

IMPLEMENTATION OF NEW MINIMUM CAPITAL REQUIREMENTS (NIIRA 2025)

IMPLICATIONS FOR LIFE &
NON-LIFE INSURERS IN
NIGERIA

IMPLICATIONS FOR LIFE
& NON-LIFE INSURERS
IN NIGERIA



KEY DIRECTIVES OVERVIEW

KEY CHANGES INTRODUCED BY NIIRA 2025

NEW MINIMUM CAPITAL REQUIREMENTS (MCR):

- Life Insurance: ₦10 billion
- Non-Life Insurance: ₦15 billion
- Composite: ₦25 billion
- Reinsurance: ₦35 billion
- Risk-Based Capital (RBC) Framework adopted.
- Deadline: 30th July 2026 (12-month compliance window)
- Deadline: 30th July 2026 (12-month compliance window)



COMPLIANCE & ENFORCEMENT

WHAT INSURERS MUST DO:

- Submit recapitalization plans to NAICOM.
- Ensure assets are unencumbered, verifiable, and fully owned.



STRICT PENALTIES FOR NON-COMPLIANCE:

- Liquidation
- License revocation
- Forced mergers

ASSET VERIFICATION RULES

QUALIFYING ASSETS FOR MCR



+ INADMISSIBLE ASSETS

- Encumbered assets
- Assets without clear ownership

NAICOM may impose additional verification costs.

INDUSTRY IMPLICATIONS

MARKET IMPACT

- **Consolidation: Smaller insurers may merge or exit**
- **Increased solvency: Stronger balance sheets**
- **Investor interest: Capitalized firms attract funding**
- **Policyholder confidence: Enhanced trust in the sector**



NEXT STEPS FOR INSURERS

ACTION PLAN

- **Audit assets for eligibility.**
- **Raise capital via equity, debt, or mergers.**
- **Engage NAICOM for clarifications**
- **Submit compliance plans by Q1 2026**



REGULATORY SUPPORT

NAICOM'S ROLE

- Guidelines to be issued soon.
- In-house committee for oversight
- Collaboration with SEC, CAC, NRS



Olufemi Abiodun
FIIN, ARM

 [firstolufemi@gmail](mailto:firstolufemi@gmail.com)

 +2348027714043