



SECURITIES AND EXCHANGE  
COMMISSION OF PAKISTAN

# INSURANCE INDUSTRY STATISTICS 2022



# TABLE OF CONTENTS

<b>1. Message of the Commissioner</b>	02
<b>2. Industry Performance Overview</b>	03
2.1 - Industry Overview	04
2.2 - Takaful Sector Overview	05
2.3 - Contribution to National Economy	06
<b>3. Life Insurance Industry</b>	07
3.1 - Industry Wide Key Information	08
3.2 - Gross Written Premium – Channel Wise Distribution	09
3.3 - Gross Written Premium – Product Wise Distribution	10
3.4 - Gross Written Premium – Premium Category	11
3.5 - Band Wise Count and Premium – New Business	12
3.6 - Persistency Ratio	13
3.7 - Gross Claims	14
3.8 - Province Wise Premium Distribution – Individual Life	15
<b>4. Non-Life Insurance Industry</b>	16
4.1 - Industry Wide Key Information	17
4.2 - Retention Ratios and Other Information	18
4.3 - Gross Written Premium – Category Wise Distribution	19
4.4 - Gross Written Premium – Channel Wise Distribution	20
4.5 - Policyholder Wise Distribution	21
4.6 - Premium Band Wise Policy Count and Premium	22
4.7 - Claims Paid	23
4.8 - Province Wise Premium Distribution	24
<b>5. Key Financial Statistics</b>	25
5.1 - Life Insurance / Family Takaful	26
5.2 - Non-Life Insurance / General Takaful	27
<b>6. Disclaimer</b>	28

# MESSAGE OF THE COMMISSIONER

On behalf of the Securities and Exchange Commission of Pakistan (SECP), I am pleased to present the Insurance Industry Performance Information for the year 2022. Recognizing the value of data being produced through a structured publication in a timely manner, the compiled statistics for the year 2022, depicts in a holistic manner, the financial performance and condition of the Insurance Industry.

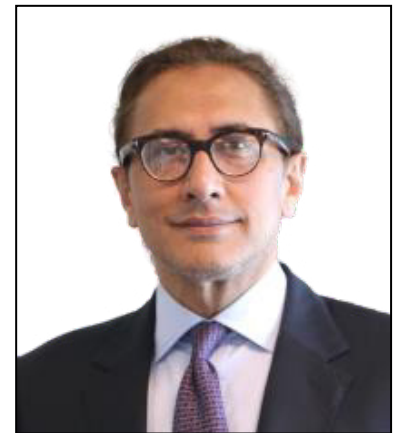
Utilising the breadth and depth of data submitted by the insurers and through its regular disclosure in the form of key insurance statistics, SECP also seeks to facilitate the analysis and insight into data, which is vital for evaluation and image building of any industry. Besides being an essential component for effective policy-making, this data will also help all stakeholders in making informed business decisions and unlocking true potential of the industry. Presentation of statistics will also pave the way for setting industry wide uniform performance benchmarks in the long run, ensuring effective performance measurement and allowing the industry to meet its strategic goals.

The challenges being faced by the industry, either in respect of lack of implementation of motor third party insurance, lower uptake of agriculture and livestock insurance, ambiguous taxation, limited local reinsurance capacity, unripened digital distribution channels or scarcity of quality human resources, are vividly reflected through the data contained in the report. Regardless of the growth in overall premium, majorly on account of 'Sehat Sahulat Program' in life sector and inflationary impact in non-life sector, target of achieving real sectoral growth during 2022, in terms of premium and number of policies, remains unaccomplished. Digital distribution channels, representing less than 1% of total premium, are still struggling to find foothold. Takaful sector which has potential to create acceptability of insurance among general public only contributed 11% to the total market premium. Premium from agriculture and personal lines of business remained less than 5% of the non-life sector premium.

Despite the challenges posed by the economic environment, data clearly indicates that the potential for growth of insurance sector across the country is immense. Disruptive events including an increasing number of natural disasters and economic disruptions from pandemics will continue to increase demand throughout this sector. I strongly believe that facing challenges and navigating one's way through them builds resilience capacity. Through cooperation of all stakeholders, application of the power of technology, creation of insurance pools coupled with improvements on the reinsurance front, attracting quality human resource to the sector and enhanced awareness, we can navigate towards an insured Pakistan.

SECP remains steadfast in its commitment to not only address the pressing issues but also nurture an environment ripe for sustainable growth and innovation in the insurance landscape of Pakistan. We are closely collaborating with all stakeholders to chalk out a mutually agreed long term strategic direction to strengthen the entire insurance ecosystem.

In conclusion, I wish to place on record my appreciation for the generous support of each insurance company through timely provision of data for compilation by our team. I also wish to bring to the attention, the valuable contribution made by the authors of the report, Mr. Talal Usmani, Joint Director and Ms. Sahar Kanwal, Assistant Director, who have gone to great lengths through rigorous communication with the companies to ensure its data integrity. I am confident and positive that we, as a team, will continue to execute the strategies in the interest of insurance industry and the policyholders to help building an insured Pakistan.

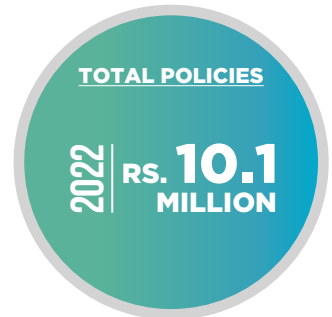
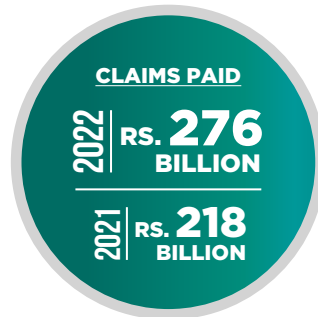
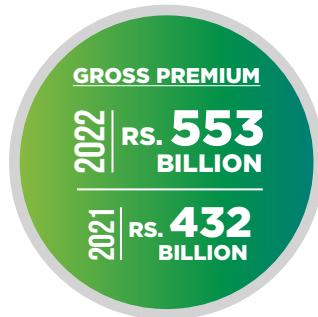
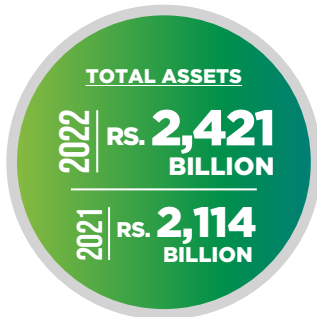


**Aamir Khan**  
Commissioner - Insurance

# **INDUSTRY PERFORMANCE OVERVIEW**



# INDUSTRY OVERVIEW



Insurance Penetration

**0.87%**

Insurance Density

**Rs. 2,776**

**42 Insurers**

## Main Distribution Channel in terms of Premium Percentage

### Sales Force / Agency Channel Premium

99% of Public Sector premium

33% of Private Sector premium



### Banca Channel Premium

1% of Public Sector premium

54% of Private Sector premium



### Sales Force / Agency Channel Premium

52% of total premium



### Direct Channel Premium

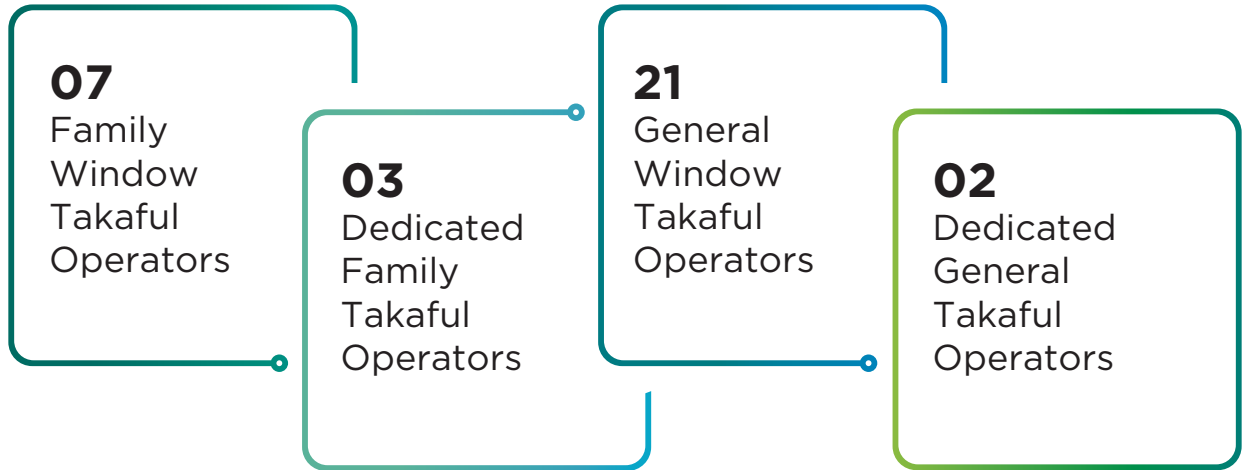
32% of total premium

Premium in the categories of accident, health and critical illness is **30%** of total premium (constitutes **6%** of total premium if premium from 'Sehat Sahulat Program' is excluded)

Premium from digital channels constitutes **0.5%** of total premium

# INDUSTRY OVERVIEW

## TAKAFUL SECTOR



**33 TAKAFUL OPERATORS**

**FAMILY TAKAFUL  
INDUSTRY PREMIUM**

**RS. 41 BILLION**

**GENERAL TAKAFUL  
INDUSTRY PREMIUM**

**RS. 21 BILLION**

**FAMILY TAKAFUL PREMIUM  
AS PERCENTAGE OF TOTAL  
LIFE INSURANCE INDUSTRY  
PREMIUM**

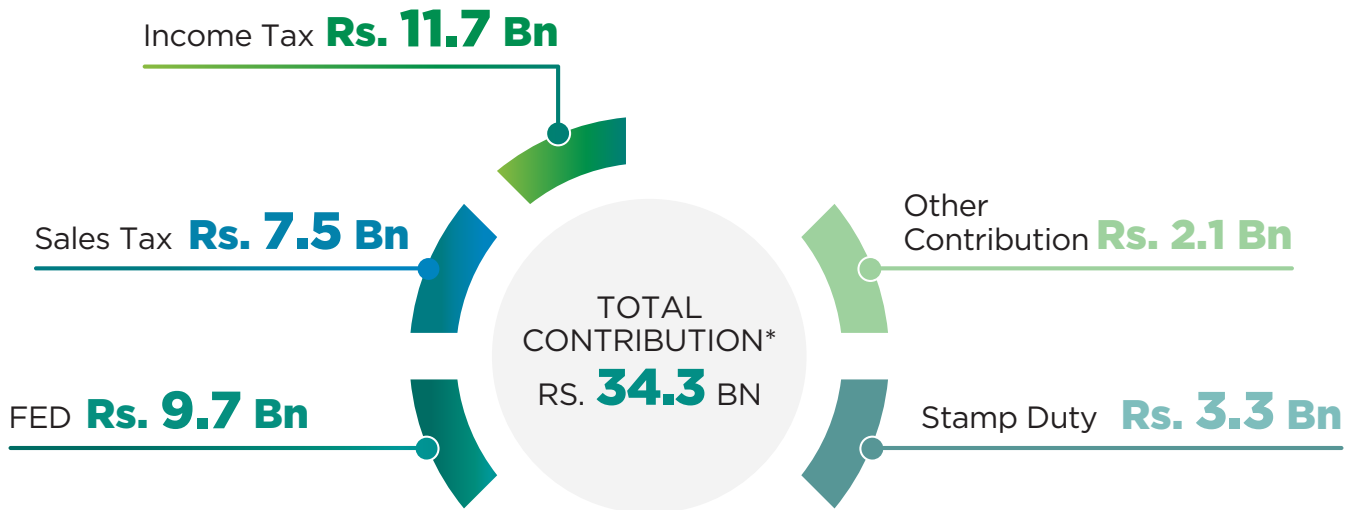
**11%**

**GEN. TAKAFUL PREMIUM  
AS PERCENTAGE OF TOTAL  
NON-LIFE INSURANCE  
INDUSTRY PREMIUM**

**12%**

# INDUSTRY OVERVIEW

## CONTRIBUTION TO NATIONAL ECONOMY



## EMPLOYMENT PROVISION

No. of Employees **21,565** | Sales Agents other than employees **199,210**

## OTHER INFORMATION

Holdings of GoP Marketable Securities by Insurance Sector

**6.8%\*\***

Investment in equity securities as a percentage of market capitalization


**2.7%\*\*\***

\* Data presented above is as provided by the insurers

\*\* <https://www.sbp.org.pk/ecodata/BankNon-BankHoldingGoP.pdf>

\*\*\* Market capitalization is as per daily quotation from PSX website - August 16, 2023

