



SAIA - ☎ (011) 726 5381

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1 LATEST NEWS

Guest Article: Sustainable Finance (Insurance) Forum

All trade associations need to be meaningful and add value for its members if they are to serve the purpose for which they were created. They therefore need to provide a meaningful platform for members to engage on collaborative matters and, at the same time, to promote a progressive, sustainable and globally competitive sector that is respected by and relevant to the broad spectrum of stakeholders.

When setting up a Forum, it is critical that members agree on the focus areas for such a Forum by creating a Terms of Reference. This prevents any potential duplication or gaps between the various committees managed by the trade association. Further, the Forum needs to cater for the needs of all its members, big and small. Whilst the primary focus of the Sustainable Finance Forum is within the South African context, its secondary focus is within the African continent.

From a Sustainable Finance Forum perspective, the economies within which we operate depend on a strong financial system to ensure sustainable growth. Our presence gives us the opportunity to build international standards into our financing practice that helps protect the environment, and at the same time, contributes to social development. The Forum, therefore, promotes governance and management systems within the sector which embed the integration of financial, social and environmental considerations into decision making, therefore, improving risk management and returns on investment. The Forum focuses not only on environmental issues but also sustainability issues (King III, integrated reporting requirements, the JSE Sustainability Reporting Index) as well as regulatory and compliance requirements. The forum, therefore, serves as an industry forum which discusses, deliberates on, influences and intervenes in respect of institutional shortcomings and market/legislative inadequacies which impact on a vibrant and competitive banking sector. It also provides an industry platform for access to information on world-wide best practice, products, research and processes. As a point of departure, it adopts international best practice from the United Nations Environmental Programme Finance Initiative (UNEP FI), the Kyota Protocol, Integrated Reporting Requirements and the Equator Principles.

Given global climate change and the worldwide associated legislative frameworks which aim to undo/halt the degradation of our planet and to offer our children and their children a future, members of the Sustainable Insurance Forum can expect a busy few years ahead of them. I wish your team all the best with helping to shape the sustainability, profitability and competitiveness of the insurance industry. When they get to enjoy a well-deserved retirement one day (as I hopefully will), they will be able to look back and say "I was there and I played a pre-eminent responsible citizen role".

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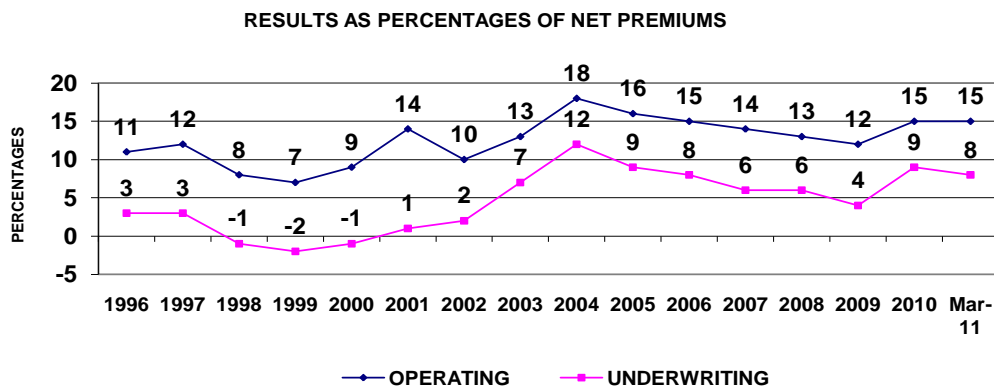
FSB Report on the results of the short-term insurance industry

Industry results - Typical insurers (typical insurers, for the purpose of this report, are those insurers who offer most types of policies to, mostly, the general public).

The table below sets out combined statistics (net after reinsurance) for typical insurers for the calendar years 2006 to 2010 and for the first three months of 2011 as well as comparative figures for the first three months of 2010. The figures are unaudited.

	2006	2007	2008	2009	2010	3 months ended March 2010	3 months ended March 2011
Net premiums R'm	31 093	34 351	37 556	39 512	42 337	9 903	11 011
Underwriting profit/(loss) R'm	2 482	2 169	2 327	1 722	3 696	490	857
Underwriting and investment income R'm	4 588	4 851	5 064	4 741	6 331	1 001	1 625
Claims (as % of earned premiums)	65	66	66	67	61	66	62
As % of net written premiums:							
Management Expenses and Commission	25	27	27	28	31	30	31
Underwriting profit/(loss)	8	6	6	4	9	5	8
Underwriting and investment income	15	14	13	12	15	10	15
Net premium increase (year to year)	16	10	9	5	7	3	11
Surplus asset ratio (median)	42	43	40	43	38	42	40

The following graph indicates how underwriting and operating (including investment income) results of the typical insurers have fluctuated over the past fifteen years and the first quarter of 2011.



Twelve of the twenty-nine insurance companies classified as typical insurers reported an underwriting loss for the three months ended March 2011 compared with six who reported an underwriting loss for the year ended December 2010.

Six of the twenty-nine insurance companies reported an operating loss for the three months ended March 2011 compared with four for the year ended December 2010.

Statutory surplus asset ratios

The following table indicates the spread of the statutory solvency percentages of the typical insurance companies.

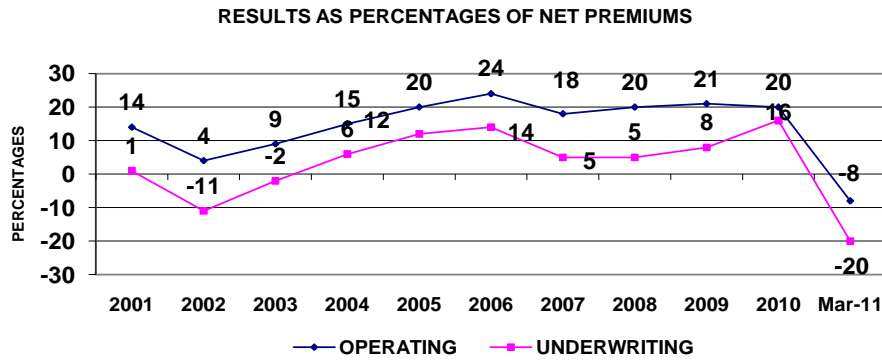
	Number of insurers					
	December 2006	December 2007	December 2008	December 2009	December 2010	March 2011
Below 15%	0	0	1	0	0	0
Between 15% and 20%	0	1	1	0	1	2
Between 20% and 25%	3	0	1	2	1	1
Between 25% and 30%	3	6	2	1	2	1
Between 30% and 40%	4	2	8	7	11	11
Between 40% and 50%	4	5	4	5	6	7
Between 50% and 100%	4	5	4	8	5	4
Above 100%	3	3	3	2	3	3

Industry results - Cell captive insurers (cell captive insurers, for the purpose of this report, are those insurers who offer insurance structures on a cell ownership basis for first party and third party cell owners).

The table below sets out combined statistics (net after reinsurance) for cell captive insurers for the calendar years 2006 to 2010 and for the first three months of 2011 as well as comparative figures for the first three months of 2010. The figures are unaudited.

	2006	2007	2008	2009	2010	3 months ended March 2010	3 months ended March 2011
Net premiums R'm	4 144	4 511	5 460	5 368	6 318	1 226	1 268
Underwriting profit/(loss) R'm	568	224	295	410	962	82	(257)
Underwriting and investment income R'm	980	810	1 079	1 150	1 579	238	(102)
Claims (as % of earned premiums)	52	62	67	62	50	59	79
As % of net written premiums:							
Management Expenses and Commission	31	33	25	27	33	45	45
Underwriting profit/(loss)	14	5	5	8	16	5	(17)
Underwriting and investment income	24	18	20	21	20	17	13
Surplus asset ratio (median)	59	60	56	64	82	81	82

The following graph indicates how underwriting and operating (including investment income) results of the cell captive insurers have fluctuated over the past ten years and the first quarter of 2011.



Of the ten operational cell captive insurers, four have reported an underwriting loss and two an operating loss for the three months ended March 2011 compared with two of ten who reported an underwriting loss and two an operating loss for the year ended December 2010.

The following table indicates the spread of the statutory solvency percentages of the cell captive insurance companies.

