IMPACT OF INSURANCE SECTOR DEVELOPMENT ON THE GROWTH OF NIGERIA ECONOMY

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Abstract:

This study empirically investigates the effect of insurance sector development on the growth of the Nigeria economy. The Augmented Dickey Fuller Test, Ordinary lease Square Method, Descriptive Statistic, Co Integration and granger causality test was applied to annual Nigeria data spanning from 1981 – 2013. The result indicated that there exists a long run equilibrium association between insurance sector development and economic growth. Total insurance investment has a positive and significant association to economic growth while insurance premium is also positively and significantly correlated to economic growth. It was founded that causality flows from GDP to some insurance sector development indicator (TIP, TIN TIR). It was further reveal in the study that insurance claims has a significant but negative association to economic growth and based on the above findings, we hereby recommended that law makers, authority and NAICOM should look into the claims payment policy of the insurance companies so as to ensure transparency, avoid extortion and ensure fair dealings in order to actualize the sectors objective and hence, promote economic growth of our country Nigeria.

Keywords: Economic growth insurance sector indicator, co – integration, granger causality.

1.0 INTRODUCTION

The financial sector of an economy comprise of institution, market and regulators that deal in financial instruments under the large framework within which the activities of the various participant are regulated. Put separately, the Nigerian financial system apart from the central bank of Nigeria comprises of the bank financial intermediaries, non-bank financial intermediaries and the financial market.

The non-bank financial intermediaries are insurance companies, pension and providence fund. The basic difference between this group is that banking financial institution like commercial bank borrow and lend, non-banking financial intermediaries like insurance companies borrow and invest , while the financial market operate as conduits for mobilization of funds from surplus economic unit to deficit economic unit (obamuyi T M 2002).

Nwite (2005) classified insurance companies as contract made by a company or society to provide a guarantee of compensation for loss, damage, illness, death, etc. in return for regular payment. Furtherly, he postulated that insurance is a legal contract between two or more parties who are legally banned to fulfill the promise contained in the contract deed.

Dickson (1960) in Oke (2012) opined that insurance is design to protect the financial well-being of an individual, companies or other entity in the case of unexpected loss.

Fatula (2007) explains that the practice of insurance company in Nigeria has played a significant role in the development of the economy and managing the risk of household and firm by issuance of insurance policy, mobilizing and transferring fund to the deficit unit for financing real estate investment.

Olalekan and Akinlo (2013) posit that insurance is the corner stone of modern day financial services.

Skipper (1917) promotion of long-term savings and enhancing the accumulation of serving as a conduct pipe to channel funds from policy holder to investment opportunities hereby mobilizing domestic savings into productive investment.

Oke. (2012) and Shittu (2012) stipulated that insurance companies affect economic growth by providing protection for the insured through the channel of marginal productivity of capital, technological innovation and saving rate.

Patrick. (1996) advance three schools of thought on the nature of the relationship between insurance sector and economic growth. The first school of thought postulate that insurance lead to economic growth in an economy while in contras, the second school of thought argues that economic growth lead to the development of insurance sector. Mine while, the third school of thought suggested a bidirectional relationship between insurance sector development and economic growth. haiss and Sumugi. (2008)

Some studies like that of webb et al. (2002) found a unidirectional causality running from insurance sector development to economic growth, Kugler and Ofogbi. (2005) find an evidence of bidirectional relationship between insurance sector development and economic growth.

Okere peter, Lawrence uzowuru and Njoke Gospel (2015) also report a unidirectional relationship between insurance sector development and economic growth.

Of all the literature stated above, very few have focus on the impact of insurance sector development on economic growth. Meaning that big gap is in the literature needed to be filled. Based on this, the major objective of this paper is to empirically investigate how the insurance sector development has stimulate the growth of the Nigeria economy using series of variable as an indicator for insurance sector development and GDP as proxy for economic growth.

Objective of the study

i. To empirically investigate the relationship and impact of insurance development on economic growth

ii. To examine whether change in total insurance premium TIP adequately explain change in GDP

iii. To evaluate the relationship between total insurance returns TIR and GDP

iv. To appraise how the claim payment by the insurance firm stimulate economic growth.

Research Question

i. To what extent does change in insurance claims explain change in economic growth?

ii. To what extent does insurance investment improve and contribute to economic growth GDP?

iii. How significant has change in total insurance premium stimulate economic growth?

iv. To what extent doe2s change in insurance premium explains change in economic growth?