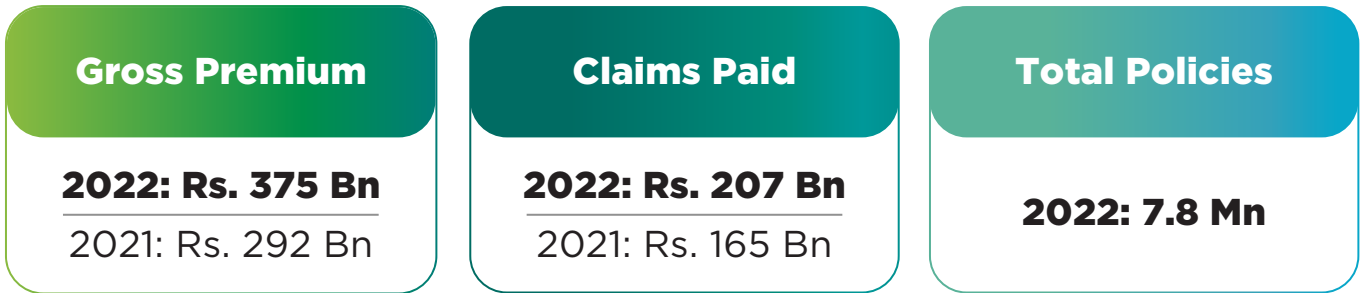
# **LIFE INSURANCE INDUSTRY**





# LIFE INSURANCE / FAMILY WINDOW TAKAFUL OPERATORS

## INDUSTRY WIDE KEY INFORMATION



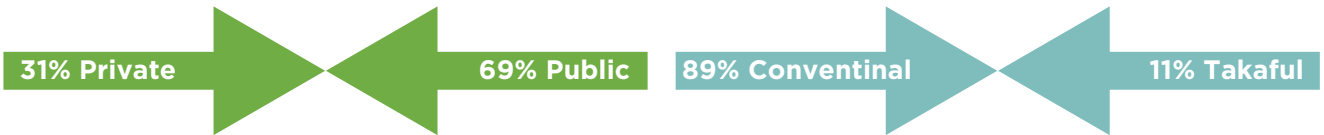
**99%** of public sector premium comes from Agency Channel



**54%** of private sector premium comes from Banca Channel

### Sector Wise Premium Distribution

### Premium Distribution (Conventional vs Takaful)



In Individual Life Category, 63% of total premium comes from Punjab

In Public Sector, 50% of premium pertains to health policies

In Private Sector, 80% of premium pertains to unit linked policies

45% new policies written in the premium band of '0-25,000' and 21% of new policies premium falls in the premium band of '1,000,000 and above'

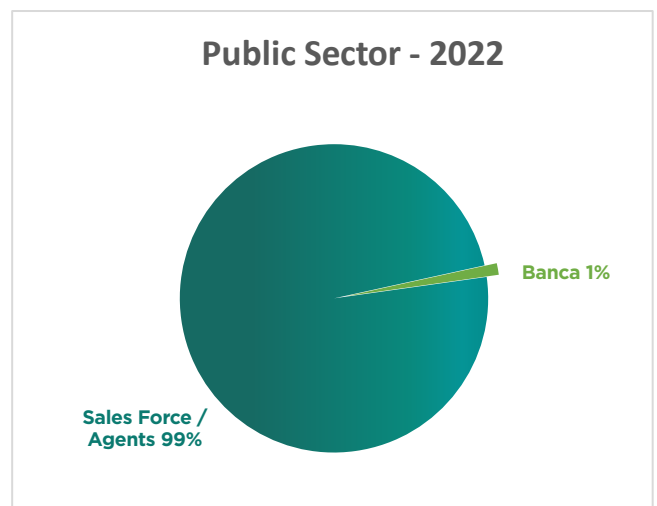
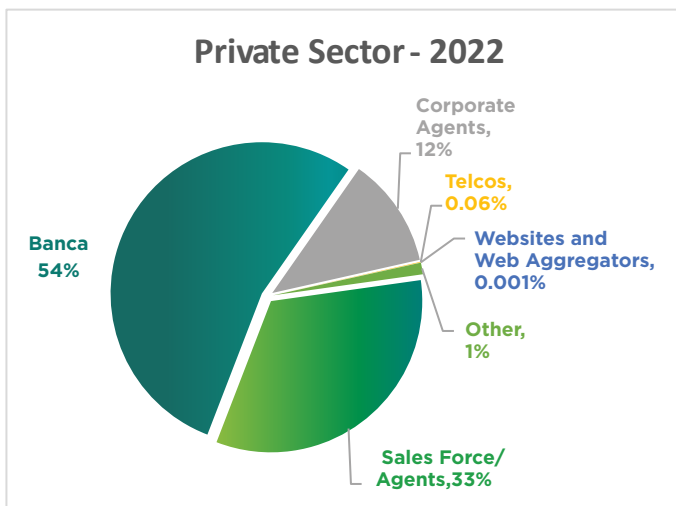
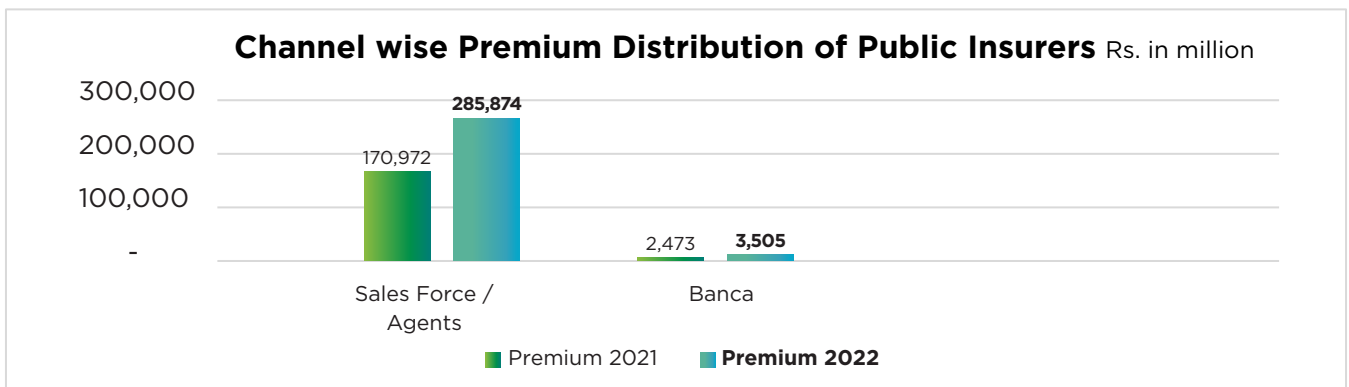
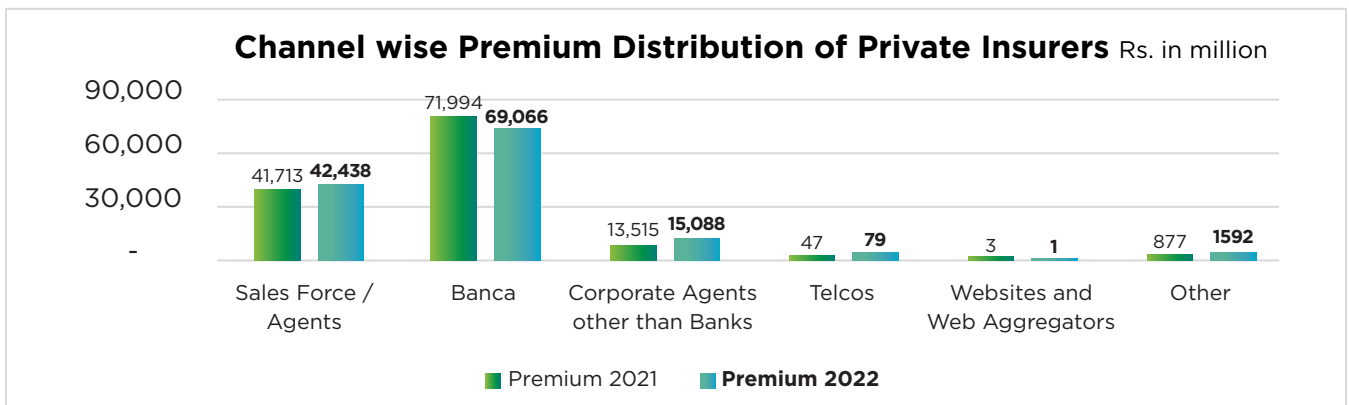
### Product wise Premium distribution

Health Policies =	<b>37%</b>
Participating Policies =	<b>32%</b>
Unit Linked Policies =	<b>25%</b>

