

Research Title: The role of insurance companies on economic development

Case study: Nile International Insurance Co.ltd- Juba, South Sudan

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ABSTRACT:

*This study is focuses on the role of insurance companies on economic development. The aim of this research is to know the services that provided by insurance companies in South Sudan. The researcher collected data by using questionnaire and data analysis conducted using statistical package for social science (SPSS). **Key finding:** the study revealed that the insurance companies play vital role in economic development in South Sudan, most of insurance companies are generating revenue from premium, insurance industry plays great role in increasing GDP, payment of claims is one of most important things for insurance company, insurance companies are financial institution, insurance companies in South Sudan are operating without insurance Act, in South Sudan insurance companies are operating without regulatory authority ,insurance increases employment in economy.*

***Recommendations:** The researcher recommends that the legislative Assembly should pass an insurance bill for insurance companies operations, the government should establish the insurance regulatory authority for insurance industry in country, the insurance companies should have reinsurance arrangement with international reinsurance companies .the government should reduce taxes imposed on insurance companies, the insurance companies should aware public about importance of insurance, the insurance companies should pay the claims on time, government should provide insurance companies with hard currency for reinsurance.*

KEYWORDS: Insurance, Risk, Peril, Hazard, Economic Development.

BACKGROUND OF THE STUDY:

Insurance protects against the financial risks that are present at all stage of people's live and business. Purchasing insurance is the most common risk transfer mechanism for the majority of people and organization. Insurance organization play a vital role in the economy. They protect individuals and businesses from financial loss. Money received as premium is invested in the economy.

History insurance in the world: in the ancient world, the first forms of insurance were recorded by the Babylonian and Chinese traders. Around 600 BC.Romans formed the first types of life insurance and health insurance with their benevolent societies which cared for the families of deceased members, as well as paying funeral expenses of members the Jewish Talmud also deals with several aspects of insuring goods before insurance was established in the late 17th century, 'friendly societies' existed in England in the which people donated amounts of money to a general sum that could be used for emergencies. The first documented insurance policy was in 1347. The first book printed on the subject of insurance was penned by Pedro de Santarem and the literature was published in 1552.Modern insurance can be traced back to the City's great fire of London, which occurred in 1666.after it destroyed more than 30,000 homes, a man called Nicholas.Barbon started a building insurance business. He later introduced the city's first fire insurance company. In U.S, history, the first insurance company was in South Carolina and started in 1732 to provide fire coverage .Benjamin Franklin started a company in the 1750s

Risk is a term that we use to refer to the chance of suffering a loss as a result of uncertain events, Risk is a situation involving exposure to danger or Risk defined as the chance of loss, the possibility of loss, or A Risk refers to a situation where there is possibility of a loss. Classification of Risk or Types of Risks: Financial, Non-financial risks, Individual and Groups, Pure and Speculative risks, Static and Dynamic risks. Or a peril is defined as the cause of the loss, A peril refers to the cause of loss or the contingency that may cause a loss. Hazard is a condition that creates or increases the chance. Or are condition that increase either the frequency or the severity of losses. Or Hazards are conditions affecting perils. Hazards can be classified as follows, a Physical Hazards and Intangible Hazards. Risk Management: is an essential element of modern business administration. Or Risk Management is the process of protecting one's person and assets.

Steps of the Risk Management Process there are five steps of the risk management process, Identify the risk, Analyze the risk, Evaluate the risk, treat the risk, Monitor and Review the risk.

Insurance is an issue courts dealt with for decades. According to prof. Mehr &Cammack, Insurance is a device for reducing risk by combining a sufficient number of exposure units to make their individual losses collectively predictable.

Thomas Plummer & Lee MC Donald, 2019. Best's Guide to Understanding the Insurance Industry, Published by AM Best Company, Inc.
[.https://www.clearyinsurance.com](https://www.clearyinsurance.com),<https://www.wsrinsurance.com>, by White Thompson 13 sept 2021.
<https://cpb-us-w2.wpubcdn.com/files/2013/12>,<https://www.policyholder.gov.in>. George E.Rejda, 2008, principles of Risk Management and Insurance Tenth Edition, Published by Pearson Addison Wisely Education Inc. Mark .S. Dorfman .1998, Introduction to Risk Management and EmmettJ.Vaughan&Teresa Vaughan, 2008.Fundamental of Risk and Insurance, published by,John Wisley&Sons ,Inc.Dr.P.K.Gupta.2016,Essentials of Insurance and Risk Management, published by Himalaya Publishing House. Insurance Sixth Edition, published by prentice Hall International Inc, <HTTPS://www.360fctors.com>.
 Rob Thoys , 2010, Insurance Theory and Practice published by Routledge.
[.https://www.nios.ac.in/media/documents.vocinsservices/m2-f2](https://www.nios.ac.in/media/documents.vocinsservices/m2-f2) introduction to Insurance.

According to Ghosh and Agarwal insurance is a cooperative form of distributing a certain risk over a group of person who are expressed.

According to prof. D.S.Hansell, Insurance is "A Social device providing financial compensation for the effects of misfortune, the payments being made from the accumulated contributions of all parties participating in the scheme"

According to Mowbray and Blan Chard, Insurance is a Social device for eliminating or reducing the cost to society of certain types of risk.

According to Allen Z. Mayerson, Insurance is a device for the transfer to an insurer certain risk of economic loss that would otherwise come to the insured.

According to Abdullah Alyausuf Khan, insurance is defined as a cooperation device to spread the loss caused by a particular risk over a number of persons who are exposed to it and who agree to ensure themselves against that risk. Insurance is a means of protection from financial loss.or insurance is the means of protecting against unexpected loss.

In simple words, Insurance is a contract, a legal agreement between two parties, i.e the individual named insured and the insurance company called insurer.

The Commission of Insurance Terminology of American Risk and Insurance Association has defined insurance as follows: Insurance is the pooling of fortuitous losses by transfer of such risks to insurer, who agree to indemnity insured for such losses, to provide other pecuniary benefits on their occurrence , or to render services connected with the risk.

Importance of insurance: there are seven importance of insurance as follows:

- Insurance keeps commerce moving.
- Lenders require insurance.
- Insurance is compulsory in some state.
- Insurance grants peace of mind.
- Insurance ensures family and business stability.
- Insurance protects the small guys.
- Insurance is right thing to do.

Principles of insurance: insurance has seven principles as follows:

Utmost Good Faith, Proximate Cause, Insurable Interest, Indemnity, Subrogation, Contribution,and Loss Minimization.

[.https://en.m.wikipedia.org](https://en.m.wikipedia.org).

Abdullah Alyausuf Khan, Principles Insurance and Practice

<https://www.commercialnotes.org/definition>.[https://www.accountlearning.com/ history of insurance](https://www.accountlearning.com/history-of-insurance).

Laurence Crame, Gene Gantz, Steve Isaacs, Dougjose, Rod Sharp, 2013, Introduction to Risk Management. Published by Extension Risk management Education

<https://www.hni.com/blog/bid>.

George E. Rejda, 2005, Principles of Risk Management and Insurance, published by Pearson Education,Inc.[https://byjus.com/govt-exam/principle of insurance](https://byjus.com/govt-exam/principle-of-insurance).

Types of insurance: insurance is divided into public and private ,also is divide into Life and General insurance, general insurance include; Motor(Automobile)or Auto insurance ,Home insurance, Fire insurance, Liability insurance, Engineering insurance, Marine insurance.

Insurance companies operations: the most important insurance company operations consist of the following: Rating making, Underwriting, Production, Claim settlement, Reinsurance.

South Sudan Insurance Industry: insurance companies in South Sudan plays a vital role in economic development of the country. The insurance industry in South Sudan consists of eighty Four insurance companies operating in the country, eight of them are foreigners' insurance companies and four insurance Agency. And the insurance market in South Sudan monopolized by foreigners' insurance companies. (South Sudan insurance Association).

Economic development: is the something can be learned, it consists in using the conceptual and statistical tools of economics analysis to address the major economic development problems of our time.

According to Todaro and Smith, Economic Development can be defined a process of goal leading to a life of dignity for people in relationship to the overall context of their community and environment that sustains them as a means of poverty alleviation.

Development Economic or Economics Development is a branch of economics that focuses on improving fiscal, economic, and social condition in developing countries. Or Economic Development is a critical component that drives economic growth in our economy, creating high wage jobs, and facilitating as improved quality of life.

These are top six reasons why economic development plays a critical role in any region;s economy: Job Creation, Industry diversification ,Business retention and expansion, Economy fortification , Increased tax revenue ,and improved quality of life.

Economic development or development economics considers factors such as health, education, working conditions, domestic and international policies, and market conditions with a focuses on improving conditions in the world's poorest countries.

<https://www.sayordotorg.github.io>,<https://www.acko.com>

<https://www.ia.org.hk/en/supervision/reg-ins>.

Mary Anne Fireneno,. 2010, Insurance Handbook, Aguide to insurance,publication insurance information institute-Newyork,Ny100038.

Marya Sholevar. 2014.

Alain De Janvry & Elisabeth Sadoulet, 2016.published by Routledge Taylor& Francis Group.

Prof, Michael P.Todaro& Stephen C.Smith.2015. Published by Pearson Education Inc.

<https://www.news.orlando.org.by> Amanda Roche,May 7,2018.

Statement of problem:

The study is to find out the role of insurance companies on economic development in South Sudan. The key challenges facing the insurance industry in south Sudan insecurity, companies are operating without bill and market are monopolized by foreigners' insurance companies. This study therefore sought to fill this gap by answering the following research questions:

What is the role of insurance companies on economic development?

What are the services provided by insurance companies in South Sudan?

