**Presentation by the Manager – Southern Highlands Zone**

**Annual Insurance Day 2025**

**Venue: Arusha City | Date: 19 June 2025**

**Joint Session: Commissioner of Insurance & Insurance CEOs**

### Overview of the Southern Highlands Zone

The Authority’s (TIRA) Southern Highlands Zone comprises of three key regions i.e. **Mbeya, Njombe, and Songwe**. This zone serves as a strategic corridor for economic and logistical activities due to its proximity to the borders of **Zambia** and **Malawi**, making it a vital trade route and commercial hub in the southern part of the country.

* 1. **Geographic Advantage:**

The zone is uniquely positioned along international trade and transport routes, including the TAZARA railway and TANZAM highway which are among the national key routes that facilitate movement of approximately more than 60 percent of goods and services across national borders. This geographic positioning enhances the region’s commercial vibrancy and offers immense potential for cross-border insurance solutions, particularly in areas such as marine at Lake Nyasa, on-land goods-in-transit, and motor insurance due to a large number of vehicle movements across the zone.

* 1. **Economic Profile**

The economy of the Southern Highlands is primarily driven by:

1. **Agriculture** – The zone is among the leading producers of crops such as maize, coffee, tea, rice, beans, avocado, and irish potatoes, supporting both subsistence and commercial farming.
2. **Small-scale Mining** – Artisanal mining of gold, coal, iron and other minerals contributes to household incomes and regional trade.
3. **Emerging Urbanization** – With Mbeya City as the zonal capital, the region is experiencing rapid urban growth in Njombe and Tunduma Town Councils, spurring demand for real estate, transportation, healthcare, and other insurable services which is crucial for sustainable business practices.
   1. **Demographic Characteristics**

The population is predominantly **youthful**, with increasing interest in **financial inclusion**, **digital financial services**, and **entrepreneurship**. Mobile phone penetration is high, providing an opportunity for digital insurance solutions and awareness campaigns. Basing on the 2022 population census 77 percent of the total population of approximately 4.8 million persons in all of the three regions across the zone comprises of people aged between 0 – 35 years. This demographic structure presents potentials of a growing market for microinsurance, health insurance, and innovative products tailored for informal sector workers and young entrepreneurs.

* 1. **Contribution in Insurance Business (basing on Gross Premiums Written)**

In year 2023, a total of Gross Premiums Written (GPW) amounting to TZS 16.3 billion was transacted in the Southern Highlands regions, of which 91 percent was contributed by general insurance business and 8 percent life insurance business. The GPW in the Southern Highlands Zone, contributed to 1.34 percent of the total GPW amounting to TZS 1,212.95 billion transacted across the country.

### Insurance Service Providers in the Zone

As of **13 June 2025**, the Southern Highlands Zone hosts a diverse and growing insurance network, comprising various classes of licensed service providers under the supervision of TIRA.

#### Insurance Companies – ****14 Registered Companies****

There are currently fourteen (14) insurance companies operating in Southern Highlands Zone. These companies operate through branches or sales offices located mainly in **Mbeya City**, with some extending their outreach to Njombe and Songwe regions offering both life and non-life insurance solutions, with the majority focusing on general business lines such as motor, fire, health, and accident insurance. In Southern Highlands Zone, only one company (NIC) offers both life and non-life services in the zone.

| **No.** | **Name of Registrant** | **Class of Business** | **Region** |
| --- | --- | --- | --- |
| 1 | Britam Insurance Tanzania Limited | Non-Life | Mbeya |
| 2 | Bumaco Insurance Company Limited | Non-Life | Mbeya |
| 3 | First Assurance Co Ltd | Non-Life | Mbeya |
| 4 | GA Insurance Tanzania Limited | Non-Life | Mbeya |
| 5 | Heritage Insurance Company Tanzania Limited | Non- Life | Mbeya |
| 6 | ICEA Lion Insurance Co Tanzania Limited | Non-Life | Mbeya |
| 7 | Milembe Insurance Company Limited | Non-Life | Mbeya. Njombe |
| 8 | National Insurance Corporation of Tanzania Limited | Life & Non-Life | Mbeya, Njombe, Songwe |
| 9 | MUA Assurance Company Limited | Non-Life | Mbeya,  Njombe |
| 10 | Reliance Insurance Company Tanzania Limited | Non-Life | Mbeya |
| 11 | Sanlam General Insurance Tanzania | Non-Life | Mbeya |
| 12 | Jubilee Allianz Insurance Company of Tanzania Limited | Non-Life | Mbeya |
| 13 | Newtan Insurance Tanzania Insurance Limited | Non-Life | Mbeya |
| 14 | Zanzibar Insurance Corporation | Non- Life | Mbeya |