	Number of insurers					
	December 2006	December 2007	December 2008	December 2009	December 2010	March 2011
Below 15%	0	0	1	0	0	0
Between 15% and 20%	0	0	0	0	0	0
Between 20% and 25%	0	2	1	1	0	1
Between 25% and 30%	1	0	1	1	2	1
Between 30% and 40%	1	2	2	2	2	2
Between 40% and 50%	1	1	0	1	0	0
Between 50% and 100%	4	2	3	2	3	2
Above 100%	2	3	2	4	3	4

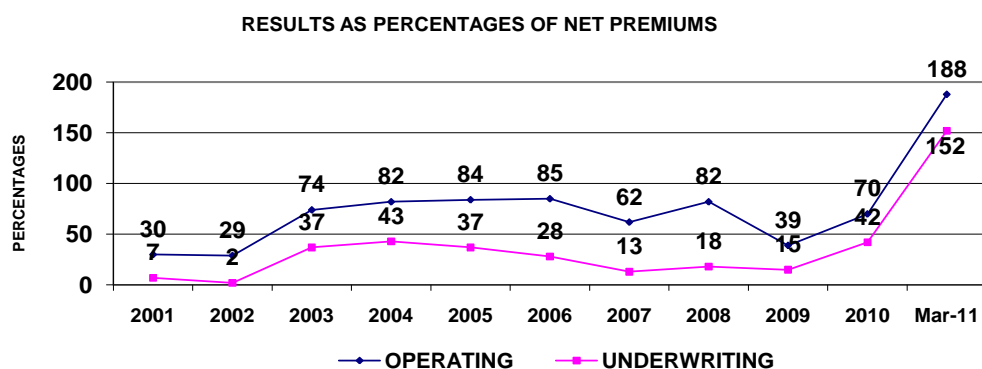
Industry results - Captive insurers (captive insurers, for the purpose of this report, are those insurers who offer cover of the risks of the owners' company or companies only).

The table below sets out combined statistics (net after reinsurance) for captive insurers for the calendar years 2006 to 2010 and for the first three months of 2011 as well as comparative figures for the first three months of 2010. The figures are unaudited.

	2006	2007	2008	2009	2010	3 months ended March 2010	3 months ended March 2011
Net premiums R'm	144	200	185	329	395	221	275
Underwriting profit/(loss) R'm	40	26	34	80	169	78	93
Underwriting and investment income R'm	122	125	152	212	280	104	115
Claims (as % of earned premiums)	63	84	79	74	52	(41)	(6)
As % of net written premiums:							
Management Expenses and Commission	11	2	4	2	(6)	4	(3)
Underwriting profit/(loss)	28	13	18	24	42	35	152
Underwriting and investment income	85	62	82	64	70	47	188
Surplus asset ratio (median)	437	435	334	402	377	454	405

The following graph indicates how underwriting and operating (including investment income) results of the captive insurers have fluctuated over the past ten years and the first quarter of 2011.

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One of the ten captive insurers has reported underwriting loss and operating loss for the three months ended March 2011 compared with two of the ten captive insurers who reported underwriting losses and none reported operating losses for the year ended December 2010.

The following table indicates the spread of the statutory solvency percentages of the captive insurance companies.

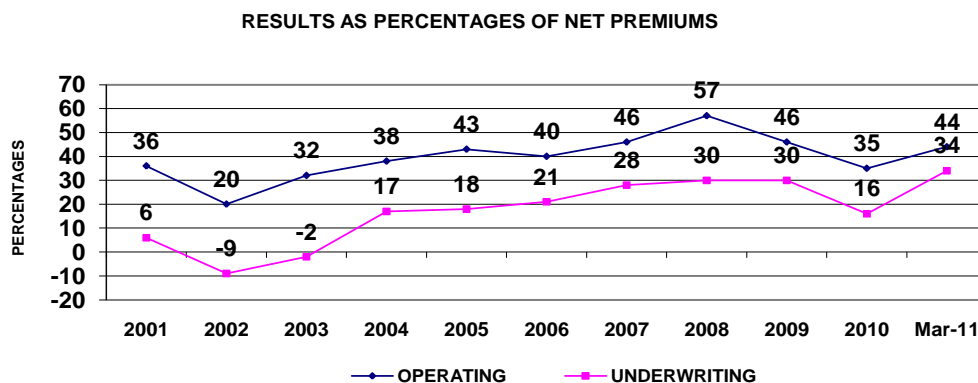
	Number of insurers					
	December 2006	December 2007	December 2008	December 2009	December 2010	March 2011
Below 15%	0	0	0	0	0	0
Between 15% and 20%	0	0	0	0	0	0
Between 20% and 25%	0	0	0	0	0	0
Between 25% and 30%	0	0	0	0	0	0
Between 30% and 40%	0	0	0	0	0	0
Between 40% and 50%	0	0	0	0	0	0
Between 50% and 100%	1	0	0	0	0	0
Above 100%	9	10	11	10	10	10

Industry results - Niche insurers (niche insurers, for the purpose of this report, are those insurers who offer, mostly, specialised cover only, in certain niche markets).

The table below sets out combined statistics (net after reinsurance) for niche insurers for the calendar years 2006 to 2010 and for the first three months of 2011 as well as comparative figures for the first three months of 2010. The figures are unaudited.

	2006	2007	2008	2009	2010	3 months ended March 2010	3 months ended March 2011
Net premiums R'm	3 293	3 872	4 976	5 712	6 465	1 446	1 884
Underwriting profit/(loss) R'm	699	1 078	1 514	1 723	1 006	149	631
Underwriting and investment income R'm	1 308	1 779	2 839	2 617	2 238	342	820
Claims (as % of earned premiums)	48	43	40	41	46	53	30
As % of net written premiums:							
Management Expenses and Commission	28	27	27	29	30	26	20
Underwriting profit/(loss)	21	28	30	30	16	10	34
Underwriting and investment income	40	46	57	46	35	24	44
Surplus asset ratio (median)	120	72	77	58	95	62	117

The following graph indicates how underwriting and operating (including investment income) results of the niche insurers have fluctuated over the past ten years and the first quarter of 2011.



Eight of the twenty-nine operational niche insurers have reported underwriting losses for the three months ended March 2011 and five have reported operating losses compared with nine of the thirty-four operational niche insurers who reported underwriting losses for the year ended December 2010 and four who reported operating losses.

The following table indicates the spread of the statutory solvency percentages of the niche insurance companies.

	Number of insurers					
	December 2006	December 2007	December 2008	December 2009	December 2010	March 2011
Below 15%	0	0	0	1	0	0
Between 15% and 20%	1	0	1	1	4	2
Between 20% and 25%	0	1	2	1	1	1
Between 25% and 30%	0	1	0	2	1	3
Between 30% and 40%	3	2	4	5	5	3
Between 40% and 50%	3	5	4	3	1	0
Between 50% and 100%	6	10	9	8	5	6
Above 100%	19	14	13	13	13	14

Industry results – Re-insurers (re-insurers, for the purpose of this report, are those insurers who offer specialised cover, only to primary insurers).

The table below sets out combined statistics (net after reinsurance) for re-insurers for the calendar years 2007 and 2010 and for the first three months of 2011 as well as comparative figures for the first three months of 2010. The figures are unaudited.

	2007	2008	2009	2010	3 months ended March 2010	3 months ended March 2011
Net premiums R'm	1 899	2 388	2 314	2 170	518	562
Underwriting profit/(loss) R'm	192	37	55	205	17	(51)
Underwriting and investment income R'm	651	492	464	507	94	19
Claims (as % of earned premiums)	58	64	66	56	63	74
As % of net written premiums:						
Management Expenses and Commission	30	34	31	32	33	35
Underwriting profit/(loss)	10	2	2	9	3	(9)
Underwriting and investment income	34	21	20	23	18	3
Surplus asset ratio (median)	146	149	243	93	105	75

Three of the six operational re-insurers have reported underwriting losses and operating losses for the three months ended March 2011 compared with two of the six operational re-insurers who reported underwriting losses for the year ended December 2010 and none reported operating loss.

The following table indicates the spread of the statutory solvency percentages of the re-insurance companies.

	Number of reinsurers			
	December 2008	December 2009	December 2010	March 2011
Below 15%	0	0	0	0
Between 15% and 20%	0	0	1	1
Between 20% and 25%	0	0	0	0
Between 25% and 30%	0	0	0	0
Between 30% and 40%	1	0	0	0
Between 40% and 50%	0	1	1	0
Between 50% and 100%	2	2	2	3

Above 100%	4	5	2	2
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☞ **Further information : Barry Scott**
 ✉ barry@saia.co.za

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SAIA appoints new General Manager: Strategy and Planning

Debbie Donaldson was appointed as the South African Insurance Association (SAIA) General Manager: Strategy and Planning, as from 9 May 2011. This position was created as a result of the development of a new management structure at the SAIA.