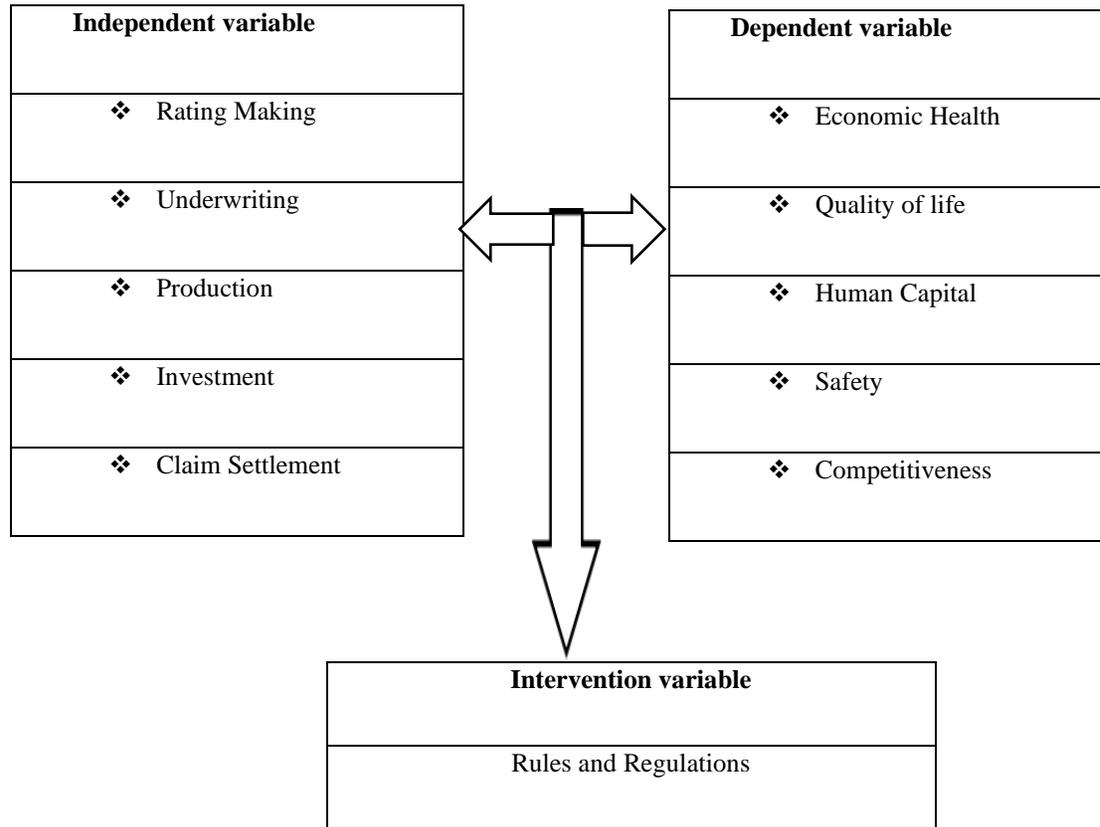
Objectives of the Study:

- 1) To analyze the role of insurance companies on economic development in South Sudan.
- 2) To find out the insurance services provided by insurance companies to the public.
- 3) To create the importance of insurance awareness to the public.

Research Questions:

- 1) What is the role of insurance companies on economic development in South Sudan?
- 2) What are the insurance services provided by insurance companies to the public?
- 3) How can insurance company create insurance awareness to the public?

CONCEPTUAL FRAMEWORK:



Significant of the study: the study the will help government, insurance association and the policy makers, also will make huge contribution to insurance industry in South Sudan and development of the country economy.

RESULTS AND DISCUSSIONS

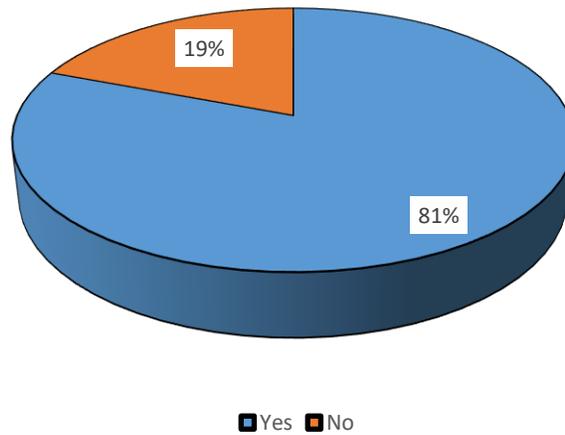
4.1. Introduction.

In this chapter the results obtained will displayed in Tabular and chart forms the results will be discussed. This chapter will presents the demographic characteristic of the respondents; gender, age, marital status, work experience, educational level. The chapter will presents the opinion of respondent on role play by Insurance Industry in South Sudan economy development. Opinion the challenges face by insurance industry in South Sudan will.

Table 4.1; What is your gender

| Gender | Frequency | Percent | Cumulative Percent |
|--------|-----------|---------|--------------------|
| Male | 18 | 69.2 | 69.2 |
| Female | 8 | 30.8 | 100.0 |
| Total | 26 | 100.0 | |

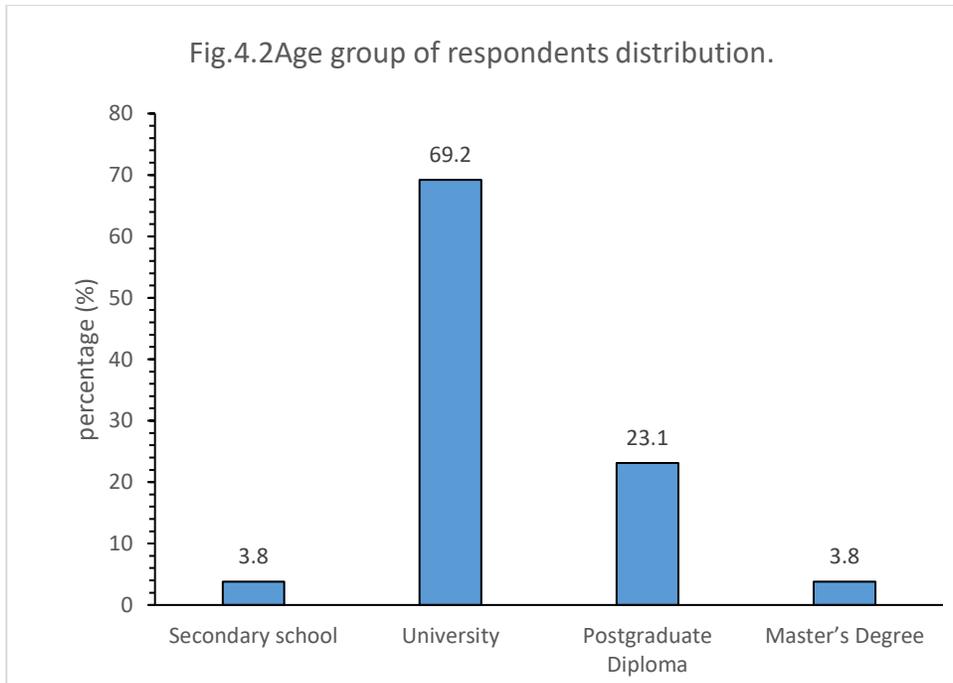
Fig. 4.16: Money laundering decreases the financial stability



As can be noted from the Table 4.1, the majority of the respondents were Male (69.2%) and the Female accounted for 30.8% only. This results implies there disparity in gender as regard the employment.

Table 4.2: Age group

| Age group | Frequency | Percent | Cumulative Percent |
|---------------|-----------|---------|--------------------|
| .20-30 years | 8 | 30.8 | 30.8 |
| .31- 40years | 12 | 46.2 | 76.9 |
| .41- 50 years | 5 | 19.2 | 96.2 |
| above 60 year | 1 | 3.8 | 100.0 |
| Total | 26 | 100.0 | |



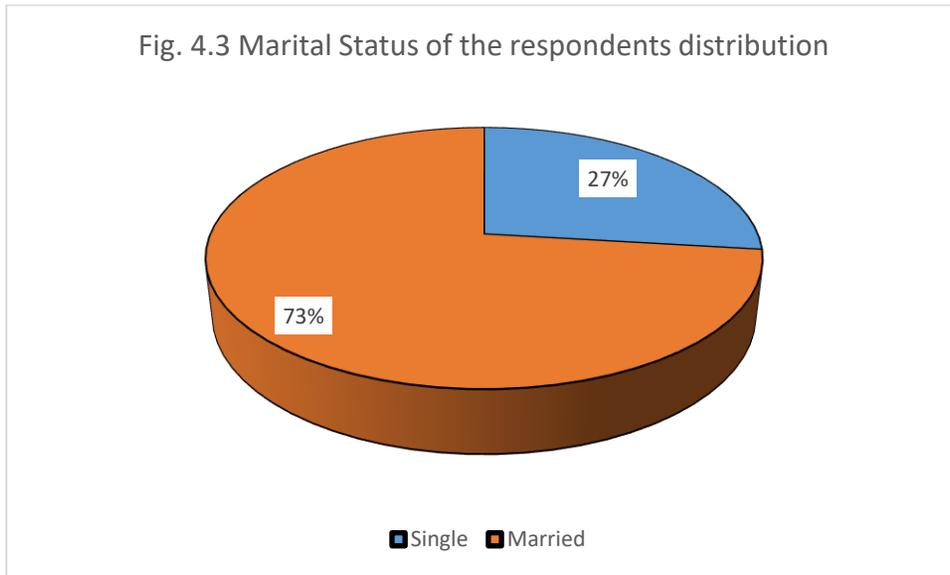
4.2. Age Group

As can be noted from the Table 4.2 above, the majority of respondents (46.2%) were in age range of 31-40 years. This was followed by 30.8% represent those in the age range of 20 -30 years. Those in age range of 41-50 years were 19.2% above 51 years, were 3.8%. This result implies respondents were in their youth hood age, it means they are still economic productive.