#### Insurance Brokers

**There is one registered entity operating as insurance broker M/s LULU SACCOS Insurance Broker Company Limited**. Based in **Mbeya**, the broker provides intermediary services as well as consultancy and advisory support for both individual and corporate insurance clients across the zone

#### Insurance Agents

Insurance agents play a critical role in product distribution and customer engagement at the community level. The zone has an active network of **46 licensed agents**, geographically distributed in **Mbeya Region (**33), **Njombe Region** (9) and **Songwe Region** (4).This growing agent network reflects increased penetration efforts and awareness campaigns across both urban and rural settings. (A complete list is available in the annex.)

#### Health Service Providers (HSPs)

Since the beginning of implementation of the Universal Health Insurance initiative by the government, the Southern Highlands Zone has registered ten (10) health facilities serving health insurance and insured clients. These facilities support the operationalization of universal health insurance, claims validation, and customer care. They include hospitals, health centres, and pharmacies in **Mbeya and Njombe** i.e. St. Joseph Hospital Ikelu (Njombe); Maranatha Pharmacy Ltd (Mbeya); Igogwe Hospital (Mbeya); K’s Hospital Ltd (Mbeya); Ndanyela Dispensary (Mbeya); Iyunga Health Centre (Mbeya); Ilemi Health Center (Mbeya); Nzovwe Health Centre (Mbeya); Kiwanja Mpaka Health Centre (Mbeya) and Igawilo District Hospital (Mbeya).

The availability of these HSPs ensures continuity of appropriate health insurance services and supports both private and public medical schemes towards successful implementation of Universal Health Insurance coverage.

#### Automobile Repairers and Maintainers (ARMs)

There are currently four (4) registered workshops/garages in Southern Highlands Zone. These facilities are instrumental in supporting motor insurers and claimants in achieving timely and quality claims settlement with efficiency. Licensed ARMs are essential in the proper management of motor claims, providing assessments, repairs, and technical reporting. The approved ARMs within the zone includes MSM Autos & Investment Ltd (Njombe); Great Auto Works (Mbeya); Highland Motors (Mbeya); and Pao Ku Enterprises Co. Ltd (Mbeya).

### Key Consumer Concerns

Despite gradual improvements in insurance penetration within the Southern Highlands Zone, several recurring consumer concerns continue to affect public trust and policy uptake:

* 1. **Claims-Related Delays in Payment**

The most frequent cited complaints from insurance consumers involves **delayed settlement of claims**, especially under **motor** and **health insurance** provided via digital platforms i.e. Vodabima and Tigo. These delays are often due to inadequate documentation, slow loss-assessment processes, or delayed approvals from insurers’ head offices, resulting in customer frustration and financial hardship.

* 1. **Premium Non-Remittance by Agents**

A significant concern is due to failure of some insurance agents to **remit premiums to insurers i.e. enjoy the credit use of “Vodabima” platform instead of formal agency procedure**, which often lead to **policy lapses/termination** of policies without the knowledge of policyholders. This malpractice erodes consumer confidence and raises concerns over agents’ accountability in insurance.

* 1. **Low Insurance Awareness**

Insurance is still **little understood**, especially in **rural and agricultural communities** where misconceptions persist. Many people equate insurance with banking or view it as a luxury rather than a risk management necessity.

* 1. **Misunderstood Contract/Policy Clauses**

A large number of consumers report dissatisfaction when claims are rejected based on **policy exclusions** they were unaware of. This reflects gaps in the onboarding and product disclosure processes, highlighting the need for clearer communication in Swahili language.