# LIFE INSURANCE / FAMILY WINDOW TAKAFUL OPERATORS

## GROSS WRITTEN PREMIUM CHANNEL WISE DISTRIBUTION

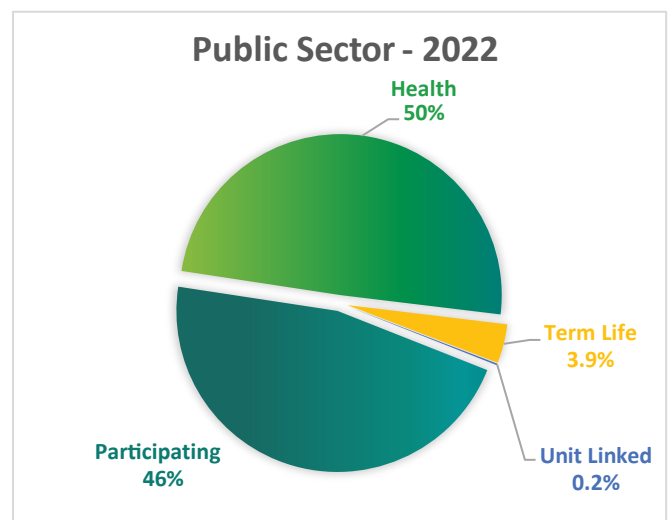
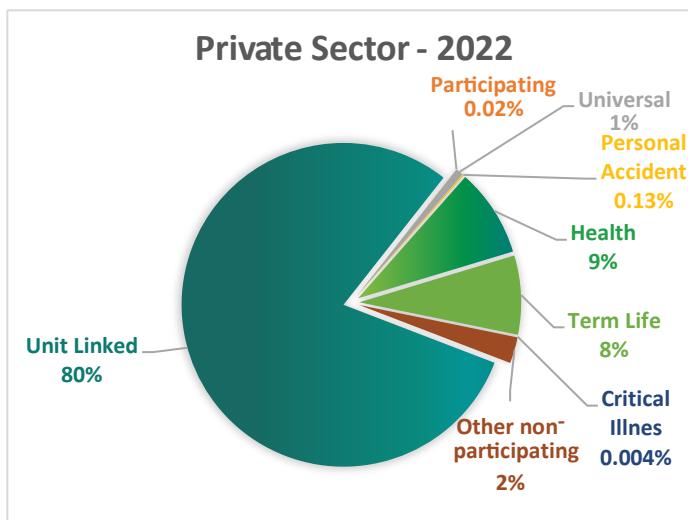
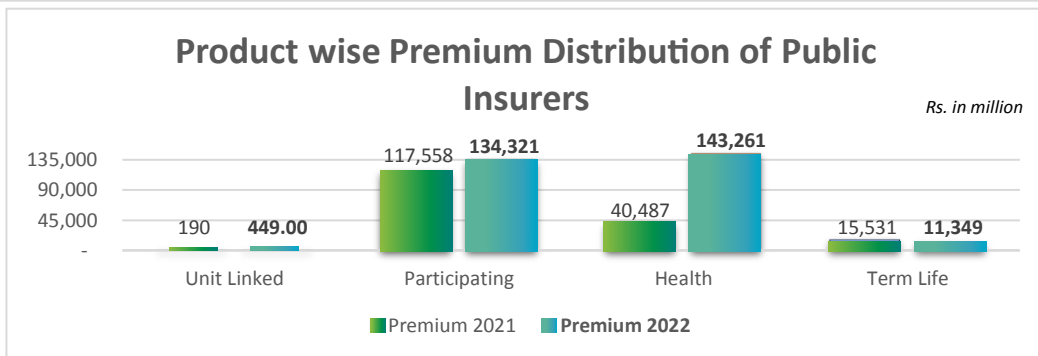
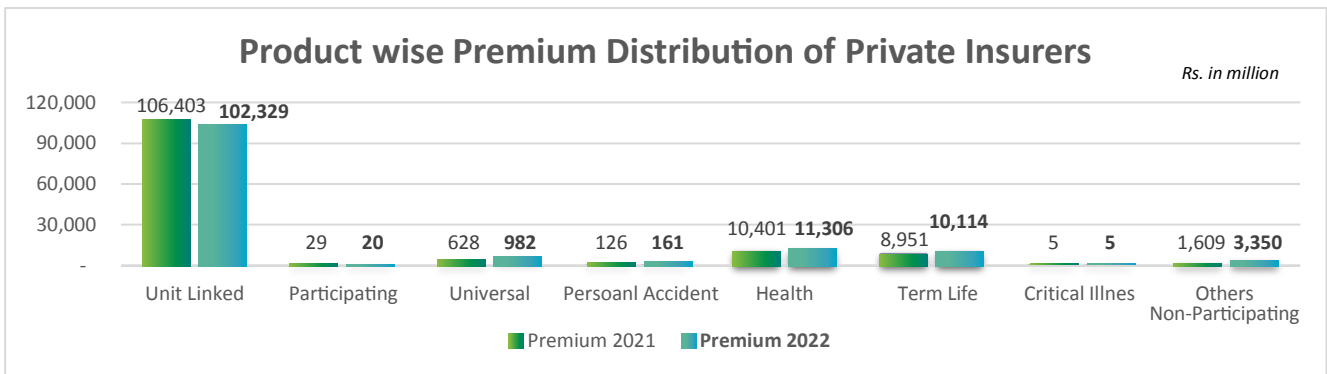
The distribution channel wise split of Gross Written Premium demonstrates that in private sector, 54% of the policies were written through banca channel followed by agency channel at 33%. In public sector, 99% of the polices were written through agency channel. Digital channel only constituted 0.02% of the total premium.



# LIFE INSURANCE / FAMILY WINDOW TAKAFUL OPERATORS

## GROSS WRITTEN PREMIUM PRODUCT WISE DISTRIBUTION

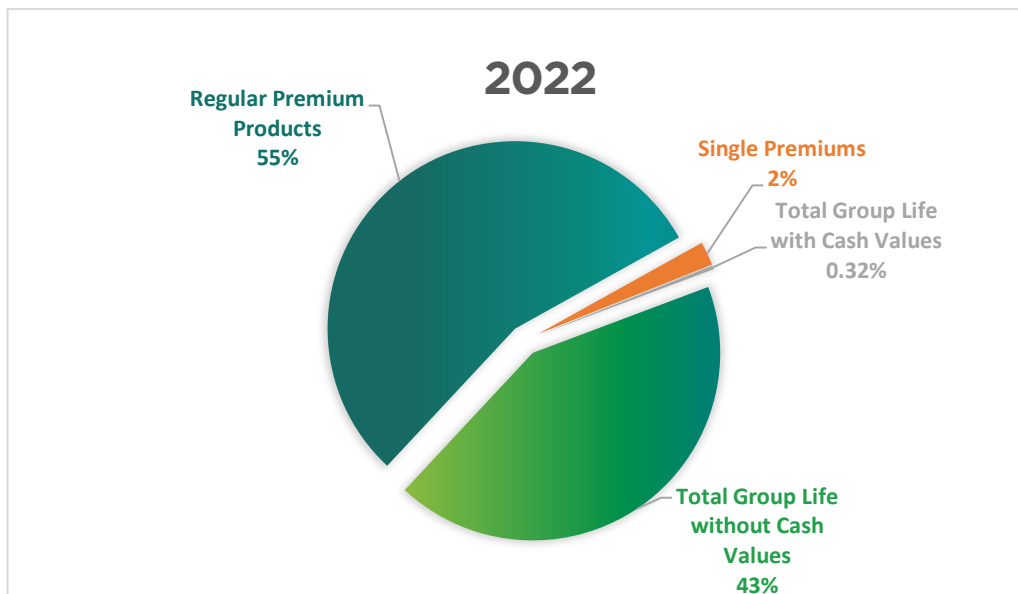
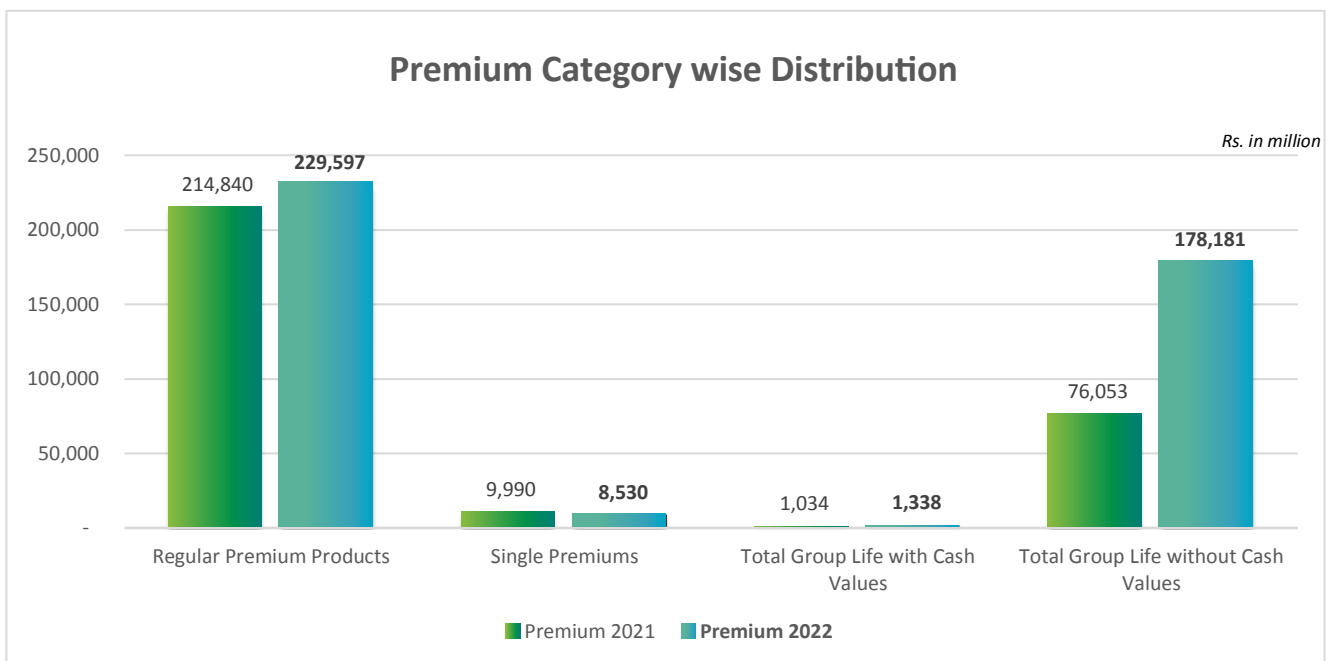
Product wise distribution shows that 80% of the premium pertained to unit linked policies in private sector, followed by health-related policies at 9%. In public sector, 50% of the premium came from health-related policies (includes premium under 'Sehat Sahulat Program') followed by participating policies at 46%.



# LIFE INSURANCE / FAMILY WINDOW TAKAFUL OPERATORS

## GROSS WRITTEN PREMIUM – PREMIUM CATEGORY

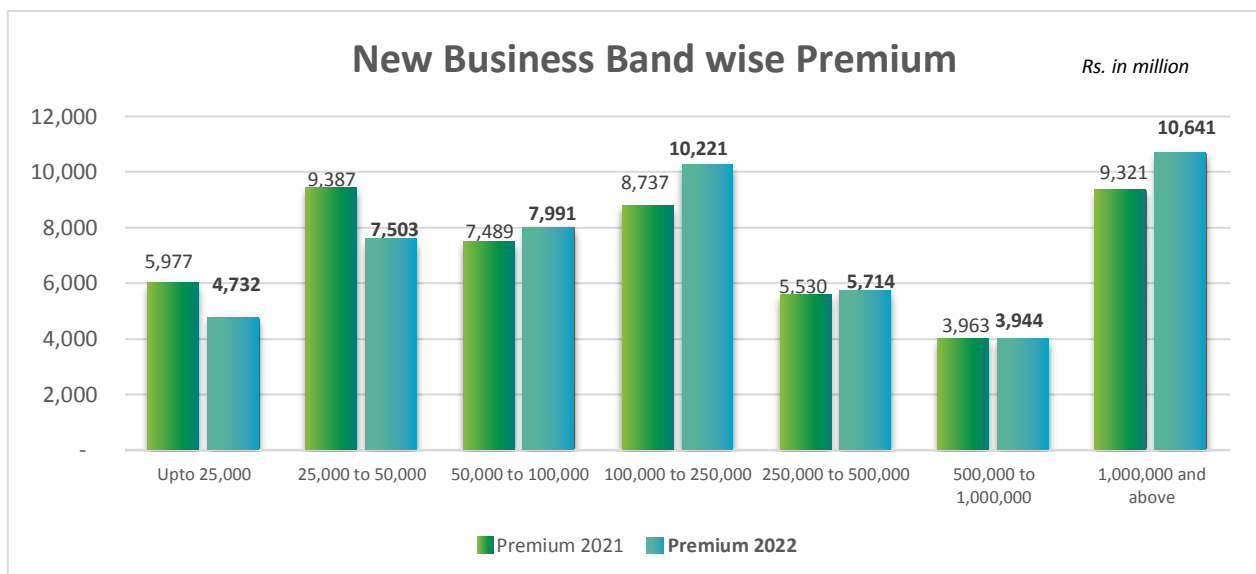
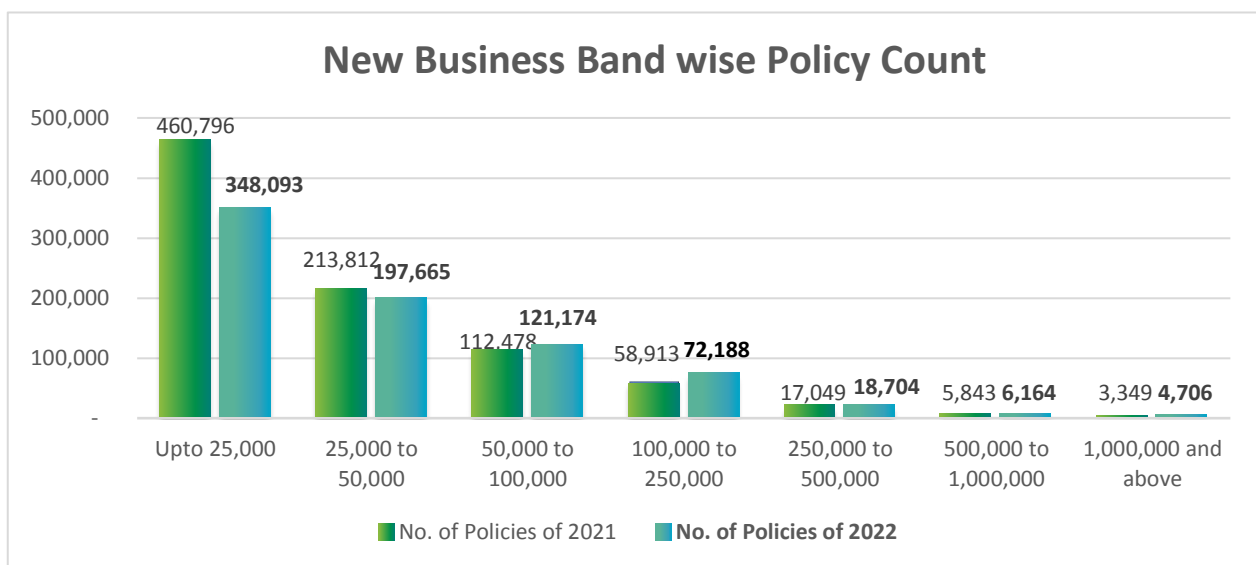
In terms of premium type wise bifurcation i.e. between regular premium products (first year premium, second year renewal premium and subsequent year renewal premium), single premium products and group life policies, 55% of the total premium pertained to regular premium products, followed by premium booked under the category of group life without cash values at 43%.