“Our new management structure will allow the SAIA to move into a more streamlined operational model in meeting our member’s needs. In order to allow a freer information flow that fosters integration, the new structure will be based on a matrix management system. The Strategy and Planning position was created in order to proactively support the short-term insurance industry through the identification and implementation of strategic initiatives that will meet the industry’s long-term sustainability requirements within the South African market. The role will involve interaction with external stakeholders such as government, international organisations, other local associations, stakeholder groupings and SAIA members, in order to gauge international and local trends, threats and opportunities for the SAIA and the industry represented by the SAIA,” says Barry Scott, SAIA Chief Executive.

Debbie’s insurance career started with TransUnion where she pioneered the design and launch of the use of credit data and technology driven solutions within the South African market, for both the life and short-term insurers and brokers. These underwriting, marketing, fraud and claims applications provided a rich platform for insight into understanding the full value chain within the insurance market.

As the Managing Director of Personal Lines for FNB Insurance Brokers and as the Head of Affinity at Aon, responsible for Pinion Insurance Brokers and Pennant Administration, Debbie gained extensive experience of a fully mandated, administrative business and the value of insurance to the consumer and business markets. She facilitated and created the Motor Strategy for SAIA with the Motor Committee members of the SAIA in 2009. “I am delighted to be a part of the SAIA and to work with the industry in my new role. I look forward to making a difference in this key priority area,” says Debbie Donaldson.

☞ **Further information : Barry Scott**
 ✉ barry@saia.co.za

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Available positions at the South African Insurance Association (SAIA)

The following positions are available at the South African Insurance Association (SAIA). Potential candidates interested in any of these positions should send their Curriculum Vitae to Sonja Etsebeth at the SAIA on Sonja@saia.co.za before 8 June 2011.

Job Specification: South African Insurance Association (SAIA) Legal Manager

Job Title:	Legal Manager
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<p>Output/Core Tasks:</p>	<ul style="list-style-type: none"> • <u>Providing meaningful information on legislation, the regulatory framework and the practical consequences that follow their implications for the insurance industry</u> • Participate in legislation and regulation processes at all levels, and with all role players, including the Financial Services Board (FSB), National Treasury, other government departments and industry stakeholders • Scanning for future legislation and identifying its importance and impact on the short-term insurance industry • Reviewing of internal legal documentation • <u>Instructing and liaising with attorneys and counsel</u> • Drafting submissions on published legislation
<p>Skills required</p>	<ul style="list-style-type: none"> • Deadline driven • Assertive and knowledgeable about financial services, including insurance • Articulate • Good negotiator • Good leadership skills • Able to work with teams • Initiator • Analytical thinker • Task and goal oriented • Completer • Implementer • Integrator • Customer focus • Good people skills • Co-ordinator • Stress tolerance. • Excellent writing skills • Problem solving skills • Computer literate • At least 2 years experience in legal advising / legal practice / insurance law / commercial law and drafting • 3 – 5 years experience in the insurance industry, preferably in a compliance/legal function

Requirements:	
<ul style="list-style-type: none"> • Qualifications • Experience • Knowledge 	<ul style="list-style-type: none"> • LLB degree, admitted as an attorney or advocate • At least 2 years experience in legal advising, preferably in insurance law, contracts and drafting • 3 – 5 years experience in the short-term insurance industry, preferably in a compliance/legal function • Working knowledge of insurance litigation, including the Short-term Insurance Act & FAIS

SAIA Manager: Image & Reputation

Job description:

Job title	SAIA Manager : Image & Reputation
General description	<p>Responsible for the SAIA key priority area of image and reputation.</p> <p>This position includes strategic input into, and management and implementation of the SAIA image and reputation strategy, including aspects such as self-regulation, industry initiatives, public relations, including publications and events, SAIA identity, information sharing, targeted publicity, consumer education, stakeholder relationships, including Government, media, members and other relationships, staff wellness, etc.</p> <p>In addition, the position includes managing and implementation of all communications functions at the SAIA</p>
Output/core tasks	<ul style="list-style-type: none"> • Drive and manage the implementation of the SAIA Image & Reputation strategy, including the key elements of self-regulation (SAIA Code of Conduct), communications and public relations, the targeted publicity campaign, relevant SAIA initiatives, including the consumer education initiative and projects, as well as crime combating and other initiatives, and the SAIA brand • Identify challenges regarding the image and reputation of the industry, and the SAIA • Review and implement the SAIA stakeholder relationship strategy • Manage all stakeholder relationships • Deal with the media in all capacities including building relationships, writing and sourcing articles on industry issues, creating a profile for key individuals at the SAIA including yourself, being a SAIA spokesperson on industry issues when required

	<ul style="list-style-type: none"> • Manage and oversee the public relations functions including events and publications • Represent the industry at various relevant forums/stakeholders, including consumer education and crime • Implementing and managing specific image and reputation and consumer education projects • Facilitate discussion around relevant industry issues • Move the industry towards common positions on relevant issues when necessary, through facilitation, leadership and debate • Manage the relevant industry committees in this portfolio at board committee and general level • Report to the SAIA Board and relevant board committee on all relevant matters • Liaise and build relationships with SAIA members and other stakeholders on relevant issues • Analyse and interpret market trends on an ongoing basis • Develop proposals and reports for all projects implemented
Competencies	<ul style="list-style-type: none"> • Knowledge of short-term insurance industry, preferably also at industry level • Very strong communicator • Knowledge of communication area preferable • Strategic thinker • Deadline driven • Ability to work and communicate with multiple levels of authority in the insurance market, as well as with all stakeholders • Leadership ability • Ability to work with no or little supervision • Good writer • Good verbal communicator • Knowledge of the media • Good manager
Skills	<ul style="list-style-type: none"> • Excellent verbal and written communication • Excellent interpersonal skills • Analytical thinking • Problem solving skills • Excellent interpersonal communication skills • Ability to multi-task • Project management skills • Presentation skills • Planning skills • PC skills – Excel, Powerpoint, etc.
Requirements : • Qualifications	<ul style="list-style-type: none"> • Experience and knowledge of the short-term insurance industry • University degree (preferably communications)

2 IMAGE & REPUTATION

SAIA Publicity Update

The South African Insurance Association (SAIA) published three advertorials during the course of May:

- Advertorial on Sustainability of Insurance: Beeld, Burger and Volksblad Newspapers
- Advertorial on Sustainability of Insurance: The Star, Pretoria News, Cape Times, The Mercury newspapers
- Advertorial on the Importance of Short-Term Insurance and how factors such as fire, crime and theft affect the short-term insurance industry: Beeld, Burger and Volksblad Newspapers

SAIA is currently co-ordinating a survey on the Importance of Short-Term Insurance and how factors such as fire, crime and theft affect the short-term insurance industry. This survey will be published in the Business Day newspaper on 15 June 2011. Should you wish to take part in this survey through purchasing an advertisement, please contact Kirsty Udemans at the SAIA on Kirsty@saia.co.za or (011) 726 5381.

Consumer education update

2010/11 SAIA/FSB Consumer Education Projects

1. The Managing Your Money Teacher Training Development Project

The research and impact analyses of the Teacher Training Development Project is currently underway, as all 65 workshops have been completed. A final research report will be completed shortly.

2. Community Seminars Project

The first Consumer Education Seminar took place on 30th April 2011 and 17 more seminars will be taking place across 9 provinces.

Attendees at the seminars have given positive feedback to the organisers, and more seminars in the areas of the attendees have been requested. The seminar organisers have decided to encourage Community Representatives to find existing gatherings within these same targeted communities and conduct seminars with these existing audiences. This strategy was implemented immediately and has proved to be successful as Kwazulu-Natal had a higher number of attendees

(107) who were attending a gathering and the seminar was slotted in on the agenda of this gathering.

✉ Further information : Kirsty Udemans
✉ kirsty@saia.co.za

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Financial Education Freedom (FEF) Radio Broadcast Project

The radio broadcast schedule is as follows:

The Financial Education Freedom (FEF) Radio Broadcast Project has reached the final quarter. The radio stations have given positive feedback and there has been a far reach with this project. Audience figures have indicated that the programme has reached more than double the other comparable finance radio programme on air. This indicates the audiences' preference for the radio dramas with the talk aspect of the show.