Research Hypothesis

The following hypotheses were formulated in their respective null forms:

Ho1: There is no significant relationship between total insurance claims and economic growth.

Ho2: There is no significant association between total insurance premium and economic growth.

Ho3: There is no significant relationship between total insurance returns and economic growth.

Ho4: There is no significant relationship between total insurance investment and economic growth.

Significant of the study.

The findings of this study will be of a great importance to policy maker, investors, regulators, researcher and financial analyst who have vested interest in understanding the impact of insurance Sector development on economic growth.

Organization of the study.

This paper is stratified into five sections. Section one contained the introduction of the study, section two consist of the theoretical and empirical review, section three discuss the methodology, section four present the empirical findings while section five give the summary, concluding remark and recommendation.

2.0 LITRETURE REVIEW

2.1 THEORITICAL UNDERPINNINGS

The Growth Theory

The theory of economic growth developed in the 1950's by R. Harrod (Great Britain) and E. Domar (USA) was based on Keynesian premises. In the Keynesian approach to the analysis of economic growth, demand does not automatically equal supply, nor do savings automatically equal investments; demand especially the demand for capital investment plays a key role in economic growth; and the basic technological coefficients (for example, the relationship of capital to product, and of labor to capital) remain unchanged because of the rigidity of prices and are determined by the neutral quality of technological progress that is, by such technological progress as does not influence the effectiveness of production factors. The growth theory states that well developed financial intermediation can promote economic growth through marginal productivity of capital, efficiency of channeling savings to investment, savings rate and technological innovations (Eze and Okoye, 2013). The channels to growth model tries to link the financial intermediation function of insurance companies to economic growth.

Webb, Grace and Skipper (2002) stated that life insurance reserves can be used as approximation of the investment function, they used technical reserves of both life and non-life insurance companies as a proxy for their investment function, and the expected effect on economic growth is positive. Life and non-life insurance as a financial intermediation contribute to economic growth through accumulation of productive capital within an economy and the Improvement of the efficiency of investments (Conyon and Leech, 1994; Skipper and Kwon, 2007; Dorfman, 2008).

From findings, it is observed that there is a whole lot of theoretical analysis on positive impact of insurance sector on economic growth. mine while, the result of the empirical findings is cluster. in other to fill in the available gap and to justify the various theoretical underpinning, this study is focused on empirically

investigating the impact of the insurance sector development on the economic growth in Nigeria

Insurance has a significant but understated role within the economy due to lack of awareness and public sensitization. It is the mechanism through which governments, corporations, small businesses, individuals, households and even associations transfer their risks to duly licensed insurance firms at an agreed price (premium) which is paid to the insurer typically on an annual basis. Insurance minimizes the impact of disruptions to business and life in general. It serves as a safety net, providing a sense of stability and peace of mind as we conduct our business and daily endeavors. Insurance can of course act as a catalyst for business growth, stimulating trade, commerce and industry in different parts of the globe. It is not surprising therefore, that most developed economies across the world have a robust and mature insurance industry capable of supporting domestic growth and development as well as raising the overall standard of living of the citizenry. The global positive impact of insurance therefore cannot be overemphasized as it is essential for sustainable economic development and supportive of the poverty alleviation aspirations of many developing nations (business day newspaper 12 Sept 2015).

Theoretical conceptions explain that financial systems influence savings and investment decisions and hence long-run growth rates through the following functions (i) lowering the costs of researching potential investments, (ii) exerting corporate governance, (iii) trading, diversification, and management of risk, (iv) mobilization and pooling of savings, (v) conducting exchanges of goods and services, and (vi) mitigating the negative consequences that random shocks can have on capital investment (Levine, 2004).

According to Vayanos and Hammound (2006) a thriving insurance sector is not only evidence of an efficient financial service sector, but it is also a key barometer for measuring a healthy economy.

The importance of the insurance industry in the development process of a country was already acknowledged in 1964: a sound national insurance sector represents an essential feature of a proper economic system, contributing to economic growth and fostering high employment (UNCTAD, 1964). In an integrated economic area such as the European Union, the contribution of

member countries' insurance sectors to economic growth can be even more crucial. A low and uneven development of insurance, especially in the non-life lines of business, increases the level of risk in the economic decisions taken by individuals and firms, hampering, in turn, economic activity. If insurance did not exist, a large proportion of the rest of the economy would not exist either. Without a reliable mechanism for mutualisation, pooling and transferring risk, a large portion of the economic activity would simply not take place. There is a growing empirical literature seeking to assess the causal relation between macroeconomic performance and the size of the insurance sector.