# LIFE INSURANCE / FAMILY WINDOW TAKAFUL OPERATORS

## BAND WISE COUNT AND PREMIUM – NEW BUSINESS

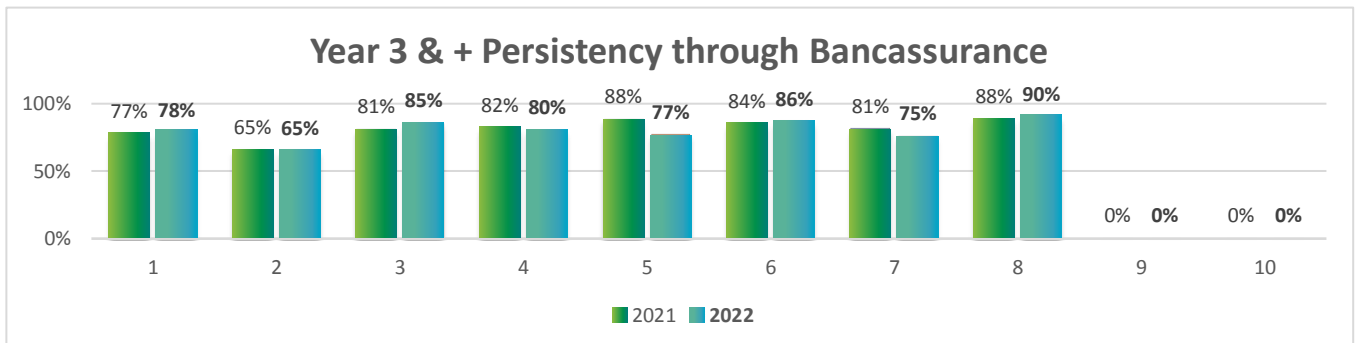
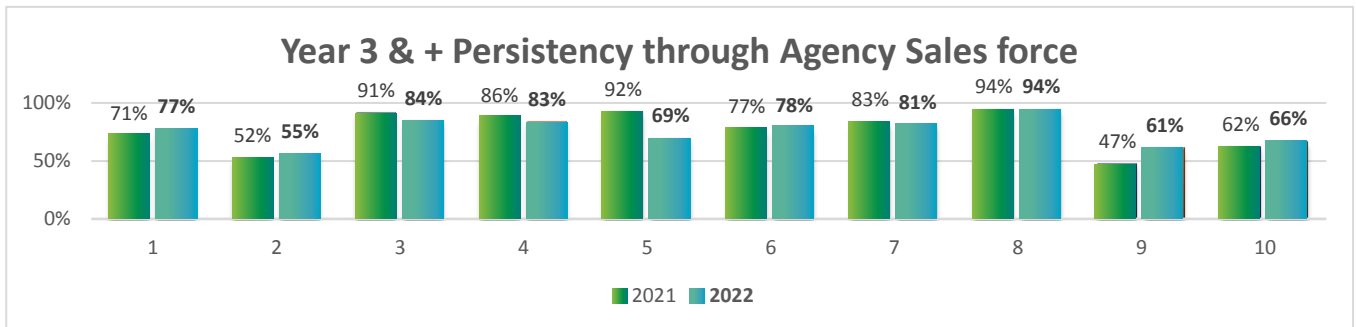
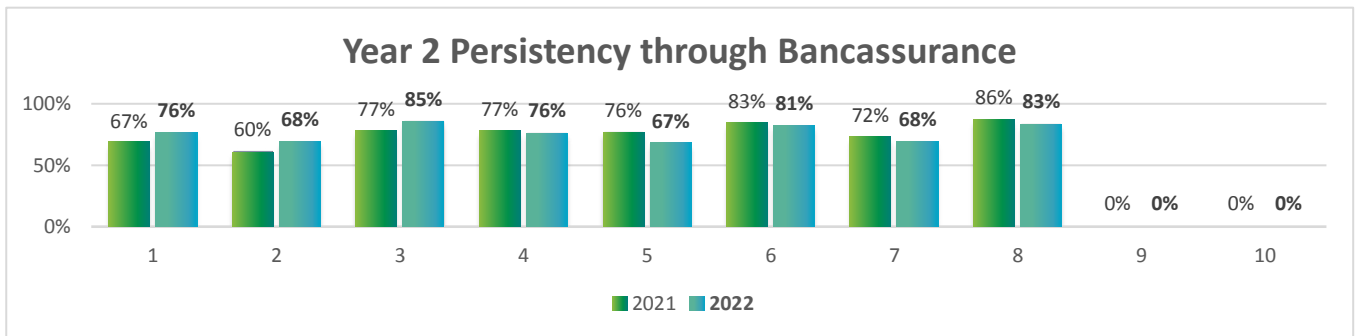
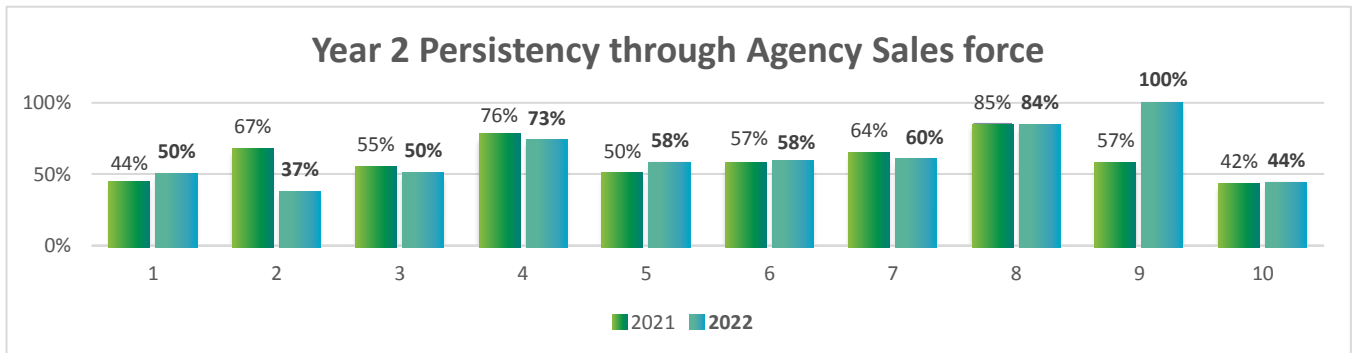
Total new policies issued in the year 2022 were 0.77 million. 45% of the total new policies issued were in the premium band of “0 – Rs 25,000” being highest in number when compared with other premium bands. In terms of premium, new policies issued falling in the premium band of “1,000,000 & above” were a source of 21% of the total new premium, being highest when compared with other premium bands.



# LIFE INSURANCE / FAMILY WINDOW TAKAFUL OPERATORS

## PERSISTENCY RATIO

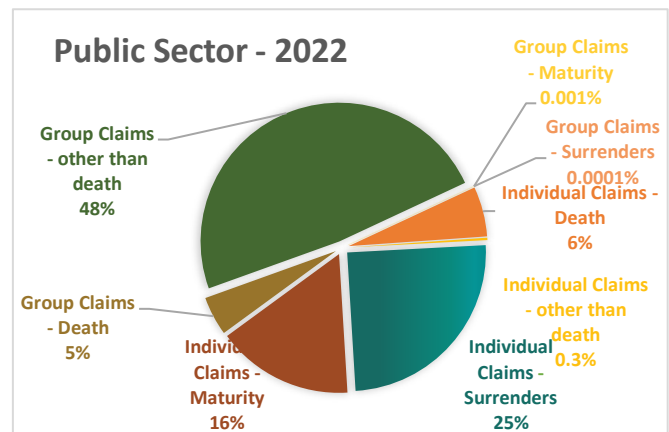
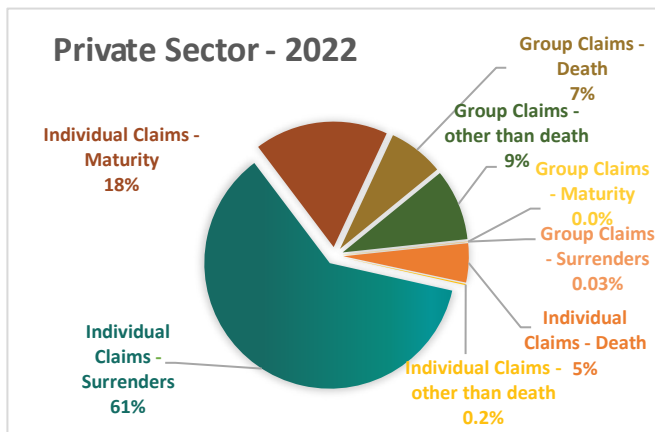
A percentage that signifies the number of clients an insurance company has retained for an insurance product through analysis of renewal year premiums and total premiums in a calendar year