Please see the schedule below for the radio broadcasts:

	Content	Ukhozi	Motsweding	Phalaphala	Lesedi
Ep1	Bad Credit	27/09/10 @20:35 – 21:00	11/10/10 @ 10:30 – 11:00	20/09/10 @ 14:05 – 14:30	23/09/10 @ 21:30- 22:00
Ep2	Savings	30/09/10 @22:25 – 23:00	15/10/10 @ 11:05 – 11:30	21/09/10 @ 14:05 – 14:00	26/09/2010 @ 21:30 – 22:00
Ep3	Risk of no insurance	04/10/10 @20:35 – 21:00	18/10/10 @ 10:30 – 11:00	27/09/10 @ 14:05 – 14:30	30/09/10 @ 21:30 – 22:00
Ep4	Budgeting	07/10/10 @22:35 -23:00	22/10/10 @ 11:05 – 11:30	28/09/10 @14:05 – 14:00	03/10/10 @ 21:30 – 22:00
Ep5	Car Insurance	14/10/10 @22:35 – 23:00	25/10/10 @10:30 – 11:00	04/10/10 @ 14:05 – 14:30	07/10/10 @ 21:30 – 22:00
Ep6	Increase	18/10/10 @20:35 – 21:00	29/10/10 @ 11:05 – 11:30	05/10/10 @ 14:05 – 14:30	10/10/10 @ 21:30 – 22:00
Ep7	Loan	21/10/10 @ 22:35 – 23:00	01/11/10 @ 10:30 – 11:00	11/10/10 @14:05 – 14:30	14/10/10@ 21:30 – 22:00
Ep8	Household Insurance	25/10/10 @ 20:35 – 21:00	05/11/10 @ 11:05 – 11:30	12/10/10 @14:05- 14:30	17/10/10 @21:30 – 22:00
Ep9	Stokvel	28/10/10 @ 22:35 – 23:00	08/11/10 @ 10:05 – 11:00	18/10/10 @14:05 – 14:30	21/10/10 @21:30 – 22:00
Ep10	Claiming from Insurance	01/11/10 @ 20:35 – 21:00	12/11/10 @ 11:05 – 11:30	19/10/10 @14:05 – 14:30	24/10/10 @21:30 – 22:00
Ep11	Financial Confidence	04/11/10 @ 22:35 – 23:00	15/11/10 @ 10:05 – 11:00	25/10/10 @14:05 – 14:30	28/10/10 @ 21:30 -22:00
Ep12	Different ways to pay	08/11/10 @ 20:25 – 21:00	19/11/10 @ 11:05 – 11:30	26/10/10 @ 14:05 – 14:30	31/10/10 @ 21:30 – 22:00
Ep13	Mzansi Insurance	22/11/10 @ 20:35 – 21:00	22/11/10 @ 10:05 – 11:00	01/11/10 @14:05 – 14:30	04/11/10 @ 21:30 – 22:00
Ep14	Gambling	25/11/10 @ 22:35 – 23:00	26/11/10 @ 11:05 – 11:30	02/11/10 @ 14:05 – 14:30	07/11/10 @ 21:30 – 22:00
Ep15	No Money to pay debt	29/11/10 @ 20:35 – 21:00	29/11/10 @ 10:05 – 11:00	08/11/10 @ 14:05 – 14:30	11/11/10 @ 21:30 – 22:00

Ep16	Consumer Credit Insurance introduced	02/12/10 @ 22:35 – 23:00	03/12/10 @ 11:05- 11:30	09/11/10 @ 14:05 – 14:30	14/11/10 @ 21:30 – 22:00
Ep17	Road Accident Insurance	06/12/10 @ 20:35- 21:00	06/12/10 @ 10:05 – 11:30	15/11/10 @ 14:05 – 14:30	18/11/10 @ 21:30 – 22:00
Ep18	Opening Mzansi bank account	09/12/10 @ 22:35 – 23:00	10/12/10 @ 11:05- 11:30	16/11/10 @ 14:05 – 14:30	21/11/10 @ 21:30 – 22:00
Ep19	Car,life,household, travel,personal liability,health	13/12/10 @ 20:35 – 21:00	13/12/10 @ 10:05 – 10:30	22/11/10 @ 14:05 – 14:30	25/11/10 @ 21:30 – 22:00
Ep20	Loosing at gambling and danger of giving asset as security	16/12/11@ 22:35 – 23:00	17/12/10 @ 11:05 – 11:30	23/11/10 @ 14:05 – 14:30	28/11/10 @ 21:30 – 22:00
Ep21	Short term insurance	17/01/11 @ 20:35 21:00	10/01/11 @ 10:05 – 10:30	29/11/10 @ 14:05 – 14:30	02/12/10 @ 21:30 – 22:00
Ep22	Livestock Insurance	20/01/11 @ 22:35 – 23:00	14/01/11 @ 11:05 – 11:30	30/11/10 @ 14:05 – 14:30	05/12/10 @ 21:30 – 22:00
Ep23	Consumer Credit Insurance	27/01/11 @ 22:35 – 23:00	17/01/11 @ 10:05 – 10:30	06/12/10 @ 14:05 – 14:30	09/12/10 @ 21:30 – 22:00
Ep24	Identity Theft	31/01/11 @ 20:35 – 21:00	21/01/11 @ 11:05 – 11:30	07/12/10 @ 14:05- 14:30	12/12/10 @ 21:30 – 22:00
Ep25	Claiming from consumer insurance credit	03/01/11 @ 22:35 – 23:00	24/01/11 @ 10:05 – 10:30	13/12/10 @ 14:05 -14:30	16/12/10 @ 21:30 – 22:00
Ep26	Car Crash	07/02/11 @ 20:35 – 21:00	28/01/11 @ 11:05 -11:30	14/12/10 @ 14:05 – 14:30	19/12/10 @ 21:30 – 22:00
Ep27	Car Insurance Claiming	10/02/11 @ 22:35 – 23:00	04/02/11 @ 11:05 – 11:30	31/01/11 @ 14:05 – 14:30	16/01/11 @ 21:30 – 22:00
Ep28	The benefits of Mzansi insurance	14/02/11 @ 20:35 – 21:00	18/03/11 @ 11:05 – 11:30	01/02/11 @ 14:05 – 14:30	13/01/11 @ 21:30 – 22:00
Ep29	Car Insurance	17/02/11 @ 22:35 – 23:00	25/03/11 @ 11:05 – 11:30	07/02/11 @ 14:05 -14:30	20/01/11 @ 21:30 – 22:00
Ep30	Cellphone insurance	28/02/11 @ 20:35 – 21:00	28/03/11 @ 10:05 – 10:30	08/02/11 @ 14:05 – 14:30	23/01/11 @ 21:30 – 22:00
Ep31	Third Party insurance	03/03/11 @ 22:35 – 23:00	01/04/11 @ 11:05 – 11:30	14/02/11 @ 14:05 – 14:30	27/01/11 @ 21:30 – 22:00
Ep32	Taxi insurance	07/03/11 @ 20:35 – 21:00	04/04/11 @ 10:05 – 10:30	15/02/11 @ 14:05 – 14:30	30/01/11 @ 21:30 – 22:00
Ep33	Claiming from livestock insurance	10/03/11 @ 22:35 – 23:00	08/04/11 @ 11:05 – 11:30	21/02/11 @ 14:05 – 14:30	04/02/11 @ 21:30 – 22:00
Ep34	Shopping Spree	14/03/11 @ 20:35 – 21:00	11/04/11 @ 10:05 – 10:30	28/02/11 @ 14:05 -14:30	06/02/11 @ 21:30 – 22:00
Ep35	Reducing insurance premiums	17/03/11 @ 22:35 – 23:00	15/04/11@ 11:05 – 11:30	07/03/11 @ 14:05 – 14:30	10/02/11 @ 21:30 – 22:00
Ep36	Personal liability	21/03/11 @ 20:35 – 21:00	18/04/11@ 10:05 – 10:30	08/03/11 @ 14:05 – 14:30	13/02/11 @ 21:30 – 22:00
Ep37	The dangers of lodging a false claim	24/03/11 @ 22:35 – 23:00	25/04/11@ 11:05 -11:30	14/03/11 @ 14:05 – 14:30	17/02/11 @ 21:30- 22:00
Ep38	The payoff of having insurance	28/03/11 @ 20:35 – 21:00	29/04/11@ 11:05 – 11:30	15/03/11 @ 14:05 – 14:30	20/02/11 @ 21:30- 22:00