Table 4.3: Marital Status

| Status | Frequency | Percent | Cumulative Percent |
|---------|-----------|---------|--------------------|
| Single | 7 | 26.9 | 26.9 |
| Married | 19 | 73.1 | 96.2 |
| Total | 26 | 100.0 | |

Fig. 4.3 Marital Status of the respondents distribution

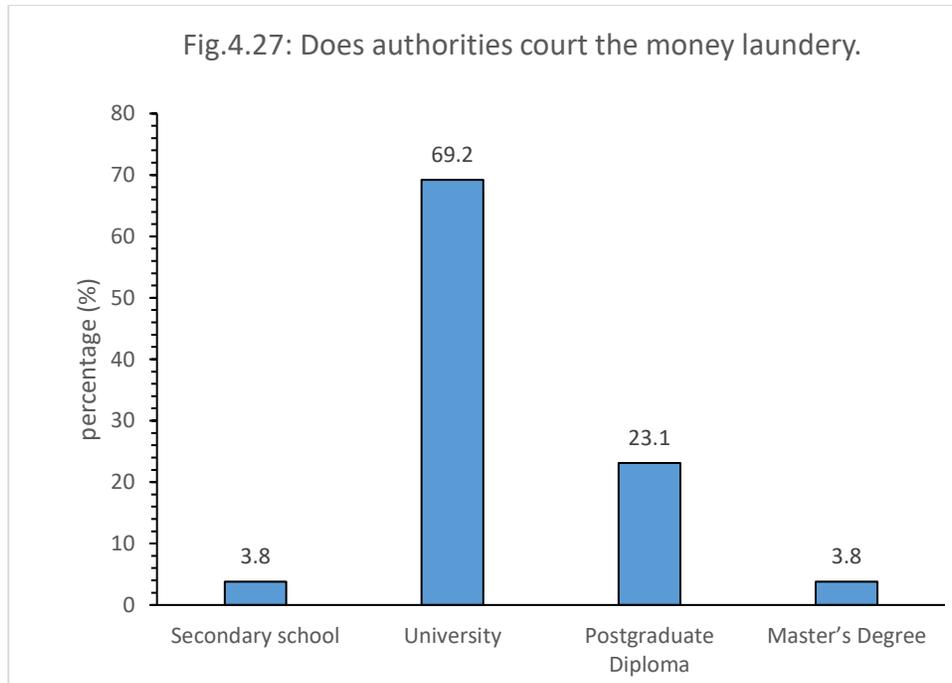


4.3. Marital status

As can be noted from the Table 4.3, the majority of the respondents were married (73.1%) and the single accounted for 26.9%. This results implies large number of respondents were married, this could be because they are working and have constant monthly income to sustain them economically..

Table 4.4: Education level

| Level | Frequency | Percent | Cumulative Percent |
|----------------------|-----------|---------|--------------------|
| Secondary school | 1 | 3.8 | 3.8 |
| University | 18 | 69.2 | 73.1 |
| Postgraduate Diploma | 6 | 23.1 | 96.2 |
| Master's Degree | 1 | 3.8 | 100.0 |
| Total | 26 | 100.0 | |

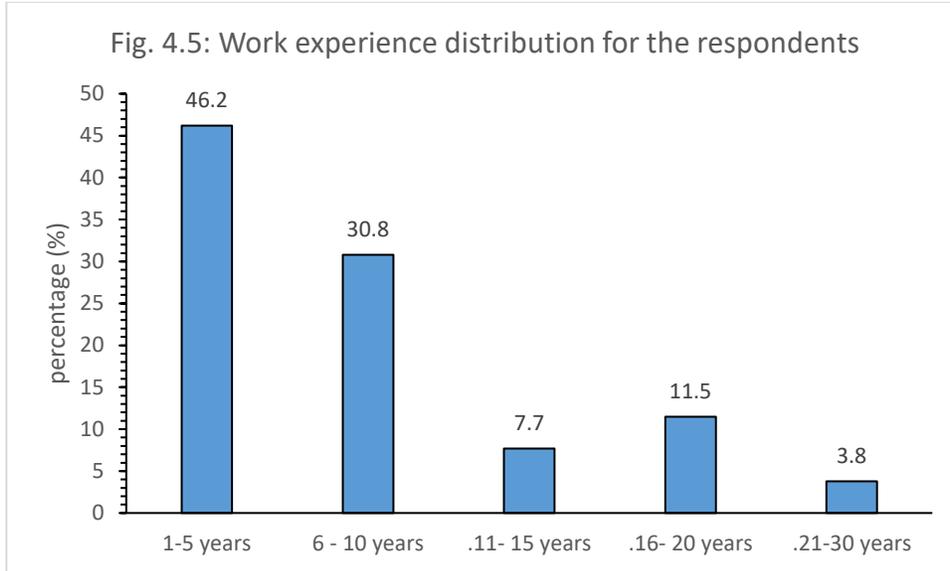


4.4. Educational Level

As can be noted from the Table 4.4, the majority of the respondents were Degree holders (69.2%) and the postgraduate Diploma holders accounted for 23.1% , those of masters Holders were 3.8% and lastly those who are Secondary certificate Holders were also 3.8%. This results implies the respondents were highly educated, therefore, their response are highly credible.

Table 4.5: Work experience

| Experience range | Frequency | Percent | Cumulative Percent |
|------------------|-----------|---------|--------------------|
| 1-5 years | 12 | 46.2 | 46.2 |
| 6 - 10 years | 8 | 30.8 | 76.9 |
| 11- 15 years | 2 | 7.7 | 84.6 |
| 16- 20 years | 3 | 11.5 | 96.2 |
| 21-30 years | 1 | 3.8 | 100.0 |
| Total | 26 | 100.0 | |

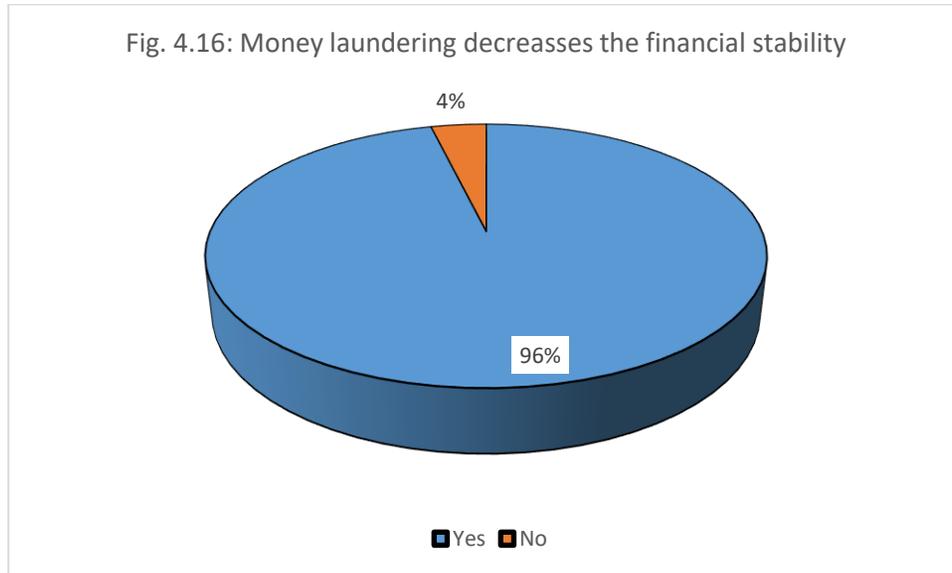


4.5. Work experience

As can be noted from the Table 4.5 above, the majority of respondents (46.2%) were in experience range of 1-5 years. This was followed by 30.8% represent those in the experience range of 6-10 years. Those in experience range of 11-15 years were 7.7% and those in age range of 16-20 years were 11.5%. Those with experience years of 21-30 years were 3.8%. This result implies that about 53.8% of respondents have experience of more than 5 years. This is a good indication that they are well informed with their jobs requirements.

Table 4.6: Insurance industry has significant impact on the country economy.

| Response | Frequency | Percent | Cumulative Percent |
|----------|-----------|---------|--------------------|
| Yes | 25 | 96.2 | 96.2 |
| No | 1 | 3.8 | 100.0 |
| Total | 26 | 100.0 | |

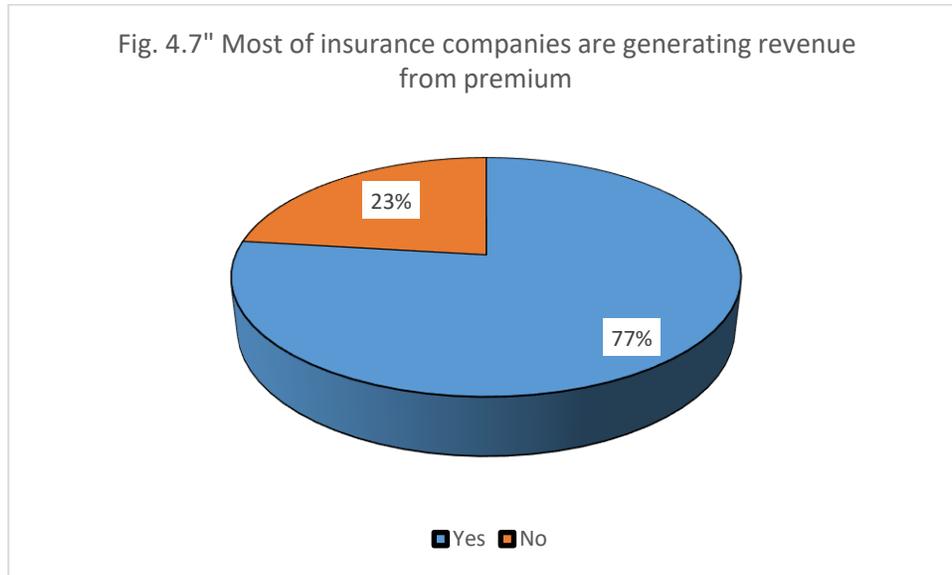


4.6. Insurance industry has significant impact on the country economy

As can be noted from Table 4.6 above, overwhelming majority 96.2% of the Respondents said Yes, Insurance industry has significant impact on the country economy. On the other hand, 3.8% only, said No Insurance industry has significant impact on the country economy. The result implies that The Insurance industry makes a significant impact on the overall economy by mobilizing domestic savings. Insurance also enables mitigation of losses, financial stability and promotes trade and commerce activities those results into sustainable economic growth and development