Francois Outrevillle (UNCTAD, 1990) pioneered the examination of the relationship between insurance development and economic growth for developing countries. His findings indicated that both non-life and life insurers generate significant economic growth.

The insurance sector fosters economic growth in the following ways

The insurance industry promotes economic growth and structural development through the following channels:

1. Providing broader insurance coverage directly to firms, improving their financial soundness.
2. Fostering entrepreneurial attitudes, encouraging investment, innovation, market dynamism and competition.
3. Offering social protection alongside the state, releasing pressure on public sector finance.
4. Enhancing financial intermediation, creating liquidity and mobilizing savings. As major institutional investors, insurers gather dispersed financial resources, and channel them towards investment opportunities, facilitating companies' access to capital.
5. Promoting sensible risk management by households and firms, contributing to sustainable and responsible development.
6. Fostering stable consumption throughout life (Ian Webb International Insurance Foundation 1964),

2.2 EMPIRICAL REVIEW.

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Ian Webb (International Insurance Foundation), Martin Grace and Harold Skipper (Georgia State University, 2001) performed a cross country empirical analysis and found out that the development of the sectors of insurance and financial intermediation increases the total factor productivity by facilitating the efficient allocation of capital.

Maurice Kugler and Reza Ofoghi (University of Southampton, 2005) use co integration analysis to show that an increase in the market size of the different property and liability lines of business has a positive and statistically significant effect on economic growth. The effect was found to be more significant in the direction going from insurance market size to economic growth than the reverse, thus indicating the prevalence of a long run positive effect over a cyclical one

Webb et al. (2005) analyzed the effect of banking and insurance on the economic growth based on cross- country data of 55 countries for the period from 1980 to1996. The insurance variable is measured by average insurance penetration (insurance premium relative to GDP) of life and non-life insurance respectively. At the first stage they used ordinary least squares estimation method, and they used iterated three stages least squares simultaneous estimation in second stage. The results of the first estimation, assuming exogenous financial variables, indicated positive effect of banking development on economic growth, while insurance variables do not enter significantly. The result of simultaneous equations, assuming endogenous relationship between financial activity and growth, show that higher levels of banking and life insurance penetration predict higher rate of economic growth. Concerning the other direction of the relationship, economic growth affects life insurance penetration, but did not predict banking development. There is no link between non-life insurance and economic growth in any direction.

Pen-Fen et al. (2011) investigated the effect of life insurance on economic growth and what conditions affect the insurance-growth nexus. These conditions include the degree of financial development, private saving rates, interest rates, social security expenditures, income, young dependency ratio, life expectancy, and geographic regions. The main findings confirmed the positive impact of the development of the life insurance market on economic growth. The insurance-growth nexus varied across countries with different conditions. For example, the positive impact on economic growth is less in the middle- income countries, but high in the low-income countries.

Peter and Kjell (2006) worked on the relationship of insurance and economic growth, a theoretical and empirical analysis. They applied a cross country panel data analysis using annual insurance premium data from 29 European countries over the 1992 to 2004 period. They observed a weak evidence for a growth-supporting role of life insurance and explain this with similarities to recent bank and stock sector findings.

Mojekwu, Olowokudejo and Agwuegbo (2011) used a dynamic factor model to estimate the impact of insurance contributions on the growth of Nigerian economy within the period of 1981 to 2008. The result indicates that the functional relationship between the volume of insurance contribution and

economic growth in Nigeria is a first order autoregressive model. This model observed that economic growth is positively correlated with insurance contributions. This implies that if insurance contribution increases, economic growth will as well increase. the findings supported that of Boon (2005) who also find in his study that total insurance funds affect both capital formation and GDP growth in the short run and long run. The plausibility of the aforementioned may be ascribed to the fact that insurance activities rely a lot on investment. They recommended that government policy should be toward growing the insurance sector of the economy, and through such means enhance investment as well as production in order to boost economic growth.