Ep39	Funeral insurance	31/03/11 @22:35 – 23:00	02/05/11@ 10:05 – 10:30	21/03/11 @14:05 – 14:30	24/02/11 @ 21:30- 22:00
Ep40	Public riot	04/04/11 @20:35 – 21:00	06/05/11 @11:05 – 11:30	22/03/11 @ 14:05 – 14:30	27/03/11 @ 21:30- 22:00
Ep41	Replacement of livestock	07/04/11 @22:35 – 23:00	09/05/11 @ 10:05 – 10:30	28/03/11 @ 14:05 – 14:30	03/03/11 @ 21:30- 22:00
Ep42	Riot / Political Risk	11/04/11 @ 20:35 – 21:00	13/05/11 @ 11:05 – 11:30	29/03/11 @ 14:05 – 14:30	06/03/11 @ 21:30 – 22:00
Ep43	Claiming from household insurance	14/04/11 @ 22:35- 23:00	16/05/11 @10:30 – 11:00	04/04/11 @ 14:05 – 14:30	10/03/11 @ 21:30 – 22:00
Ep44	The importance of being honest	18/04/11@ 20:35 – 21:00	20/05/11 @10:30 – 11:00	05/04/11 @ 14:05 – 14:30	13/03/11 @ 21:30 – 22:00
Ep45	Insurance not paying out your options	21/04/11@ 22:35- 23:00	23/05/11 @ 10:30 – 11:00	11/04/11 @ 14:05 – 14:30	17/03/11 @ 21:30 – 22:00
Ep46	Ombudsman role	09/05/11 @20:35 – 21:00	27/05/11 @ 10:30 – 11:00	12/04/11 @ 14:05 – 14:30	20/03/11 @ 21:30 – 22:00
Ep47	Life Insurance pays out	12/05/11 @ 22:35 – 23:00		18/04/11@ 14:05 – 14:30	24/03/11 @ 21:30 – 22:00
Ep48	Gloria's success with her claim	16/05/11 @ 20:35 – 21:00		19/04/11@ 14:05 – 14:30	27/03/11 @21:30 – 22:00
Ep49	Health Insurance	19/05/11 @ 22:35 – 23:00		25/04/11@14 :05 – 14:30	31/03/11 @ 21:30 – 22:00
Ep50	Life Insurance & Mzansi Insurance	23/05/11 @ 20:35 – 21:00		26/04/11@ 14:05 – 14:30	03/04/11 @21:30 – 22:00
Ep51	Listing all the insurance that you need	26/05/11 @ 22:35 – 23:00		02/05/11 @ 14:05 – 14:30	07/04/11 @ 21:30 – 22:00
Ep52	The benefit of insurance			03/05/11 @ 14:05 – 14:30	10/04/11 @21:30 – 22:00

☞ **Further information : Kirsty Udemans**
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South African Insurance Association (SAIA) Code of Conduct : Information Sharing

We refer to the South African Insurance Association (SAIA) Code of Conduct and confirm that in order for SAIA to successfully represent its members in the media, to the public, to government and all other relevant stakeholders, at least a very basic level of information sharing is required. This was approved by the SAIA Board when approving the SAIA Code of Conduct.

Consistent, accurate commentary as informed by quality information, will lend credibility to the industry as a whole and assist SAIA to be proactive in identifying new trends.

With the above in mind the initial draft of the Information Template was circulated to SAIA Members on the 12 December 2010, for due completion and return by 31 January 2011. The target period was the quarter ended 30 September 2010 with a 12 month comparative requirement.

Unfortunately, the response was not great and there were various differences in the approach to completing the template. The template is seen by SAIA as a living document and subject to relevant change and it is foreseen that eventually all the glitches will be ironed out. The lack of participation by Members is, however, a cause for concern.

After discussions at SAIA it has been decided that:

- An MD Circular will be sent to Members requesting MD's to identify the persons who are responsible for the completion of the template within their respective organisations.
- SAIA has decided that the best way to get things going as it were is to immediately implement and put into operation the completion of the template by members. The request for information will therefore, from now on, be circulated at each quarter end as per the requirements of the SAIA Code of Conduct section 6.1.5. The request for information on the first quarter 2011 ending on 31 March 2011, will be circulated on 31 May 2011. It is envisaged that 30 days for due completion of the respective requests will be sufficient time to do so.
- The above requests will include comments from the previous quarter and any suggested improvements to be made.
- Information templates not received timeously will be followed up telephonically.

From the above actions it is hoped that a robust tool for the transfer of information will be set up that will allow the identification of trends that SAIA can proactively follow up on and investigate to the benefit of the industry.

The SAIA urges all members to assist us in serving our members better by sharing the trends as per the template. We further invite members to provide us with input on the practicality of the template in order that we may fine tune the process for members' convenience.

☎ **Further information : Charles Hitchcock**
✉ **charles@saia.co.za**

Functions planned for 2011

Listed below are the dates for the South African Insurance Association (SAIA) functions that will take place in 2011. This is a standard section in the SAIA Bulletin. Please note that the dates are subject to change. Changes will be marked in colour.

- SAIA Annual General Meeting & Cocktail Function – 23 June 2011
- Business Against Crime Cheque Handover Function – 11 July 2011
- The Insurance Conference 2011 – 24 to 27 July 2011
- SAIA Media Lunch (Johannesburg) – 18 August 2011
- SAIA Media Lunch (Cape Town) – 30 August 2011
- SAIA Assistants Lunch – 23 September 2011
- SAIA Consumer Education Report Back Function – 6 October 2011
- SAIA Committee Lunch – 20 October 2011
- SAIA/FIA Board Liaison Meeting & Lunch – 24 November 2011

For more information on any of the above functions, contact the SAIA Public Relations Officer, Kirsty Udemans, on (0110 726 5381).

☎ **Further information : Kirsty Udemans**
✉ **kirsty@saia.co.za**

Sustainability

The SAIA is currently co-ordinating the creation of the Strategic Risk Forum, that will essentially be a forum of stakeholders within the insurance value chain, that are being brought together to review the long-term risks and /or opportunities facing the insurance market of South Africa.

The forum members will hold their first meeting on the 15th July 2011 to kick off the process of identifying these key risks. Ultimately, once we have identified the top risks, the objective will be to use these risks to drive future collaborative initiatives by the industry to mitigate the risks to our sustainability and /or enhance our industries value within our market. The risks will be communicated under the auspices of environmental, social or governance (ESG factors) risks. The motivation for this, is that globally the ESG factors are being used by organisations that are attempting to create global reference terms to insurance matters. National Treasury has agreed to attend the first forum meeting as input into our deliberations, which is a welcomed insight. Through the interest shown by multiple global forums, it appears that there is a growing global need to understand the level that insurance has to play in mitigating fiscal or economic risk.

Insurance not only relates to financial mitigation and recovery, but also plays a sizeable role in infrastructural recovery for countries, businesses and individuals. Without a sustainable insurance sector there is an unintended consequence of the government being a “default insurer”. Implications and unintended consequences such as this are creating a natural need for proactive engagement. Therefore, the Strategic Risk Forum has a key role to play in facilitating future strategic initiatives driven across the industry.

✉ **Further information : Debbie Donaldson**
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3 LEGISLATION & REGULATION

Treating Customers Fairly (TCF)

Following the recent release of the TCF Roadmap, the Financial Services Board (FSB) has commenced with Pillar 1 of the Roadmap.

The immediate timelines include the establishment of a FSB TCF Regulatory Steering Committee. The purpose of the Steering Committee will be to co-ordinate the development of regulatory framework proposals for the implementation of TCF and will include an analysis of existing FSB and non-FSB market conduct legislation, subordinate legislation to identify gaps and inconsistencies and overlaps from a TCF perspective. It is expected that the initial TCF Regulatory Steering Committee meeting will be scheduled for early June 2011. The TCF Regulatory Steering Committee consists of regulated industry sectors, other financial market conduct regulatory agencies and Ombud schemes, National Treasury and independent experts on consumer and regulatory matters.

The TCF pilot self-assessment tool is expected to commence in June 2011, following an invitation by the FSB to industry stakeholders to volunteer their participation in the pilot project. The pilot self-assessment will entail the completion of the questionnaire, submission of responses to the FSB, and a follow up interview by late June/July with senior management of the firm concerned.

In August 2011 the self-assessment tool will be published to broader industry as a benchmarking exercise.

☞ **Further information : Suzette Strydom**
✉ suzette@saia.co.za

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Financial Advisory and Intermediary Services (FAIS) Regulatory Examinations (RE)

The South African Insurance Association (SAIA) has established an email address encouraging members of the SAIA to continuously provide information regarding their experience on the regulatory exams. The information received will be utilised to engage with the Financial Services Board (FSB) in a positive attempt to address concerns.

Members of the SAIA are therefore invited to send their feedback on the regulatory exams to REfeedback@saia.co.za

☞ **Further information : Suzette Strydom**
✉ suzette@saia.co.za

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Companies Act

The Companies Act 2008, as amended by the Companies Amendment Act 2011, and Companies Regulations, were implemented on 1 May 2011. The new consolidated Companies Act will bring about a new era for the responsibilities of directors. The Department of Trade and Industry has accordingly established the Companies and Intellectual Property Commission (CIPC) to deliver on the new Act's mandate. The CIPC follows a merging of the Intellectual Property Enforcement (OCIPE) and the Companies and Intellectual Property Registration Office (CIPRO). The website of the CIPC is www.cipc.co.za.