Table 4.7: Most of insurance companies are generating revenue from premium

| Response | Frequency | Percent | Cumulative Percent |
|----------|-----------|---------|--------------------|
| Yes | 20 | 76.9 | 76.9 |
| No | 6 | 23.1 | 100.0 |
| Total | 26 | 100.0 | |

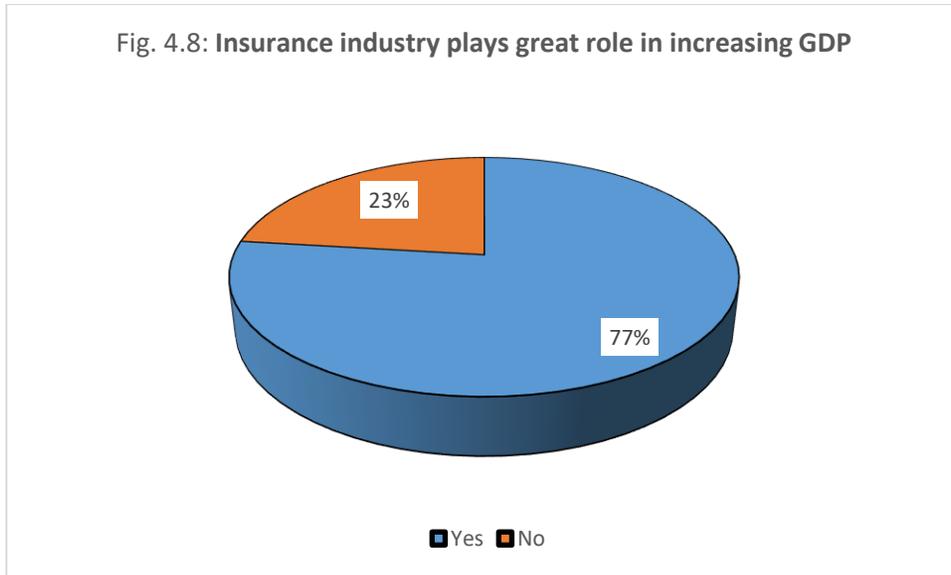


4.7. Most of insurance companies are generating revenue from premium

As can be noted from Table 4.7 above, overwhelming majority 76.9% of the Respondents said Yes, Most of insurance companies are generating revenue from premium. On the other hand, 23% , said No Most of insurance companies are not generated revenue from premium. The result implies that The Insurance Industry depends on the premium as there revenue because no other source of revenue.

Table 4.8: Insurance industry plays great role in increasing GDP

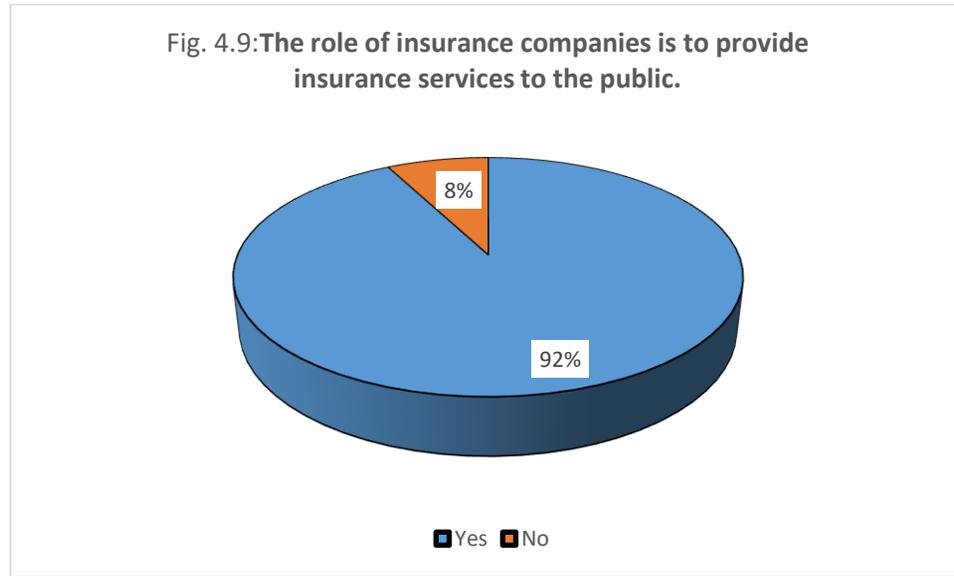
| Response | Frequency | Percent | Cumulative Percent |
|----------|-----------|---------|--------------------|
| Yes | 20 | 76.9 | 76.9 |
| No | 6 | 23.1 | 100.0 |
| Total | 26 | 100.0 | |



As can be noted from Table 4.8 above, overwhelming majority 76.9% of the Respondents said Yes, : Insurance industry plays great role in increasing GDP. On the other hand, 23% , said No, : Insurance industry do not plays great role in increasing GDP. The result implies that the insurance activity, both as a provider of risk transfer and indemnification and as an institutional investor, may contribute to economic growth in the following ways (i) promoting financial stability, (ii) facilitating trade and commerce (the most ancient insurance activity), (iii) mobilizing domestic savings.

Table 4.9: The role of insurance companies is to provide insurance services to the public.

| Response | Frequency | Percent | Cumulative Percent |
|----------|-----------|---------|--------------------|
| Yes | 24 | 92.3 | 92.3 |
| No | 2 | 7.7 | 100.0 |
| Total | 26 | 100.0 | |

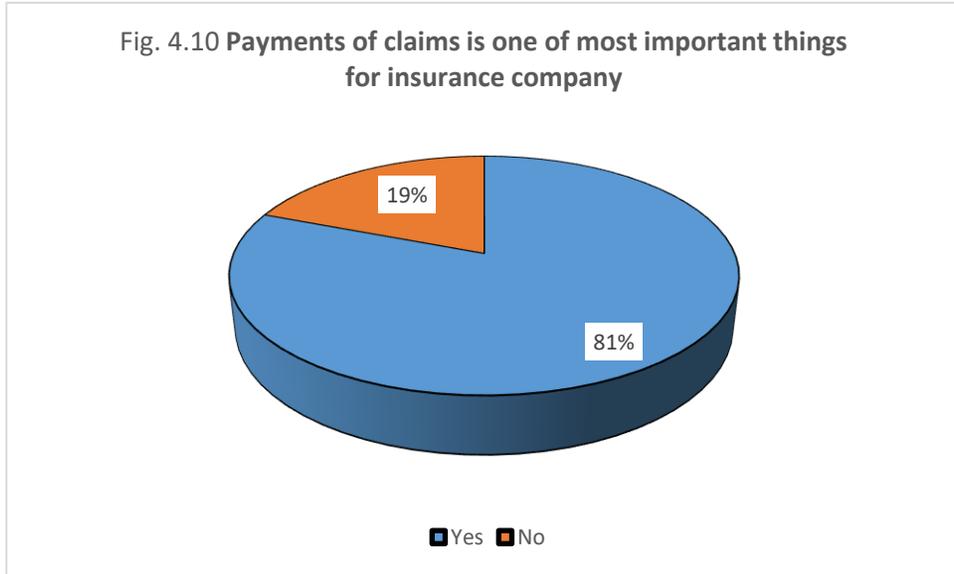


4.9: The role of insurance companies is to provide insurance services to the public.

As can be noted from Table 4.9 above, overwhelming majority 92.3% of the Respondents said Yes, The role of insurance companies is to provide insurance services to the public. On the other hand, 7.7%, said No, The role of insurance companies is not to provide insurance services to the public. The result implies that the activity insurance company is to offer insurance policies to secure health, travel, motor vehicle, etc.

Table 4.10: Payments of claims is one of most important things for insurance company.

| Response | Frequency | Percent | Cumulative Percent |
|----------|-----------|---------|--------------------|
| Yes | 21 | 80.8 | 80.8 |
| No | 5 | 19.2 | 100.0 |
| Total | 26 | 100.0 | |

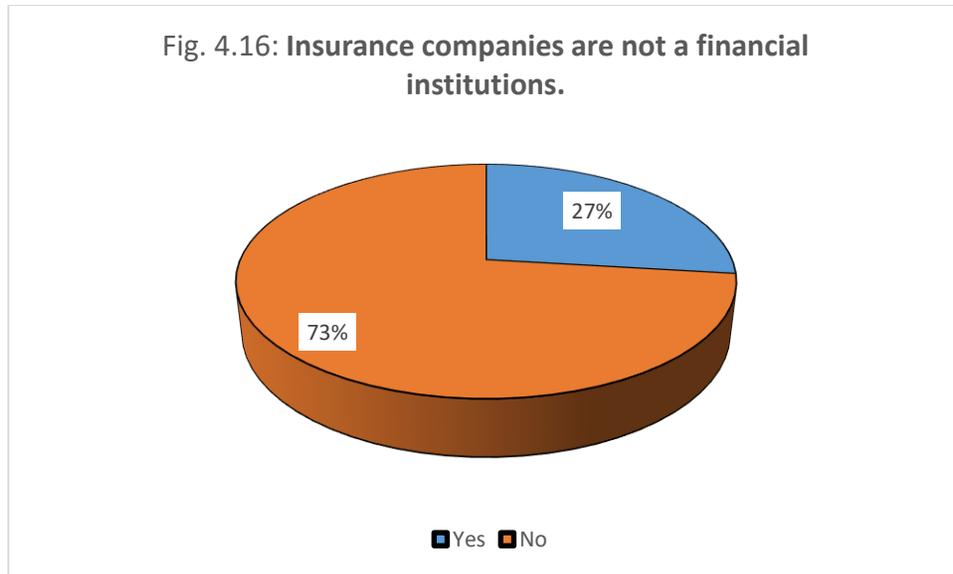


4.10: Payments of claims is one of most important things for insurance company.

As can be noted from Table 4.10 above, overwhelming majority 80.8% of the respondent said Yes, Payments of claims is one of most important things for insurance company. On the other hand, 19.2%, said No, Payments of claims is not one of most important things for insurance company. The result implies that payments of claims to the client is a very important to insurance company could because the clients will have trust in company and more clients will subscribed with company. The activity of insurance company is to offer insurance services to the public.

