaningful insights, please provide precise figures based on your records rather than estimates

Your input will help us better understand the scope and scale of ESG initiatives within the NDSI member community

Question 1

What is the value of your company's total assets under management (in USD)?

Question 2

What is the value of your company's total assets under management (in USD) that are ESG-linked eg. green bonds, impact funds, etc.

Question 3

How many staff have received ESG-related training?

Question 4

Please state the above staff count as a percentage of total staff.

- A. 0-5%
- B. 6-15%
- C. 16-30%
- D. 31-50%
- E. More than 50%

Question 5

How many policy holders (for insurers) or reinsurance contracts (for reinsurers) does your company have?

Question 6

What is the total monetary value (in USD) of your insurance portfolio?

Question 7

What is the total monetary value (in USD) of your insurance portfolio specifically allocated to environmental risks?



Question 8

What is the total monetary value (in USD) of your insurance portfolio specifically allocated to low income and vulnerable populations?

Question 9

Are there any other aspects of your organization's ESG-linked assets, insurance coverage, or staff training that you would like to share?

Question 10

Does your organization track any specific or broad ESG metrics beyond those mentioned in the previous questions?

If yes, please provide details on these metrics?

Question 11

Does your organization publish a sustainability report?

If so, could you provide a brief summary or share a link or copy of the most recent report?

Section 5 of 5

NDSI Member Feedback and Reflections

We value your input on the programs, events, and communications provided by NDSI

This section seeks your feedback to help us enhance member engagement, improve services, and highlight key initiatives. Your responses will guide us in better serving our community and recognizing the accomplishments of our members.

Please take a moment to share your level of satisfaction and any additional thoughts or suggestions you may have.

Question 1

How satisfied are you with the learning and development opportunities offered by NDSI?

» Highly Dissatisfied

» 1, 2, 3, 4, 5

» Highly Satisfied

Question 2

How satisfied are you with the events organized by NDSI to connect with other members?

» Highly Dissatisfied

» 1, 2, 3, 4, 5

» Highly Satisfied

Question 3

How satisfied are you with the NDSI newsletter and other communications?

» Highly Dissatisfied

» 1, 2, 3, 4, 5

» Highly Satisfied



Question 4

How would you rate your onboarding experience with NDSI?

- » Highly Dissatisfied
- » 1, 2, 3, 4, 5
- » Highly Satisfied

Question 5

Are there any aspects of the NDSI onboarding that you find helpful and any aspects that could be improved?

Question 6

How satisfied are you with the introductory materials provided by NDSI during your onboarding process?

- » Highly Dissatisfied
- » 1, 2, 3, 4, 5
- » Highly Satisfied

Question 7

Are there any specific materials or information you believe should be added or revised to the introductory materials provided by NDSI?

Long answer text

Question 8

How would you rate your overall experience and benefit of joining the NDSI?

- » Highly Dissatisfied
- » 1, 2, 3, 4, 5
- » Highly Satisfied

Question 9

Do you have any other feedback to the NDSI on what we are doing well and what we could do better?

Question 10

NDSI plans to showcase members' sustainable insurance reporting and Initiatives.

Please indicate any areas you would like to highlight for consideration for your company.

Question 7

Are there any specific materials or information you believe should be added or revised to the introductory materials provided by NDSI?

Question 8

How would you rate your overall experience and benefit of joining the NDSI?

- » Highly Dissatisfied
- » 1, 2, 3, 4, 5
- » Highly Satisfied

Question 9

Do you have any other feedback to the NDSI on what we are doing well and what we could do better?

Question 10

NDSI plans to showcase members' sustainable insurance reporting and Initiatives.

Please indicate any areas you would like to highlight for consideration for your company.





REFERENCES

1. CPI. 2024. Landscape of Climate Finance in Africa 2024. Available [here](#).
2. Scaling insurance for climate resilience in Africa: Insights from Kenya, Malawi and South Africa. Available [here](#).
3. Swiss Re Institute. "Swiss Re Institute estimates global economic losses of USD 44 billion from catastrophes in the first half of 2019". Available [here](#).
4. Britam. "Britam and Swiss Re pay out Sh14.1 million in flood insurance claims to Tana River households." Available [here](#).
5. Blue Marble. "Supporting WFP build climate adaptation for vulnerable populations". Available [here](#).
6. African Risk Capacity. "Integrated Annual Report 2023." Available [here](#).
7. World Food programme. 2023-R4 Rural Resilience Initiative Factsheet. Available [here](#).
8. Dr. Richard Kavila, PhD. "Sharing Kenya Livestock Insurance Program (KLIP) Experience." Available [here](#).
9. The Global Shield in Action: 2024 in Review and the Year Ahead. Available [here](#).
10. Africa Development Bank Group. Africa Climate Risk Insurance Framework for Adaptation (ACRIFA). Available [here](#).
11. One Acre Fund Re. One Acre Fund Re: Safeguarding smallholder farmers in the face of climate impacts. Available [here](#).
12. The Apollo Group. 2023 Annual Report and Financial Statements. Available [here](#).
13. Britam. 2024 Sustainability Report. Available [here](#).
14. The CIC Insurance Group PLC. The sustainability report. 2023. Available [here](#).
15. East Africa Reinsurance Company Limited. 2024 Annual Report and Financial Statements. Available [here](#).
16. FBC Holdings Limited. .Our Commitment to the Environment and Climate- Public Statement. Available [here](#).
17. ICEA Lion. 2023 ICEA Lion General Insurance Integrated Report. Available [here](#).
18. Jubilee Insurance. Jubilee Holdings 2023 Annual Report. Available [here](#).
19. Old Mutual Sustainability Report 2023. Available [here](#).
20. Prudential plc Sustainability Report 2024. Available [here](#).
21. Sanlam Sustainability Report 2024. Available [here](#).
22. WAICA Re ESG Implementation Journey. Available [here](#).
23. ZEP-Re Sustainability Report 2023. Available [here](#).

**NDSI CURRENT STATE REPORT
2025**

www.sustainableinsurancedeclaration.org