Oke (2012) used fixed effect model and co-integration analysis to determine the short-run and long-run relationship between economic growth and insurance sector growth and development in Nigeria. The study spanned from the period of 1986 to 2009. The result reveals that insurance sector growth and development positively and significantly affects economic growth. The result of the granger causality test indicates that the extent of influence the insurance sector growth had on economic growth was limited and not direct because of some cultural, attitudinal traits and values in the economy.

Odhiambo (2011) in a study "dynamic causal relationship between financial development, economic growth and poverty reduction in South Africa for the period of 1960 to 2006" using a trivariate causality model and error correction model (ECM) in data analysis. The study reveals that the hypothesis of finance-led growth do not hold in South Africa. The result shows that finance has nothing to do with the growth of South African economy. That whether finance or not, the economy continue to grow.

From findings, it is observed that there is a strong theoretical analysis for positive impact of insurance sector on economic growth. Meanwhile, the result on the empirical research is cluster. Hence, in order to fill in the gap in the literature and to justify the above theoretical underpinning, this study focused on the impact of the insurance sector development of the growth of the Nigeria economy.

3.0 METHODOLOGY

3.1 RESEARCH DESIGN

Based on the nature of the research work, we use quasi experimental research design due to the fact that the element of the research design is not largely within the control of the researcher. Hence, this study is design to conform to the classical econometrics, in the cause of this study, we adopt and modify the empirical model used by marijuana et al. (2009) also used by Oke (2012). And that of gujarati (2006).

3.2 POPULATION OF THE STUDY

The study sample insurance companies whose securities are traded in the Nigeria stock exchange market.

3.3 SOURCE OF DATA

Data for this empirical study are secondary data sourced from the CBN statistical bulletin and annual report from 1981-2013.

3.4 MODEL SPECIFICATION

Operationally, GDP is conceptualized as the total monetary value of goods and services over a particular period of time usually a year.

TCP i.e Total claim payment is a payment from the insurance company to the insured for cover losses in other to restore the insured to the financial position Torbira, (2013).

TIN i.e Total insurance investment is conceptualized as the economic activities design to increase, improve and maintain the productive quality of the existing stock of the capital in an economy.

TIP i.e Total insurance premium is the rate or price paid by the insured for various insurance policy purchased.

TIR i.e total insurance returns. Returns here is expressed in term of profit. Hence, profit = TR – TC. I.e TIP = TIP – TCP .

All of the above regress and variable TCP, TIP, TIN and TIR are indicator of insurance sector development while GDP is the regressor variable.

Given the above theoretical underpinning and empirical review above, we construct and specify insurance sector development and economic growth model patterns as follows

GDP = b0 + b1TCP + b2TIP + b3TIN + b4TIR + Ut

A priori, expectations are b1,b2,b3,b4 > O

Where

GDP = Gross Domestic Product

TCP = Total claim payment

TIP = Total insurance premium

TIN = Total insurance investment

TIR = Total insurance premium

Ut = Error term.

4.0 RESULT AND DISCUSSION

4.1 PRESENTATION OF DATA AND ANALYSIS

We started our empirical analysis by examining the time varying characteristic of the variables.

4.2 Result of Descriptive Statistics

DISCRIPTIVE

TABLE 4.2

	GDP	TCP	TIN	TIR	TIP
Mean	16254.95	23310.57	161419.0	70410.59	93025.14
Median	11411.07	12084.03	74590.75	38411.89	50495.91
Maximum	42396.77	65975.80	398876.3	232789.7	298765.5
Minimum	3989.450	5629.520	12379.46	8720.678	13150.56

Std. Dev.	12508.91	22849.40	154692.4	66901.48	89599.58
Skewness	0.806415	0.953151	0.407276	1.058418	0.989842
Kurtosis	2.395974	2.182365	1.359318	3.066797	2.706775
Jarque-Bera	2.100966	3.047612	2.376692	3.177198	2.836968
Probability	0.349769	0.217881	0.304725	0.204211	0.242081
Sum	276334.1	396279.7	2744123.	1196980.	1581427.
Sum Sq. Dev.	2.50E+09	8.35E+09	3.83E+11	7.16E+10	1.28E+11
Observations	17	17	17	17	17

Sources; Author's computation

The average amount of the rate of change in GDP value from 32 years under study is 16254.95. While, the value of the TCP, TIP, TIN and TIR are 23310.57, 161419.0, 70410.59, and 93025.14 respectively.

