
Notice of invitation to submit comments on the Joint Standard on Outsourcing by Insurers in terms of section 98 of the Financial Sector Regulation Act, 2017 (Act No. 9 of 2017) (FSR Act)

The draft Joint Standard on Outsourcing by Insurers sets out the minimum requirements to be complied with by an insurer when outsourcing material business functions or activities to third-party service providers, to ensure that outsourcing does not impair the prudent management of an insurer's business.

The draft Standard applies to all insurers, including microinsurers, licensed under the Insurance Act, other than Lloyd's and branches of foreign reinsurers.

In accordance with section 98 of the FSR Act, the Prudential Authority and the Financial Sector Conduct Authority (the Authorities) publishes the following documentation:

1. the draft Joint Standard on Outsourcing by Insurers – Annexure C;
2. a draft Statement of need and intended operation, and Statement of expected impact of the proposed Joint Standard – Annexure B;
3. the comments template providing the manner in which comments must be submitted to the Authorities – Annexure D; and
4. Questionnaire_Joint Standard on Outsourcing by Insurers – Annexure E.

The documentation released for the public consultation process can be accessed on the webpage of the Prudential Authority at <https://www.resbank.co.za/en/home/publications/prudential-authority/pa-latest-news> and the Financial Sector Conduct Authority at www.fsca.co.za.

Comments on the draft Standard and accompanying documentation must be submitted using the comments template attached as Annexure D to PA-Standards@resbank.co.za for the attention of Mr. Ashendran Padayachee or alternatively to FSCA.RFDStandards@fsca.co.za for the attention of Mr. Andile Mjadu, on or before **26 October 2021**.

Issued jointly by the Prudential Authority and the Financial Sector Conduct Authority