Table 4.11: Insurance companies are not a financial institutions.

| Response | Frequency | Percent | Cumulative Percent |
|----------|-----------|---------|--------------------|
| Yes | 7 | 26.9 | 26.9 |
| No | 19 | 73.1 | 100.0 |
| Total | 26 | 100.0 | |

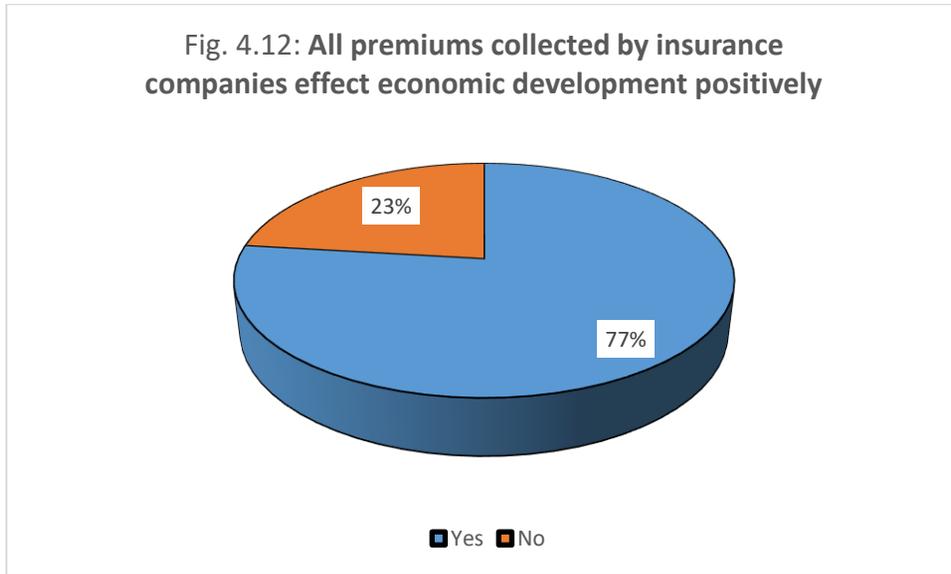


4.11: Insurance companies are not a financial institutions.

As can be noted from Table 4.11 above, overwhelming majority 73.1% of the respondent said No, **Insurance companies are not a financial institutions**. On the other hand, 26.9%, said Yes, **Insurance companies are financial institutions**. The result implies that Insurance companies are institutions that provide insurance services for protection of people.

Table 4.12: All premiums collected by insurance companies’ effect economic development positively.

| Response | Frequency | Percent | Cumulative Percent |
|----------|-----------|---------|--------------------|
| Yes | 20 | 76.9 | 76.9 |
| No | 6 | 23.1 | 100.0 |
| Total | 26 | 100.0 | |



4.12: All premiums collected by insurance companies’ effect economic development positively.

As can be noted from Table 4.12 above, overwhelming majority 78.9% of the respondent said Yes, **All premiums collected by insurance companies’ effect economic development positively.** On the other hand, 26.9%, said No, **All premiums collected by insurance companies do not effect economic development positively.** The result implies that Insurance companies are participating actively in economic growth of the country, could be because of taxes the companies are paying and availing chance for jobs.

Table 4.13: Insurance companies in South Sudan are operating without insurance Act.

| Response | Frequency | Percent | Cumulative Percent |
|----------|-----------|---------|--------------------|
| Yes | 14 | 53.8 | 53.8 |
| No | 12 | 46.2 | 100.0 |
| Total | 26 | 100.0 | |

4.13: Insurance companies in South Sudan are operating without insurance Act.

As can be noted from Table 4.13 above, majority 53.8% of the respondent said Yes, Insurance companies in South Sudan are operating without insurance Act. On the other hand, 26.9%, said No, Insurance companies in South Sudan are operating without insurance Act. The result implies that Insurance companies in South Sudan are operating without insurance Act.

Table 4.14: In South Sudan No regulatory authority for insurance companies

| Response | Frequency | Percent | Cumulative Percent |
|----------|-----------|---------|--------------------|
| Yes | 15 | 57.7 | 57.7 |
| No | 11 | 42.3 | 100.0 |
| Total | 26 | 100.0 | |

4.14: In South Sudan No regulatory authority for insurance companies.

As can be noted from Table 4.14 above, majority 57.7% of the respondent said Yes, In South Sudan No regulatory authority for insurance companies. On the other hand, 42.3%, said No, In South Sudan No regulatory authority for insurance companies. The result implies that Insurance companies in South Sudan are operating without regulatory authority or supervision body for insurance activities.

Table 4.15: Insurance companies in South Sudan are supported by government financially

| Response | Frequency | Percent | Cumulative Percent |
|----------|-----------|---------|--------------------|
| Yes | 6 | 23.1 | 23.1 |
| No | 20 | 76.9 | 100.0 |
| Total | 26 | 100.0 | |

4.15: Insurance companies in South Sudan are supported by government financially.

As can be noted from Table 4.15 above, majority 76.9% of the respondent said No, Insurance companies in South Sudan are not supported by government financially. On the other hand, 23.1%, said Yes, Insurance companies in South Sudan are supported by government financially. The result implies that the authorities concern with insurance

companies such as Ministry of Finance and Economic Planning, is not putting more efforts to develop this important economic sector.

Table 4.16: The insurance markets is monopolized by foreigners’ insurance companies.

| Response | Frequency | Percent | Cumulative Percent |
|-----------------|------------------|----------------|---------------------------|
| Yes | 17 | 65.4 | 65.4 |
| No | 9 | 34.6 | 100.0 |
| Total | 26 | 100.0 | |

4.16: The insurance markets is monopolized by foreigners’ insurance companies.

As can be noted from Table 4.16 above, majority 65.4% of the respondent said Yes,, The insurance markets is monopolized by foreigners insurance companies. On the other hand, 34.6%, said Yes, The insurance markets is monopolized by foreigners’ insurance companies. The result implies that the insurance market is monopolized by foreigners’ insurance companies,

Table 4.17: Insurance companies play vital role in economic development in South Sudan.

| Response | Frequency | Percent | Cumulative Percent |
|----------------|-----------|---------|--------------------|
| Agree | 8 | 30.8 | 30.8 |
| Strongly agree | 15 | 57.7 | 88.5 |
| Disagree | 3 | 11.5 | 100.0 |
| Total | 26 | 100.0 | |

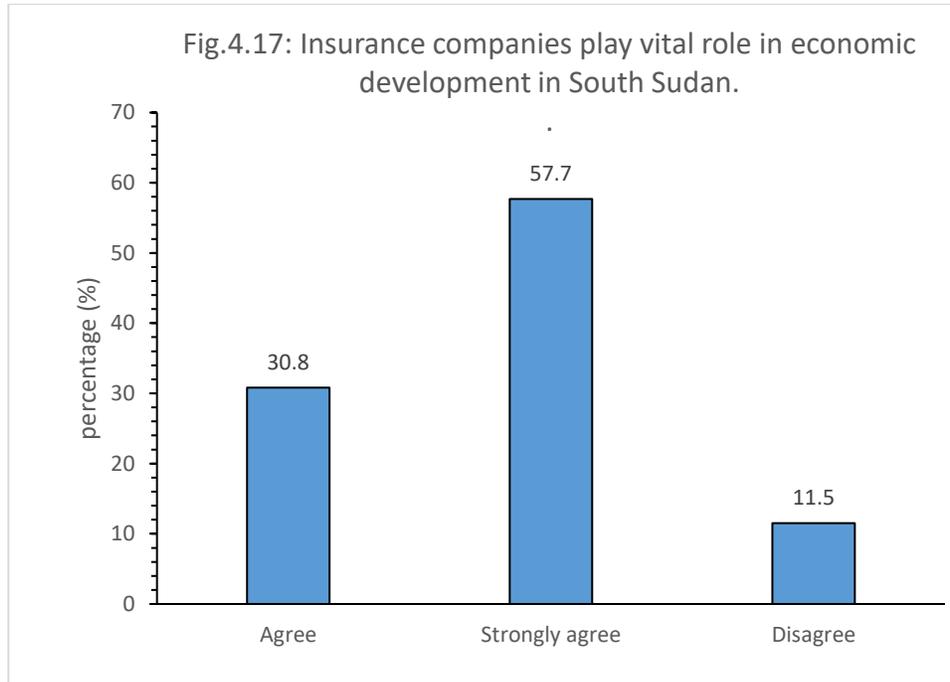
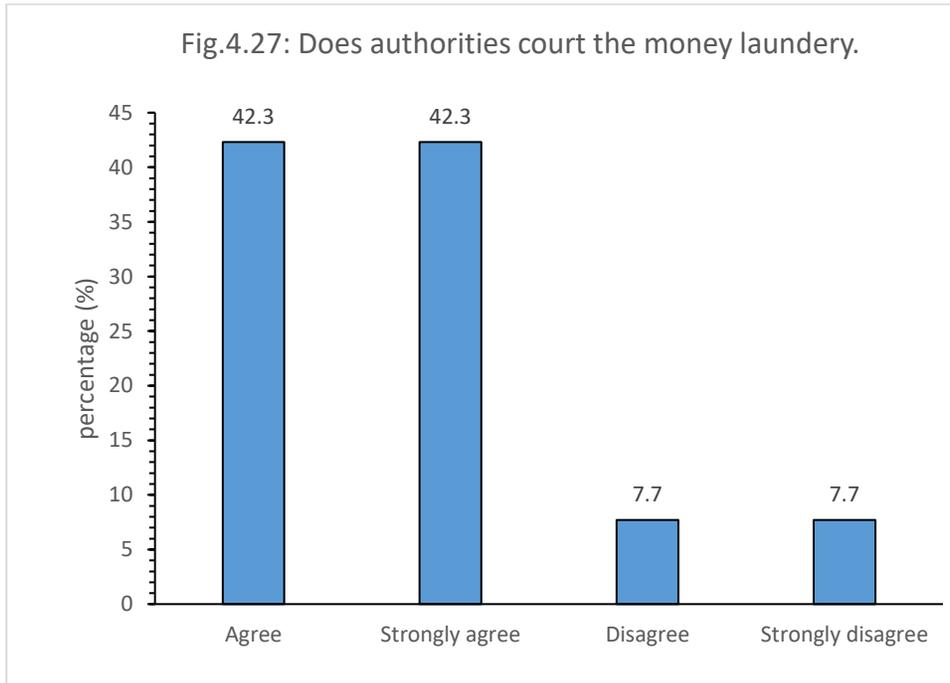


Table 4.17: Insurance companies play role in economic development in South Sudan.