Mine while, the TIN has the highest critical value, seconded by TIP and TIR. Standard deviation measures the volatility of the data. From the analysis above, we can infer that TIN is highly volatile followed by TIP. This is evident by their measure of dispersion such that the mean value of all the data used in the process of research is greater than it median value.

All the data of the variable in the model are positively skewed to the right toward normality. This is evident by the extended of their dispersion from the mean in the model.

Kurtosis measures the peakness of the variable. According to Bowman Shalton test for normality of closeness to (0) zero of the sampled skewedness and

closeness to (3) three of the sample kurtosis, the result above shows that only TIR is Leptokurtic while TCP, TIN, and TIP are platyokurtic.

The jarque-Bera statistic shows significant value at 5% level of alpha which means that the variable is normally distributed.

Dependent Variable: GDP

Method: Least Squares

Date: 10/10/15 Time: 12:12

Sample (adjusted): 16 33

Included observations: 17 after adjustments Table 4.3

Variable	Coefficient	Std. Error	t-Statistic	Prob.
TCP	-0.252619	0.178831	-1.412617	0.1832
TIN	0.018160	0.008427	2.154922	0.0522
TIP	0.194455	0.165988	1.171503	0.2641
TIR	-0.031586	0.166745	-0.189430	0.8529
C	3347.077	701.2254	4.773183	0.0005
R-squared	0.983816	Mean dependent var		16254.95
Adjusted R-squared	0.978421	S.D. dependent var		12508.91
S.E. of regression	1837.547	Akaike info criterion		18.11018
Sum squared resid	40518929	Schwarz criterion		18.35524
Log likelihood	-148.9365	Hannan-Quinn criter.		18.13454

F-statistic	182.3626	Durbin-Watson stat		1.096422
Prob(F-statistic)	0.000000			

The result of the OLS reveals that of all the four variable used during the process of research, only TIN has a positive and significant to economic growth followed by TIP. This is to the turn of 1% increase in TIN will bring about 21.5% Increase in GDP. The positivity and significances of the TIN and TIP is in form with the work of Eze Oyenkachi and Okoye Victor (2013). minewhile , TIP has a positive but, weak relationship with GDP .TIR and TCP has a negative and insignificant relationship.

The ^{R2} measures the fitness of the data while the Adjusted ^{R2} shows that about 98% of the variable in the dependent variable is captured and explain by the explanatory variable in the model. The F- statistic testifies to the significantly of all the variable used in the process of research and the Durbin Wastson shows the present of auto-corrolation between the variable.

Table 4.4

Unit root test.

The Augmented Dickey Fuller (ADF) unit root test conducted on the series of GDP, TIN,TCP, TIP, and TIR .

Variable	ADF Stat	Critical value	Order of integration	Remark
GDP	4.39954	-2.95711	1 (1)	Stationary
TCP	1.33823	-2.95711	1 (1)	Stationary
TIP	1.62423	-2.97185	1 (1)	Stationary
TIN	0.77730	-3.09889	1 (1)	Stationary
TIR	5.13869	-9.96041	1 (1)	Stationary

Source ; Author's Computation

The result of the the ADF shows that the variable at their level after not stationary but, become stationary after the first differencing. Hence, the series are all intergraded series in order of 1 (1) indicating that there are all stationary at first differencing. This implies that we can proceed to test for co – integration and long run relationship between the variable in the model.

CO INTERGRATION

Table 4.5

Date: 09/07/15 Time: 13:03
Sample (adjusted): 18 31
Included observations: 14 after adjustments
Trend assumption: Linear deterministic trend
Series: GDP TCP TIN TIP TIR
Lags interval (in first differences): 1 to 1

Unrestricted Cointegration Rank Test (Trace)

Hypothesized No. of CE(s)	Eigenvalue	Trace Statistic	0.05 Critical Value	Prob.**
None *	0.980484	113.4501	47.85613	0.0000
At most 1 *	0.959679	58.33846	29.79707	0.0000
At most 2	0.457819	13.38605	15.49471	0.1014
At most 3 *	0.291065	4.815885	3.841466	0.0282
At most 4*	0.234567	3.546789	2.254327	0.3457

Trace test indicates 3 cointegrating eqn(s) at the 0.05 level
* denotes rejection of the hypothesis at the 0.05 level
**MacKinnon-Haug-Michelis (1999) p-values
Source Author's computation

Following the rules that says if the Trace statistic value is greater than the Mickinnon Critical value at 5% level of significant, this mean that there is an

existence of at least 3 co – integrating vectors in the system. We hereby conclude that the variable in the model has a long run equilibrium relationship.

