



IRA/CIR/08/21/674

August 2, 2021

To: All life Insurers and Reinsurers
(See Distribution list attached)

Dear Sir / Madam,

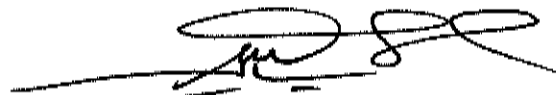
IMPLEMENTATION OF MORTALITY TABLE FOR UGANDA

1. In order to address the lack of country specific mortality tables, the Insurance Regulatory Authority of Uganda (Authority), with the support of the World Bank, developed mortality tables for Assured lives in Uganda (UA 2015/19).
2. The mortality tables were validated following a successful stakeholder's consultative workshop held on Thursday 15th April 2021. A copy of the mortality study report, which includes the mortality tables, is attached hereto and can also be accessed from on our website.
3. The Authority in order to streamline pricing and reserving of life insurance products and in exercise of its mandate of establishing standards for the conduct of business in the insurance sector therefore issues the following directives:
 - i) The Uganda Assured lives mortality table (UA 2015/19) be utilized for pricing new individual life insurance products with effect from 1st August 2021. This should however not affect premium rates on the already existing individual life policies issued and new sales under existing policies.
 - ii) The Uganda Assured lives mortality table (UA 2015/19) be utilized for pricing new annuity products with effect from 1st August 2021. The mortality study report recommends having a 2 year set-back to the mortality rates when pricing annuity products. This, also, does not affect the annuity rates on the already existing annuity policies issued and new sales under existing annuity policies.

- iii) The Uganda Assured lives mortality table (UA 2015/19) be utilized as a basis for annual actuarial valuation purposes with effect from 31st December 2021.
 - iv) A company is allowed to make suitable adjustments to the mortality table to allow for a company's specific own experience whilst pricing for individual life policies and during annual actuarial valuations. The justification for any adjustments made to the mortality tables should be documented in the pricing and valuation reports for Authority's approval.
 - v) All life insurers should ensure compliance with Section 65 of the Insurance Act, 2017 (all new insurance products must be approved by the Authority before they can be rolled out to the market).
 - vi) In order to aid the process of updating the mortality tables in the future, all life insurers shall provide mortality experience data annually through the data collection templates attached hereto. Please ensure that mortality experience data is submitted to the Authority within 90 days after the end of the calendar year.
4. The Mortality tables will be gazette. The Authority has also embarked on the process of engaging the Consultants to undertake a Quantitative Impact Study on the mortality tables as at 31st December 2021.
5. By copy of this circular letter, Uganda Insurers Association is required to utilize the Uganda mortality tables for Assured lives and develop minimum premium rates for group life and group credit business by **31st December 2021**.

Yours faithfully,

INSURANCE REGULATORY AUTHORITY OF UGANDA



Alhaj Kaddunabbi Ibrahim Lubega
CHIEF EXECUTIVE OFFICER

Copy: Chief Executive Officer
Uganda Insurers Association

BDO/¹²SK/IK/EA/BK/ms

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