



**SOUTH AFRICAN RESERVE BANK**  
**Prudential Authority**

**2 December 2020**

**Invitation to comment on the ‘Discussion paper on joint audit requirement for insurers and insurance groups’**

The Prudential Authority (PA), as a financial sector regulator, places significant reliance on the independent assurance work performed by external auditors of regulated financial institutions. Auditor independence and the quality of audits have become increasingly important, especially insofar as they relate to institutions deemed as systemically important to the South African financial sector.

As part of the PA’s objective of promoting and enhancing the safety and soundness of financial institutions as well as assisting in maintaining financial stability, the PA has identified a joint audit requirement for certain insurers and insurance groups as a key contributor in achieving this objective.

To this end, the PA has today issued for comment a discussion paper providing background to stakeholders on the decision to require joint audits for certain insurers and insurance groups, outlining alternatives considered in arriving at this decision and providing information on the intended scope and effective date of the joint audit requirement for insurers and insurance groups.

**Contact details and deadline for comments**

Respondents are requested to submit their comments via email to Tinyiko Nxumalo at: [Tinyiko.Nxumalo@resbank.co.za](mailto:Tinyiko.Nxumalo@resbank.co.za).

Please note that a summary of the comments received and responses thereto, including details of the comment authors, may be published, unless respondents explicitly request otherwise.

The closing date for comments is 31 January 2021.