# LIFE INSURANCE / FAMILY WINDOW TAKAFUL OPERATORS

## GROSS CLAIMS

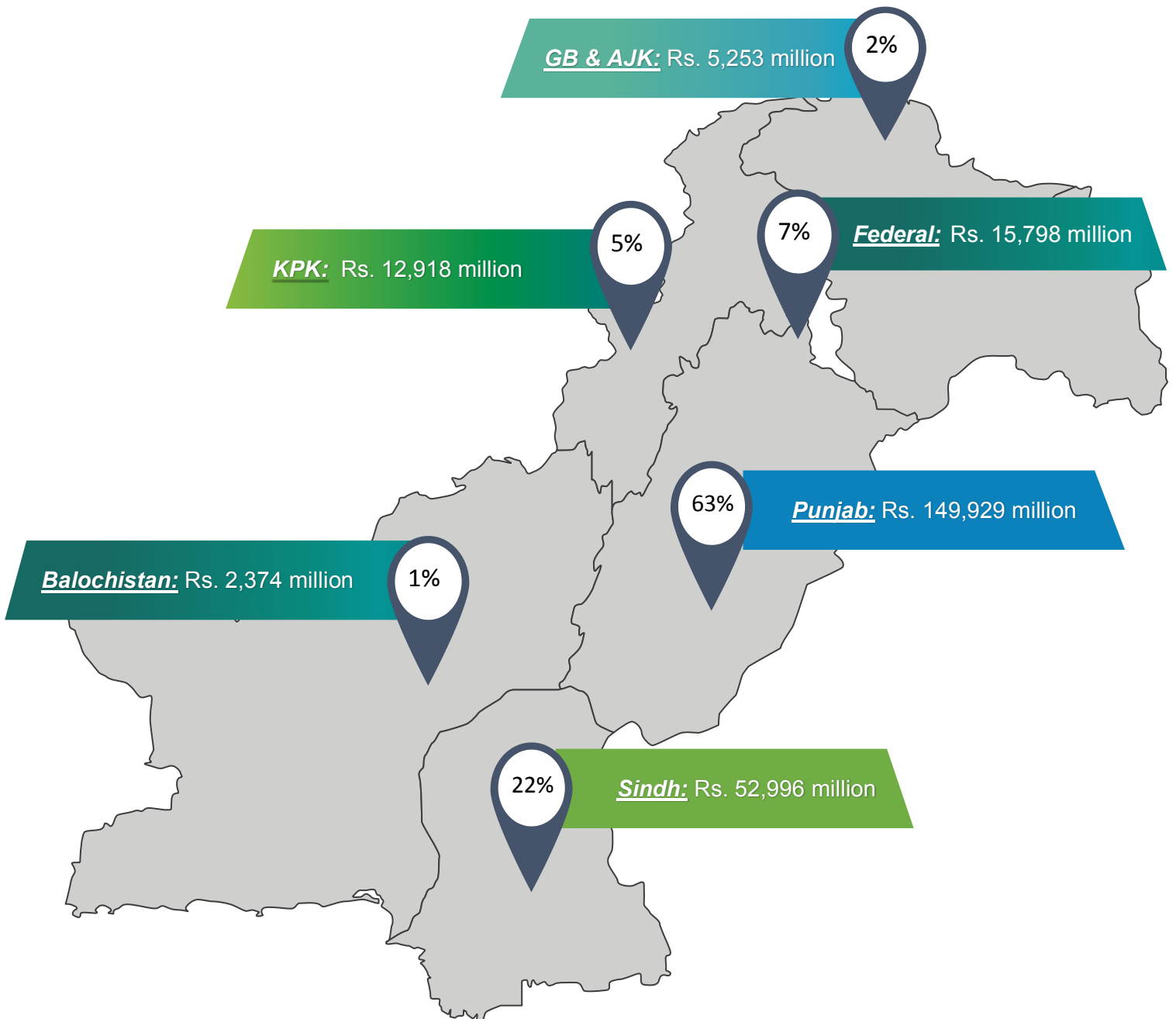
Gross Claims of life insurance industry stood at Rs. 281 billion in the year 2022 compared to Rs. 189 billion in 2021. In private sector, highest gross claims were booked in the category of 'Individual Claims - Surrenders' at 61%. In public sector, highest claims were booked in the category of 'Group Claims - other than death' at 48%. In respect of categories pertaining to death related claims, total gross claims were Rs. 32 billion.



# LIFE INSURANCE / FAMILY WINDOW TAKAFUL OPERATORS

## PROVINCE WISE PREMIUM DISTRIBUTION INDIVIDUAL LIFE

Out of the total gross premium of individual life insurance industry for the year 2022, 63% of the gross premium pertained to the province of Punjab followed by Sindh at 22%.





# **NON-LIFE INSURANCE INDUSTRY**

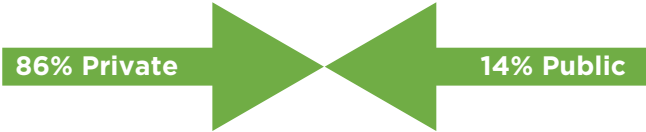


# NON-LIFE INSURANCE / GENERAL WINDOW TAKAFUL OPERATORS

## INDUSTRY WIDE KEY INFORMATION

<b>Gross Premium</b> <b>2022: Rs. 178 Bn</b> 2021: Rs. 140 Bn	<b>Claims Paid</b> <b>2022: Rs. 69 Bn</b> 2021: Rs. 53 Bn	<b>Total Policies</b> <b>2022: 2.3 Mn</b> 2021: 2.1 Mn
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### Sector Wise Premium Distribution



### Premium Distribution

2021		2022	
Conventional	Takaful	Conventional	Takaful
Rs. 124 Bn	Rs. 16 Bn	Rs. 157 Bn	Rs. 21 Bn

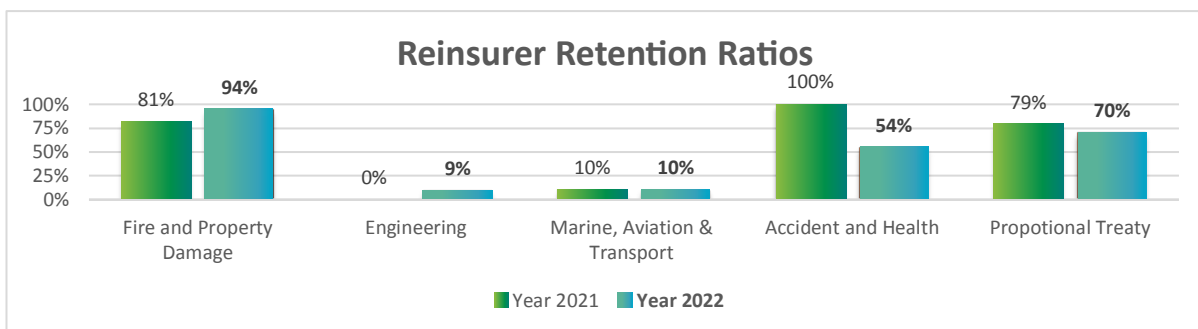
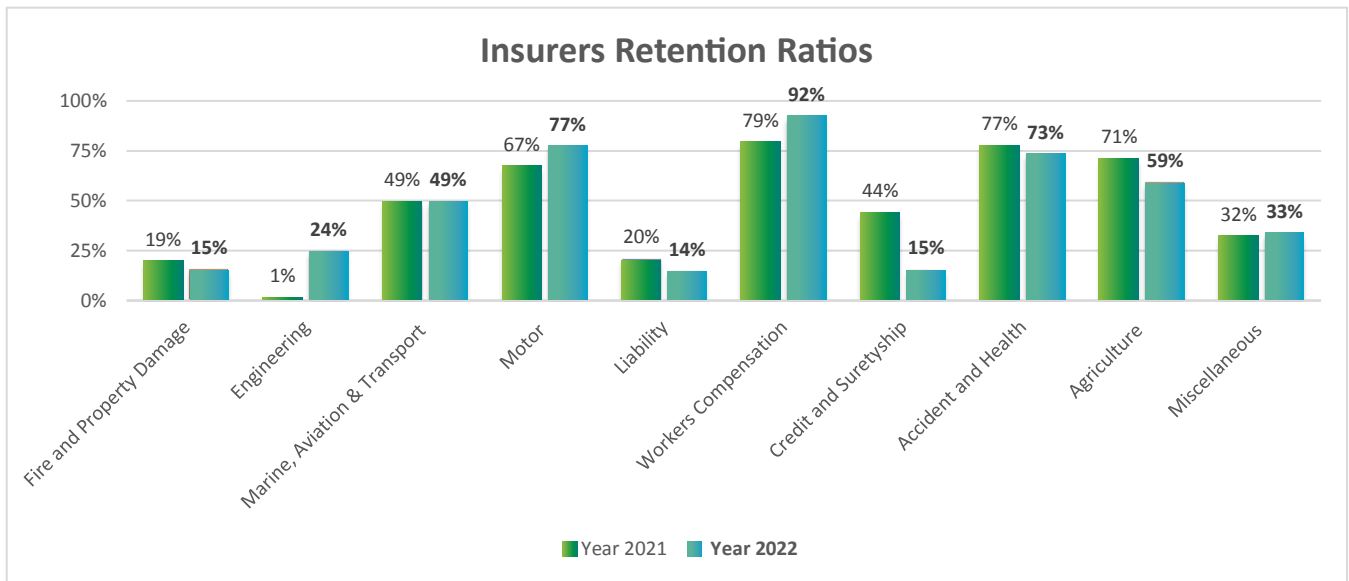
**Other Key Information 2022**

- 54% of local premium comes from Sindh
- 52% of total premium comes through agent sales force
- 1.64% of total premium comes through digital channel
- Premium constitutes 32% of total insurance industry premium
- Premium band: "0 - 50,000" 81% policies fall

# NON-LIFE INSURANCE / GENERAL WINDOW TAKAFUL OPERATORS

## RETENTION RATIOS

Industry retention ratios are calculated as the ratio of Net Insurance Premium to Gross Written Premium.