* 1. **Perceived Limited Coverage**

Insurance is still perceived as **urban-centric**, inaccessible, or expensive by many in semi-urban and rural settings. The lack of tailored microinsurance products further alienates low-income populations from seeking coverage.

### Zone Value Proposition

The Southern Highlands Zone continues to distinguish itself by adopting **proactive, community-focused approaches** that aim to bridge the insurance access and knowledge gap. Key pillars of its value proposition include:

* 1. **Proactive Consumer Engagement** by broadcasting regular **radio programs** via major local FM radio stations in local language i.e. Swahili to demystify insurance concepts.
  2. **Participation in social groups meetings i.e. for bodaboda, students**, trade fairs, and farmers' exhibitions to expand outreach and promote informal sector coverage and inclusion.
  3. **Support to registrants through** strategic collaboration with Local Government Authorities**, i.e. TRA and BRELA regional officers** to support agents, brokers, and insurers to ensure compliance with registration requirements and business development.
  4. Joint initiatives with **SACCOS, Microfinances, and AMCOS** to advocate products targeting farmers, informal traders, and small business owners.
  5. **Field outreach events** are organized periodically to address insurance awareness and sensitization, as well as unresolved complaints, ensuring that individuals are equipped with the basic insurance knowledge and timely redress and restoring consumer trust.
  6. Established working relationships with national wide media broadcasts i.e. Uhuru Publications Limited as well as **Mbeya-based broadcasters** e.g., Highland FM, and the **Njombe Press Club** to publish insurance success stories, clarify regulatory roles, and create space for expert discussions.

### Future Outlook and Strategic Plans

To sustain momentum and deepen insurance penetration, the Southern Highlands Zone will prioritize the following strategic interventions:

* 1. **Expansion of outreach programs** as future campaigns will target **youth groups and university students, Smallholder farmers and livestock keepers, Transport operators (bodaboda, daladala unions), Women-led enterprises**, particularly in agro-processing and retail sectors of which the Authority will encourage the adoption of **mobile applications,** and **USSD codes platforms** for policy purchase, claim follow-up, and renewals, especially in areas with limited physical access to providers.
  2. **Innovation in insurance education** since the Southern Highlands Office plans to form **insurance clubs in secondary schools**, in collaboration with local education authorities, to introduce risk management concepts including insurance in early stages of education and foster future industry professionals and generation which is aware of insurance concepts and its benefits.
  3. **Strengthening compliance and professionalism to insurance registrants by** implement **capacity-building programs** for agents and brokers, focusing on ethics, product knowledge, and digital marketing.
  4. Intensify **field market conduct inspections** to identify and deter unethical practices such as unauthorized premium collections, fake policies etc.

### Unique Zone Features of Strategic Interest

The Southern Highlands Zone holds several strategic attributes that offer long-term potential for insurance market development:

* 1. **Cross-Border Trade Hub**: Mbeya and Songwe’s locations as logistics centre for trade with **Zambia** and **Malawi** offers opportunities for **goods-in-transit, marine**, and **cross-border motor insurance** tailored for traders and transporters.
  2. **Agribusiness and Tea Estates**: Regions such as **Njombe** are emerging leaders in **avocado, tea**, and **potato farming**, creating demand for **crop insurance**, **livestock covers**, and **agricultural equipment insurance**.
  3. **Tourism and Conservation**: Sites like **Kitulo National Park**, **Mbozi Meteorite**, and **Lake Ngozi** offer avenues for **travel**, **accident**, and **health insurance** tailored for domestic and international tourists, as well as tourism-related enterprises.
  4. **Youth Demographic Dividend**: With a rapidly growing youth population and high **mobile phone penetration**, there is an expanding market for **digital microinsurance** products, and entrepreneurship-focused insurance solutions.

### Conclusion

The Southern Highlands Zone represents a **strategic frontier for inclusive insurance growth** in Tanzania. Its unique demographic, geographic, and economic profile provides conducive environment for innovation, collaboration, and policy-driven expansion. By addressing consumer concerns, leveraging local strengths, and enhancing regulatory enforcement, the Zone is well-positioned to contribute meaningfully to the national goal of achieving broader financial protection for all Tanzanians.