As can be seen from Table 4.15 above, the respondents who are strongly agreed that Insurance companies play vital role in economic development in South Sudan, were 55.7% followed by those who agreed that, Insurance companies play vital role in economic development in South Sudan, were 30.8%. This result shows that at least 88.7% agreed that Insurance companies play vital role in economic development in South Sudan. On the other hand only 11.5% of the respondents disagreed that Insurance Companies play vital role in economic development in South Sudan. This result implies that Insurance companies play a vital role economic development, because it provides employment economy, payment of taxes to government, all these lead to increase in GDP of the countries.

Table 4.18: Insurance is a legal agreement between parties insurer and insured.

| Response | Frequency | Percent | Cumulative Percent |
|-------------------|-----------|---------|--------------------|
| Agree | 11 | 42.3 | 42.3 |
| Strongly agree | 11 | 42.3 | 84.6 |
| Disagree | 2 | 7.7 | 92.3 |
| Strongly disagree | 2 | 7.7 | 100.0 |
| Total | 26 | 100.0 | |



4.18: Insurance is a legal agreement between parties; insurer and insured.

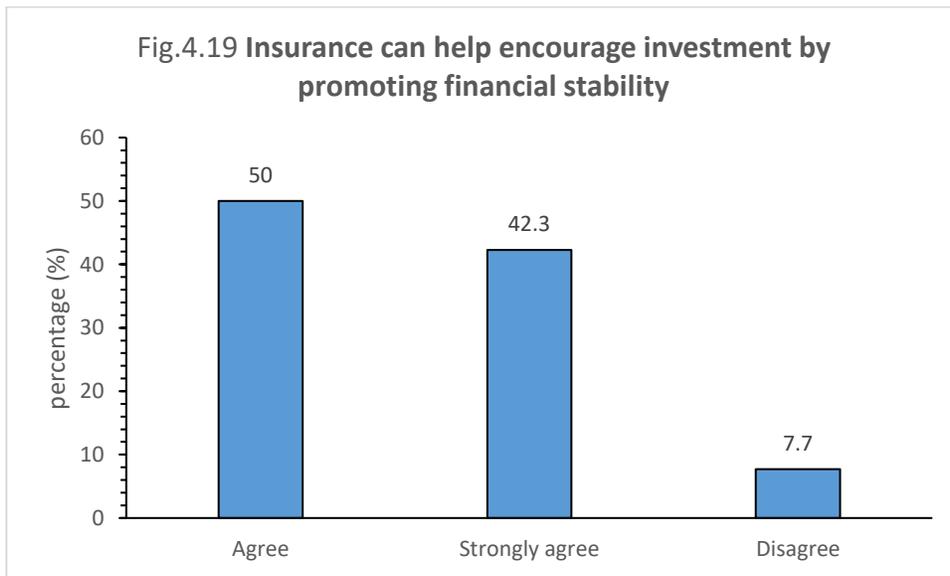
As can be seen from Table 4.18 above, the respondents who are strongly agreed that Insurance is a legal agreement between parties’ insurer and insured, were 42.5% followed by those who agreed that, 4.18: Insurance is a legal agreement between parties’ insurer and insured. Were 42.5%. This result shows that at least 84% agreed that 4.18: Insurance is a legal agreement between parties’ insurer and insured.

On the other hand only 15.4% of the respondents disagreed that 4.18: Insurance is a legal agreement between parties’ insurer and insured.

.This result implies that Insurance companies has legal tenders or legal contract between the company and the client, which tell the amount to pay claims and the amount to be paid by clients yearly and a also expiry date of the contract.

Table 4.19: Insurance can help encourage investment by promoting financial stability

| Response | Frequency | Percent | Cumulative Percent |
|----------------|-----------|---------|--------------------|
| Agree | 13 | 50.0 | 50.0 |
| Strongly agree | 11 | 42.3 | 92.3 |
| Disagree | 2 | 7.7 | 100.0 |
| Total | 26 | 100.0 | |



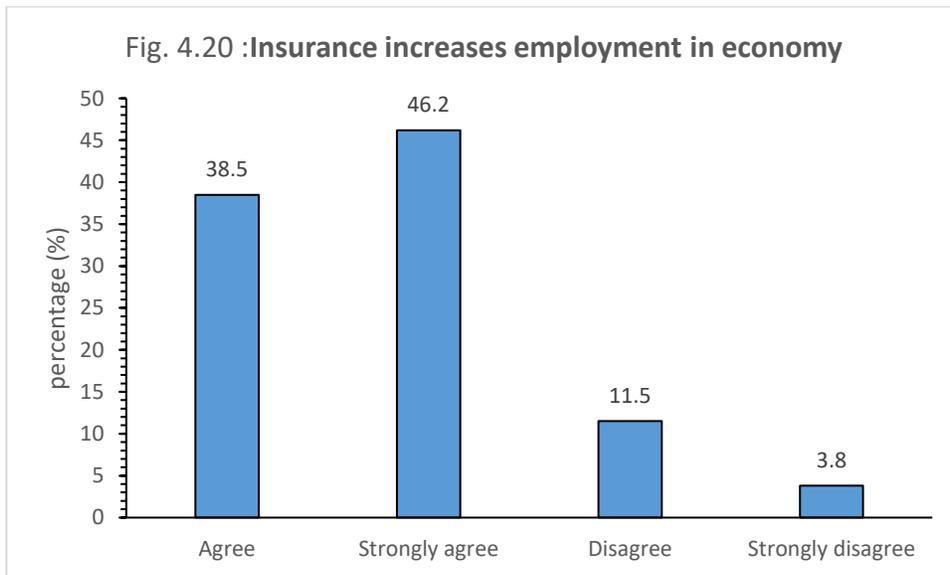
4.19: Insurance can help encourage investment by promoting financial stability.

As can be seen from Table 4.19 above, the respondents who are strongly agreed that Insurance can help encourage investment by promoting financial stability, were 42.3% followed by those who agreed Insurance can help encourage investment by promoting financial stability, were 50%. This result shows that at least 92% agreed Insurance can help encourage investment by promoting financial stability. On the other hand only 7.7 % Of the respondents disagreed that Insurance can help encourage investment by promoting financial stability.

.This result implies that Insurance companies can be important for the stability of financial systems mainly because they are large investors in financial markets, because there are growing links between insurers and banks and because insurers are safeguarding the financial stability of households and firms by insuring their risks.

Table 4.20: Insurance increases employment in economy

| Response | Frequency | Percent | Cumulative Percent |
|-------------------|-----------|---------|--------------------|
| Agree | 10 | 38.5 | 38.5 |
| Strongly agree | 12 | 46.2 | 84.6 |
| Disagree | 3 | 11.5 | 96.2 |
| Strongly disagree | 1 | 3.8 | 100.0 |
| Total | 26 | 100.0 | |



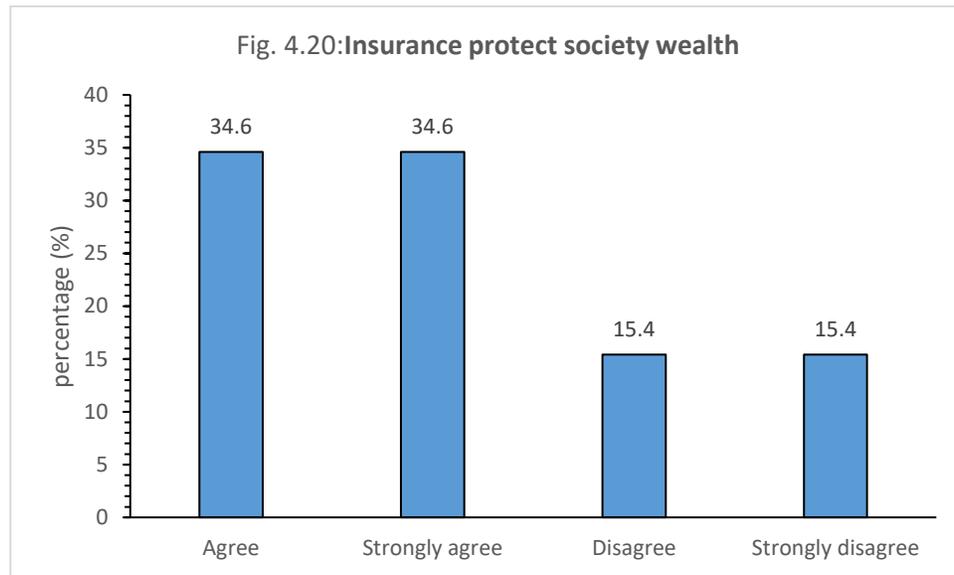
4.20: Insurance increases employment in economy.

As can be seen from Table 4.20 above, the respondents who are strongly agreed that Insurance increases employment in economy, were 46.2% followed by those who agreed Insurance increases employment in economy, were 38.5%. This result shows that at least 84% agreed Insurance increases employment in economy. On the other hand only about 15% of the respondents disagreed that Insurance increases employment in economy.

This result implies that Insurance companies available jobs to employ qualified staff, support staff and workers. This make good increase in employment economy of the country he insurance companies.

