



Building a resilient short-term insurance industry in South Africa

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The Strategic Risk Forum (the Forum) of Strategic Leaders and Risk Experts has held their first think tank to address the objectives of the Forum. These were to prioritise the high level strategic initiatives that the industry would recommend for collaboration involving all the relevant stakeholders across the industry.



The significance of the short-term insurance industry to the South African economy is supported by the participation of representatives of the Financial Services Board, National Treasury and the recent agreement of the National Planning Commission to send a representative from their office to the next Forum meeting.

The definition of sustainability used by the Forum is: The ability of the short-term insurance industry to **remain relevant, inspire confidence** in stakeholders, **offer products and solutions** within the South African market in such a way that we **promote** and not harm **our environment or our communities**.

The top 10 ESG (environmental, social and governance) risks as identified by the Forum members have been clustered below. The thinking that underpins the ESG Risks will be distributed through SAIA and FIA membership as part of a communications and awareness campaign.

Environmental Risks	Social Risks	Governance Risks
How we manage our impact on the environment	Dual economies	Information Management
Lack of investment and maintenance of infrastructure	Increased crime and corruption	Image and reputation
	Lack of transformation	Legislative & regulatory capacity
	No real market growth	
	Skills depth and shortage	

The Forum emphasised a sense of urgency to address five areas of significance to the industry; this includes our **human capital challenges** within the industry and to review the training & development practices across the industry, to implement strategic initiatives to **transform our supply chain**, to understand, review **and build a landscape of resilience** with regards insurable perils and explore an Industry Venture that facilitates a **community based approach** to utilising insurance principles and

risk mitigation assist in insurable events. More information and insights will be shared over the next few months as SAIA and FIA undertake planning processes, and align these inputs into the broader areas the two associations are currently addressing.

If you would like any further information please contact debbie@saia.co.za