☞ **Further information : Suzette Strydom**
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SETA Regulations

The Minister of Higher Education and Training recently published the following regulations in terms of the Skills Development Act, 1998.

- **Draft Regulations for the appointment of the CEO of a SETA and conditions of service**
These regulations provide a uniform framework for the recruitment and selection of a CEO to allow the SETA's Accounting Authority to make a recommendation to the Minister, in consultation with Cabinet to appoint a CEO.
- **Grant Regulations regarding monies received by a SETA and related matters**
These regulations deal with mandatory and discretionary grants.

- **Draft Regulations for matters relating to the Accounting Authority of a SETA**
The appointment process of the Accounting Authority, the establishment of the Executive Committee and other related matters form part of these draft regulations.

☞ **Further information : Suzette Strydom**
✉ **suzette@saia.co.za**

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SAIA Code of Conduct

It has been one year since the implementation of the South African Insurance Association (SAIA) Code of Conduct. The SAIA Code of Conduct was agreed upon by members following an extensive process of research, including international best practice. The Code encompasses the commitment of the members of the SAIA to self-imposed ethical and professional business practice. Members were recently asked to report on their compliance with the Code through completing and signing a compliance certificate.

As agreed, the first review of the Code is currently being undertaken to align the existing Code with industry practice and any relevant legislation. The idea is not to duplicate or mirror legislation and/or regulation.

☞ **Further information : Suzette Strydom**
✉ **suzette@saia.co.za**

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4 MOTOR

Compulsory Third Party Motor Property Insurance

The South African Insurance Association (SAIA) is happy to report that National Treasury (NT) facilitated a meeting between the SAIA, NT, the Financial Services Board (FSB) and the Department of Transport (DoT) to discuss compulsory third party motor property insurance and the way forward, with regards to exploring compulsory motor property insurance as an option for South Africa. This meeting took place on 17 May 2011. The SAIA believes that compulsory motor property insurance could contribute to more affordable comprehensive motor insurance in South Africa, assist in addressing road safety issues, and increase financial inclusion, amongst other possible benefits. The meeting was very encouraging and NT and DoT undertook to investigate this issue further.

☞ **Further information : Vivienne Pearson**
✉ **dawie@saia.co.za**

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The DTI/MBR/Insurer Process

The Department of Trade and Industry (DTI)/Motor Body Repairer (MBR)/Insurer process, suspended for most of the year mainly because of differences within the MBR industry, promises to gain new momentum. A meeting has been arranged by the DTI for Friday, 3 June 2011.

☞ **Further information : Vivienne Pearson**
✉ **viviene@saia.co.za**

Indemnification of total loss claims: Different interpretations of terminology

An ad-hoc committee was formed to discuss and address the different definitions and terms applied by the various member companies when settling motor claims on a total loss basis. It was agreed that before these issues could be addressed, the South African Insurance Association (SAIA) should approach the Competition Commission to obtain its view and to discuss the possibility of obtaining exemption in terms of the Competitions Act.

SAIA met with the Competition Commission on 15 March 2011 after which appointing an independent person to handle the process by having one on one discussion with member companies was considered with a view to receive recommendations in this regard. The proposal to appoint such a person to complete this task on behalf of the industry was not agreed to by the SAIA Board Committee: Motor, and it was decided to refer the matter to the Code of Conduct Task Team to be dealt with, in terms of the SAIA Code of Conduct. The Task Team will be addressing the matter soon and we will keep our members informed of developments in this regard.

☞ **Further information : Dawie Buys**
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National Instruction: Reporting of vehicle crime of the South African Police Services (SAPS)

The Financial Intermediaries Association (FIA) confirmed that they have received the nodal point telephone number which could be phoned when insurance clients experience difficulties in reporting vehicle theft and hijacks to the South African Police Services (SAPS). The FIA will be circulating a guideline in this regard to their members and will provide the SAIA with a copy for distribution to SAIA members.

☞ **Further information : Dawie Buys**
✉ dawie@saia.co.za

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5 TRANSFORMATION

Update on the Financial Sector Charter (FSC)

Background

Following a meeting of the Ministers of Finance and Trade & Industry and the Financial Sector Charter (FSC) Council board on 30 July 2010, it was agreed to gazette the Financial Sector Charter as a three phase process.

☐ **Phase 1:** Phase 1 specifically excluded Access to Financial Services, Empowerment Financing, Enterprise Development and some aspects of the measurement of Black ownership (primarily the concept of “Once Empowered Always Empowered”). Agreement has been reached on a Phase 1 Draft Financial Sector Code document and this was submitted to Treasury on 18 October 2010 and gazetted for public comment under section 9(1) of the Department of Trade & Industry (DTI) Generic Codes on 10 December 2010.

The period for public comment ended on 26 February 2011 and the DTI are currently collating and considering the comments received.

□ **Phase 2:** Phase 2 aims to achieve consensus on all remaining issues after which a final version of the Draft Financial Sector Code will be published for public comment.

The major matters to be discussed and agreed during this phase comprise:

- Access to financial products (incorporating consumer education)
- Empowerment financing and enterprise development
- Ownership – the issue of “Once empowered always empowered”
- Establishment of revised levels for Designated Investments to be applied to Empowerment financing
- Targets

After consideration of public comments, the Minister of Trade and Industry will be asked to gazette the Draft Financial Sector Code under Section 9(1) of the CoGP as a binding Code on the Financial Sector.

□ **Phase 3:** It is currently anticipated that the gazetting of the final FSC code will take place during the second half of 2011, assuming that agreement on the current areas of discussion under Phase 2 can be achieved.

Current Position

There has been little substantive progress since the report in the May 2011 South African Insurance Association (SAIA) Gazette. A revised timetable for completion of phase 2 of the gazetting process has been agreed which aims to reach finalisation of the process and submission of a draft Financial Sector Charter document to the Minister by 30 June 2011.

The major outstanding issues remain:

Access to financial services

The South African Insurance Association (SAIA) has developed a position paper on the subjects of Access to Financial Services and Consumer Education which will form part of its submission to the Financial Sector Charter Council Gazetting Committee. The paper seeks to assess progress made during the implementation of the Financial Sector Charter to date and incorporates the recommendations arising from the Eighty20 research report and the input of SAIA members. The position paper has been circulated to SAIA members for comment and has received member support for the recommendations on Access and consumer Education. The document has been circulated to the Financial Sector Charter Council for discussion.

The National Treasury discussion paper on Micro-insurance has still not been made available for public comment. The recommendations of the Micro-insurance paper will be considered in developing the final SAIA recommendations on Access to Financial Services for the Financial Sector once the document is made available.

Enterprise Development and Empowerment Financing

The original Financial Sector Charter included Enterprise Development as part of Procurement, with Empowerment Financing as a separate section of the Charter.

In order to achieve its Empowerment Financing targets, the short-term insurance industry was largely dependent on the banking and investment sectors originating investment structures into which the short-term insurance companies could invest.

In the revised Code it is recommended that Enterprise Development and Empowerment Financing be combined, and that the short-term insurance industry be given the choice of meeting its target requirements in this section, through a combination of Enterprise Development and / or Empowerment Financing. This position has gained support from the Trade Association grouping within the Charter Council.

The research report of Naledi (National Labour and Economic Development Institute) re-emphasised the dependence of the short-term insurance sector on the banking sector in attaining its current Empowerment Financing targets.

Discussion continues in this regard.

Ownership – “Once Empowered Always Empowered”

The Ownership concept of “Once Empowered Always Empowered” formed a cornerstone of the original Financial Sector Charter (FSC). The Banking Association wished to retain this concept in the Code, whilst the Labour and Community constituencies originally required this provision to be omitted from the Code. Discussion continues on those areas where agreement has yet to be reached.

Designated investments

The level of Designated Investments applied to each participant subject to the Financial Sector Code requires to be updated and research in this regard has been completed and is subject to the agreement of the FSC Gazetting committee.

Targets

Revised targets will be established for each section of the Code as part of the phase 2 discussion.

☞ **Further information : Gary Benton**
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6 SOLVENCY ASSESSMENT AND MANAGEMENT (SAM) INITIATIVE

The South African Insurance Association (SAIA) SAM Survey

The SAM Project Support Office (PSO) recently undertook a survey to assess our members with regards to their level of preparedness and understanding of the proposed Solvency Assessment and Management (SAM) regime. The survey was well supported by our members with a participation rate of approximately 90%.