Table 4.21: Insurance protect society wealth.

| Response | Frequency | Percent | Cumulative Percent |
|-------------------|-----------|---------|--------------------|
| Agree | 9 | 34.6 | 34.6 |
| Strongly agree | 9 | 34.6 | 69.2 |
| Disagree | 4 | 15.4 | 84.6 |
| Strongly disagree | 4 | 15.4 | 100.0 |
| Total | 26 | 100.0 | |

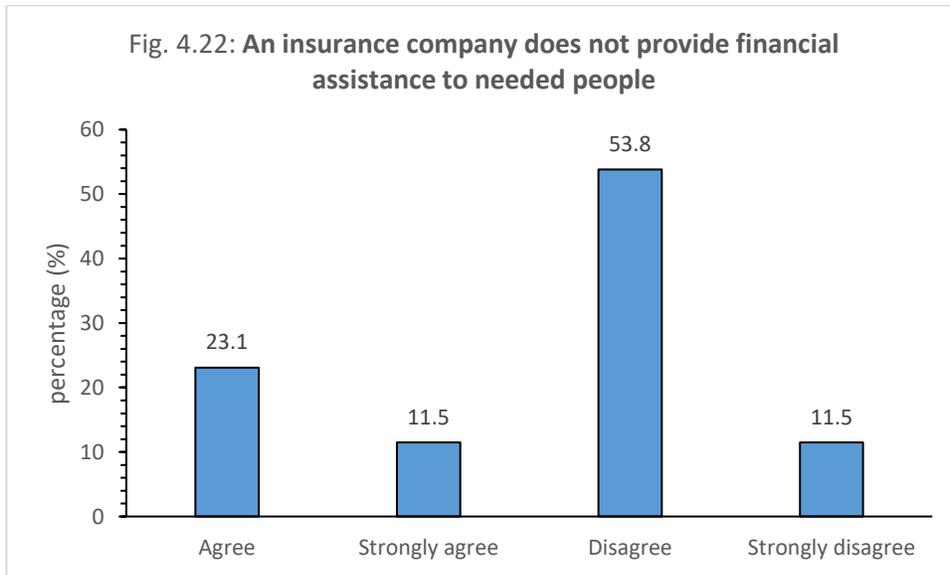


4.21: Insurance protect society wealth.

As can be seen from Table 4.21 above, the respondents who are strongly agreed that Insurance protect society wealth, were 34.6% followed by those who agreed that Insurance protect society wealth, were 34.6%. This result shows that at least 68% at least agreed Insurance protect society wealth. On the other hand about 30% Of the respondents disagreed that Insurance protect society wealth. This result implies that Insurance companies enables mitigation of losses, financial stability and promotes trade and commerce activities those results into sustainable economic growth and protecting the society wealth.

Table 4.22: An insurance company does not provide financial assistance to needed people

| Response | Frequency | Percent | Cumulative Percent |
|-------------------|-----------|---------|--------------------|
| Agree | 6 | 23.1 | 23.1 |
| Strongly agree | 3 | 11.5 | 34.6 |
| Disagree | 14 | 53.8 | 88.5 |
| Strongly disagree | 3 | 11.5 | 100.0 |
| Total | 26 | 100.0 | |



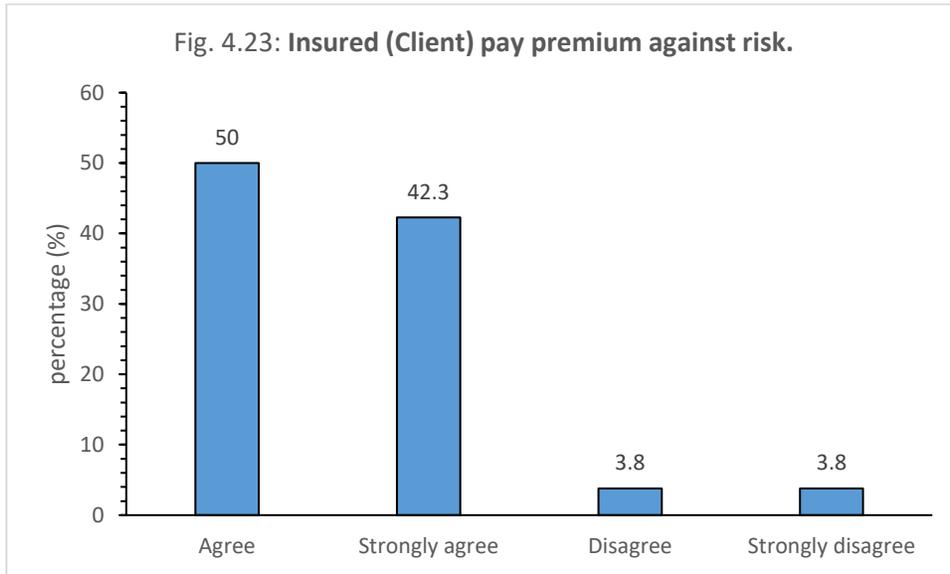
4.22: An insurance company does not provide financial assistance to needed people

As can be seen from Table 4.22 above, the respondents who are strongly agreed that Insurance protect society wealth, were 11.5% followed by those who agreed that Insurance protect society wealth, were 23.1%. This result shows that at least 68% at least agreed Insurance protect society wealth. On the other hand about 65% Of the respondents disagreed that Insurance protect society wealth.

This result implies that Insurance companies Sometimes participates in extending helping hands to needy people, might be it is not publicized well because some people are not aware about the assistance they give out.

Table 4.23: Insured (Client) pay premium against risk.

| Response | Frequency | Percent | Cumulative Percent |
|-------------------|-----------|---------|--------------------|
| Agree | 13 | 50.0 | 50.0 |
| Strongly agree | 11 | 42.3 | 92.3 |
| Disagree | 1 | 3.8 | 96.2 |
| Strongly disagree | 1 | 3.8 | 100.0 |
| Total | 26 | 100.0 | |



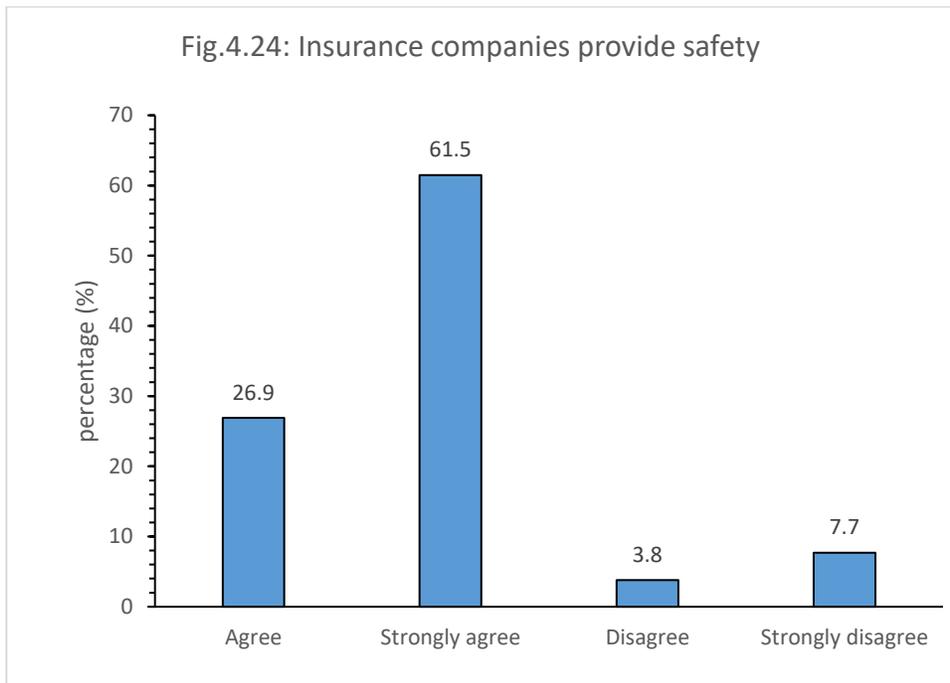
4.23: Insured (Client) pay premium against risk.

As can be seen from Table 4.23 above, the respondents who are strongly agreed that Insured (Client) pay premium against risk, were 50% followed by those who agreed that Insured (Client) pay premium against risk, were 23.1%. This result shows that at least 68% at least agreed insured (Client) pay premium against risk. On the other hand about 65% Of the respondents disagreed that Insured (Client) pay premium against risk.

This result implies that Insurance companies asked the insured (Client) to pay premium, in order for the company to render services of protection and pay the claims. As insurance companies are non-bank business they depend on the premium paid by the clients.

Table 4.24: Insurance companies provide safety

| Response | Frequency | Percent | Cumulative Percent |
|-------------------|-----------|---------|--------------------|
| Agree | 7 | 26.9 | 26.9 |
| Strongly agree | 16 | 61.5 | 88.5 |
| Disagree | 1 | 3.8 | 92.3 |
| Strongly disagree | 2 | 7.7 | 100.0 |
| Total | 26 | 100.0 | |



4.24: Insurance companies provide safety.

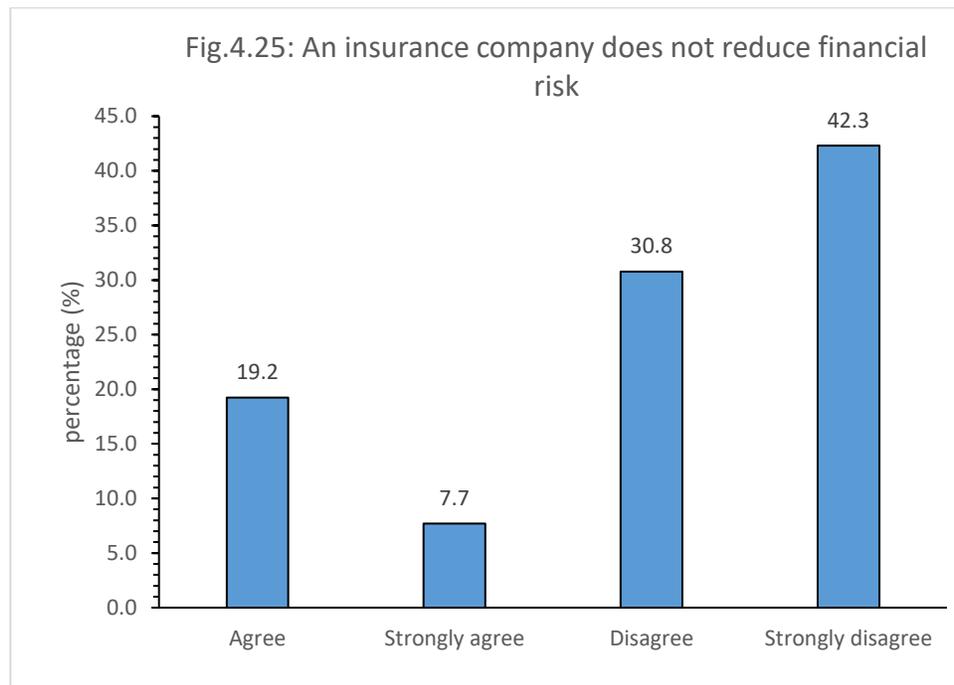
As can be seen from Table 4.23 above, the respondents who are strongly agreed **Insurance companies provide safety**, were 61.5% followed by those who agreed that **Insurance companies provide safety**, were 26.9%. This result shows that at least 88% of the respondents agreed **Insurance companies provide safety**.