## OTHER INFORMATION

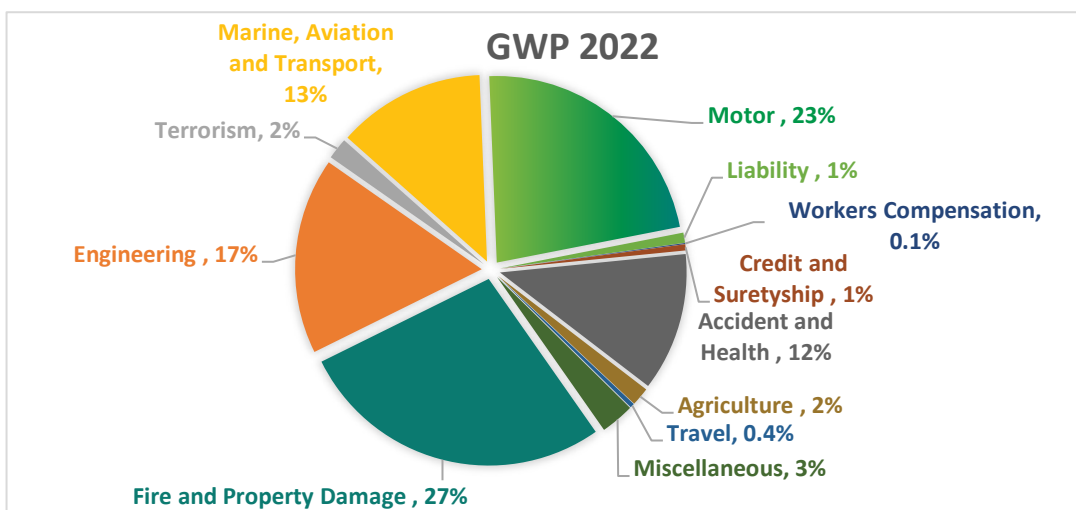
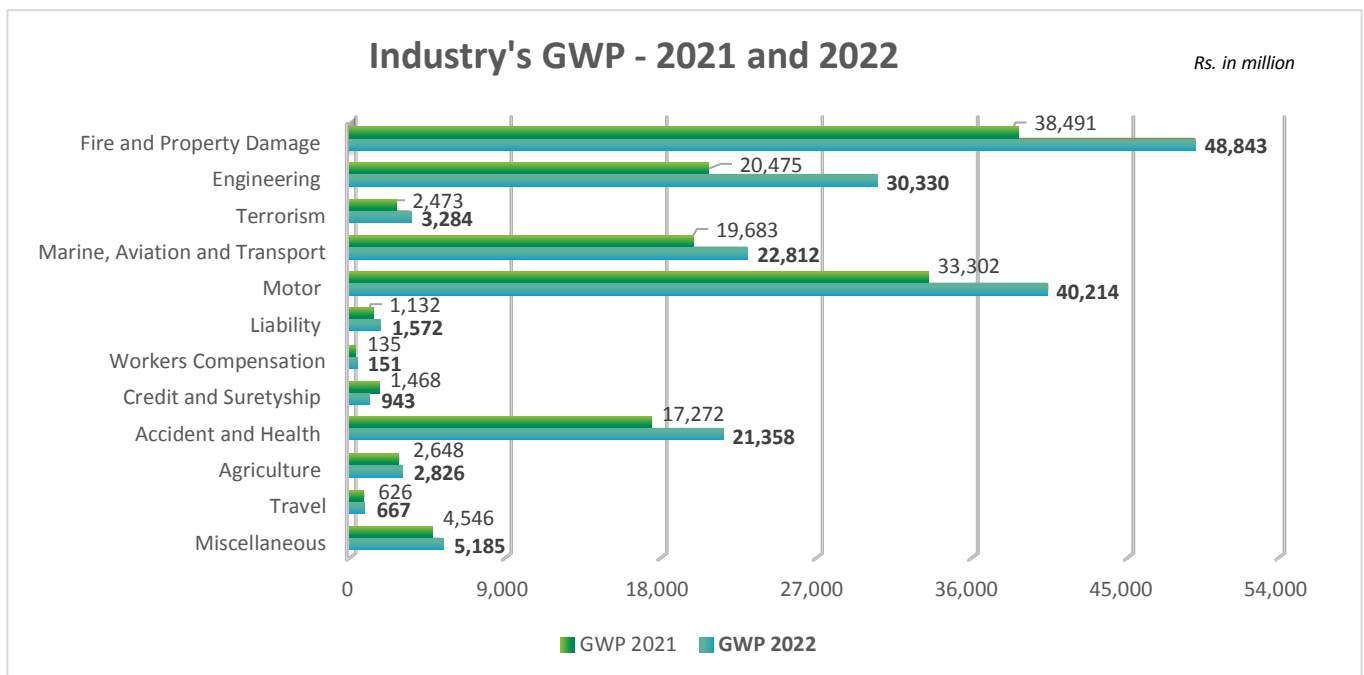
### Motor Insurance Status

Registered Vehicles = **30 Million**  
 Insured Vehicles = **0.9 Million**  
 Insured percentage = **3%**

# NON-LIFE INSURANCE / GENERAL WINDOW TAKAFUL OPERATORS

## GROSS WRITTEN PREMIUM CATEGORY WISE DISTRIBUTION

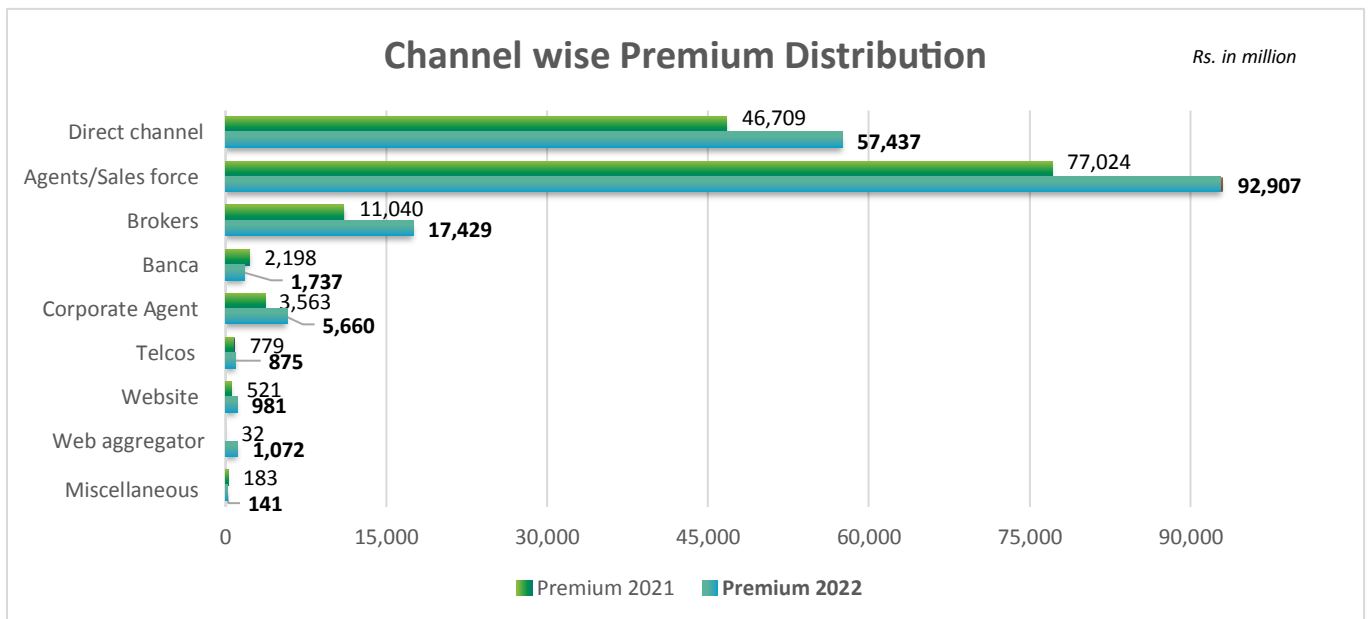
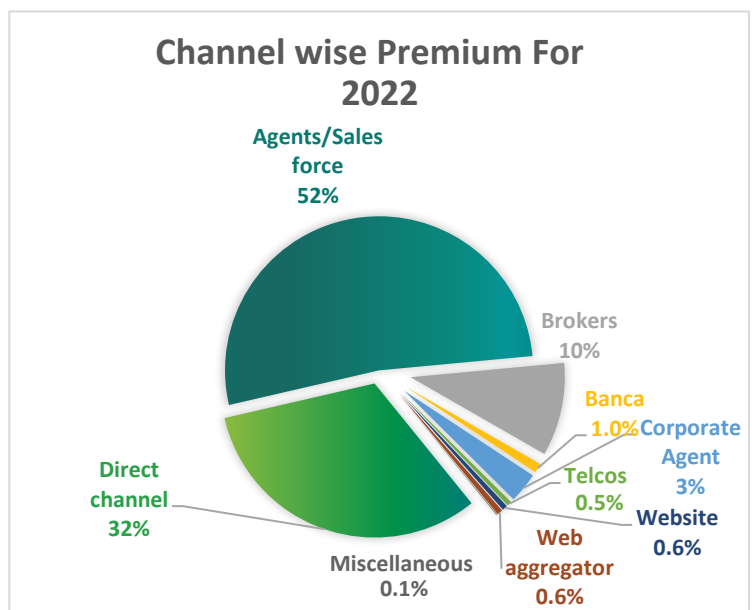
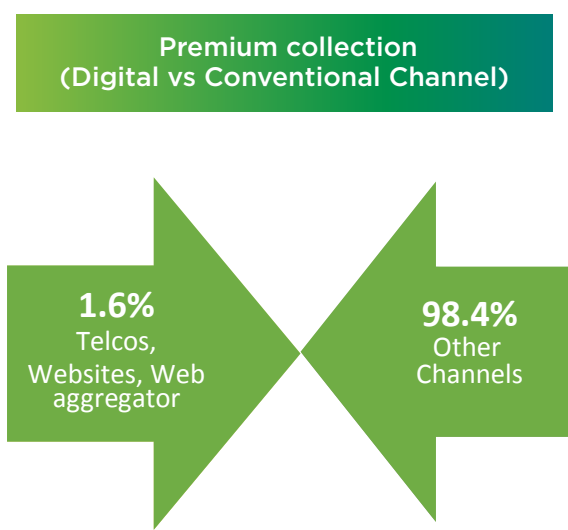
In terms of Gross Written Premium (GWP), Pakistan's non-life insurance industry has a total size of Rs. 178 billion in the year 2022 compared to Rs. 140 billion in the year 2021, exhibiting growth of 27%. Premium written in the category of Fire and property damage was highest at 27% of total premium amounting to Rs. 49 billion followed by motor insurance at 23% (Rs. 40 billion) and Engineering at 17% (Rs. 30 billion). Dedicated personal lines of non-life insurance business (Home & Household contents, individual health and travel) constituted only 1% of the total premium in 2022.



# NON-LIFE INSURANCE / GENERAL WINDOW TAKAFUL OPERATORS

## GROSS WRITTEN PREMIUM CHANNEL WISE DISTRIBUTION

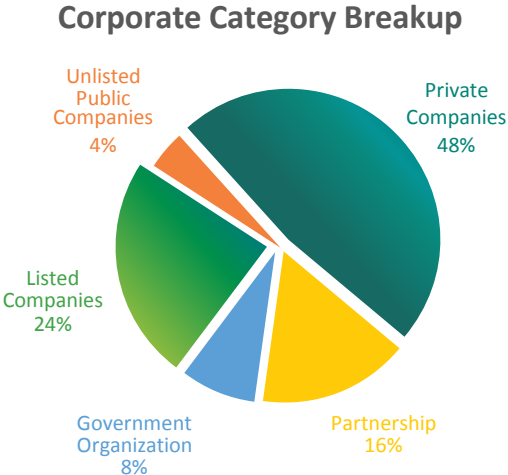
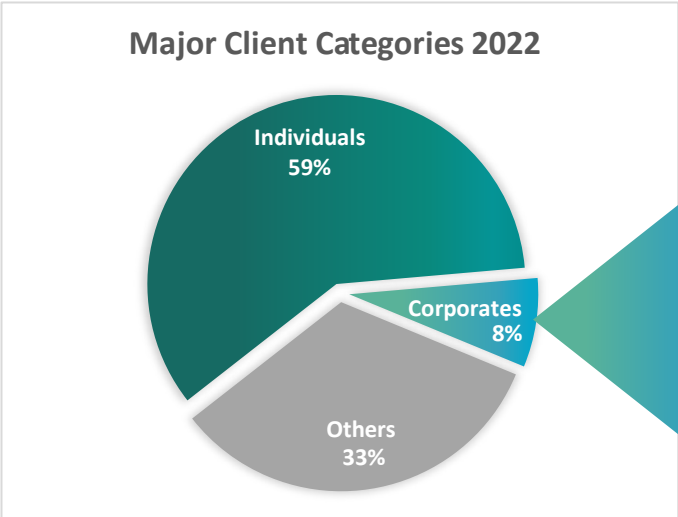
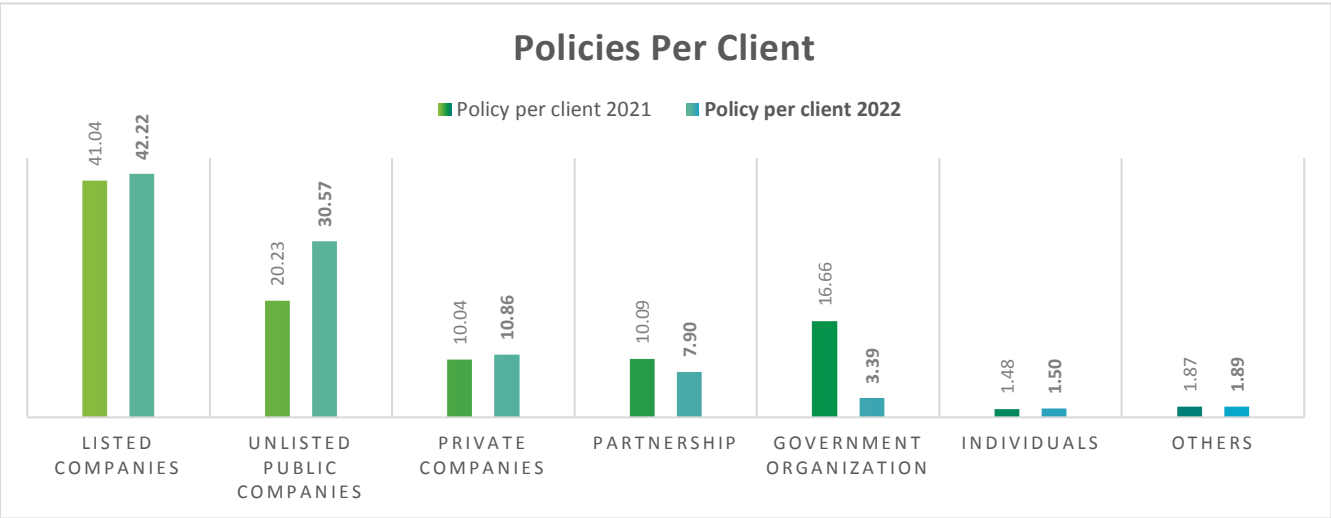
Similar to the year 2021, agency / sales force channel and direct channel remained the primary distribution channels of non-life insurance industry in the year 2022 being source of 84% of total premium written.