Table 4.6

Pairwise Granger Causality Tests
Date: 10/10/15 Time: 13:34
Sample: 1 33
Lags: 2

Null Hypothesis:	Obs	F-Statistic	Prob.
TCP does not Granger Cause GDP	31	6.60405	0.0048
GDP does not Granger Cause TCP		13.4061	0.0001
TIN does not Granger Cause GDP	14	4.21718	0.0510
GDP does not Granger Cause TIN		2.75053	0.1169
TIP does not Granger Cause GDP	31	0.23476	0.7924
GDP does not Granger Cause TIP		14.9177	5.E-05
TIR does not Granger Cause GDP	31	3.84102	0.0346
GDP does not Granger Cause TIR		10.6084	0.0004
TIN does not Granger Cause TCP	14	146.406	1.E-07
TCP does not Granger Cause TIN		0.33285	0.7253
TIP does not Granger Cause TCP	31	13.9530	8.E-05
TCP does not Granger Cause TIP		1.57460	0.2262
TIR does not Granger Cause TCP	31	11.8691	0.0002
TCP does not Granger Cause TIR		0.73292	0.4902
TIP does not Granger Cause TIN	14	7.24856	0.0133
TIN does not Granger Cause TIP		10.5003	0.0044
TIR does not Granger Cause TIN	14	7.35760	0.0128
TIN does not Granger Cause TIR		4.15721	0.0526

TIR does not Granger Cause TIP	31	1.057780.3617
TIP does not Granger Cause TIR		0.211320.8109

The estimation test result on the direction of causality reveals that of the four variables used during the process of research, we observed that there is unidirectional relationship between GDP, TCP, TIN, and TIR. Which means that GDP granger cause TCP, TIN, and TIR with a direction of causality flow from GDP to TIN, TIR an TCP meanwhile, there is no causal relationship between total insurance premium and GDP within the limit of our research at 5% level of significant.

The finance in this result is that increase in the gross domestic product can boost economic activities, increase income to various economic unit which will stimulate the quantum of total revenue generated by insurance companies, increase total insurance investment, increase total premium paid by the insured and hence claims paid to the insured.

5.0 SUMMARY, CONCLUSION AND RECOMMENDATION

5.1 Summary

This study is aimed at empirically investigating the impact of insurance sector development on the growth of the Nigeria economic and especially how the services rendered by the insurance sector have contributed to the GDP.

5.2 Conclusion

The result of the findings reveals that total insurance investment and Total insurance premium has contributed positively and significantly to the development and growth of the Nigeria economic. This implies that an increase in the activities of insurance companies in Nigeria will trigger Nigeria economic growth. This is to the turn of 1% increase in the TIN will bring about 21% increases in the GDP While TCP has a significant but, negative correlation to economic growth. This suggested that insurance companies are been skeptical about payment of claims to the insured. This spuriousity has however brought about lack of public confidence. Consequently, for insurance sector to positively affect

the economic, national insurance commission should look into the issues of claims payment to ensure prudency, avoid extortion and incorporate transparency in the insurance business.

The result of the granger test shows that causality runs from total insurance premium to total insurance investment to GDP. In the long run, the study report equilibrium relationship between insurance sector development indicator and economic growth. We can therefore infer that total insurance premium, total claims payment, total insurance investment and total insurance returns have strong effect on the growth of the GDP in the long run.

5.3 Recommendations

Based on the above findings, we hereby recommend that National Insurance Commission NAICOM Should monitor claims payment of the insurance companies so as to ensure transparency, avoid extortion and incorporate prudency which will in turn trigger the public confidence in the services rendered by the insurance companies and hence, promote economic growth.

Secondly, since the result of the study reveals that insurance sector significantly correlate economic growth, the authority should create a complain annex where the insured can report all form of sharp practices, unethical dealings, and fowl play so as to further promote economic growth.

Finally, proper awareness and sensitization exercise should be embark upon to enlighten the entire public on the significance of insurance policies on their day to day livelihood.

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