On the other hand about 10% of the respondents disagreed that **Insurance companies provide safety**.

This result implies that Insurance companies are giving safety services, such as safety against burglary, accidents, fire,.

Table 4.25: An insurance company does not reduce financial risk.

| Response | Frequency | Percent | Cumulative Percent |
|-------------------|-----------|---------|--------------------|
| Agree | 6 | 23.1 | 23.1 |
| Strongly agree | 3 | 11.5 | 34.6 |
| Disagree | 9 | 34.6 | 69.2 |
| Strongly disagree | 8 | 30.8 | 100.0 |
| Total | 26 | 100.0 | |



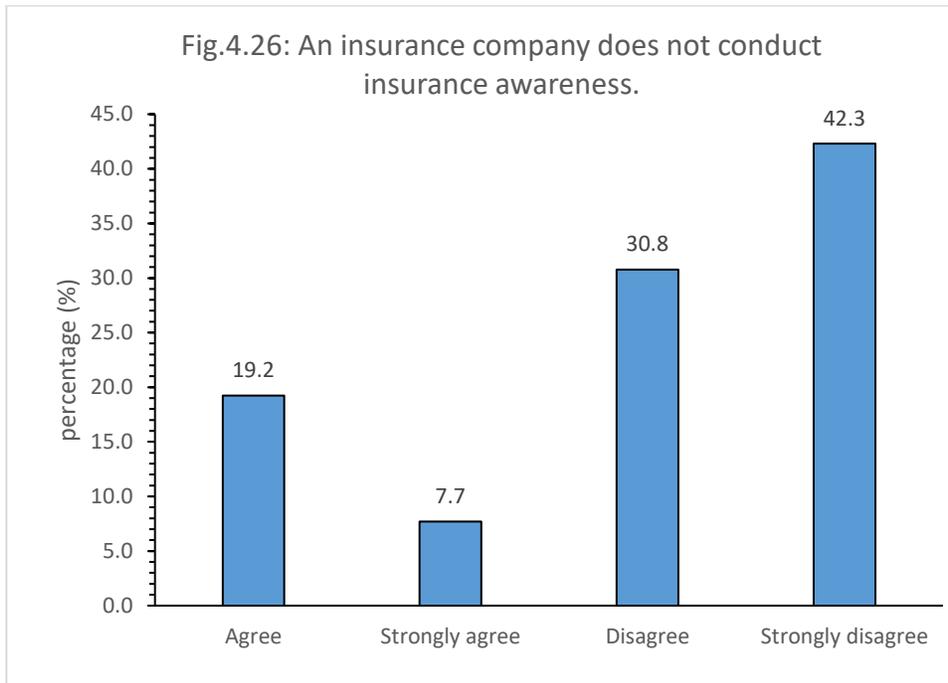
4.25: Insurance companies provide safety.

As can be seen from Table 4.23 above, the respondents who are strongly agreed **an insurance company does not reduce financial risk**, were 53.8% followed by those who agreed that **an insurance company does not reduce financial risk**, were 23.1%. This result shows that at least 86% of the respondents agreed that **an insurance company does not reduce financial risk**.

On the other hand about 10% At least disagreed that **an insurance company does not reduce financial risk**. This result implies that Insurance companies are giving safety services, such as safety against burglary, accidents, fire.

Table 4.26: An insurance company does not conduct insurance awareness.

| | Frequency | Percent | Cumulative Percent |
|-------------------|-----------|---------|--------------------|
| Agree | 5 | 19.2 | 19.2 |
| Strongly agree | 2 | 7.7 | 26.9 |
| Disagree | 8 | 30.8 | 57.7 |
| Strongly disagree | 11 | 42.3 | 100.0 |
| Total | 26 | 100.0 | |

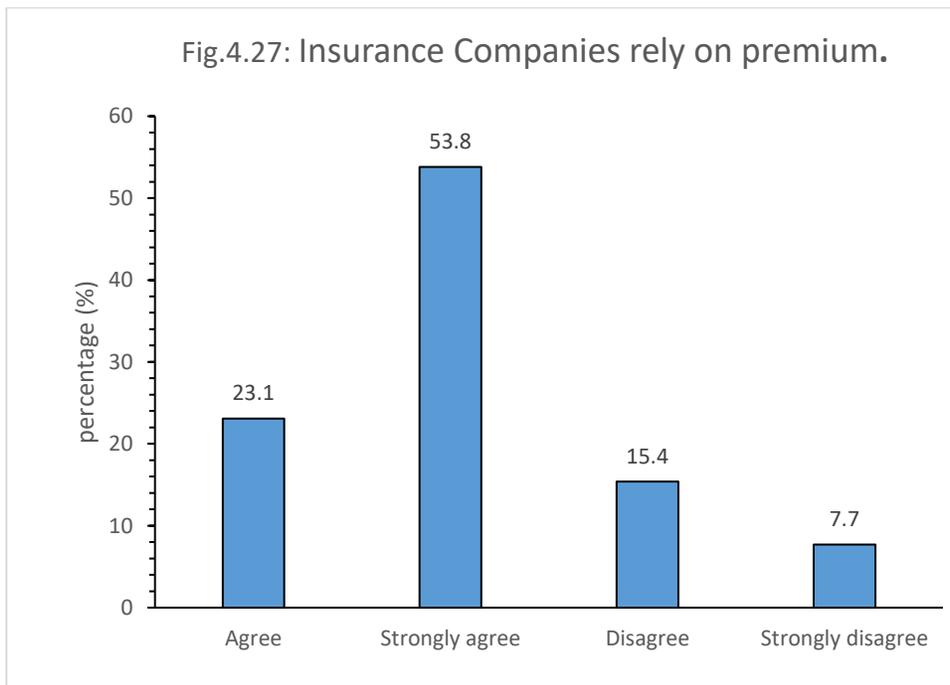


4.26: An insurance company does not conduct insurance awareness.

As can be seen from Table 4.26 above, the respondents who are strongly agreed that An insurance company does not conduct insurance awareness, were 19.2% followed by those who agreed that An insurance company does not conduct insurance awareness, were 7.7%. This result shows that at least 26% of the respondents agreed that an insurance company does not conduct insurance awareness. On the other hand about 72 result implies that Insurance companies are doing enough to aware people about the importance of insurance of the properties, as many of South Sudanese are not knowing anything about insurance.

Table 4.27: Insurance Companies rely on premium.

| | Frequency | Percent | Cumulative Percent |
|-------------------|-----------|---------|--------------------|
| Agree | 6 | 23.1 | 23.1 |
| Strongly agree | 14 | 53.8 | 76.9 |
| Disagree | 4 | 15.4 | 92.3 |
| Strongly disagree | 2 | 7.7 | 100.0 |
| Total | 26 | 100.0 | |



4.27: Insurance Companies rely on premium.

As can be seen from Table 4.26 above, the respondents who are strongly agreed Insurance Companies rely on premium, were 53.8% followed by those who agreed Insurance Companies rely on premium, were 23.1%. This result shows that at least 76% of the respondents agreed that Insurance Companies rely on premium.

On the other hand about 22% At least disagreed that Insurance Companies rely on premium. This result implies that Insurance companies are depending on premium, because premium is income of the companies and the companies use premium to pay the claims by the client, if the client is not paying premium there is no way to be paid the claim.

CONCLUSION

The following points could be drawn as conclusion.

- The Insurance companies are working without insurances Acts or Law or the government is not regulating this companies, the government is not supporting these companies in any form, as government have legal Laws to regulate them.
- Most of the citizen of South Sudan are not aware of what is Insurance system, what are doing, what are their policies, how to a client with ...etc.
- There are many national insurance companies, some of companies are owned by foreigners, but the business is dominated by foreigner's insurance company.
- The smooth running of the present insurance companies is affected by the unstable political and security situation in the country, in addition there are no qualified staff employed , poor management of data analysis as proper implementation of advance technology is effectively use.

Recommendations to improve Insurance Industry in South Sudan:

1. The legislative Assembly should pass an insurance bill for the insurance companies.
2. Government should establish the insurance regulatory authority for insurance industry, or insurance companies in the country.
3. The government should reduce taxes imposed on insurance companies.
4. The government should provide adequate financial support to the national insurance companies.
5. The insurance companies should have reinsurance arrangement with international insurance companies.
6. Government should provide insurance companies with hard currency for reinsurance.
7. Insurance rates should be uniform for all insurance companies.
8. The government should do what is possible to achieve comprehensive peace in country in order political situation to stable and the security to prevail.
9. The insurance companies should aware public about importance of insurance.
10. The insurance companies should train it staff in different departments.
11. The insurance companies should speed up with the payment of claims to the clients.
12. The insurance should have a good insurance system.
13. The insurance companies should a good customer's care.
14. The insurance companies should have a good management.
15. Government should restrict the foreigners' insurance companies' activities in the country.
16. Ministry of justice should restrict the registration of insurance companies in the country.
17. Government should not allow any state to have a regulatory authority body.

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