Our survey revealed that approximately 58% of our members intend to use an internal model to calculate their solvency capital requirement (SCR). The majority of our members applying to use the internal model are made up of our large and medium sized insurers. The 42% of our members opting to use the Standard Formula to calculate the SCR were predominantly comprised of our smaller insurers. The Internal Model Approval Process (IMAP) guide along with the Pre-Application Qualifying Criteria (PAQC) template was released by the Financial Services Board (FSB) to

insurers on the 20th April 2011. The IMAP guide sets out the high-level timelines and requirements that Insurers need to comply with in order to achieve approval of their internal models.

According to our survey, a large amount of our members will be applying for the approval of their internal models and as such, early completion of the PAQC and timely engagement with the FSB will go a long way to avoid costly delays. The FSB will have their work cut out for them, as the IMAP process gathers momentum due to the large volume of applicants expected. According to our survey, the majority of our members who are classified as specialist insurers, have opted to use the Standard Formula to calculate the SCR.

Our SAM Survey research revealed that 46% of our members interviewed, consider Pillar Two most challenging for their organisation, while 41% consider Pillar One as most challenging, leaving 13% concerned about the challenges that Pillar Three will pose. Given the rush to complete the development of internal models, preparing for the first South African Quantitative Impact Study (SAQIS1) and gathering of important data as required, it is understandable that our members still consider Pillar One to be a challenge for their organisation. Pillar Two of the SAM Governance Structure is arguably the most important Pillar as it provides the link between the quantitative Pillar One requirements and the onerous reporting and disclosure requirements of Pillar Three.

A comprehensive risk management and governance strategy with adequate documentation of processes and procedures will go a long way in ensuring that the Pillar Two requirements are adequately addressed. The development of a thorough Own Risk Solvency Assessment (ORSA) process is a critical success factor to ensure that potential capital add-ons are avoided, while making the reporting and disclosure requirements more effective. The ORSA can be seen as the main driver of Pillar Two activity and requirements. A total of 55% of our member firms interviewed believed that their Board had a medium understanding of the impact of SAM, 8% had a low understanding, while 37% believed their board had a high understanding of SAM's impact. The board ultimately remains responsible for compliance with the new proposed SAM legislation and as such, each and every member of the board must have the required knowledge and understanding of SAM and not just a select few. Insurers would need to heighten their education and training initiatives of SAM requirements for their board members.

In general, our SAIA members are all actively addressing the new proposed SAM Regime, as 85% of members interviewed had some form of plan or program for SAM in place. However, the onerous obligations on insurers as required by the three Pillars will come to the fore over the next couple of months, as the IMAP process kicks in and the SA QIS 1 gets underway.

To borrow a rugby commentators analogy, "On paper this team seems good, but it is how they perform on the field that counts". The same can be said of SAM, on paper we are all aware of what is coming, but it is only in the "field" where weaknesses and concerns regarding SAM will be exposed.

✉ **Further information : Gareth van Deventer**
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7 SHORT-TERM INSURANCE DATA EXCHANGE (STRIDE)

STRIDE update

After several meetings between Astute and the Short-Term Insurance Data Exchange (STRIDE) teams, a combined project team was created to deal with the day-to-day activities and decision-making around the project. A project Steering Committee was also created to deal with final decisions and sign-off. A high level delivery plan will be completed by June and will be centered around the following deliverables:

- Batch – focusing mainly on the synchronization message
- Directory services
- Switch
- Agent/Carrier module
- Website

ACORD update

Having completed development efforts on personal and commercial lines, several insurers and brokers are beginning a pilot of ACORD Standards in South Africa. Piloting is the stage after development efforts where participants utilise the Standards in real-world situations to ensure all needs are met.

This effort focuses on messages passing synchronization information both from and to brokers and insurers using the latest version of the ACORD Messaging.

Those activities led to the current version of the ACORD Standard that meets the needs of the South African market. To date, we have completed work on Personal Vehicle, Commercial Vehicle, Personal Property, Commercial Property (including Accounts Receivable, Buildings Combined, Fire, Glass, Theft, etc.), Watercraft, Liability, and Accident.

"Working closely with the market leaders, we've been able to address their specific needs through ACORD's Standards. By having an overwhelming majority of market participants involved in the process, we were able to get from requirements to pilot incredibly fast," said Alan Stitzer, Programme Manager, ACORD. Alan goes on to say that, "At the same time, work is already underway on the next phases of development."

The next area of development by the group is Claims with Claims Status being the first message tackled.

For more information, or if you want to participate in this project, please contact me at jenny@stridesa.co.za or visit our website at www.stridesa.co.za.

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8 OTHER ARTICLES

FIA 2011 Industry Awards

Since launching in 1998, the annual Financial Intermediaries Association of Southern Africa (FIA) Awards ceremony has grown in stature and is now recognized as one of the most prestigious and much-anticipated events on the insurance industry's calendar. The awards provide intermediaries with the opportunity to recognise the leading product suppliers in the financial services industry at an annual gala banquet that regularly attracts more than 1000 guests from around the country. According to Justus van Pletzen, COO of the FIA, this year promises to be no exception, "The awards are an important tool with which the intermediaries are able to both pay recognition to and honour those providers in the industry who provide excellent products and service to clients."

The 2011 FIA Awards will be held on Thursday, 9 June at the Sandton Convention Centre in Sandton.

The FIA's Awards Committee presents awards in the following categories:

1. Short-Term Insurer of the Year – Personal Lines
2. Short-Term Insurer of the Year – Commercial Lines
3. Short-Term Insurer of the Year – Corporate
4. Long-Term Insurer of the Year – Risk Product
5. Long-Term Insurer of the Year – Recurring Savings Products
6. Investment Product Supplier of the Year – Retail Investments
7. Health Care Product Supplier of the Year
8. Employee Benefits Product supplier of the Year
9. Underwriting Manager of the Year

Ahead of the awards ceremony, the FIA appoints an independent research company to conduct a customer satisfaction survey among the association's members. Three main criteria which form the basis of this satisfaction survey include assessments of product quality, service quality and relationship quality.

This survey is conducted solely among members of the FIA and their employees and because the research constitutes a customer satisfaction survey, it is based on their perception of the criteria mentioned above. The comprehensive and detailed results will only be made available to those who participated in the survey.

Participants will be able to review:

- The respective participating company's score in each category and sub-category
- The industry average within each category and sub-category
- The highest score in each category and sub-category.

Van Pletzen says access to this information will enable product providers to determine how they scored against the winner as well and provide an industry average in each category. "We hope that the product provider use this information to assist them in recognizing those areas in which they need to improve and those in which they are performing well."

ABOUT THE FIA

The Financial Intermediaries Association of Southern Africa (FIA) represents more than 15 000 licensed financial services advisers throughout Southern Africa. The origins of the FIA date back more than 50 years, with the organisation having recently evolved into a single, united national body representing the bulk of active licensed intermediaries in South Africa's financial services industry. The FIA's primary purpose is to represent, protect, promote and further the common interests of its members. By belonging to the FIA, intermediaries can trust that they have the support of an influential organisation with the necessary stature and legitimacy to represent them at the highest levels of the industry, including regulatory bodies and industry associations.

The FIA enjoys a large and steady national membership comprising financial services intermediaries who cover the broad spectrum of financial planning. All members of the FIA are authorized financial services providers or representatives of such providers. In terms of

the FAIS Act our members must adhere to all the requirements prescribed by the Act and its Regulations.