# NON-LIFE INSURANCE / GENERAL WINDOW TAKAFUL OPERATORS

## POLICYHOLDER WISE DISTRIBUTION

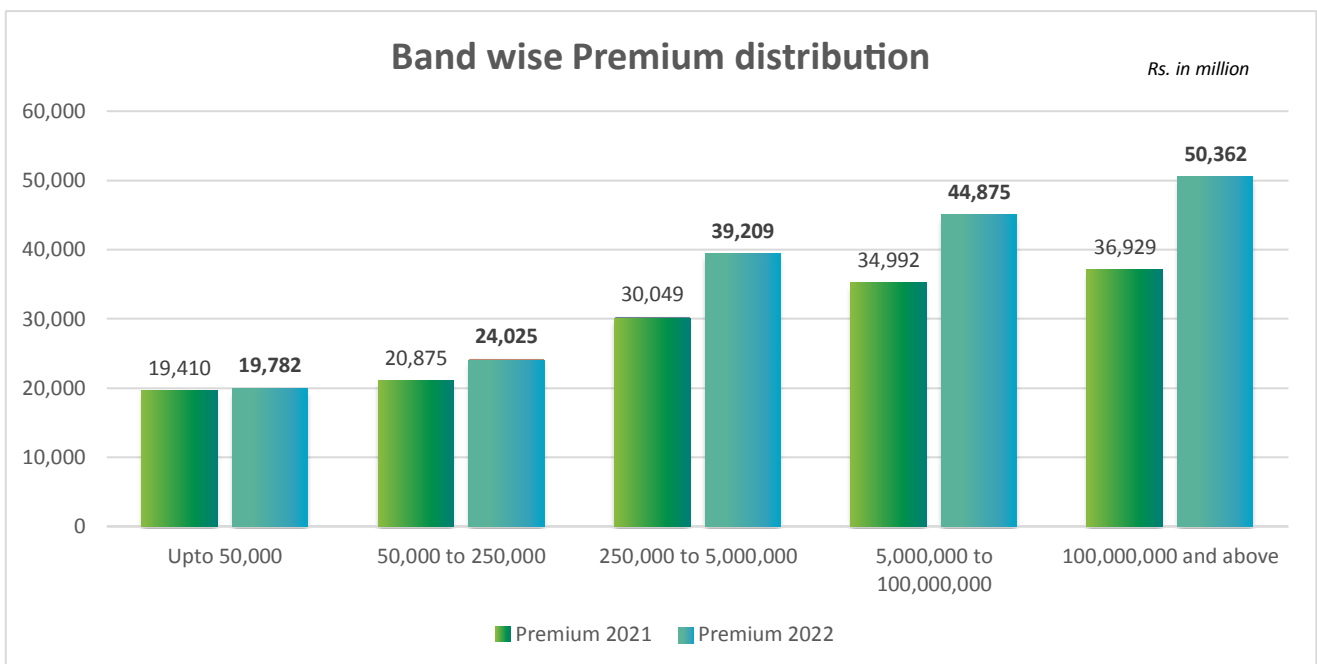
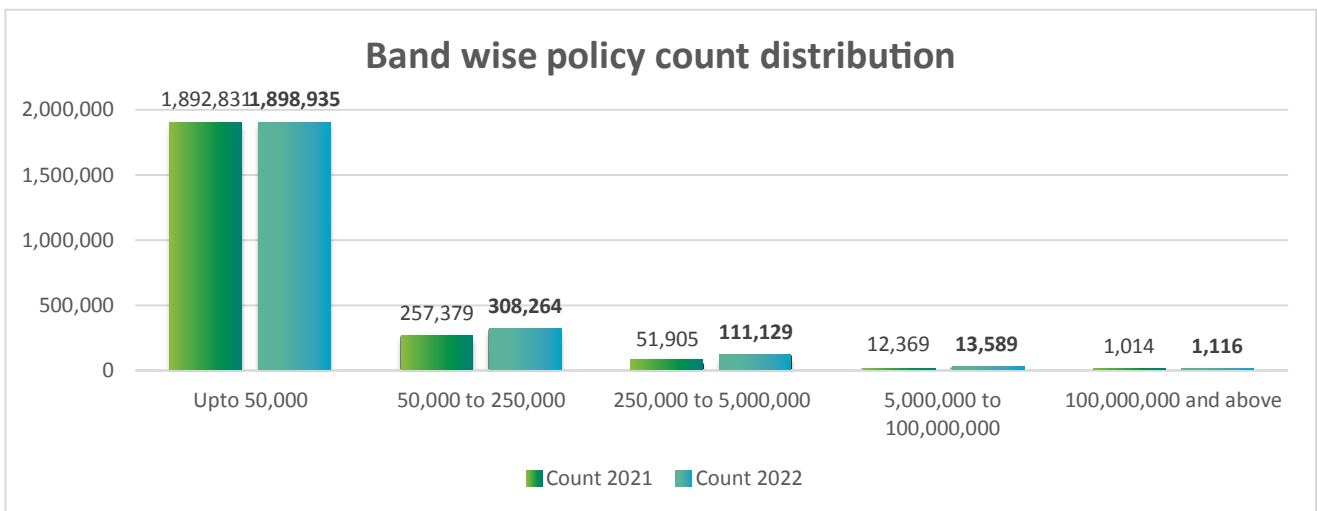
In 2022, highest no. of clients of non-life insurance companies were from the category of 'individuals' at 0.48 million. Individual category of clients also held maximum no. of policies. However, when the same is viewed in the context of polices / client category, category of listed companies topped the list at 42 followed by the category of unlisted public companies at 30.



# NON-LIFE INSURANCE / GENERAL WINDOW TAKAFUL OPERATORS

## PREMIUM BAND WISE POLICY COUNT AND PREMIUM

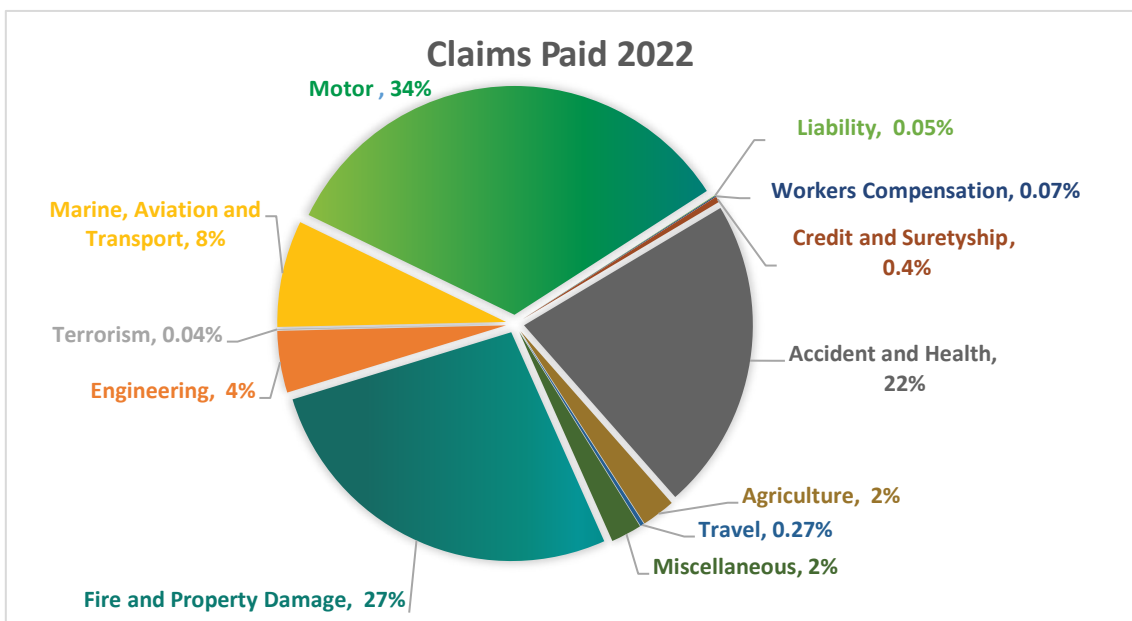
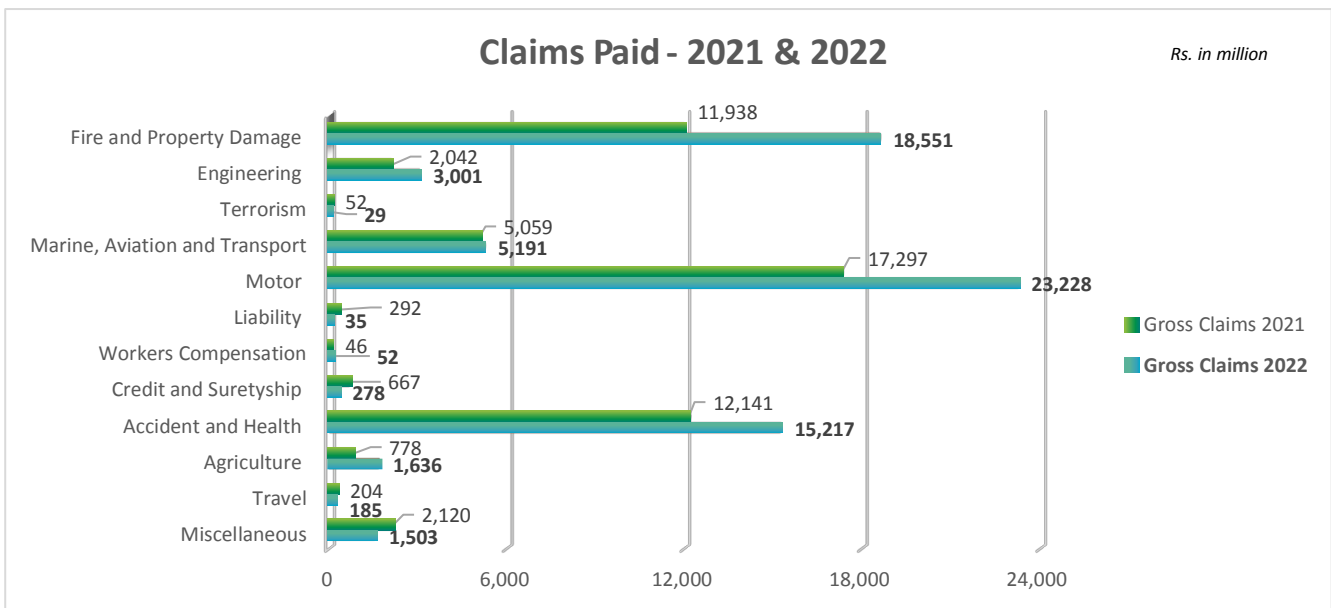
Total policy count as at 2022 stood at 2.3 million policies with 81% of the total policies written in the premium band of “0 – Rs 50,000” being highest in number when compared with policies written in other premium bands. Whereas policies falling in the premium band of “Rs 100,000,000 and above”, being only 0.05% of total policies issued, were a source of 28% of the total premium, being highest in terms of premium written, when compared with other premium bands.



