

REALIZATION OF VISION20: 2020 AGENDA IN NIGERIA: THE INSURANCE INDUSTRY'S PERSPECTIVES

TONYE OGIRIKI (PhD)

Department of Finance and Accountancy, Niger Delta University, Bayelsa State, **NIGERIA**
&

ANDABAI, PRIYE WERIGBELEGHA

Department of Finance and Accountancy, Niger Delta University, Bayelsa State, **NIGERIA**

ABSTRACT

The study examines the realization of vision20:2020 agenda in Nigeria and the insurance industry's perspectives using time series data (2000-2013). Secondary data were used and collected from National Bureau of Statistics and National Insurance Commission. Hypotheses were formulated and tested using Vector Error Correction Model (VECM). The study reveals that the variables do not have unit root. There is also a long-run equilibrium relationship between Nigeria vision20:2020 agenda and the insurance industry. The result confirms about 63% of short-run adjustment speed from long-run disequilibrium. The study reveals that there is causality between vision20:2020 agenda of Nigeria and insurance industry. The study therefore recommends that, the National Insurance Commission should ensure that the sixteen (16) lines of insurance that are compulsory which are found in the Market Development and Restructuring Initiatives (MDRI) should be enforced. Nigerian insurance companies should be proactive in terms of innovation of insurance products and customers satisfaction. NAICOM and other regulatory agencies and authorities should ensure its performers display or perform their best in terms of services so as to improve their confidence and trust level. Government should ensure that the relevant agencies like the police and the Federal Road Safety Corporation should prosecute unlicensed and uninsured motorists. Further recapitalisation and industry consolidation should be done prior to year 2020 to enable the industry venture into the oil and gas sector, aviation sector and other untapped sectors of the economy (including the local content policy). The proposed recapitalisation should be made to the tune of ₦25billion for life insurance, ₦30billion for non-life, ₦35billion for composite insurance and ₦40billion for reinsurance.

Keywords: Nigeria Vision20:2020, Agenda, Contribution, Insurance, Scheme, Gross Insurance Premium.