



INSURANCE CONDUCT OF BUSINESS RETURNS: GUIDANCE NOTE

15 DECEMBER 2017

INTRODUCTION

1. The purpose of this document is to provide guidance in respect of the Insurance Conduct of Business Returns ("CBRs") that were issued by the Deputy Registrar of Long- and Short-term Insurance in terms of Insurance Notice 3 of 2017 (LT&ST).
2. This guidance note includes a standardised project plan template and confirmation of the revised timelines for the CBR submissions due in 2018.

PROJECT PLAN TEMPLATE

3. The initial CBR submissions require a "best effort" attempt by insurers to complete the return as fully as possible based on their current data and systems capabilities. As such, there is a requirement for insurers to submit appropriate project plans, with clear transitional milestones, to ensure an adequate state of readiness for full and complete submission of returns by the end of 2018.
4. An analysis of the CBRs and project plans submitted by insurers to date have raised general concerns relating to the ability of many insurers to attain the desired state of readiness to ensure full and complete submissions by the end of 2018. Of particular concern was the lack of granular detail in many of the project plans in respect of the specific data and systems challenges currently being experienced by insurers as well as the actual steps to be taken to address these challenges within the requisite timeframes.
5. In light of the above, and to ensure consistency in reporting and analysis, a standardised project plan template has been designed to provide guidance to insurers in formulating their individual CBR project plans.
6. The information to be provided in the project plan template, particularly in the columns labelled 'Notes on Interpretation' and 'Questions to the FSB', will also be used as insight into making additional enhancements to, and finalising, the current version of the return. The template requires information in respect of each question, to the extent applicable to individual insurers. Examples of responses have been provided to assist insurers to complete the template as clearly as possible.

7. All insurers that are currently required to complete CBRs¹ must submit a completed version of this project plan via the Conduct of Business – Data Upload Facility on the website of the Financial Services Board (“FSB”) by **28 February 2018**.
8. The publication of a final version of the CBR is planned for **30 April 2018**, but is dependent on the quality of information provided by insurers in the project plan, specifically in respect of requests for clarification and possible amendments to individual questions or terminology references.

REVISED TIMELINES

9. The date of submission for the third CBR containing data for the period January 2017 – June 2017 will be **31 August 2018**.
10. The date of submission for the fourth CBR containing data for the period July 2017 – December 2017 will be **30 November 2018**.
11. As previously communicated, these submissions will require a “best effort” attempt by insurers to complete the return as fully as possible based on their current data and systems capabilities. Insurers will be required to submit updated versions of the standardised project plan, together with the above submissions, reflecting progress made over the subsequent reporting periods.
12. Draft revisions to the CBR templates in respect of long-term group risk, fund member and linked business and short-term commercial lines business are intended to be published for consultation during the second half of 2018.
13. Please send any queries relating to the CBRs to the following e-mail address: FSB.INSCBRComments@FSB.co.za.

¹ This excludes insurers who only offer long-term group risk, fund member and linked policies and short-term commercial lines policies.