# NON-LIFE INSURANCE / GENERAL WINDOW TAKAFUL OPERATORS

## CLAIMS PAID

Claims paid by non-life insurance industry stood at Rs 69 billion in the year 2022 compared to Rs 53 billion last year. Highest claims were paid in the category of Motor insurance at 34% (Rs 23 billion), followed by Fire and property damage at 27% (Rs 18 billion).

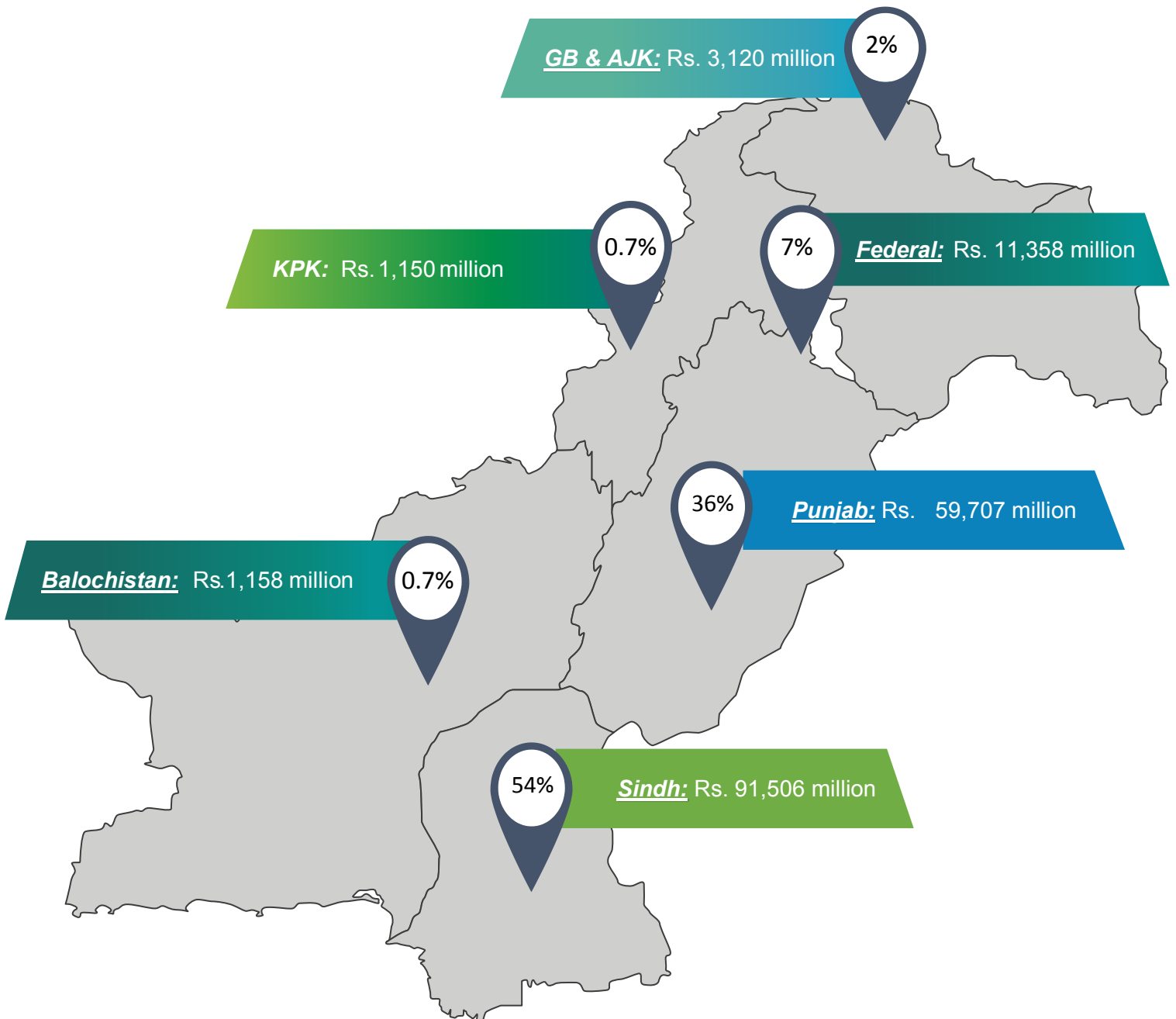




# NON-LIFE INSURANCE / GENERAL WINDOW TAKAFUL OPERATORS

## PROVINCE WISE PREMIUM DISTRIBUTION

Out of the total gross premium of non-life insurance industry for the year 2022, 54% of the gross premium pertained to the province of Sindh followed by Punjab at 36% and Federal at 7%.



# **KEY FINANCIAL STATISTICS**



## LIFE INSURANCE / FAMILY TAKAFUL

	2021 (Rs.)	2022 (Rs.)	% change
<b>Total Assets</b>	1,846,043,685,050	2,103,015,446,952	14%
<b>Investments</b>	1,442,329,285,000	1,680,161,237,044	16%
Equity securities	203,012,033,578	142,523,824,463	-30%
Government / Debt securities	1,138,169,071,214	1,468,457,165,162	29%
Term deposits	55,420,379,000	25,429,429,000	-54%
Mutual funds	45,656,479,241	43,625,501,086	-4%
Commercial papers	71,321,967	137,614,333	93%
<b>Equity</b>	43,051,453,874	56,560,807,147	31%
<b>Profit before tax</b>	13,537,267,247	27,330,404,688	102%
<b>Profit after tax</b>	9,461,541,899	17,628,158,187	86%
<b>Gross Premium</b>	290,466,211,260	372,075,907,483	28%
<b>Reinsurance Premium ceded</b>	5,161,251,981	5,703,251,005	11%
<b>Gross claims</b>	186,554,718,545	274,979,336,566	47%
<b>Claims paid</b>	164,794,854,980	206,961,260,924	26%

**Note** - Data of 'Postal Life Insurance Company' is not included in this table due to non-availability of audited financial statements

# NON-LIFE INSURANCE / GENERAL TAKAFUL

	2021 (Rs.)	2022 (Rs.)	% change
<b>Total Assets</b>	268,384,561,913	317,949,705,235	18%
<b>Investments</b>	114,991,491,123	114,150,325,540	-1%
Equity securities	61,869,194,315	52,720,069,358	-15%
Government / Debt securities	37,249,905,971	47,562,440,404	28%
Term deposits	15,594,981,930	13,595,467,241	-13%
Mutual funds	162,241,907	272,348,537	68%
Commercial papers	115,167,000	-	-100%
<b>Equity</b>	113,348,892,084	113,158,060,104	0%
<b>Profit before tax</b>	18,895,763,835	17,695,096,330	-6%
<b>Profit after tax</b>	13,461,104,955	11,988,859,797	-11%
<b>Written Gross Premium</b>	120,386,197,870	154,368,505,716	28%
<b>Reinsurance expense</b>	55,631,419,367	65,970,073,137	19%
<b>Claims paid</b>	51,334,038,684	66,921,482,012	30%
<b>Claims expense</b>	52,952,054,811	91,001,479,524	72%

**Note** - Data of 'National Insurance Company Limited' and 'The Cooperative Insurance Society of Pakistan' is not included in this table due to non-availability of audited financial statements



## DISCLAIMER

Information contained in the publication is compiled using data provided by the companies in the formats specified in the Circular no. 31 of 2021 dated November 9, 2021. Figures are rounded off, as deemed appropriate.

We believe that the information provided by the companies was complete, accurate, true and correct to the best of their knowledge. However, we do not take any responsibility in respect of the completeness and accuracy of the submitted data.

The contents of this publication are not directed at any person in any jurisdiction where any such publication by the Commission is prohibited.

All information contained in this publication is intended for insurance industry stakeholders having reasonable knowledge of the products, channels, norms and related terms used in the industry.

Neither information nor any opinion expressed in this publication constitutes a solicitation, an offer or a recommendation to buy, sell or dispose of any insurance policy, to engage in any such transaction or to provide any insurance related advice or service.

Commission will not be liable for any loss or damage that may result from use of the information contained in this publication.

## DATA SPECIFIC CAVEATS

On account of restatements in financial statements / rectification of data of / by certain insurers, data for the year 2021 may vary from last year's reported figures.

In the section of life insurance industry, Impact of experience refunds amounting to Rs 42.8 billion (2021: 8.7 billion) is not accounted for in the data showing breakup of premium.

In the section of non - life insurance industry (policyholder wise distribution), there may be duplication in no. of clients i.e. a client of a category can be client of multiple insurance companies.

For insurance penetration, GDP is from the table [https://www.sbp.org.pk/ecodata/GDP\\_table.pdf](https://www.sbp.org.pk/ecodata/GDP_table.pdf), at constant basic prices of 2015-16 & includes premium of insurers and reinsurer.

For insurance density, results of Sixth Population Census & Housing Census 2017 are used & includes premium of insurers and reinsurer.

In respect of data relating to no. of policies, individual policies issued through intermediaries are generally reported as a single policy.

Data related to Pakistan Reinsurance Company Limited has not been included in this publication, unless specified.

# LIST OF COMPANIES THAT SUBMITTED DATA

## Non Life Insurers/ General Takaful Operators

01	Adamjee Insurance Company Limited	16	National Insurance Company Limited
02	Alfalah Insurance Company Limited	17	Pak Qatar General Takaful Limited
03	EFU Health Insurance Limited	18	Premier Insurance Limited
04	Alpha Insurance Company Limited	19	Reliance Insurance Company Limited
05	Asia Insurance Company Limited	20	Security General Insurance Company Limited
06	Askari General Insurance Company Limited	21	ShaheenInsurance Company Limited
07	Atlas Insurance Limited	22	Sindh Insurance Limited
08	Century Insurance Company Limited	23	Salaam Takaful Limited
09	Chubb Insurance Pakistan Limited	24	The Co-Operative Insurance Society
10	Crescent Star Insurance Company Limited	25	The United Insurance Company of Pakistan Limited
11	EFU General Insurance Limited	26	The Universal Insurance Company Limited
12	East West Insurance Co, Limited	27	TPL Insurance Limited
13	Habib Insurance Company Limited	28	Trafco Insurance Company Limited
14	IGI General Insurance Limited	29	UBL Insurers Limited
15	Jubilee General Insurance Company Limited		

## Life Insurers/ Family Takaful Operators

01	Adamjee Life Assurance Company Limited
02	Askari Life Assurance Company Limited
03	Dawood Family Takaful Limited
04	EFU Life Assurance Company Limited
05	IGI Life Insurance Limited
06	Jubilee Life Insurance Company Limited
07	Pak-Qatar Family Takaful Limited
08	Postal Life Insurance Company Limited
09	State Life Insurance Corporation of Pakistan
10	TPL Life Insurance Limited
11	5th Pillar Family Takaful Limited



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