To find out more of the FIA visit their website at www.fia.org.za

☎ Further information: Tony van Niekerk

☎ COVER

✉ tony@cover.co.za

9 RADIO, TELEVISION ONLINE AND OTHER COVERAGE

Date	Radio/TV/Online/Newspaper	Topic	Person
2011/05/13	FA News	FIA Awards Evening	South African Insurance Association (SAIA)
2011/05/13	Risk SA	Companies in the insurance industry express dissatisfaction	Barry Scott, SAIA Chief Executive
2011/05/17	Mail & Guardian	SAIA Appoints new General Manager: Strategy & Planning	Debbie Donaldson, General Manager: Strategy & Planning at SAIA, Barry Scott, Chief Executive of SAIA
2011/05/24	Cover	Department of Mineral Resources (DMR) lifts moratorium on insurance guarantees	South African Insurance Association (SAIA)
2011/05/24	Cover	Differentiation of insurance premiums to the benefit of low-risk insurers	Suzette Strydom, Legal Manager at SAIA
2011/05/24	Cover	Gender ruling unlikely to affect SA motorists	South African Insurance Association (SAIA)
2011/05/24	Business Day	Third-party insurance 'must be compulsory'	South African Insurance Association (SAIA)
2011/05/26	Business Report	Insurance industry focusing on sustainability	Debbie Donaldson, General Manager: Strategy & Planning at SAIA, Barry Scott, Chief Executive of SAIA, Ronnie Napier, Chairman of SAIA
2011/05/27	Fin24.com	Call for mandatory car cover welcomed	SAIA
2011/05/27	Business Day	Thorough analysis must precede launch of third-party scheme	SAIA
2011/05/27	Beeld	Versekering wil wakker wees vir wat kom	Debbie Donaldson, General Manager: Strategy & Planning at SAIA, Barry Scott, Chief Executive of SAIA, Ronnie Napier, Chairman of SAIA

2011/05/27	Beeld	Koste van motor onderdele en tolhekke laat versekeringseise styg	Dawie Buys, Motor Manager of SAIA

☞ Further information on the above-mentioned coverage : Sonja Etsebeth
 ✉ sonja@saia.co.za

10 PRESS CLIPPINGS

Press Clippings: April 2011

Publication	Person/DN	Subject
Cover April 2011	# 86105 *SAIA 86106 *Suzette # 86107 *SAIA	<ul style="list-style-type: none"> ▪ <u>Promotion of Equity and Prevention of Unfair Discrimination:</u> Gender ruling unlikely to affect South African motorists ▪ <u>Promotion of Equity and Prevention of Unfair Discrimination:</u> Differentiation in insurance premiums to be benefit of low-risk consumers ▪ <u>Department of Mineral Resources (DMR)</u> lifts moratorium on insurance guarantees
INmag April 2011	# 86112 *SAIA	<u>Consumer Education:</u> You're in matric, What next?
Insurance Times & Investments April 2011	# 85587 *SAIA	<u>Motor Insurance:</u> Road Accident Fund (RAF) stain – Additional contingency cover
Citizen 1/4/2011	# 85207	<u>Companies Act</u> delayed - DTI: presidency must be able to apply its mind
Itinews 4/3/2011	# 84603 *Suzette	<u>Promotion of Equity and Prevention of Unfair Discrimination Act:</u> Taking gender of the insured individual into account as a risk factor
Business Report 1/4/2011	# 85208	The <u>New Companies Act</u> – <ul style="list-style-type: none"> ➤ Challenges ahead before act's implementation ➤ Fundamental changes to the law ➤ Review takes place of audit ➤ Time to assess your company ➤ Company secretaries take their place ➤ Flexibility makes for good governance ➤ New Act means new corporate governance provisions ➤ Audit still vital despite new Companies Act
Autodealer.co.za 2/4/2011	# 85236	<u>Consumer Protection Act (CPA):</u> Consumer protection no April Fool
Business Report 4/4/2011	# 85224	<u>Motor parts:</u> Local content in vehicles could be increased to 50%
Sowetan 4/4/2011	# 85225	<u>New Companies Act</u> : Delaying of law is well received

Fin24 7/4/2011	# 85301 *Dawie	Toll roads to cause more crashes - SAIA
Insurance Gateway 8/4/2011	# 85305 *Dawie	South African Insurance Association (SAIA) appeals to review of tolls on the Gauteng Open Road Tolling System
Fanews 8/4/2011	# 85312 *Dawie	Submission by the SAIA on the Gauteng Open Road Tolling
Business Live 8/4/2011	# 85320 *Dawie	Insurers appeal for review of tolling tariffs
Howzit MSN 8/4/2011	# 85321 *Dawie	Insurers appeal for review of tolling tariffs
Insurance Gateway 8/4/2011	# 85307	FAIS Exam : Financial Services Board (FSB) to review availability of RE exams in Afrikaans
Business Day 11/4/2011	# 85317	FAIS Exam : Advisers' exam 'to protect consumers'
Business Day Bus. Law.Tax Review 11/4/2011	# 85318 *SAIA	Competition Act : Trade bodies face competition laws concerns
Insurance Gateway 11/4/2011	# 85363 *SAIA # 85364 *SAIA # 85366 *SAIA # 85370	<ul style="list-style-type: none"> ▪ Solvency Assessment Management (SAM): The Own Risk Solvency Assessment (ORSA) ▪ South African Insurance Association (SAIA) Certified Genetic Parts Project ▪ Department of National Treasury : Policy Document: "A safer financial sector to serve South Africa better" ▪ FAIS exam: INSETA Regulatory Exams study material once again available
Insurance Gateway 12/4/2011	# 85419 *Ronnie	Sustainability : A new era dawns for global insurance industry
FAnews 12/4/2011	# 85421 *Ronnie	Sustainability : A new era dawns for global insurance industry
Beeld Sake24 20/4/2011	# 85585	Wet op Administratiewe Beregting van Padverkeersmisdrywe (Aarto) se nuwe regulasies 'het steeds leemtes'
Business Report 20/4/2011	# 85586	Lion of Africa : First SA insurer to achieve level 1 BBBEE status
Business Day 20/4/2011	# 85583	New state bid to make Black Economic Empowerment (BEE) more hands-on

☞ Further information on all of the above-mentioned press clippings : Sonja Etsebeth
 ✉ sonja@saia.co.za

11 CIRCULARS

The following circulars were issued during the month of April 2011: (Number of circular, title, date issued and contact person)

SAIA

SG 2011/024 Business Against Crime South Africa (BACSA) Quarterly Newsletter:

March 2011 (5/4/2011)
Contact: Barry Scott

- SG 2011/025 Consumer Protection Act (CPA) regulations Published (6/4/2011)
Contact: Suzette Strydom
- SG 2011/026 Specialist List of Insurance Products 2011(16/5/2011)
Contact: Suzette Strydom
- SG 2011/027 Regulation 4, Section 45 of the Short-term Insurance (Act 53 of 1998) Register of the Status of Credit Intermediaries (15/4/2011)
Contact: Princess Mlambo
- SG 2011/028 Invitation to Nominate Representatives for a New SAIA Task team: Jurisdiction of the Ombudsman for Short-term Insurance ("OSTI") in Adjudication of Commercial Lines Business Complaints (15/4/2011)
Contact: Suzette Strydom
- SG 2011/029 Financial Advisory and Intermediaries Services Act, 2002 ("FAIS")
FAIS Circular 4/2011 Level 1 Regulatory Examination: Language (21/4/2011)
Contact: Suzette Strydom
- SG 2011/030 Draft Replacement Regulations issued in Terms of Section 34 of The Administrative Adjudication of Road Traffic Offences Act (AARTO) (21/4/2011)
Contact: Suzette Strydom
- SG 2011/031 Regulation 4, Section 45 of the Short-term Insurance (Act 53 of 1998) Register of the Status of Credit Intermediaries (29/4/2011)
Contact: Naomi Du Toit

AMUSA

- AM 2011/037 Casualty Advice: "IOANNA G."(4/4/2011)
Contact: Elsebe Vetten
- AM 2011/038 Casualty Advice: "KOTA MANIS" (14/4/2011)
Contact: Elsebe Vetten
- AM 2011/039 Piracy Advice : "SUSAN K" (14/4/2011)
Contact : Elsebe Vetten
- AM 2011/040 Overage Premium Agreement with Maritime Carrier Shipping(MACS)
Contact : Elsebe Vetten
- AM 2011/041 IUMI Paris 2011Conference (20/4/2011)
Contact : Elsebe Vetten
- AM 2011/042 AMUSA Chairman's Report back July to December 2010 (20/4/2011)
Contact : Elsebe Vetten

IGF

- IG 2011/002 IGF Premium and Expense Bordereau 1st Quarter (11/4/2011)

Contact : Tilly Welgemoed

SAIA Managing Directors

MD 2011/012 Mass Action and Memorandum of Grievance received from RAAF (1/4/2011)
Contact : Vivienne Pearson

MD 2011/013 Business Against Crime South Africa (BACSA) Quarterly Newsletter :
March 2011 (5/4/2011)
Contact : Barry Scott

MD 2011/014 Invitation for Feedback : Financial Advisory and Intermediary Services (FAIS)
Regulatory Exams (RE1 and RE5) (5/4/2011)
Contact : Suzette Strydom

MD 2011/015 United Nations Environmental Programme Finance Initiative (UNEP FI) – Global
Consultation on Draft Principles for Sustainable Insurance in 2011:
Request for Comment and Additional case studies (18/4/2011)
Contact : Vanessa Otto-Mentz

☞ **Further information on all of the above-mentioned circulars : Sonja Etsebeth**
✉ **sonja@saia.co.za**

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IMPORTANT NOTICE

Should you know someone, who is not a SAIA member, who might be interested in receiving the SAIA Bulletin, let them contact Kirsty Udemans at SAIA.

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