



South African Reserve Bank

05 October 2020

Invitation to comment on the proposed methodology to determine which insurers are systemically important within the South African context

In terms of section 29 of the Financial Sector Regulation Act 9 of 2017 (FSR Act), the Governor of the South African Reserve Bank (SARB) may, by written notice to a financial institution, designate the institution as a systemically important financial institution (SIFI).

The FSR Act prescribes the formal process that must be followed prior to such a designation, and the development and publication of the discussion document titled '[A methodology to determine which insurers are systemically important within the South African context](#)' is an initial step towards meeting these requirements.

The document sets out the indicators, sub-indicators and possible judgement considerations that should be taken into account when determining the systemic significance of both life and non-life insurers, prior to designating an insurer as a SIFI.

Designation as a SIFI in terms of the FSR Act is a legally prescribed process of which the outcome is published, and which provides the SARB with additional powers and responsibilities to protect financial stability.

Contact details and deadline for comments

Comments on this discussion document should be addressed to:

Head: Financial Stability Department
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Email: FST-RPD@resbank.co.za

Please indicate your affiliation or whether you are commenting in your personal capacity.

Please also note that a summary of the comments received may be published, unless respondents explicitly request otherwise.

The closing date for comments is 4 December 2020.